Venture Capital
TRUST FUND

ANNUAL REPORT

2018

Contents

Corporate Information

Board of Trustees	Mr. Kofi Owusu Sekyere	Chairman	9/10/2017
	Mr. Yaw Owusu – Brempong	Member & CEO	5/5/2017
	Mr. Franklin Owusu Asafo – Adjei	Member	9/10/2017
	Mr. Brian Frimpong	Member	9/10/2017
	Mr. Fusieni Issah	Member	9/10/2017
	Dr. John Kofi Mensah	Member	9/10/2017
	Mrs. Efua A. Appenteng	Member	9/10/2017
	Ms. Afua Asabea Asare	Member	9/10/2017
	Mr. Ekow Afedzi	Member	9/10/2017

Secretary

ENSAFRICA
31 Ringway Estates
Asafoanye O. Broni Crescent, Osu
Accra
Ghana

Registered office

Ghana Shippers House
6th Floor
Ridge
Accra

Auditors

AADS CONSULT.
Chartered Accountants
Republic House (5th Floor)
Kwame Nkrumah Avenue
Accra

Bankers

Ghana Commercial Bank Limited
Agricultural Development Bank Limited
National Investment Bank Limited
Fidelity Bank Limited
Ecobank Ghana Limited
Access Ghana Limited

Chief Executive Officer's Report

INTRODUCTION

I am enchanted to present the operational report of the Trust Fund for the year 2018, which turns out to be my second year in office. I wish to offer my thanks to the Board of Trustees, Management and Staff for supporting me the fundamental help and participation consistently. The year has been momentous considering all the difficulties the Trust Fund experienced.

The information contained in this report provides details of operational activities for the year ended December 31, 2018. The report is intended to serve as a source of information for both Management and the Board of Trustees.

OVERVIEW OF INVESTMENTS ACTIVITIES

Fund Raising Efforts

As a means of procuring additional funding for the Trust Fund's operations, several high-level consultations were undertaken between Ministry of Finance (MoF), the Presidency and the Trust Fund for the release of the budgetary allocation of GHS100 million. However, as of the end of the year, nothing was released to the Trust Fund.

In the area of investments, our efforts during the year were towards the conduct of valuation of portfolio companies, receipt and review of applications by prospective fund managers. The investment team also presented a follow-on investment request to the board which was declined.

Following the completion of BNI and EOCO's investigations into SPV and DAF, the Trust Fund has been working with the AG's office on follow-ups as they prepare the docket for the necessary prosecution of those found culpable.

The Investment Department continued to manage Activity and Bedrock funds within the year under review, conducting regular monitoring visits to all the operational portfolio companies under the two funds. During the year under review, investment team initiated a discussion with African University College of Communications (AUCC) and J & Q Water Company, portfolio companies of Activity Venture Finance Company.

INDUSTRY DEVELOPMENT PROGRAMS

VCTF launched an Analyst program in 2015 for 2 years. The program was extended by another year and was concluded in 2018. Given another round of funding, the Trust would launch another call for the analyst program in the near future. We believe the Analyst program is a good way to build technical capacities of potential Fund Managers and would like to continue with it for some time.

Further to a successful impact investing programs implemented by the Trust Fund as a result of its initial programs in partnership with the Rockefeller Foundation, the Trust Fund again was called upon to support the development of Impact investing ecosystem through the Global Strategic Group (GSG) for impact investing. The Trust Fund is currently leading efforts by the Ghanaian ecosystem players to launch Impact Investing GH to advocate for policies and set out priorities for impact investing in Ghana using the global platform of GSG.

INVESTMENT DEPARTMENT

The Investment Department in pursuit of its core activities pertaining to Fund operations, investment appraisal, monitoring portfolio funds as well as initiating and executing programs designed to improve access to finance for SME's, presents the following report to provide details and status on the activities undertaken in the year 2018.

VCFC OPERATIONS

Activity Venture and Bedrock Venture Capital Finance Company Limited

The status of operations of both Bedrock and Activity funds remain peculiar following the termination of the appointments of the fund managers in 2012 and 2013 respectively. The Investment Department continued to manage these two funds within the year under review, conducting regular monitoring visits to all the operational portfolio companies under the two funds. The team directed its efforts in maintaining the cordial working relationship already established with some of the companies and offering managerial and operational support when need be.

J&Q Industries Limited, an investee of Activity, submitted a proposal seeking capital injection of GHS1,000,000 to purchase new machinery to boost production to full capacity in an effort to increase their market share. An investment memo was sent to the Board the approval of GHS 847,100 but this was not approved. J & Q is now in discussions with the Fund to buy back the shares.

EKA, a portfolio company of Activity, received additional funding from Ghana Exim Bank. EKA Food Processing Limited was selected as 1D1F and the funding received was for the procurement of the following items; Vegetable Cold Room Storage, Automatic Powder Packaging Machine, Moisture Detector/Meter and a 40ft HQ Container. Installation has commenced for the Heat Generating system for the drying. The investment team is monitoring the situation and are in discussion with the promoter to buy the fund shares back.

African University College of Communication (AUCC) negotiated with VCTF to buy out AVFC's share of the school at a price of GHS4.7 million. AUCC agreed to pay the GHS4.7 million by September 2018. However, they have not been able to make the payment citing delays in receiving funds from a new investor.

On operations, most of the operational companies operated normally with room for expansion pending additional investments. Efforts in the coming year will be directed at exiting the companies and closing the two funds.

Gold Venture Capital Finance Company

There were no new investments or exits recorded within the year under review. Further, the long impasse on termination compensation between the fund and the former fund managers - Boulders Advisors was resolved with an award of GHS 2,205,075.85 to Boulders Advisors. Shareholders would have to meet to settle the awards.

Ebankese Venture Fund Limited

Ebankese Fund continues to work hard to build value in the various portfolio companies. The companies under the fund were in full operation, with regular monitoring and support from the fund manager, Oasis Capital. We anticipate some exits to be executed by the fund manager even as the fund draws closer to its life term.

