



# MONEY MARKET FUND LIMITED

2013 ANNUAL REPORT





A Decade of Promoting a Savings Culture

**We've come a long way, on a journey we couldn't have made without YOU. Thank you for your continuous trust in the Databank Money Market Fund (MFUND). We look forward to an even stronger relationship with you over the next decade.**

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NB: Past performance doesn't guarantee future performance. Visit our website for daily updates on the funds. Databank is regulated by the Securities and Exchange Commission.



THE DATABANK  
MONEY MARKET  
FUND LIMITED

**Audited Full Year Report**  
For The Period Ended December 31, 2013



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This report shall not constitute an invitation to buy shares of the Fund. Subscriptions are to be made only on the basis of the current scheme particulars, accompanied by a copy of the latest available annual report, and if published thereafter, the most recent half year report.

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# Notice Of Annual General Meeting

Notice is hereby given that the 10th Annual General Meeting of the shareholders of Databank Money Market Fund Limited will be held at the International Conference Centre, Accra, Ghana on Thursday, August 14, 2014 at 9:00 a.m. for the following purposes:

1. To consider the Directors' Report and the Report of Auditors for the year ended December 31, 2013.
2. To receive and adopt the Statement of Assets and Liabilities and Statement of Operations for the year ended December 31, 2013.
3. To re-elect Directors retiring by rotation.
4. To authorize the Directors to appoint and fix the remuneration of Auditors.
5. To approve Directors' Fees.
6. Special Resolution to amend the Regulations of the Fund. (ie Reg 49)
7. To transact any other business appropriate to be dealt with at an Annual General Meeting.

Dated this 20th day of June, 2014

**BY ORDER OF THE BOARD**

Kind regards,

Databank Money Market Fund Ltd



**Debra Assimeh**  
Board Secretary

# Chairman's Statements To Databank MFUND Shareholders

## Dear Valued Shareholders

I would like to welcome you all to the 10th Annual General Meeting of the Databank Money Market Fund (MFund). I want to thank you on behalf of the entire Databank family for your continued support and patronage of the Fund, Ghana's largest money market fund. I am excited to inform you that the Fund performed well last year, posting the second highest annual return since its inception. Broadly, I will provide a brief overview of global economic conditions in 2013 and macroeconomic developments in Ghana that are of importance to the Fund, as well as, present the performance of your Fund in 2013 and our outlook for 2014.

## Overview of the Economy and Money market

Global GDP was estimated by the IMF to have grown by 3.0% in 2013. While growth was sluggish during the first half of 2013, the pace of growth quickened during the second half. For example, the second half of 2013 recorded a rate of 3.3% up from 2.7% for the first half of 2013. This improvement in economic output was driven by strong US economic growth (3.3%) and a rebound of the Euro area economies after a recession. Sub-Saharan African

economies continue to post strong growth, with an estimated 2013 GDP growth of 4.9%. The weak points in global economic growth remain the periphery Euro area countries and Japan due to high debt burdens.

Ghana's economy registered a slow down in growth to 7.1% for 2013, down from 8.8% recorded in 2012. Economic growth was supported by the services sector (8.9%) and the industry sector (7.0%), while the agricultural sector posted growth of 5.2%. Headline inflation increased markedly in 2013 from 8.8% in Jan-13 to 13.5% in Dec-13, driven by price hikes in fuel and utilities (35%) and transport (25.6%). The Government of Ghana continued to run a significant fiscal deficit at 10.8% of GDP, well above the government's target of 9%. The single spine salary structure induced public wage pressures, which is estimated at 65% of tax revenues or 9.3% of GDP. On the currency markets, the Cedi continued its depreciation trend against all the major currencies. Specifically, the Cedi depreciated by 12.81% against the US Dollar to 2.16 per USD in 2013.

Money market conditions presented attractive investment opportunities. Interest-rates remained at a high level

for the first half of 2013, before trending down in the second half of the year. The benchmark 91-day T-Bill yield started the year at 23.03%, remained in the 22.5%-23% range until the beginning of September, and ended the year at 19.22%. Similarly, yields on the 1-yr and 2-yr Notes began the year at 22.9% and 23.0% respectively and ended at 17.0% and 16.8%. The downward movement in yields was in contrast with the Monetary Policy Committee's decision to increase the policy rate by 100bps to 16%. The Government also issued a 10-yr Eurobond worth \$1 billion with a coupon of 7.875%, which compares favorably with the coupon of 8.5% on the Eurobond issued in 2007.

### **Mfund Performance**

I am glad to report that Mfund posted a strong performance in 2013 as the high interest rate environment boosted returns. Mfund closed the year at a price of GHS0.4578, translating into an annualized yield of 22.11%. The Fund outperformed the 91-day T-Bill, which posted an average annual yield of 21.94%, and an end period outturn of 19.22%. Consequently, total assets under management of the Fund increased by 22% in 2013 to GH¢105.25m.

I am also pleased to announce to you that the number of investors in your Fund increased by 4% in 2013 from 54,894 in 2012 to 56,980 shareholders in 2013.

### **Outlook for 2014**

Dear Mfund shareholders,

We expect 2014 to be characterized by some economic challenges at the domestic level, while on the global scene economic activity will continue to improve. That notwithstanding, 2014 will continue to present opportunities for your Fund to post an even stronger performance.

Broadly, the increased pace of global economic growth observed in the second half of 2013 is expected to extend into 2014, with the world economy projected to grow by 3.6%. Sub-Saharan African economies are expected to post strong economic growth at 5.4% to support this global growth. Inherently, the strengthening of the US economy has led the US Federal Reserve to scale down the pace of its quantitative easing. This is expected to increase yields on developed market government securities, making them more attractive. Consequently, global investors are likely to reduce foreign investment in emerging and frontier markets like Ghana.

