STANBIC IBTC MONEY MARKET FUND

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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Fund information

Management and Professional Advisors

* The Fund has no employees of its own.

Fund Manager:	Stanbic IBTC Asset Management Limited
Registered Address:	IBTC Place Walter Carrington Crescent Victoria Island Lagos
Principal Place of Business:	Stanbic IBTC Towers Walter Carrington Crescent Victoria Island Lagos Tel: 234-1-2805595 E-Mail: mutualfunds@stanbicibtc.com Website: www.stanbicibtcassetmanagement.com
Postal Address:	P.O.Box 71707 Victoria Island Lagos
Auditor:	KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street Victoria Island Lagos
Company Secetary to the Fund Manager:	Olugbenro Aju Email: Olugbenro.Aju@stanbicibtc.com
Registrar:	First Registrars & Investors Services Limited No 2 Abebe Village Road Iganmu Complex Lagos
Trustee:	FBNQuest Trustees Limited 10 Keffi Street Off Awolowo Road Ikoyi Lagos
Custodian:	UBA Global Investor Services UBA House 57 Marina Lagos
Directors of the Fund Manager	Demola Sogunle Busola Jejelowo Efe Omoduemuke Wunmi Ehis-Uzenabor Yinka Johnson Olufunke Amobi Olayinka David-West Ifeoma Esiri Olumide Oyetan Babatunde Majiyagbe Bridget Oyefeso-Odusami

Report of the Trustee for the financial year ended 31st December, 2023

The Trustees present their report on the affairs of the Stanbic IBTC Money Market Fund, together with the audited financial statements for the year ended 31st December, 2023.

Principal activity: The principal activity of the Stanbic IBTC Money Market Fund ("the Fund") is the subscription of funds from members of the public and companies and the investment of such funds in Money Market Securities, Deposits and Placements with maturities of less than a year as determined by the Fund Manager in accordance with the Trustee Investments Act, the Investments and Securities Act, and the Securities and Exchange Commission's Rules and Regulations, The Trust Deed and Supplemental Deeds thereto ("the Applicable Regulations").

Results: The results for the year are set out on Pages 13-16.

Directors: The directors of the Fund Manager who served on the board of the Fund Manager during the period under review and up to the date of approving these financial statements were:

Dr. Demola Sogunle	Chairman
Mrs. Busola Jejelowo	Chief Executive (Designate)
Mr. Efe Omoduemuke	Executive Director
Mrs. Yinka Johnson	Executive Director
Mrs. Wunmi Ehis-Uzenabor	Executive Director
Prof. Olayinka David-West	Independent Non- Executive Director
Mrs. Ifeoma Esiri	Non- Executive Director
Mrs. Olufunke Amobi	Non- Executive Director
Mrs. Bridget Oyefeso-Odusami	Non-Executive Director
Mr. Babatunde Majiyagbe	Non-Executive Director
Mr. Olumide Oyetan	Non-Executive Director

Directors' and related parties interest in the units of the Fund: The Directors of Stanbic IBTC Asset Management Limited who held direct and indirect beneficial interest in the units of the Fund as at 31st December, 2023 are:

	Units held as at 31st December, 2023
Mr. Efe Omoduemuke	9
Mrs. Wunmi Ehis-Uzenabor	6
Mrs. Olufunke Amobi	25,593
Prof. Olayinka David-West	46,204
Mrs. Ifeoma Esiri	8
Mr. Babatunde Majiyagbe	1,644
Mrs. Bridget Oyefeso-Odusami	64

None of the directors of FBNQuest Trustees Limited has any direct or indirect beneficial interest in the units of the Fund as at 31st December, 2023.

Responsibilities of the Fund Manager:

The Investments and Securities Act, 2007 requires the Fund Manager to keep proper books of account and prepare annual financial statements which give a true and fair view of the state of affairs of the unit trust scheme during the period covered by the financial statements.