Oasis Africa Fund

After making its first two investments in Everpure Ghana and Legacy Girls College in 2016 and 2017 respectively, no new investments have been made in the period under review. Regular monitoring and reporting on the fund by the fund manager were executed as planned.

Fidelity Equity Fund II

Mustard Partners continued to work together with its seven investees to build additional value, identifying areas of potential in an economy challenged by unstable macroeconomic variables. It is notable that at the time of filing this report that VCTF owed no capital called to the Fund Manager. The fund is hopeful of recording new partial exits within the first quarter of 2019.

Capital Calls and Returns

Ebankese and Fidelity funds returned capital to the Trust Fund as show below:

Fund	Amount Returned
Ebankese	GHS 959,200
Fidelity	USD 64,532

Valuation of Portfolio Companies

As part of VCTF's financial reporting requirements and annual performance assessment, the Investments Department contracted Sync Consult Limited to conduct a full-scale valuation of operational portfolio companies (14) belonging to Gold, Bedrock, and Activity Venture Capital Funds for the year ending 31st December 2017. Valuation figures for Fidelity, Ebankese and Oasis Africa funds were obtained from their respective fund managers. The outcomes of the valuation are shown in the table below.

Valuation Summary (GHS)				
#	**Fund**	**Value of Fund (Equity & Debt)**	**VCTF %**	**Value of VCTF %**
1	AVFC	9,919,305.83	40.00	3,967,722.33
2	BVCFC	8,110,012.06	40.00	3,244,004.82
4	GVCL	5,386,304.80	50.00	2,693,152.40
5	FEF II	50,986,500.00	12.90	6,577,258.50
6	EVFL	48,943,968.65	36.36	17,796,027.00
7	OAF	41,356,590.91	3.96	1,637,721.00
	Total	157,577,687.25		34,996,761.06

SPV AND DAF

In May 2018, an agreement was signed between the Trust Fund and Westom Consult Limited, wherein the latter was charged with the responsibility of recovering loans from 36 companies under DAF & SPV.

As at the time of reporting, amount recovered was GHS431,472 (both Westom and internal collections). Meanwhile, the Economic and Organized Crime Office and the State Prosecution office continue to liaise with the Trust Fund to help recover loans in default.

OTHER ACTIVITIES AND PROGRAMS

Collaboration with ACDEP and Soya Value Chain Project

The Trust, as part of its effort to renew its investment mandate in agriculture for export substitution purposes and to create jobs and wealth in our rural communities for inclusive development, is leading a collaborative discussion with ACDEP on an EU project. The parties met in Accra to iron out the terms of the partnership and an MOU is yet to be signed.

Ghana Economic Transformation Projects

The World Bank in collaboration with the Government of Ghana through the Ministry of Finance is designing the Ghana Economic Transformation Project to support the development of the Entrepreneurial ecosystem. VCTF has been included to support the access to finance component. The Trust Fund has been working with the project team as part of the design process. The Trust Fund has been tasked to conduct a strategic review of its mandate and as part of such request a project preparation facility of USD120,000 has been made available to procure a consultant for that purpose. Management anticipate a further discussion with the Board by the World Bank team as implementation is scheduled to take off in 2019.

CHALLENGES

The Trust fund is faced with key challenges which has over time hindered its progress of achieving the mandate of easing access to finance. Key among these challenges include:

Funding and sustainability of the Trust Fund

The Trust Fund is faced with challenges of funding which in the process is affecting its sustainability. The Ministry of Finance must show a clear direction as to how it intends to fund the Trust Fund investment programs. There have been calls for the review of the mandate. However, the key policy issue which needs to be addressed in terms of whether or not the Trusts mandate is still relevant in the government transformational agenda is still pending. This policy issues have to be addressed by the Ministry of Finance.

Winding up of Initial Funds

The three initial funds of Activity, Bedrock and Gold Venture Companies have all passed its life-cycle of 10 years. These initial funds were faced with serious teething issues including lack of support by the co-investing partners due to changes in strategies, the structuring of the funds, the selection of fund managers and the investment teams among others. Subsequent funds have however done well due to the infusion of the lessons learnt on the design of the first three. It is therefore time to cut the losses and move on. Although the funds have matured, getting shareholders to decide on winding down has been a key challenge.

OUTLOOK FOR 2019

Going forward, one major goal in 2019 is to secure additional funding for the Trust Fund to get the Trust fund working again. Additional funding will enable the Trust Fund to invest in new and more promising funds, while pursuing other strategic alliances with sister government agencies to increase the pool of funds available for SMEs.

Specifically, in 2019, Management intend to establish 2 new strategic funds to support industrial development and women empowerment. The Trust will also continue with its regular funding tracks by backing new fund managers with good strategies to invest in start-ups, given adequate funding. To achieve this goal, it is crucial that we work closely with MOF and to secure a release of funds in the 2019 budget.

Also, we shall continue to work with Government to identify a more secure and regular source of funds for the Trust Fund through the review of the VCTF ACT.

Finally, the Trust Fund will work hand-in-hand with industry practitioners to establish the Ghana Venture Capital Association (GVCA) which has been on the drawing board for a sometime now.

CONCLUSION

The year under review started slow and with no funding coming in from MoF, the Trust had to cut expenses and work progressed slowly to avoid us running out of funds.

Investment department continued to monitor investments and conducted valuation of 14 portfolio companies of Activity, Bedrock and Gold Venture Funds.

Finance and Administration continue to provide support to the investment department as we implement the work plan for the year.

The key challenges especially on funding and sustainability of the Trust Fund as well as the general regulation of the industry included taxes should be carefully reviews to ensure sustained industry for the future.

Yaw Owusu-Brempong
Chief Executive Officer

Report of The Trustees

Introduction

The members of the board of trustees, who are the directors of the company ("the Trust Fund") for the purposes of the Companies Act, 1963 Act 179, present their statutory annual report which includes the financial statements for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out and comply with the Companies Act, 1963 Act 179, audited financial statements of the Fund for the year ended 31st December 2018, report thereon as follows:

Activities

The Fund activities are those of providing venture capital financing to businesses. Its business involves the provision of long term committed capital to assist unquoted companies to grow and succeed.