Ghana's economy is encumbered with multiple challenges that will impede economic growth in 2014. Economic growth is expected to be muted at 4.8% (IMF WEO, April 2014) against a government target of 8.0%. Increased foreign outflows have led to a sharp



depreciation of the Cedi. The local currency has lost about 28% during first half of 2014, and is expected to depreciate further to between 30 and 32% by the end of 2014. The high level of depreciation has induced inflationary pressures, with June 2014 inflation reaching 15%. Pricing pressures are expected to continue with an estimated CPI inflation of 16% by the end of 2014.

Our expectation is that Ghana will continue to experience a high interest rate environment for 2014 as the Government of Ghana tries to deal with its persistent fiscal deficit. The Bank of Ghana maintained its policy rate at 18% in April 2014, but increased the cash reserve requirement to 19% from 9% in an effort to rein in inflationary pressures and stem the cedi depreciation. We expect the MPC to increase the policy rate further by 100bps to 19% in Q3-2014. These factors are expected to keep yields on money market investments elevated.

Mfund is positioned to benefit from the high interest environment in Ghana, and will continue to deliver competitive returns for you, the shareholder. I would like to thank you for your continued support and look forward to a profitable year in 2014.

God bless you all.

**Keli Gadzepko**  
Chairman



# Performance Summary As At December 31, 2013

## Historical Returns<sup>1</sup>

All Data as at December 31, 2013. Cumulative	MFUND Annualised Yield	Savings Rate
Mfund Returns	24.11%	12.27%

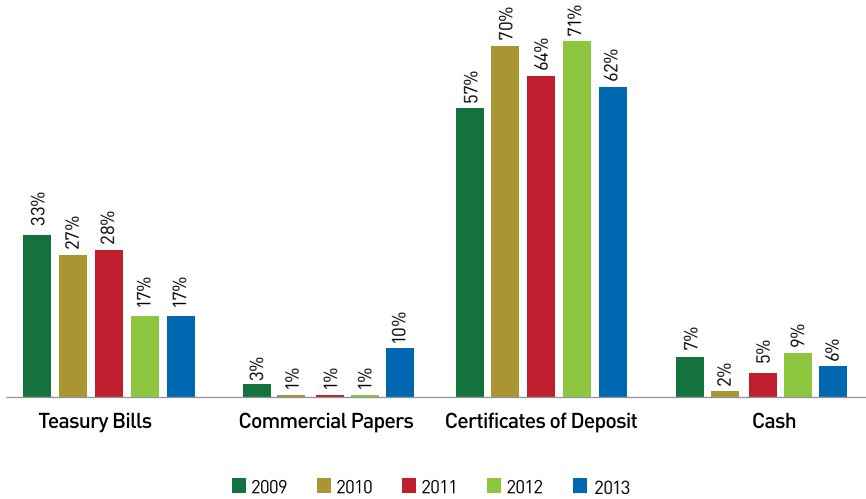
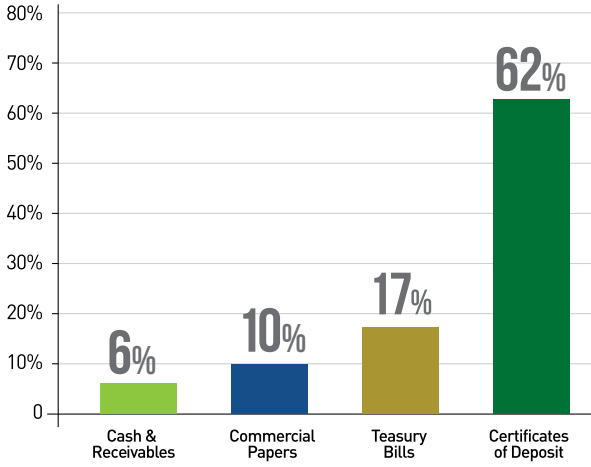
<sup>1</sup> Return on investment reflects the return of the Fund taking into account cash inflows, cash outflows, reinvestment of interest changes in share prices. This percentage is not an indication of the performance of a member's investment in the Fund due to the difference in timing between when a member makes contributions and the reference point of the Fund. Investment returns take into account the performance of Fund.

## Share Price Information

Years	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Mfund Annualised Yield	18.77%	16.86%	14.47%	11.99%	18.00%	28.06%	17.23%	12.18%	14.81%	24.11%
Avg. Yield on 91-day Tbill	17.00%	15.00%	10.00%	10.00%	18.00%	25.00%	14.00%	10.61%	18.63%	21.94%
Avg. Savings Rate	8.00%	5.00%	5.00%	5.00%	6.50%	10.00%	8.00%	6.44%	8.47%	12.27%

# Portfolio At A Glance

## As At December 31, 2013



## Interview With Your Fund Manager



### How did the Fund perform in 2013?

The performance of the Fund in 2013 showed a strong recovery from the 2012 outturn when the Fund's yield lagged its benchmark government security. Specifically, the Fund ended the year with an annualized yield of 22.11%, which compares favourably with the yield on the 91-day Treasury Bill of 19.22% during the same period. The average savings rate for commercial banks, which also serves as a benchmark for the Fund, was 12.27% in 2013.

### What contributed to this performance?

We took steps to rebalance the portfolio for most of 2013, mainly by increasing the Certificates of Deposit with commercial banks and NBFIs as against government securities. In Q4-2013, we also improved on our market risk analysis for making placement decisions, which helped during the subsequent interest rate declines on government securities. These improvements are to lay the foundation for further restructuring of the Fund in 2014. We are committed to making the Fund the best structured fixed income portfolio in the market over the coming years, which should position us to be nimble when adverse interest rate shocks occur.

### How different is your Fund from competitors'?

The asset allocation strategy of the Fund remains very conservative, which reflects our objective of income preservation. Most funds in the market take more risk and invest in micro credit institutions, but we remain focused on high quality short term debt. This strategy has delivered competitive return at relatively low risk, which we believe reflects the aim of our diverse shareholder base. We will continue to focus on delivering an efficient portfolio with competitive returns at lower risk.