In our opinion, the Fund Manager has in preparing the financial statements:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that were reasonable and prudent;
- ensured that the applicable accounting standards have been followed, and in the case of any material departure, that it was fully disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis; since it was appropriate to assume that the Fund shall continue to exist.

The Fund Manager was responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any point in time, the financial position of the Fund, and enable the Fund Manager to ensure that the financial statements comply with the Applicable Regulations.

The Fund Manager is also responsible for maintaining adequate financial resources to meet its commitments and to manage the risks to which the Fund is exposed.

Responsibilities of the Trustee:

The responsibilities of the Trustee as provided by the Trust Deed and other Supplemental thereto, the Securities and Exchange Commission's Rules and Regulations made pursuant to the Investments and Securities Act, 2007 are as stated below:

- Monitoring of the activities of the Fund Manager and the custodian on behalf of and in the interest of the Unit Holders;
- Ensuring that the Custodian takes into custody all of the scheme's assets and holds it in trust for the holders in accordance with the Trust Deed and the Custodial Agreement;

- Monitoring the register of unit holders or contributors;
- Ascertaining the Fund Manager's compliance with the Applicable Regulations;
- Ascertaining that the monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission;

- Exercising any right of voting conferred on it as the registered holder of any investment and/or forward to the fund manager within a reasonable time all notices of meetings, reports, circulars, proxy solicitations and any other document of a like nature for necessary action;
- Ensuring that fees and expenses of the fund is within the prescribed limits; and
- Acting at all times in the interest and for the benefit of unit holders of the scheme.

Administration of the Fund: During the year under review, the Fund was administered in accordance with the applicable regulations, taking into cognisance prevailing market conditions as well as preserving and minimising possible losses to unit holders' funds.

Charitable donations: The Fund did not make any charitable donations during the year (2022:Nil).

Auditors: Messrs KPMG Professional Services, Chartered Accountants, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Fund. In accordance with Section 184(1) of the Investment and Securities Act, 2007 therefore, the auditors will be re-appointed.

By Order of the Trustee

Adekunle Awojobi
FRC/ICAN/2013/00000002442
Managing Director
FBNQuest Trustees Limited
16 Keffi Street, Off Awolowo Road
Ikoyi, Lagos
28 March, 2024

Fund Manager's Report

The Stanbic IBTC Money Market Fund closed the year with an effective yield of 11.52%p.a, a decline from 13.25%p.a. at the close of 2022, largely driven by the impact of high system liquidity on money market rates.

Domestic Economic Review

In the domestic landscape, the first half of the year was dominated by election uncertainties, cash crunch underpinned by currency redesign policy, rising general prices and persistent insecurity. Major highlights for the year came with the inauguration of the new administration, as we saw a quick implementation of some pro-market reforms than the market had initially anticipated. Post inauguration, we witnessed some major policy pivots in the domestic economy, including partial removal of subsidy which helped to free up resources for the government, unification of the foreign exchange market which resulted in the devaluation of the country's currency and change in composition of the Central Bank of Nigeria's management team.

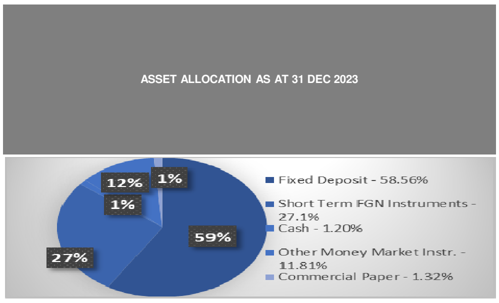
The policy pivots were regarded as necessary triggers for the nation's growth, as they are expected to have a direct impact on stimulating exports, attracting foreign investors participation in the domestic market, and improving overall fiscal condition. However, the short-term impact on the domestic economy has been to the downside as it has resulted in further surge in inflation, underpinned by rising energy prices and surge in prices of imported items. In a bid to curb inflationary pressures, the Central Bank of Nigerian (CBN) hiked monetary policy rates by 225bps during the year to close the year at 18.75%.