Financial Statements and Dividend	
	GH¢
Total income	4,628,819
Decrease in net assets attributable to fund investors	2,237,255

Nature of business

There has been no change in the nature of business of the Fund during the year under review.

Auditors

In accordance with section 134(5) of the Companies Act,1963 Act 179, the Auditors Messrs AADS CONSULT continue in office as auditors of the Fund.

Conclusion

We wish to express our appreciation to the management and entire staff for their hard work during the year 2018

Approval of the financial statements.

The financial statements of the Fund were approved by the Trustees on 1st August 2019 and are signed on its behalf by

Mr. Kofi Sekyere
Chairman

Mr Yaw Owusu - Brempong
Chief Executive Officer

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNMENT OF GHANA
REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Venture Capital Trust Fund as at 31st December 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and the Venture Capital Trust Fund Act, 2004 (Act 680).

What we have audited.

We have audited the financial statements of Venture Capital Trust Fund for the year ended 31st December 2018. The financial statements on pages 17 to 44 comprise:

- The statement of financial position as at 31 December 2018;
- The statement of comprehensive income for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended; and
- The notes to the financial statements which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Trustees are responsible for the other information. The other information comprises the Report of the Trustees, The Corporate Governance Framework and the Value-Added Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the financial statements

The Trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (179) and the Venture Capital Trustees Fund Act, 2004 (Act 680), and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

  Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern; and evaluate the overall presentation, structure and content of the financial statements. Including the disclosures, and whether the financial statements represent the underlying transactions and events in a

manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Report on other legal and regulatory requirements

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

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account have been kept by the Fund so far as appears from our examination of those books; and
3. The Fund's balance sheet (Fund's statement of financial position) and Fund's profit and loss account (the Fund's statement of comprehensive income) agree with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is

Stephen David Nii Amaah Armaah*(lCAG/PI*081)
AADS CONSULT *(lCAG/F/2017/070)*
Chartered Accountants
Accra. Ghana
Date:

Statement of Comprehensive

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER, 2018			
	NOTES	**2018**	2017
INCOME		**GH¢**	GH¢
Income	2a	**2,296,999**	1,437,479
		2,296,999	1,437,479
LESS EXPENDITURE			
Trustee Emoluments	3a	**146,600**	176,810
Administrative Expenses	3b	**3,744,904**	4,009,250
Auditors Remuneration		**30,000**	25,000
Depreciation Charges	3c	**569,150**	627,891
Financial cost	3d	**12,098**	7,621
		4,502,752	4,846,572
Net operating income		**(2,205,753)**	(3,409,093)
Other income	2b	**17,209**	119,621
Impairment on investments	6a	**-**	(4,620,740)
Decrease in net assets attributable to Fund investors		**(2,188,544)**	(7,910,212)
Other Comprehensive Income			
Net changes in fair valve of financial assets at fair value			
through profit or loss	3e	**-**	-
Revaluation Gain from Land at Ridge	4	**-**	-
Total comprehensive income for the year		**(2,188,544)**	(7,910,212)

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018

Assets	NOTES	**2018**	2017
Non-current assets		**GH¢**	GH¢
Property and Equipment	4	**13,303,565**	13,302,784
Financial assets at fair value through profit or loss	5	**32,677,089**	34,064,267
		45,980,654	47,367,051
Current Assets			
Loans	6	**-**	-
Receivables	7	**1,170,134**	988,722
Cash and cash equivalents	8	**14,632,327**	15,855,700
		15,802,461	16,844,422
Total assets		**61,783,115**	64,211,473
Liability			
Current liabilities	9	**275,480**	515,295
		275,480	515,295
Net assets attributable to fund investors		**61,507,634**	63,696,178
Total liabilities and net assets attributable to fund investors		**61,783,115**	64,211,473

Statement of Changes

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO FUND INVESTORS AS AT 31ST DECEMBER, 2018		
	2018	2017
	GH¢	GH¢
Net assets attributable to Fund Investors at 1st January	**63,696,178**	44,019,390
Capital Injection from MOFEP	**-**	20,000,000
Revaluation Gain from Land at Ridge		7,587,000
Increase/ (decrease) in net assets attributable to Fund Investor	**(2,188,544)**	(7,910,212)
Net assets attributable to Fund Investors at 31st December, 2018	**61,507,634**	63,696,178

Statement of Cash Flow

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2018		
	2018	2017
	GH¢	GH¢
Operating activities		
Net assets attributed to Fund investors from operations	**(2,188,544)**	(323,212)
Other net changes in fair value of financial assets at fair Value through profit or loss	**-**	-
impairment charges	**-**	2,220,938
Gain on revaluation of property at Ridge	**-**	(7,587,000)
Depreciation Charges	**569,150**	627,891
Profit and loss on disposal of assets	**(17,209)**	(13,259)
Operating cash flow before changes in working capital	**(1,636,603)**	(5,074,642)
Changes in working capital		
Increase/ (Decrease) in Loans	**-**	366,593
Increase/ (Decrease) in receivables	**(181,412)**	2,325,197
Increase/ (Decrease) in payables	**(239,815)**	(158,872)
Net changes in working capital	**(421,227)**	2,532,918
Net cash generated from operating activities	**(2,057,831)**	(2,541,724)
Investing activities		
Repayment of financial assets	**1,387,178**	2,858,445
Addition to Financial assets	**-**	(6,364,813)
Additions to property and equipment	**(575,575)**	(2,365,297)
Proceeds from sale of fixed assets	**22,854**	89,787
Net cash flow from investing activities	**834,457**	(5,781,878)
Financing activities		
Capital injection from MOFEP	**-**	20,000,000
Net cash flow from financing activities	**-**	20,000,000
Net increase in cash and cash equivalent	**(1,223,374)**	11,676,398
Cash and cash equivalent at 1 January	**15,855,700**	4,179,302
Cash and cash equivalent at 31 December	**14,632,326**	15,855,700

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

1. General information

Venture Capital Trust Fund was established by an Act of Parliament, Venture Capital Trust Fund Act, 2004 (Act 680) as a Government of Ghana initiative to provide finance to small and medium enterprises (SMEs).