### Can we discuss the portfolio mix in 2013?

Certainly! We invested only 62% of the portfolio in Certificates of Deposit in 2013 compared to a 73% allocation in 2012; but at the same time we also increased the Commercial Paper holdings of the Fund to 10% in 2013 from 1% in 2012. The remaining assets of the Fund were distributed as follows: Treasury Securities (17%), Cash and Receivables (6%), Commercial Paper (10%). Consistent with this allocation strategy is that we have taken steps to diversify the Fund's holdings in 2013 by using up the Commercial Paper mandate, while reducing the Certificates of Deposit holdings.

## How did the Fund fare in AUM growth for 2013?

The Fund's AUM grew by 22% in 2013 to GH¢105.25m on account of strong inflows and interest income. The comparable figure for 2012 was GH¢85.99m. This mainly reflects the Fund's improved performance in 2013.

## What were the dynamics of the market in 2013?

The yield on the 91-day Treasury Bill declined from 23.12% (December 2012) to 19.22% (December 2013) - the partial explanation for this is government's refinancing strategy where the 2023 Eurobond<sup>2</sup> proceeds were used to buy back old debt. In line with the 91-day bill, the 182-day bill and 1-year note had their yields decline from 22.99% and 18.65% to 22% and 17% respectively; while the yield on the 2-year and 3-year notes fell from 23% and 24% to 16.8% and 16.73%, respectively.

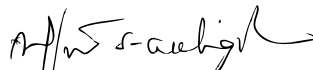
Generally, the market dynamics in 2013 suggested that there was more activity in the money market than in the long end of the yield curve. Although commercial banks raised new capital, which was committed to fixed income investment, the Banks preferred to keep to the short end of the market. It also seemed worrying that the lack of credibility of fiscal policy to rein in deficit continues to hinder sustained interest in longer term instruments in Ghana.

## What is the outlook for the market and the Fund?

There is clearly uncertainty in the market due to the mixed signals on government's fiscal consolidation measures and the lack of any coherent debt restructuring measures. The sentiments in the market indicate that interest rate levels will remain elevated in the short-term, and we are of the view that this trend will continue until the government issues another Eurobond or engages the IMF and World Bank for support.

Our response to the uncertainty in the economy is to take steps to further improve on market risk and restructure the portfolio for a more enhanced risk adjusted yield. We have improved on the portfolio duration to reflect the interest rate regime, and are committed to a strategy that will ensure that the Fund remains the best money market fund in the market.

## This has been an interview with your MFund Manager.



**Sampson Akligoh**

<sup>2</sup>Government issued a 10-year Eurobond in 2013

# Report Of The Directors

The Directors have the pleasure in submitting the financial statements of the Databank Money Market Fund Limited for the year ended December 31, 2013.

## Statement of Directors' Responsibilities

The Directors are responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the Fund and of the statement of operations for that year. In preparing these financial statements, the Directors have put suitable accounting policies in place and generally applied them consistently, made judgments and estimates that are reasonable and prudent and followed Ghana National Accounting Standards.

The Directors are responsible for ensuring that the Fund keeps proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Fund. The Directors are also responsible for safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Nature of Business

The nature of business of the Company is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of money market securities acquired with such monies. The Company is licensed by the Securities and Exchange Commission to operate as an authorized mutual fund.

## Financial Results

The results for the year ended December 31, 2013 are set out below:

	2013 GH¢	2012 GH¢
Interest Income	21,559,831	13,534,995
Management and Operational Expenses	(1,546,771)	(1,333,050)
Transfer to Accumulated Net Investment Income	20,013,060	12,201,945

## Distribution Policy

The Fund passes substantially all of its earnings along to its investors as "distributions". The Fund earns interest from fixed income investments. These amounts are passed along to fund shareholders as "income dividend distributions". The Fund may realize capital gains whenever it sells securities

for a higher price than it paid for them. These amounts may be passed along as "capital gain distributions." The Investment Manager does not anticipate that there will be significant capital gain distributions, because of the liquid nature of the assets.

**BY ORDER OF THE BOARD**



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**KELI GADZEKPO**

(Director)  
23rd April, 2014



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**STEPHEN ADEI**

(Director)  
23rd April, 2014



**John Kay & Co**

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## Report of The Auditors to the Investors of Databank Money Market Fund Limited

We have audited the financial statements set out on pages 15 to 23. We have obtained all the information and explanations we required for the purposes of our audit.

### Respective Responsibilities of Directors and Auditors

As stated on page 12 the Directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements.

### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

### Opinion

In our opinion, the Fund has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information

required by the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 1963 (Act 179). The financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2013, and of the financial performance and changes in the net assets for the year then ended and are drawn up in accordance with the Ghana National Accounting Standards (GNAS).

### Report on Other Legal and Regulatory Requirements

The Companies Act 1963 (Act 179) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion proper books of accounts have been kept by the Fund, so far as appears from our examination of the books, and
- iii. The Fund's statement of assets and liabilities and the income and distribution account are in agreement with the books of accounts.

**John Armstrong Yao Klinogo (ICAG/P/ 1116)**

For and on behalf of John Kay & Co.

(IACG/F/2014/128)