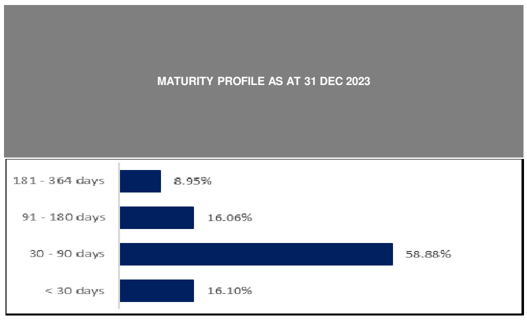
Domestic Financial Market

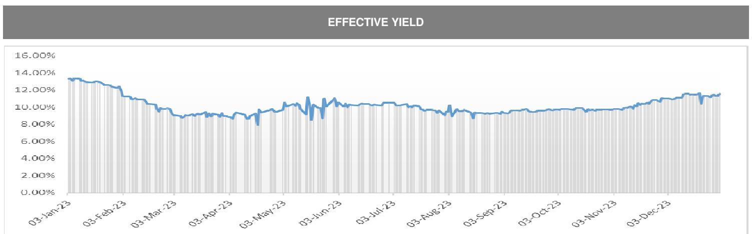
The domestic financial market was a tale of two halves, with the first half of the year characterised by election uncertainties and high liquidity, especially as the period received c. N4.30trn in coupon payments, Treasury Bill and Bond maturities. Consequently, average fixed income yields declined to 12.56% at the end of H1 2023, from c.14% at the start of the year. The second half, however, was characterised by improved supply of securities by the Debt Management Office and deployment of unorthodox measures to mop up liquidity in the system by the monetary authority. On the back of this, average yield trended northward, especially in the month of November, closing the month at 15.16%. Yields contracted to 13.87% in December 2023 as Federation Account Allocation Committee ("FAAC") disbursements elevated system liquidity.

Fund Activity

The Fund invested in high quality short-term instruments such as the Nigerian Treasury Bills, short-term FGN Bonds, Fixed Deposits and Commercial papers to deliver risk-adjusted returns to unitholders. The volatility in the Fixed Income environment impacted the Fund's yield as excess liquidity from maturing instruments, coupons and FAAC inflows depressed market yields in Q2'23 & Q3'23. However, the Fund was positioned across the short end of the money market yield curve in order to take advantage of any recovery in interest rates in subsequent months. During the year, the Fund's NAV grew significantly by 51.53% whilst maintaining its position as the largest Money Market Fund in Nigeria.







ON BEHALF OF THE FUND MANAGER

Wunmi Ehis-Uzenabor
(FRC/2021/003/00000023362)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Statement of the Fund Manager's responsibilities in relation to the financial statements

The Fund Manager accepts responsibility for the preparation of the annual financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

The Fund Manager further accepts responsibility for maintaining adequate accounting records as required by the Trust Deed and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and has no reason to believe the Fund will not remain a going concern in the year ahead.

ON BEHALF OF THE FUND MANAGER

Wunmi Ehis-Uzenabor
(FRC/2021/003/00000023362)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Certification of accounts by the Fund Manager

We hereby certify that neither the Fund Manager nor any other person acting on its behalf has:

i transferred value of investments to another person for sale, resale or subsequent transfer to the Fund Manager for sale or resale; or

ii acquired or disposed of investments for account of the Trust otherwise than through a recognized stock exchange or over-the counter (OTC) market except where such investments consist of money market instruments or cash deposits; or

iii disposed of units to another person for a price lower than the daily offer price; or

iv acquired units for a price higher than the daily bid price.