Venture Capital Trust Fund is registered and domiciled in Ghana. The address of the Fund's registered office can be found on page 2 of the financial statements. The Fund's business is to provide venture capital funding to private sector small and medium size enterprises in Ghana.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

2.2 Basis of measurement

The financial statements are prepared under the historical cost basis as modified to include the fair valuation of certain financial assets and liabilities to the extent required or permitted under accounting standards and as set out in the relevant accounting policies.

2.3 Functional and presentational currency

The financial statements are presented in Ghana Cedis (GH¢) which is the Fund's functional and presentation currency.

2.4 Use of estimates and judgment

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current the future per

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in note 5.

2.5 New standards and interpretations not yet adopted

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the Fund's financial statements are disclosed below. The Fund intends to adopt these standards, if applicable, when they become effective.

IFRS 1 Government Loan - Amendments to IFRS 1 These amendments require first-time adopters to apply the requirements of IAS 20 Accounting for Government Grants and Disclosure of Government assistance, prospectively to government loans existing at the date of transition to IFRS 9 (or IAS 39, as applicable) and IAS to 20 to government loans retrospectively if the information needed to do so had been obtained at the time of initially accounting for that loan. The exception would give first time adoption relief from retrospective measurement of government loans with a below-market rate of interest the amendment is effective for annual periods on or after 1 January 2013.The amendment has no impact on the Trust Fund.

IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities - Amendments to IFRS 7
These amendments require an entity to disclose information about rights to set - off and related arrangements (egg. Collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognized financial instruments that are set off in accordance with IAS 32 financial instruments: Presentation.

IFRS 9 Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB's work though the adoption date is subject to the recently issued Exposure Draft on the replacement of IAS 39 and applies to classification and measurement of financial assets and liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2015. In subsequent phases, the Board will address impairment and hedge accounting. The Trust Fund will quantify the effect of the adoption of the first phase of IFRS 9 conjunction with the other phases, when issued to present a comprehensive picture.

IFRS 11- Joint Arrangements

The standard becomes effective for annual periods beginning on or after 1 Joint Ventures and SIC 13 Jointly Controlled Entities - Non-monetary Contribution by Ventures. Because IFRS II uses the principle of control in IFRS 10 define control, the determination of whether joint control exists may change. The adoption of IFRS II is not expected to have a significant impact on the accounting treatment of investments currently held the Fund.

IFRS 12 - Disclosure of Investment with Other entities

The standard becomes effective for annual periods beginning on or after 1 January 2013. It includes all of the disclosures that were in IAS 27 related to consolidated financial statement, as well as all of the disclosures that were previously included in IAS 31.Interest in Joint Ventures and IAS 28 Investments in Associates. These disclosures relate to an entity's interest in subsidiaries joint arrangements, associates and structured entities.
A number of new disclosures are also required. One of the most significant changes introduced by IFRS 12 is that an entity is now required to disclose the judgments made to determine whether it controls another entity. Many of these changes were introduced by the IASB in response to the financial crisis. Now, even if the Company concludes that is does not control an entity, the information used to make that judgment will be transparent to users of the financial statements to make their own assessment of the financial impact were the company to reach a different conclusion regarding consolidation. The standard will not have any impact on the financial position or performance of the Company.

IFRS 13 - Fair value Measurement

The standard becomes effective for annual periods beginning on or after 1 January 2013. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure the fair value of financial and non-financial assets and liabilities when required or permitted by IFRS. There are also additional disclosure requirements. Adoption of the standard is not expected to have a material impact on the financial position or performance of the Fund.

2.6 IAS 1 Presentation of Items of Other Comprehensive Income - Amendments to IAS 1

The amendments to IAS I change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, net gains on hedges of net investments, exchange differences on translation of foreign operations, net movements on cash flow hedges and net losses or gains on available-for-sale financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans).
The amendment affects presentation only and has no impact on the Fund's financial position of performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012.

IAS 19 Employee Benefits - Amendments

The amendments to IAS 19 remove the option to defer the recognition of actuarial gains and losses, i.e. the corridor mechanism. All changes in the value of defined benefit plans will be recognized in profit or loss and other comprehensive income. The effective date of the standard is 1st January 2013. The amendment has no impact on the Company's financial position or performance.

IAS 27 Separate Financial Statements (as revised in 2012)

As a consequence of the new IFRS 10 and IFRS 12, what remains in IAS 27 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements. The Fund does not present separate financial statements. The amendment becomes effective for annual periods beginning on or after 1 January 2013.

IAS 28 Investments in Associates and Joint Venture (as revised in 2012)

As a consequence of the new IFRS 12 Disclosures of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed ISA 28 Investments in Associates and Joint Ventures and describes the application of the equity method to investment in joint ventures in addition to associates. The revised standard becomes effective for annual period beginning on or after 1 January 2013.

IAS 32 Offsetting Financial Assets and Financial Liabilities Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set off. It will be necessary to assess the impact on the Fund by reviewing settlement procedures and legal documentation to ensure that offsetting is still possible in cases where it has been achieved in the past. In certain cases, offsetting may no longer be achieved. In other cases, contracts may have to be renegotiated. The requirement that the right of setoff be available for all counterparties to the netting agreement may prove to be a challenge for contracts where only one party has the right to offset in the event of default.

The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. This amendment has no effect on the company. These amendments become effective for annual periods beginning on or after January 2014.

IFRIC 20 Stripping Cost in the Production Phase of a Surface Mine

This interpretation applies to waste removal (stripping cost incurred in surface running activity, during production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. The interpretation is effective for annual periods beginning on or after 1 January 2013. The new interpretation will not have an impact on the Fund.

Annual Improvements- May 2012

These improvements will not have an impact on the Fund, but include:

IFRs 1 First-time adoption of International Financial Reporting Standards

This improvement clarifies that an entity that stopped applying IFRS in the past and chooses, or is required to apply IFRS, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, an entity must retrospectively restate its financial statements as if it had never stopped applying IFRS.