Chartered Accountants

Accra

Dated: 29th April, 2014



## Statement Of Assets & Liabilities As At December 31,2013

	Note	Market Value 2013 GH¢	% Net Assets	Market Value 2012 GH¢	% Net Assets
<b>CASH AND SHORT TERM INVESTMENTS</b>					
<b>Cash at Bank</b>	2	<b>6,802,060</b>	<b>6.47</b>	<b>7,658,255</b>	<b>8.90</b>
<b>Short Term Investments</b>					
Treasury Bills	3	18,040,307	17.15	14,515,998	16.88
Commercial Paper	4	10,226,179	9.72	500,000	0.58
Certificates of Deposit	5	65,586,796	62.32	60,682,792	70.57
<b>Total Short Term Investments</b>		<b>93,853,282</b>	<b>89.19</b>	<b>75,698,790</b>	<b>88.03</b>
<b>Total Cash &amp; Short Term Investments</b>		<b>100,655,342</b>	<b>95.66</b>	<b>83,357,045</b>	<b>96.93</b>
<b>CURRENT ASSETS</b>					
Interest Receivable	6	6,341,331	6.03	4,774,629	5.55
Other Receivables	7	278,440	0.26	5,653,694	6.58
<b>Total Current Assets</b>		<b>6,619,771</b>	<b>6.29</b>	<b>10,428,323</b>	<b>12.13</b>
<b>Total Assets</b>		<b>107,275,113</b>	<b>101.95</b>	<b>93,785,368</b>	<b>109.06</b>
<b>LIABILITIES</b>					
Management Fee		(86,924)	(0.09)	(31,775)	(0.03)
Sundry Creditors	8	(1,854,070)	(1.77)	(7,624,075)	(8.87)
Custody Fees		(70,023)	(0.07)	(121,430)	(0.14)
Audit Fees		(18,800)	(0.02)	(15,000)	(0.02)
<b>Total Liabilities</b>		<b>(2,029,817)</b>	<b>(1.95)</b>	<b>(7,792,280)</b>	<b>(9.06)</b>
<b>NET ASSETS</b>		<b>105,245,296</b>	<b>100.00</b>	<b>85,993,088</b>	<b>100.00</b>

The financial statements on pages 15 to 23 were approved by the Board of Directors on 30th April, 2013 and signed on its behalf by:



**KELI GADZEKPO**

(Director)

23rd April, 2014



**STEPHEN ADEE**

(Director)

23rd April, 2014

## Income And Distribution Accounts For The Year Ended December 31, 2013

	Note	2013 GH¢	2012 GH¢
<b>Investment Income</b>			
Interest Income	9	<u>21,559,831</u>	<u>13,534,995</u>
<b>Total Income</b>		<u>21,559,831</u>	<u>13,534,995</u>
<b>Expenses</b>			
Investment Management Fees	10a	<u>(935,639)</u>	<u>(884,431)</u>
Operating Expenses	10b	<u>(611,132)</u>	<u>(448,619)</u>
<b>Total Expenses</b>		<u>(1,546,771)</u>	<u>(1,333,050)</u>
Net Investment Income		<u>20,013,060</u>	<u>12,201,945</u>
<b>Transfer to Accumulated Net Investment Income</b>		<u>20,013,060</u>	<u>12,201,945</u>

## Accumulated Net Investment Income For The Year Ended December 31, 2013

	Note	2013 GH¢	2012 GH¢
<b>Net Investment Income at the beginning</b>		<u>4,624,086</u>	<u>3,421,891</u>
Transfer from Income and Distribution Accounts		<u>20,013,060</u>	<u>12,201,945</u>
Recommended Non-Cash Dividend	11	<u>(18,011,754)</u>	<u>(10,981,750)</u>
<b>Net Accumulated Income</b>		<u>2,001,306</u>	<u>1,220,195</u>
<b>Net Investment Income at the end</b>		<u>6,625,392</u>	<u>4,624,086</u>

## Statement Of Movement In Net Assets For The Year Ended December 31, 2013

Increase in Net Assets	Note	2013 GH¢	2012 GH¢
<b>Operations:</b>			
Net Accumulated Income		<u>2,001,306</u>	<u>1,220,195</u>
<b>Capital Transactions:</b>			
Proceeds from share issue		<u>63,412,848</u>	56,563,621
Shares redeemed		<u>(64,173,700)</u>	(72,505,530)
Net Proceeds from Capital Transactions		<u>(760,852)</u>	(15,941,909)
Recommended Non-Cash Dividend	11	<u>18,011,754</u>	<u>10,981,750</u>
		<u>17,250,902</u>	(4,960,159)
<b>Total Increase/ (Decrease) in Net Assets</b>		<b>19,252,208</b>	<b>(3,739,964)</b>
<b>Net Assets:</b>			
Beginning of Period		<u>85,993,088</u>	<u>89,733,052</u>
End of Period		<u>105,245,296</u>	<u>85,993,088</u>

## Statement Of Movement In Issued Shares For The Year Ended December 31, 2013

	Note	2013 No. of Shares	2012 No. of Shares
Shares in issue at beginning of Year		<u>231,353,977</u>	277,159,540
Net shares issued/ (redeemed)	12	<u>286,353</u>	(45,805,563)
Shares in Issue at End of Year		<u>231,640,330</u>	<u>231,353,977</u>

# Notes to Financial Statements

## 1. Accounting Policies

The following principal accounting policies have been consistently applied during the year in accounting for items that are considered material in the preparation of the Fund's financial statements.

The financial statements are presented in Ghana cedi.

### i. Income Recognition

Interest income is recognized on the accrual basis of accounting. Interest income comprises interest on treasury bills, commercial papers and certificates of deposit. The recognition of interest ceases when the payment of interest or principal is in doubt. Thereafter, interest is included in income only when it is received.

Commissions and fees are credited to income when earned.

### ii. Expenses

Expenses are recognized when incurred, without regard to payment of cash.

### iii. Investments

Valuation of the fund is determined by the amortized cost method. This involves the valuing of a debt obligation in reference to its cost rather than market value. In this regard, short-term securities having maturity of ninety-one days or less are valued at amortized cost.

### iv. Foreign Currency

Transactions in foreign currencies during the period are converted into cedis at rates ruling at the transaction dates. Assets and liabilities denominated in foreign currencies are translated into cedis at exchange rates ruling at the financial year-end. The gains and losses resulting from exchanges are dealt with in arriving at the period's operating profit.

### v. Commercial Paper

Commercial paper is stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against commercial paper are based on an appraisal of the portfolio and are made having regard to specific risks. There is no provision for doubtful debts.

### vi. Certificates of Deposit

Certificates of Deposit are stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against Certificates of Deposit are made having regard to specific risks. There is no provision for doubtful debts.

## 2. Cash at Bank

Cash at bank comprises deposits held on call with banks and cash at bank. Cash at bank as at December 31, 2013 was GH¢6,802,060 (2012: GH¢7,658,255).

This forms 6.47% (2012: 8.90%) of total net assets for the period.