Wunmi Ehis-Uzenabor
(FRC/2021/003/00000023362)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMG 40014, Falomo
Lagos

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Stanbic IBTC Money Market Fund

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Stanbic IBTC Money Market Fund ("the Fund"), which comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income;
- the statement of changes in net assets attributable to unitholders;
- the statement of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 are independent of the Fund in accordance with International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information
The Directors of the Fund Manager and the Directors of the Trustee are responsible for the other information. The other information comprises Fund Information, Trustee's Report, Fund Manager's Report, Statement of Fund Manager's Responsibilities in relation to the financial statements, Certification by the Fund Manager , Other Disclosures and Other National Disclosures, 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 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, 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 Directors for the Financial Statements

The Directors of the Fund Manager are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors of the Fund Manager 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 Directors of the Fund Manager 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 Directors of the Fund Manager either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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 an 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Fund Manager.
- Conclude on the appropriateness of the Directors of the Fund Manager's 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 Fund's 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.

- 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 Audit Committee of the Fund Manager 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.

From the matters communicated with /the Audit Committee of the Fund Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Kabir

Kabir Okunlola, *FCA*
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
28 March 2024
Lagos, Nigeria

Statement of financial position
as at 31 December

Assets	Note	2023 ₦'000	2022 ₦'000
Cash and cash equivalents	**13**	**226,424,579**	207,303,178
Investment Securities	**14**	**159,886,321**	46,706,529
Total assets		**386,310,900**	254,009,707
Liabilities			
Accounts payable	**15**	**(5,334,902)**	(2,780,514)
Net assets attributable to Unitholders		**380,975,998**	251,229,193
Represented by:			
Unitholders' interest at par	**16**	**378,285,515**	246,807,105
Retained earnings	**16**	**2,690,483**	**4,422,088**
Unitholders' funds		**380,975,998**	251,229,193

These financial statements were prepared by the Fund Manager, approved by the Trustees of the Fund on 28 March 2024 and signed on behalf of the Fund Manager by the directors listed below:

Wunmi Ehis-Uzenabor
(FRC/2021/003/00000023362)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Additionally certified by:

Kolawole Olaleye
FRC/2023/PRO/ICAN/001/598708
Chief Financial Officer
Stanbic IBTC Asset Management Limited
28 March 2024

The accompanying notes are an integral part of these financial statements.

Statement of comprehensive income
For the year ended 31 December

Revenue	**Note**	**2023 ₦'000**	2022 ₦'000
Investment income	8	**42,730,374**	20,806,887
Other income	11	**287,493**	31,901
Interest income from local banks	10	**265,166**	127,425
Total income		**43,283,033**	20,966,213
ECL impairment charge	9	(140,489)	(4,151)
Total revenue after impairment		**43,142,544**	**20,962,062**
Other operating expenses	12	**(8,008,627)**	(4,534,381)
Total expenses		**(8,008,627)**	(4,534,381)
Increase in net assets attributable to unit holders		**35,133,917**	16,427,681
Earnings Per Unit			
Basic and Diluted Earnings Per Unit (Naira)	24	**0.09**	0.07

The accompanying notes are an integral part of these financial statements.

Statement of changes in net assets attributable to Unitholders
For the year ended 31 December

	Unit holders' equity	Retained earnings	Total equity
	₦'000	**₦'000**	**₦'000**
Balance as at 1 January 2023	246,807,105	4,422,088	251,229,193
Increase in nets assets attributable to unitholders after tax:			
Profit for the year	-	35,133,917	35,133,917
Increase in nets assets attributable to unitholders after tax	246,807,105	39,556,005	286,363,110
Transactions with owners, recorded directly in equity:			
Subscriptions during the year	539,152,643	-	539,152,643
Redemptions during the year	(407,674,233)	-	(407,674,233)
Distributions	-	(36,865,522)	(36,865,522)
Total contributions and distributions to unitholders	131,478,410	(36,865,522)	94,612,888
Balance at 31 December 2023	378,285,515	2,690,483	380,975,998

For year ended 31 December 2022

	Unitholders' equity	Retained earnings	Total equity
	₦'000	₦'000	₦'000
Balance as at 1 January 2022	213,772,436	4,317,340	218,089,776
Increase in nets assets attributable to unitholders after tax:			
Profit for the year	-	16,427,681	16,427,681
Increase in nets assets attributable to unitholders after tax	213,772,436	20,745,021	234,517,457
Transactions with owners, recorded directly in equity:			
Subscriptions during the year	292,888,303	-	292,888,303
Redemptions during the year	(259,853,634)	-	(259,853,634)
Distributions	-	(16,322,933)	(16,322,933)
Total contributions and distributions to unitholders	33,034,669	(16,322,933)	16,711,736
Balance at 31 December 2022	246,807,105	4,422,088	251,229,193

The accompanying notes are an integral part of these financial statements.