IAS 1 Presentation of Financial Statements

This improvement clarifies the difference between voluntary additional comparative information. Generally, the minimum required comparative information is the previous period.

IAS 16 Property Plant and Equipment

This improvement clarifies that major spare parts and servicing equipment that meet the definition of property plant and equipment are not inventory.

IAS 32 Financial Instruments, Presentation

This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.

IAS 34 Interim Financial Reporting

The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures. These improvements are effective for annual periods beginning on or after 31st January 2013.

3. Significant Accounting Policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These polices have been consistently applied to all the years presented, unless otherwise stated.

3.1 Foreign Currency Transactions

The Fund's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. None-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, exchange rates at the date that fair value was determined if held at fair value, and the resulting foreign exchange gains and losses are recognized in the income statement or shareholders' equity as appropriate.

3.2 Financial Instruments

Financial assets and financial liabilities at fair value through profit or loss

The Fund classifies its investments in equity securities as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as fair value through profit or loss on initial recognition.

Financial assets and liabilities designated at fair value through profit or loss are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the International Private Equity and Venture capital Valuation Guidelines.

The Fund's policy requires management to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Assets and liabilities in this category are classified as current assets and current liabilities if they are expected to be realized within 12 months of the balance sheet date. Those not expected to be realized within 12 months of the balance sheet date are classified as non-current.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Dividend income from financial assets at fair value through profit or loss is recognized in the income statement within dividend income when the Fund's right to receive payments is established. Interest income on debt securities is recognized in the income statement.

(ii) Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, the Fund has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transaction.

3.3 Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognized initially at fair value. They are subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts to be received. Significant financial difficulties of the counterparty and default in payments are considered indicators that the amount to be received is impaired. Loss, interest income is recognized using the rate of interest to discount the future cash flows for the purpose of measuring the impairment loss.

3.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

3.5 Provisions

A provision is recognized in the balance sheet when the Fund has a present legal or constructive obligation as a result of a past event, and it is probable that another flow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.6 Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. It includes interest income from cash and cash equivalents and on debt securities.

3.7 Impairment

(i) Financial assets

A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

As impairment loss in respect of a financial asset measure is calculated as the difference between its carrying amount and the present value of the estimate cash inflows to be received in relation to the asset. Individually significant financial assets are tested for impairment on an individual basis.

All impairment losses are recognized in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(ii) Non-financial assets

The carrying amounts of the Fund's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

3.8 Taxation

The Fund is domiciled in Ghana. Under the current laws, there is no income, capital gains or other taxes payable by the Fund.

3.9 Events after reporting period

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

4.0 Fair value estimation

A number of the Fund's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and or disclosure purposes based on the following methods.

(i) Fair values for unquoted securities are determined by the Fund's using valuation techniques.

They take into account the relevant developments since the acquisition of the investments and other factors pertinent to the valuation of the investments with reference to such rights in connection with realization, recent third-party transactions of comparable types of instrument, reliable indicative offers from potential buyers, non-maintainable earnings and growth stage and the value of the net assets attributable 'fund investor' as reported by the various Venture Capital Companies (Investees) in which the Fund has invested, Cross-checks of primary techniques are made against other secondary valuation techniques.
In determining fair valuation, management in many instances relied on the financial data of investees and on estimates by the management of the investee companies as to the effect of future developments. Although management uses its best judgment in estimating the fair value of investments, there are inherent limitations in any estimation techniques. The fair value estimates presented herein are not necessarily indicative of an amount the Fund could realize in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

(ii) Cash and cash equivalents

The fair value of cash and cash equivalents approximates their carrying values.

(iii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. Instruments with maturity period of 6 months are not discounted as their carrying values approximate their fair values.

5. Critical accounting estimates and judgments

The Fund makes estimates and assumptions that affect the respond amounts of assets and liabilities within that next financial year. Estimates and judgments are continually evaluated and are based on historical experience and

5.1 Fair value of investments not quoted in an active market

The fair value of securities that are not quoted in an active market is determined by using valuation techniques as per the International Private Equity and Venture Capital Valuation Guidelines or other valuation techniques that management deems reasonable.

5.2 Fair Value Hierarchy

The Fund has adopted the amendment to IFRS 7 in respect of disclosures about the degree of reliability of fair value hierarchy measurements. This requires the Fund to classify for disclosure purposes fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy shall have the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3) Observable data refers to market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

The following indicates the fair value hierarchy of the Fund's financial assets measured at fair value at 31st December 2017.

Assets	Level 1	Level 2	Level 3
	GH¢	GH¢	GH¢
Financial Assets designated at fair value through profit and loss			32,677,089

5.3 Functional currency

The Fund considers the Ghana Cedi (GH¢) to be the currency that most faithfully represents the economic effect of the underlying transaction, events and conditions. The Ghana Cedis (GH¢) is the currency in which the Fund measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors.

Property &Equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probably that future economic benefits associated with the item will flow to the bank and the cost can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

An impairment loss is recognized if the carrying amounts of an asset exceed its recoverable amount. The recoverable amount of an asset is the greater of its value in use and fair value less cost to sell. Impairment losses are recognized in the Income Statement.

Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The current annual depreciation rates for each class of property and equipment are as follows:

Building	2%
Leasehold Land	2%
Motor vehicle	25%
Furniture & Fittings	10%
Office Equipment	33.33%
IT Equipment	33.33%

Depreciation methods, residual values and useful lives are re-assessed at each financial year. Gains and losses on disposal of property and equipment are included in the income statement.