### 3. Treasury Bills

Treasury bills are stated at cost on the Statement of Assets and Liabilities. Treasury bills for the period under review total GH¢18,040,307 (2012: GH¢14,515,998). This represents 17.15 % of total net assets (2012: 16.88%).

Details	2013 GH¢	2012 GH¢
1 Year Treasury Bills	1,000,000	2,023,500
182 Day Treasury Bills	4,451,493	7,307,328
91 Day Treasury Bills	12,588,814	5,185,170
	<u>18,040,307</u>	<u>14,515,998</u>

### 4. Commercial Paper

Commercial Paper as at 31<sup>st</sup> December is as follows:

Details	2013 GH¢	2012 GH¢
1 Yr	<u>10,226,179</u>	<u>500,000</u>

Commercial Paper issued to the Financial Services Sector for the period under review forms 9.72% of total net assets (2012:0.58%).

### 5. Certificates of Deposit

Certificates of Deposit as at 31<sup>st</sup> December are as follow:

Details	2013 GH¢	2012 GH¢
365- day	10,229,644	19,476,000
182- day	47,161,679	39,828,166
91- day	8,195,473	1,378,626
	<u>65,586,796</u>	<u>60,682,792</u>

Certificates of deposit for the period under review constitute 62.32% (2012: 70.57%) of total net assets.

### Analysis by Business Segments

Details	2013 GH¢	2012 GH¢
Non-Bank Financial Institutions	35,875,117	36,624,075
Banks	29,711,679	24,058,717
	<u>65,586,796</u>	<u>60,682,792</u>

## Notes to Financial Statements - continued

### 6. Accrued Interest Receivable

Details	2013 GH¢	2012 GH¢
Interest on Certificates of Deposit	5,205,533	4,249,111
Interest on Commercial Paper	434,026	41,288
Interest on Treasury Bills	701,772	484,230
	<u>6,341,331</u>	<u>4,774,629</u>

Accrued Interest Receivable as at December 31, 2013 forms 6.03% of Net Assets (2012: 5.55%).

### 7a. Other Receivables

Other Receivables as at 31<sup>st</sup> December include but not limited to:

Description	2013 GH¢	2012 GH¢
Redemption Receivable	139,664	5,388,713

Other Receivables as at December 31, 2013 forms 0.26% of Net Assets (2012: 6.58%).

### 7b. Transactions through related parties during the year are made up of:

- Treasury Bills representing 17.15% (2012: 16.88%) of total net assets were executed through Databank Brokerage Limited (DBL).
- Commercial Paper and Certificates of Deposit transactions representing 9.72% and 62.32% respectively (2012: 0.58% and 70.57%) of total net assets, were conducted through Databank Asset Management Services Limited (DAMSEL).

## 8. Sundry Creditors

	<b>2013</b>	<b>2012</b>
	<b>GH¢</b>	<b>GH¢</b>
Payable Withholding Tax	3,156	-
Payable DAMSEL	65,582	-
Payable to Investors	1,785,332	7,619,657
Payable General	-	4,418
	<u>1,854,070</u>	<u>7,624,075</u>

Sundry creditors as at December 31, 2013 represent 1.77% (2012: 8.87%) of total net assets.

## 9. Interest Income

<b>Description</b>	<b>2013</b>	<b>2012</b>
	<b>GH¢</b>	<b>GH¢</b>
Interest on Treasury Bills	3,937,367	2,893,928
Interest on Commercial Paper	178,078	126,736
Interest on Certificates of Deposit	17,221,191	10,353,271
Interest on Call Account	223,195	161,060
	<u>21,559,831</u>	<u>13,534,995</u>

# Notes to Financial Statements - continued

## 10a. Investment Management Fees

Investment Management Fees as at 31<sup>st</sup> December is as follow:

Details	2013 GH¢	2012 GH¢
DAMSEL	<u>935,639</u>	<u>884,431</u>

The Fund pays the Investment Manager a monthly management fee of 1.00% for services provided to the Fund. The fee is based on the Fund's average daily net assets.

## 10b. Operating Expenses

Included in operating expenses are the following:

Description	2013 GH¢	2012 GH¢
Administrative Expenses	561,015	391,719
Directors' Emoluments	31,317	39,650
Auditors' Remuneration	18,800	17,250

## 11. Non-Cash Dividend

	2013 GH¢	2012 GH¢
Non-Cash Dividend Recommended	<u>18,011,754</u>	<u>10,981,750</u>

The non-cash dividend is 90% of Net Investment Income and this is in line with the Fund's Dividend Policy.

## 12. Capital Transactions

Description	2013 Number of Shares	2012 Number of Shares
New Issues	152,150,232	164,706,912
Redemption	<u>(151,863,879)</u>	<u>(210,512,475)</u>
Net Shares Issued/ (redeemed)	<u>286,353</u>	<u>(45,805,563)</u>



### 13. Taxation

Mutual funds, under the current legislation, are not subject to taxes on interest income nor to any taxes on income distributions.

### 14. Directors' Shareholding

The Directors named below held the following number of shares in the Fund as at December 31, 2013.

Name	Shares	% of Shares
Stephen Adei	42,573	0.0184
Keli Gadzekpo	109,814	0.0475
Benjamin Gogo	117,600	0.0508
Daniel Seddoh	20,779	0.0090

### 15. Description of the Fund

Databank Money Market Fund started operations on the 16<sup>th</sup> April 2004 as an authorized mutual fund to provide high current income with the maintenance of liquidity and preservation of capital. The Fund's investments include: treasury securities, commercial papers, bankers' acceptances, certificates of deposit, etc.

All securities purchased by the Fund present minimal credit risk in the opinion of the Manager (Databank Asset Management Services Limited) acting under the supervision of the Directors. In the interest of prudence and efficient management of the Fund, the Manager will maintain prudent levels of liquidity.

The Manager is responsible for the actual management of the Fund's portfolio and constantly reviews the holdings of the Fund in the light of its research analysis and research for other relevant services. The Fund pays the Investment Manager a monthly management fee of 1.00% for services provided to the Fund. The fee is based on the Fund's average daily net assets.