Statement of cash flows
For the year ended 31 December

	Note	2023 ₦'000	2022 ₦'000
Cash flow from operating activities:			
Increase in net assets attributable to unit holders		**35,133,917**	16,427,681
Adjustment for:			
Investment income	8	**(42,730,374)**	**(20,806,887)**
Other income	11	**(287,493)**	**(31,901)**
Interest income from local banks	10	**(265,166)**	**(127,425)**
		(43,283,033)	**(20,966,213)**
ECL impairment charge	9	**140,489**	**4,151**
TOTAL		**(8,008,627)**	**(4,534,381)**
Changes in:			
- Accounts payable	18a	**2,554,388**	267,141
- Accounts receivable		**-**	594,807
-Investment Securities	18a	**(113,179,792)**	12,602,529
		(118,634,031)	8,930,096
Interest received	18b	**43,142,544**	20,962,062
Net cash (used in)/generated from operating activities		**(75,491,487)**	29,892,158
Cash flow from financing activities			
Cash paid on redemption	16	**(407,674,233)**	(259,853,634)
Cash received from subscription	16	**539,152,643**	292,888,303
Distribution paid to unitholders	16	**(36,865,522)**	(16,322,933)
Net cash generated from financing activities		**94,612,888**	**16,711,736**
Net increase in cash and cash equivalents		**19,121,401**	46,603,894
Cash and cash equivalents as at beginning of the year		**207,303,178**	160,699,284
Cash and cash equivalents as at end of the year	13	**226,424,579**	207,303,178

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2023

1 Reporting entity

Stanbic IBTC Money Market Fund ("the Fund") is a unit trust scheme that operates in Nigeria. The Fund is governed by a Trust Deed with FBN Trustees Limited serving as Trustees. 10,000,000 units were offered for subscription at the launch of the Fund. The primary objective of the Fund is to optimise return while preserving capital invested. This objective is being achieved by utilising the bargaining power that is obtained from the pooling together of funds to actively invest in a portfolio of short-term money market securities and government securities, including discounted instruments such as Treasury Bills, Commercial Papers, Banker's Acceptances, and Certificates of Deposit with rated banks in Nigeria.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). Additional information required by local regulations is included where appropriate. The financial statements comply with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

These financial statements were prepared by the Fund Manager and approved by the Trustee of the Fund on 28 March 2024.

(b) Basis of measurement

The financial statements have been prepared on a historical-cost basis, except financial instruments measured at fair value through profit or loss.

The Fund applies the accrual method of accounting where all income is recognised when earned and all expenses recognised once incurred.

(c) Functional and presentation currency

The financial statements are presented in *Naira* which is the functional currency of the Fund. All financial information presented in *Naira* have been rounded to the nearest thousand except otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conforming with IFRS requires management to make judgements, estimates and assumptions that can affect the application of the accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about significant areas of estimation, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 6 to the financial statements.

(e) Current/ non-current analysis for assets and liabilities

All assets and liabilities are deemed to be current as they are available for disposal or realization in the next 12 months.

3 Change in accounting policies

The accounting policies are consistent with those reported in the previous year as there is no change in standards that impacts the fund.

4 Statement of material accounting policies

(a) Financial assets and liabilities

(i) Introduction

Financial instruments include all financial assets and liabilities. These instruments are typically held for liquidity, investment, or trading purposes. All financial instruments are initially recognized at fair value plus directly attributable transaction costs, except those carried at fair value through profit or loss where transaction costs are recognized immediately in profit or loss.