Notes to Financial Statements

NOTES TO THE FINANCIAL STATEMENT FOR YEAR ENDED 31ST DECEMBER, 2018

Note 2a: Income	**2018**	2017
	GH¢	GH¢
Investment Income	**431,472**	46,127
Interest Income: ADB	**495,390**	101,604
Interest Income: Fidelity	**402,016**	170,868
Interest income: Kon	-	420,250
Interest Income: Wealth Vision Financial Ltd	**-**	541,752
Interest Income: All Time Capital Ltd	**59,836**	71,572
Interest Income: Beige Capital	-	16,593
Interest Income: Premium Bank	**622,726**	68,712
Interest Income: Calbank	**168,385**	
Interest Income: Firstbanc	**54,850**	
Interest Income: Legacy	**62,329**	
Exchange gain	**-**	43,131
Profit from sale of assets	**17.209**	13,259
Refund of gratuity	-	15,872
Others	**-**	47,360
	2,314,212	**1,557,100**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2018

Note 3a: Staff Cost	**2018**	**2017**
	GH¢	**GH¢**
Salaries and Wages	**1,582,362**	1,468,503
Allowances	**165,342**	221,443
SSF 13%	**157,641**	132,192
Provident Fund	**97,934**	50,879
Training	**-**	32,264
Gratuity	**-**	199,636
	2,003,279	**2,104,917**

Note 3b: Trustees Emoluments	**2018**	**2017**
	GH¢	**GH¢**
Fees	**53,736**	**39,562**
Sitting allowance	**92,864**	**137,248**
Others Expenses	**-**	**-**
	146,600	**176,810**

Note 3c: Administrative expenses	2018	2017
	GH¢	GH¢
Electricity and Water	101,586	81,997
Staff Lunch	100,275	92,288
Cleaning and Sanitation	15,391	11,896
Printing and Stationery	31,180	55,682
Entertainment	12,021	6,927
Advertisement, publicity and public relations	9,115	106,068
Telephone and postage	16,473	14,366
Internet service	8,690	6,646
Travelling and Transport	49,798	101,771
Security Service	53,100	65,348
Legal and Consultancy	208,665	171,246
Company Secretarial and retainership	92,052	88,937
Rent	528,396	474,669
Insurance - Vehicle	40,751	38,910
Insurance - Medical	68,861	83,689
Fuel and Lubricant	74,237	48,299
Vehicle Running Expenses	2,662	3,555
Miscellaneous Expenses	19,733	9,589
Seminars, workshops and conference	182,111	64,850
Per diem and Accommodation	-	201,176
Publicity, Promotion and Donation	42,731	98,335
Repairs and Maintenance	83,798	78,089
	1,741,626	1,904,333

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2018

Note 3d: Depreciation Charges	**2018**	**2017**
	GH¢	**GH¢**
Motor Vehicle	**191,313**	321,367
Furniture & Fittings	**48,793**	12,472
IT Equipment	**34,661**	21,910
Office Equipment	**33,408**	7,826
Building	**34,935**	34,255
Leasehold Land	**226,040**	230,061
	569,150	**627,891**

Note 3d: Financial charges	**2018**	**2017**
	GH¢	**GH¢**
Bank Charges	12,098	7,621
	12,098	**7,621**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2018

Note 4a Property and Equipment	**Motor Vehicles**	**Office Furniture & Fittings**	**IT Equipment and Computers**	**Office Equipment**	**Building**	**Leasehold Land**	**Totals**
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Cost							
Balance at 1 Jan. 2018	**1,158,796**	**150,295**	**281,388**	**96,481**	**1,712,746**	**11,273,000**	**14,672,706**
Additions	-	377,114	56,175	79,265	34,000	29,021	575,575
Disposal	58,275	12,254	-	8,665	-	-	79,194
Balance at 31 Dec. 2018	**1,100,521**	**515,155**	**337,563**	**167,081**	**1,746,746**	**11,302,021**	**15,169,087**
Accumulated Dep.							
Balance at 1 Jan. 2018	**609,025**	**71,017**	**262,924**	**88,919**	**34,255**	**303,781**	**1,369,921**
Charge for the year	191,313	48,793	34,661	33,408	34,935	226,040	569,150
Release on disposal	58,275	7,883	-	7,392	-	-	73,550
Balance at 31 Dec 2018	**742,063**	**111,927**	**297,585**	**114,935**	**69,190**	**529,821**	**1,865,521**
Net Book Value							
At 31 December, 2017	**358,458**	**403,228**	**39,978**	**52,146**	**1,677,556**	**10,772,200**	**13,303,566**
At 31 December, 2016	549,771	79,278	18,464	7,562			13,302,785
Disposal							
Cost	58,275	12,254	-	8,665		-	79,194
Provision for Depreciation	58,275	7,883	-	7,392		-	73,550
Net Book Value	-	4,371	-	1,273		-	5,644
Proceeds from disposal	18,400	3,855	-	599		-	22,854
Profit from disposal	**18,400**	**(516)**	**-**	**(674)**		**-**	**17,210**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2018

Note 4b	**Motor Vehicles**	**Office Furniture & Fittings**	**IT Equipment and Computers**	**Office Equipment**	**Building**	**Leasehold Land**	**Totals**
Property and Equipment	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Cost	721,113	148,258	287,603	95,087		3,686,000	**5,069,908**
Balance at 1 Jan. 2017	**-**	**-**	**-**	**-**	**131,847**	**7,587,000**	**7,587,000**
Additions	765,250	2,037	9,688	7,422	-	-	**2,365,297**
Disposal	327,567	-	15,903	6,028	1,580,900	-	**349,498**
Balance at 31 Dec. 2017	**1,158,796**	**150,295**	**281,388**	**96,481**	**-**	**11,273,000**	**14,672,707**
Accumulated Dep.							
Balance at 1 Jan. 2017	**538,697**	**58,545**	**256,917**	**87,121**	**-**	**73,720**	**1,015,000**
Charge for the year	321,367	12,472	21,910	7,826	34,255	230,061	**627,891**
Release on disposal	251,038	-	15,903	6,028	-	-	**272,969**
Balance at 31 Dec 2017	**609,026**	**71,017**	**262,924**	**88,919**	**34,255**	**303,781**	**1,369,922**
Net Book Value							
At 31 December, 2017	**549,770**	**79,278**	**18,464**	**7,562**	**1,678,492**	**10,969,219**	**13,302,785**
At 31 December, 2016	182,416	89,713	30,686	7,966	0	3,612,280	4,054,908
Disposal							
Cost	327,567	-	15,903	6,028	-		**349,498**
Provision for Depreciation	251,038	-	15,903	6,028	-		**266,941**
Net Book Value	76,529	-	-	-	-		**76,529**
Proceeds from disposal	88,528	-	371	888	-		**89,787**
Profit from disposal	**11,999**	**-**	**371**	**888**	**-**		**13,258**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2018