# Custodian Report



May 13, 2014

The Manager  
Databank Money Market Fund Ltd  
No. 61 Barnes Road, Adabraka  
P.M.B Ministries Post Office  
Accra

Our ref. MFundReport2013

Dear Sir,

## REPORT OF THE CUSTODIAN TO THE INVESTORS OF DATABANK MONEY MARKET FUND LIMITED

We refer to the Unit Trust and Mutual Funds Regulations, 2001 L.I. 1695 and attach a statement of holdings of securities in custody with Standard Chartered Bank Ghana Limited for the above fund as at December 31, 2013.

### Respective Investment Restrictions imposed on the fund and the responsibility of custodians

Page 9 to 14 of the fund's regulations specify the funds investment restrictions. Our responsibility is to express an independent opinion on the statement of holdings based on our audit.

### Opinion

In our opinion, the statement of holdings is in agreement therewith and give a true and fair view of the state of affairs of the fund as at December 31, 2013 and the Manager **Databank Asset Management Limited** has managed the fund for the year ended December 31, 2013 in accordance with;

- (a) the limitations imposed on the investment and borrowing powers of the manager; and
- (b) provisions pursuant to the above mentioned regulations.

Yours Faithfully,

**Horace Tetteh**

Head, Investment and Intermediaries  
Standard Chartered Bank Ghana Ltd.

Standard Chartered Bank Ghana Ltd.  
Head Office  
P.O. Box 768, Accra Ghana

Tel (233-302) 664591 - 8, 769210 - 221  
Fax (233-302) 667751, 663560  
Telex 2671 (SCBACCGH)  
Cable STANCHART

Member of Standard Chartered Bank Group

## Standard Chartered Securities Services

### Portfolio Valuation Report As At 31/12/2013

Safekeeping Account : 1957397A - DATABK MONEY MARKET FD

Date: 09/04/2014 18:45:16



#### FDEP - FIXED DEPOSITS

Security Name	Nominal
183 DAYS UTB	1,328,000.00
182 DAY CITY INV.	1,000,000.00
182 DAY IZWE	1,800,000.00
1YR AFS	2,000,000.00
91 DAY FDB	2,000,000.00
182 DAY NDK	1,000,000.00
182 DAY UNION S&L	2,000,000.00
182 DAY FALS	1,000,000.00
1 YEAR IZWE	2,300,000.00
182 DAY IFS	1,000,000.00
182DAY ACC FS	2,000,000.00
182 DAY F CAP	2,000,000.00
182 DAY FALS	500,000.00
1 YR F CAP	800,000.00
182 DAY UTB	2,000,000.00
182 DAY F CAP	3,000,000.00
182 DAY RB	2,000,000.00
182 DAY ADB	3,000,000.00
91 DAY FDB	2,500,000.00
182 DAY BOND	700,000.00
1 YR AFS	3,000,000.00
182 DAY IFS	2,000,000.00
1 YR ACC FS	3,000,000.00
1 YR F CAP	1,500,000.00
182 DAY RB	1,500,000.00
182 DAY BFS	800,000.00
182 DAY ADB	2,000,000.00
182DAY FALS	1,000,000.00
182 DAY BFS	700,000.00
183 DAY UTB	3,000,000.00
182 DAY IFS	1,000,000.00
182 DAY UBG	700,000.00
91 DAY UBA	2,500,000.00
182 DAY BFS	1,000,000.00
1 YEAR UBG	2,249,315.07
182 DAY NDK	400,000.00
1 YR IFS	1,129,643.84
91 DAY ABG	2,650,000.00
182 DAY ADB	2,000,000.00
182 DAY UBG	1,134,364.11
1YR NDK	1,500,000.00
183 DAY UTB	2,500,000.00
1YR IZWE	3,426,179.18

#### GDF - GOVERNMENT DEBT - FIXED

Security Name	Nominal
1 YEAR NOTE	1,000,000.00

#### GDT - GOVERNMENT DEBT - TBILLS

Security Name	Nominal
182DAY T BILL	1,141,135.00
91 DAY T BILL	4,796,822.00
182 DAY T BILL	2,197,802.00
182 DAY T BILL	1,575,465.00
91 DAY T BILL	1,236,830.00
91 DAY T BILL	1,641,215.00

#### TRSBLL - TREASURY BILL

Security Name	Nominal
91 DAY T BILL	5,439,219.00

# Corporate Information

## Board Of Directors

Keli Gadzekpo (Chairman)  
Benjamin Gogo  
Stephen Adei  
Daniel Seddoh

## Registered Office

No. 61  
Barnes Road, Adabraka  
Private Mail Bag  
Ministries Post Office  
Accra

## Custodian

Standard Chartered Bank  
Ghana Limited  
P.O. Box 768  
High Street  
Accra

## Auditors

John Kay & Co  
7th Floor, Trust Towers  
Farrar Avenue, Adabraka  
P.O. Box 16088  
Airport Accra

## Investment Manager

Databank Asset Management  
Services Limited  
No 61 Barnes Road Adabraka  
Private Mail Bag  
Ministries Post Office, Accra

## Bankers

Barclays Bank (Ghana) Ltd  
P.O. Box 2949  
High Street  
Accra

United Bank for Africa Ghana Ltd.  
Heritage Towers  
Accra

Ecobank Ghana Limited  
19 Seventh Avenue, Ridge West  
P. O. Box PMB GPO  
Accra

Zenith Bank Ghana  
Premier Towers  
Liberia Road  
Ministries Accra

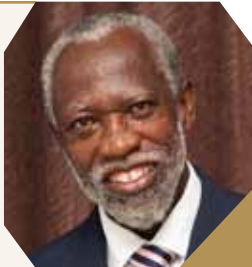
# Directors And Officers Information

The business and affairs of the Fund are managed under the direction of the Fund’s Board of Directors and the Fund’s officers. The tables below list the directors and officers of the Fund and their principal occupations, other directorships held by directors and their affiliation, if any, with Databank Asset Management Services Limited.

## Board Of Directors:


<b>NAME:</b> KELI GADZEKPO <sup>1</sup>	<i>Group Chief Executive Officer</i> Enterprise Group Ltd.	
<b>ADDRESS</b> P.O Box M 298, Accra	<i>Non – Executive Director</i> Databank Asset Management Services Ltd.	
<b>POSITION</b> Director	Databank Financial Services Ltd. Databank Brokerage Ltd.	
<b>TIME WITH FUND</b> 9 years 8 Months	<i>Board Member</i> Databank Epack Investment Fund Databank Money Market Fund Ltd Databank Balanced Fund Ltd.	
<b>OCCUPATION</b> Investment Banker	Enterprise Group Ltd. The Roman Ridge School Nature Conservation Research Centre	

<sup>1</sup>Keli Gadzekpo exited Databank as Chief Executive Officer and joined Enterprise Group Ltd. as C.E.O in June of 2014.

<b>NAME:</b> STEPHEN ADEI	<i>Director</i>	
<b>ADDRESS</b> P.O. Box 1015 LG, Legon, Accra	<ul style="list-style-type: none"> <li>• IFS Financial Services Limited</li> <li>• ASADTEK Group of Companies</li> <li>• Databank Balanced Fund Ltd (Bfund)</li> <li>• Ghana Christian International High School</li> </ul>	
<b>POSITION</b> Director		
<b>TIME WITH FUND</b> 9 years 8 Months		
<b>OCCUPATION</b> Economist		

## Directors' And Officers' Information Cont.

<b>NAME:</b> DAN SEDDOH	<p><i>Board Member</i></p> <ul style="list-style-type: none"> <li>• Allterrain Services Inc.</li> <li>• Board Chairman</li> <li>• Millennium Insurance</li> <li>• Appointed Time Screen Printing Limited</li> </ul>	
<b>ADDRESS</b> P.O Box CT 3817 Cantonments, Accra		
<b>POSITION</b> Director		
<b>TIME WITH FUND</b> 9 years 8 Months		
<b>OCCUPATION</b> Chartered Accountant		

<b>NAME:</b> BENJAMIN GOGO	<p><i>Director</i></p> <ul style="list-style-type: none"> <li>• Secure Pensions Trust</li> <li>• La Community Bank</li> </ul>	
<b>ADDRESS</b> P.O. Box AF 878 Adenta-Accra		
<b>POSITION</b> Director		
<b>TIME WITH FUND</b> 9 years 8 Months		
<b>OCCUPATION</b> Consultant		

<b>NAME:</b> EFUA PREBA GREENSTREET	<p><i>Director</i></p> <ul style="list-style-type: none"> <li>• Songhai Hotels Ltd.</li> </ul>	
<b>ADDRESS</b> P.O.Box CT 2627, Cantonments		
<b>POSITION</b> Director		
<b>TIME WITH FUND</b> 1 Month		
<b>OCCUPATION</b> Legal Practitioner		

## Company Secretary

NAME	DEILA ASSIMEH
POSITION	Board Secretary/ Legal & Compliance

Time with Fund 8 years



Deila is the Databank Group's Legal and Compliance Manager. She is also the Board Secretary of the Four (4) Mutual Funds' Boards. Deila's role includes being responsible for the regulatory aspect of compliance within the Group. She also works as a lawyer for the Group. Deila was called to the Ghana Bar in 1998 and practiced law for 7 years in two chambers. She also worked as Company Secretary for Ghana Dock Labour Company for 3 years before joining Databank in 2006. She acted as Board Secretary for the Funds from when she joined Databank and was appointed formally for that role in 2011.



## Officers' Information:

NAME	REV. DANIEL OGBARMEY TETTEH
------	-----------------------------------

POSITION	Executive Director
----------	--------------------

Time with Fund 5 years

### Occupations During The Past 10 Years

Daniel is the Executive Director for Databank Asset Management Services Ltd. Prior to this role, he served as the head of Databank Research from 2000 to 2008. Under his leadership, Databank Research was awarded the Best Africa Research Team at the Africa Investor Ai Index award held at the London Stock Exchange in 2007. His previous experience includes lecturing at the University of Ghana Business School.

NAME	FRANK SOCRATES DZAKUMA
------	------------------------------

POSITION	Financial Controller
----------	----------------------

Time with Fund 1 Year

Socrates is responsible for administering the finances of the fund. He is a member of Association of Chartered Certified (ACCA). He is also responsible for the finances of Databank Group of Companies. His previous experiences include working with Ghana audit service, Ayew Agyemang Turkson & Co, Ghana Commercial Bank, SOGEGH Ltd.

# Directors' And Officers' Information Cont.

## Officers' Information: cont.

<b>NAME</b>	<b>NII ANYETEI AMPA-SOWA</b>
<b>POSITION</b>	Chief Investment Officer

**Time with Fund** 1 year, 6 months

### Occupations During the Past 10 Years

Nii is Databank Group's Chief Investment Officer. He manages Databank's flagship pan-African mutual fund – the Databank Epack Investment Fund. Prior to assuming this role, he performed various critical tasks within the research department of the Databank Group, and eventually headed the department for almost four (4) years. Nii has also had brief working stints with the Economics Department of the University of Ghana and as an equity analyst in UBA Capital (Europe) – the investment banking arm of United Bank for Africa, one of the largest Nigerian banks – based in London, UK. He has a degree in Economics (magna cum laude) from the University of Ghana, and an MSc Investments degree from the University of Birmingham in the UK.