Note 5a	Balance at 1/1/2018	Additions	Unrealized Gain	Impaired loss	Repayment of principal	Balance at 31/12/2018
Financial assets at fair value	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Activity Finance	1,910,046	-	-	-	-	1,910,046
Fidelity Venture Fund	7,599,117	-	-	-	302,978	7,296,139
Gold Venture Capital	2,194,100	-	-	-	-	2,194,100
Bedrock Venture Cap. Fund	4,895,400	-	-	-	125,000	4,770,400
Ebankese Venture Fund	15,827,892	-	-	-	959,200	14,868,692
Oasis Africa Fund	1,637,712	-	-	-	-	1,637,712
	34,064,267	**-**	**-**	**-**	**1,387,178**	**32,677,089**

Note 5b	Balance at 1/1/2018	Additions	Unrealized Gain	Impaired loss	Repayment of principal	Balance at 31/12/2018
Financial assets at fair value	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Activity Finance	2,383,360	-	-	-	473,314	1,910,046
Fidelity Venture Fund	7,955,520	-	-	-	302,978	7,599,117
Gold Venture Capital	2,194,100	-	-	-	-	2,194,100
Bedrock Venture Cap. Fund	4,995,400	-	-	-	100,000	4,895,400
Ebankese Venture Fund	12,835,000	4,921,620	-	-	1,928,728	15,827,892
Oasis Africa Fund	194,519	1,443,193	-	-	-	1,637,712
	30,557,899	**6,364,813**	**-**	**-**	**2,858,445**	**34,064,267**

Financial risk management

The objective of the Fund is to achieve medium to long-term capital growth through investing in a selection of unlisted private companies. The Fund's activities expose it to a variety of financial risk (including foreign exchange risk, interest rate risk and price risk). Credit risk and liquidity risk.

Market risk

Price risk

The Fund's investments are susceptible to market price arising from uncertainties about future values of the instruments. The Fund Managers provide the Trust with investment recommendations. The Fund Manager's recommendations are reviewed by the Fund's Investment Committee before the investment decisions are implemented. To manage the market price risk, the Fund Manager reviews the performance of the portfolio companies on an ongoing basis and is regularly in contact with the management of the portfolio companies for business and operational matters.

The performance of investment held by the Fund is therefore monitored by the Fund Manager on an ongoing basis. At 31st December, the fair value of equity securities exposed to price risk was as follows:

	2018	2017
Financial asset designated at fair value through profit or loss:	**GH¢**	**GH¢**
Equity securities not traded in an active market designated at fair value through profit or loss	**32,677,089**	**34,064,267**
Loans subject to interest risk:	**-**	**-**
Total	**32,677,089**	**34,064,267**

Foreign exchange risk

The Fund hold assets denominated in currencies other than the functional currency (Ghana Cedi). It is therefore exposed to currency risk, as the value of the financial instrument denominated in other currencies will fluctuate due to the changes in exchange rate.

The Fund Manager is responsible for managing the Fund's currency position.

Foreign currency risk, as defined in IFRS 7, arises as the value of recognized monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to bea component of markets price risk not foreign currency risk. However, the Fund Manager monitors the exposure on all foreign- currency-denominated assets and liabilities.

The table below has therefore been analyzed between monetary and non- monetary items to meet the requirements of IFRS 7.

Amount presented in equivalent amounts of GH¢ with the original currency as US$		
	2018	**2017**
	GH¢	**GH¢**
As at 31 December		
Assets		
Cash at bank	**-**	**-**
Other assets-including interest receivable		
Liabilities		
Other liabilities	**-**	**-**
Net currency exposure	**-**	**-**

Interest rate risk

The Fund is subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates. The table below summarizes the funds exposure to interest rate risks.

As at 31 December 2018	Up to 1 Month	1 to 12 months	More than 1 year	Non-interest Bearing	Total
Assets	**GH¢**	**GH¢**	**GH¢**	**GH¢**	**GH¢**
Loans		-			-
Receivables		1,170,134			**1,170,134**
Cash and cash equivalents		14,632,328			**14,632,328**
Total Assets		**15,802,462**	**-**		**15,802,462**
liabilities					
Payables				275,481	275,481
Total liabilities		-		**275,481**	**275,481**
As at 31 December 2017					
Assets					
Loans		-			-
Receivables		988,722			988,722
Cash and cash equivalents		15,855,700			15,855,700
Total Assets		16,844,422			**16,844,422**
liabilities					
Payables				**515,295**	**515,295**
Total liabilities				**515,295**	**515,295**

The Fund has direct exposure to interest rate changes on the cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Fund invest and the impact on the valuation that use interest rates as an input in the valuation mode. Therefore, the above sensitivity analysis may not indicate the total effect on the Fund's net assets attributable to the investors of future movement in interest rates

Credit risk

The Fund takes on exposure to credit risk, which is the risk that one party will cause a financial loss for the other party by failing to discharge an obligation. The Fund is exposed to the risk of non-payment of debt instrument or the interest due to loans given to portfolio companies, The Fund assesses all counterparties, including its customers, for credit risk before contracting with them. The maximum exposure to credit risk before any credit enhancement at 31st December, is the carrying amount of the financial assets set out below,

The Fund's maximum exposure to credit risk is detailed in the table below	2018	2017
	GH¢	**GH¢**
loans receivable	-	-

The Fund provides loans to private companies. No collateral is received from the underlying companies. The credit quality of these investments is based on the financial performance of the individual portfolio company. For those assets that are not past due it is believed that the risk of default is small and the capital repayments and interest payment will be made in accordance with the agreed terms and conditions. No terms or conditions are renegotiated.

Impairment losses				
The aging on loan debtors at the reporting date is:	**Gross 2018**	**Impairments 2018**	**Gross 2017**	**Impairment 2017**
		GH¢	**GH¢**	**GH¢**
Not past due				
Past due 1-30 days				
Past due 31-60 days				
Past due 61-90 days				
Over 90 days	**30,013,506**	**30,013,506**	**30,013,506**	**30,013,505**
TOTALS	**30,013,506**	**30,013,506**	**30,013,506**	**30,013,505**

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	On demand	Less than 1 year	Between 1 & 2 years	More than 2 years	Total
	GH¢	**GH¢**	**GH¢**	**GH¢**	**GH¢**
As at December 2018					
Liabilities					
Payables	**-**	**275,481**	**-**	**-**	**275,481**
Total liabilities		**275,481**			**275,481**

Capital risk management

The capital of the Fund is represented by the assets attributable to the investors. The Fund's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for investors and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the fund.

Financial Instruments by category Assets per statements of Financial Position	Receivables	Assets designated at fair value through profit or loss	Total
	GH¢	**GH¢**	**GH¢**
As at 31st December, 2018 Financial assets at fair value through profit and loss		32,677,089	**32,677,089**
loans	**-**		**-**
Receivables	1,170,134		**1,170,134**
Cash at bank	14,632,462		**14,632,462**
Total	**15,802,462**	**32,677,089**	**48,479,551**
As at 31st December, 2017 Financial assets at fair value through profit and loss		**34,064,267**	**34,064,267**
loans		**-**	**-**
Receivables	**988,722**		**988,722**
Cash at bank	**15,855,700**		**15,855,700**
Total	**16,844,422**	**34,064,267**	**50,908,689**
liabilities as per statements of financial position as at 31st December, 2018	**Other financial Liabilities**	**Liabilities at fair value through profit or loss**	**Total**
Payables	**275,481**		**275,481**
Total liabilities	**275,481**		**275,481**
liabilities as per statements of financial position as at 31st December, 2017	**Other financial Liabilities**	**Liabilities at fair value through profit or loss**	**Total**
Payables	**515,295**		**515,295**
Total liabilities	**515,295**		**515,295**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER 2017

Note 6: Loans	**2018**	**2017**
	GH¢	**GH¢**
Investment Loans	-	-
Development Assistance Fund	**5,980,196**	5,980,196
Special Purpose Vehicle Loan	**24,033,310**	24,033,310
Gross	**30,013,506**	30,013,506
Less Impaired loss	**30,013,506**	30,013,506
	-	-

Note 6b: Impaired Loss	**2018**	2017
	GH¢	GH¢
Balance brought forward	**30,013,506**	30,013,506
Movement during the year	**-**	-
Balance carried forward	**30,013,506**	30,013,506

Note 7: Receivables	**2018**	2017
	GH¢	GH¢
Activity Venture Finance Co.	**-**	-
Deposit for land paid to Nana Kwame Edusei	**853,100**	853,100
Staff Debtors	**4,989**	20,234
Prepayments	**311,832**	107,619
Accrued Interest: Kron Capital Ltd	**1,042,612**	1,042,612
Accrued Interest: Wealth Vision	**1,162,022**	1,162,022
Accountable Imprest	**213**	7,769
	3,374,768	3,193,356
Less impaired loss on Kron and Wealth Vision	**2,204,634**	2,204,634
	1,170,134	5988,722

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2017

Note 8: Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalent comprises the following with original maturity of less than 90 days

	2018	2017
	GH¢	GH¢
Fixed Deposits – Kron Capital	900,00	900,00
Fixed Deposit – Wealth Vision Financial Ltd	1,516,106	1,516,106
Fixed Deposits - All Time Capital	1,955,836	-
Fixed Deposits - Firstbanc	1,054,849	-
Fixed Deposits - Legacy	1,062,329	
Fixed Deposits – Call Bank	2,023,781	
Fixed Deposits – Fidelity Bank	-	5,100,823
Fixed Deposits – Agric Bank	3,053,370	5,096,438
Fixed Deposits – Premium Bank	3,377,299	3,068,712
National Investment Bank: 1000100902901	7,431	7,431
ADB: 1161010010335101	12,522	17,397
ADB: 1161810010335101	4,273	4,122
ADB: 106101008133801	953	915
ADB: 106181000813801	165,316	79,250
GCB Bank Limited: 11210000735	1,441	1,441
Ecobank	665	17,665
Fidelity Bank: 1951000349614	1,345,822	2,006,943
Fidelity Bank Call: 1050000349614	(369,538)	6,662
Fidelity Bank Call: 1080000349643	912,538	398,791
Fidelity Bank On Shore: 1051000349617	7,182	7,183
Access: 0010100016881	-	96
Sahel Sahara: 220002000	-	3,765
GCB Current: 1011130030545	93	93
Zenith Bank	11,317	15,484
Cash in Hand	4,933	22,489
	17,048,434	18,271,806
Less Impairment loss on Kron	900,000	900,000
Less Impairment on Wealth Vision	1,516,106	**1,516,106**
	14,632,328	**15,855,700**

NOTES TO THE FINANCIAL STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2017

NOTE 9: Payables

	2018	2017
	GH¢	GH¢
Withholding Tax	5,062	22,377
Audit Fees	30,000	25,000
Provident Fund	9,810	9,246
Staff Welfare deductions	-	2,000
Income Tax	18,207	18,036
	-	-
Social Security Contribution	13,873	14,289
Security (Corporate Intelligence Bureau)	2,143	2,800
Consultancy Fees	55,000	75,000
ENS Africa	22,913	
Technical Audit	-	46,667
Overpaid interest by SIC-FSL	-	89,396
Water Meals and Drinks	-	-
Staff Lunch	1,410	-
Telephone	1,430	570
Prodesign	17,670	-
Rent	85,962	-
Electricity	12,000	3,589
Nationwide Mutual Healthcare	-	6,325
Salaries Payable	-	200,000
	275,480	**515,296**

Note 10: Post Balance Sheet Events

Events subsequently to the balance date are in the financial statements only to the extent that they relate to the year under consideration and the effect is material.