<b>NAME</b>	<b>EVELYN OFOSU DARKO</b>
<b>POSITION</b>	Chief Operations Officer

**Time with Fund** 9 years

Evelyn is Chief Operations Officer for Databank Asset Management Services Ltd. Working with the company for over twelve (12) years in various capacities, Evelyn has built for herself a solid background in the Asset Management business. She has over ten (10) years experience in Fund Management, managing funds for high net-worth clients, provident and pension funds of blue chip companies, endowment and insurance funds as well as mutual funds. She co-managed Databank's flagship fund (Databank Epack Investment Fund Limited) for four years. She also has hands-on experience in Fund Administration and general operations of the Asset Management business. Prior to joining the Databank group, Evelyn worked at Unilever Ghana Limited and Darko Farms. She holds an MSc. in International Marketing Management, University of Surrey, UK and a bachelor's degree from the University of Ghana Business School.

<b>NAME</b>	<b>SAMPSON AKLIGOH</b>
<b>POSITION</b>	Fund Manager

**Time with Fund** 10 months

Sampson has responsibility for managing the Databank Money Market Fund. Sampson joined Databank in 2007, and served as an economist and fixed income strategist within the Research unit for 5 years. In 2012, he assumed responsibility as Head of Research where he was responsible for the Group's capital market and economic research. While at Research, Sampson also had ancillary responsibilities within the Pensions and Asset Management units of the firm. Sampson's other work experiences include a stint at SIC Financial Services and Altira ADC Management GmbH in Frankfurt.



<b>NAME</b>	<b>EDNA AHUNU</b>
<b>POSITION</b>	Fund Manager
<b>Time with Fund</b>	6 years

Edna is the fund manager responsible for the management of Databank Ark Fund and Databank Balanced Fund. She also serves on the equity and fixed income strategy teams of DAMSEL. Prior to her role as fund manager, she was responsible for DAMSEL's trading activities. Edna graduated from the University of Ghana Business School with a First Class honors in Business Administration (Banking and Finance option).

<b>NAME</b>	<b>MATILDA ESHUN</b>
<b>POSITION</b>	Fund Administrator
<b>Time with Fund</b>	8 years

Matilda heads the Back Office operations of Databank Asset Management Services Ltd. She is responsible for the Administration of the mutual Funds. She is a product of the Methodist University College, Ghana and holds a BSc Administration. Prior to joining Databank Asset Management Services Ltd, she worked with Databank Financial Services Limited.

<b>NAME</b>	<b>EMMANUEL QUARM</b>
<b>Position</b>	Accounts Manager
<b>Time with Fund</b>	6 years

Emmanuel is responsible for the accounting functions of the Fund. He is a member of the Association of Chartered Certified Accountants, (ACCA). He holds a Bachelor of Commerce Degree from the University of Cape Coast.

<b>NAME</b>	<b>NELSON WORLANYO AFIANU</b>
<b>Position</b>	Accounts Officer
<b>Time with Fund</b>	6 years

Nelson assists in accounting functions of the Fund. He has been with the Fund for the past six years and holds a BSc Administration (Accounting) from University of Ghana, Legon.



# Proxy Form

## Databank Money Market Fund Limited

I/We .....

of .....

being a member/members of Databank Money Market Fund Limited hereby appoint

.....

or failing him the duly appointed chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the **Accra International Conference Centre, on August 14, 2014 at 9:00am prompt** and any adjournment thereof.

I/We direct that my/our vote(s) be cast on the specified resolution as indicated by an X in the appropriate space.

RESOLUTIONS	FOR	AGAINST
1. Report of Directors and Auditors		
2. Receive and adopt the accounts		
3. Re-election of the following Directors retiring by rotation; <ul style="list-style-type: none"> <li>• Keli Gadzekpo</li> <li>• Ben Gogo</li> <li>• Election of the following new Director: <b>Preba Greenstreet</b></li> </ul>		
4. Authorize the Directors to fix remuneration of Auditors		
5. Special Resolution to amend the Regulations of the Fund. (Reg 49)		
6. To approve Directors' fees		

Signed this ..... day of ..... 2014

Signature .....







## **Databank Educational Investment Fund**

**It's every parent's dream to provide the best education for their children. The Databank Educational Investment Fund can help you take that first step to making that dream a reality.**

**Visit or call a Databank office near you to get started!**

Accra Tel: 0302 610610 | Tema Tel: 0303 213240  
Kumasi Tel: 0322 080077 | Takoradi Tel: 0312 023628

Website: [www.databankgroup.com](http://www.databankgroup.com)  
Facebook: [Databank Group](#) | Twitter: [Databankgroupgh](#)

# Databank Value Added Services

## ∨∨ Databank Premium Service



The Databank Premium service is one that affords the investor the opportunity to enjoy a higher standard of service at Databank. There are two categories, namely:

**Databank Premium Platinum** (minimum of GH¢500.00 monthly deposit or minimum lump sum of GH¢5,000.00 needed to qualify)

**Databank Premium Platinum plus** (minimum of GH¢1,000.00 monthly deposit or minimum lump sum of GH¢10,000.00 needed to qualify)

Both categories offer a host of benefits and other add-on services to customers who will sign up. Some of the benefits include:

- ⊙ Free monthly e-statements
- ⊙ Dedicated Relationship Manager
- ⊙ 50% off DNA subscription fee for Platinum clients
- ⊙ Free Databank Notification Alert (DNA) for Platinum Plus clients
- ⊙ Other free and enhanced services.

*The convenience fee for Premium Platinum and Premium Platinum plus clients are GH¢60.00 and GH¢120.00 respectively.*



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Fax: +233-30 2681443/2681442

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House of Excellence Annex - Adom  
PMB, Central Post Office - Adom, Kumasi  
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Fax: +233-32 2029740 / 2080074

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Meridian Plaza Room 201 & 202  
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Fax: +233-30-3203438

**TAKORADI OFFICE**  
S&B House  
1st Floor Room 208  
Tel.: +233-31 2023628

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# Databank

*Leadership*

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Internet <http://www.databankgroup.com>

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## **GAMBIA OFFICE**

2nd Floor Trust Bank Building  
Westfield Junction  
P.O. Box 3189, Serrekunda  
The Gambia  
Tel.: (220) 4378014  
Fax: (220) 4378016

**Email:** [mfund@databankgroup.com](mailto:mfund@databankgroup.com)  
**website:** <http://www.databankgroup.com>