Financial instruments are recognized (derecognized) on the date the Fund commits to purchase (sell) the instruments (trade date accounting).

Classification and initial measurement

The Fund classifies its financial assets and liabilities into three categories - financial assets or liabilities at Amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVPL). Management determines the classification of its financial instruments at initial recognition.

(ii) Fair Value through Other Comprehensive Income (FVOCI)

Financial assets at fair value through Other Comprehensive Income includes:
• A debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss):
— held within a business model in which the debt instrument (financial asset) is managed to both collect contractual cash flows and sell financial assets; and
— The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss .

• Equity financial assets which are not held for trading and are irrevocably elected (on an instrument-by-instrument basis) to be presented at fair value through OCI.

(iii) Amortised cost

Amortised cost comprises a debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss):
• held within a business model whose objective is to hold the debt instrument (financial asset) in order to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss.

The Fund has classified Bonds, Receivables, Treasury Bills and other money market instruments and payables at Amortised costs.

(iv) Fair Value through profit or loss (FVTPL)

A financial asset is classified and measured at FVTPL if the financial asset is:

— A held-for-trading financial asset;
— A debt instrument that does not qualify to be measured at Amortised cost or FVOCI;
— An equity investment which the entity has not elected to classify as at FVOCI.

Notes to the financial statements (cont'd)

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Fund considers all of the relevant information about how the business is managed, including:

— the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile or realising cashflows through the sale of the assets;
— how the performance of the portfolio is evaluated and reported to the Fund's management;
— the risks that affect the performance of the business model and the assets held within the business model and how those risks are managed; and
— the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Fund has determined that it has two business models.

— *Held-to-collect business model:* this includes cash and cash equivalents, receivables, Treasury bills and other money market investments. These financial assets are held to collect contractual cash flow.

— *Other business model:* this includes debt securities and equity investments. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Subsequent measurement
Subsequent to initial measurement, financial assets are classified in their respective categories and measured at either Amortised cost or fair value as follows:

(i) Fair value through OCI
Debt instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When a debt financial asset is disposed of, the cumulative fair value adjustments, previously recognised in OCI, are reclassified to the other gains and losses on financial instruments within non-interest revenue.
Interest income on debt financial asset is recognised in interest income in terms of the effective interest rate method. Dividends received are recognised in interest income within profit or loss.
Equity instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When equity financial assets are disposed of, the cumulative fair value adjustments in OCI are reclassified within reserves to retained income. Dividends received on equity instruments are recognised in other revenue within non-interest income.

(ii) Amortised cost
These assets are subsequently measured at Amortised cost using effective interest method. Interest income is recognised in 'interest income calculated using the effective interest method', foreign exchange gains and losses are recognised in 'net foreign exchange loss' and impairment is recognised in 'impairment losses on financial instruments' in the statement of comprehensive income. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Fair Value through profit or loss
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income and expense and foreign exchange gains and losses, are recognised in profit or loss in 'net income from financial instruments at FVTPL' in the statement of comprehensive income.

(v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.
When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Fund determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis during the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(vi) Amortised cost measurement
The 'Amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(vii) Impairment of financial assets

Expected credit losses (ECL) are recognised on debt financial assets classified as at either Amortised cost or fair value through OCI, financial guarantee contracts that are not designated at fair value through profit or loss.

The measurement basis of the ECL of a financial asset includes assessing whether there has been a significant increase in credit risk (SICR) at the reporting date which includes forward-looking information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The measurement basis of the ECL, which is set out in the table that follows, is measured as the unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and forward looking information.

Stage 1	A 12-month ECL is calculated for financial assets which are neither credit-impaired on origination nor for which there has been a SICR.
Stage 2	A lifetime ECL allowance is calculated for financial assets that are assessed to have displayed a SICR since origination and are not considered low credit risk.
Stage 3	A lifetime ECL is calculated for financial assets that are assessed to be credit impaired. The following criteria are used in determining whether the financial asset is impaired: • default • significant financial difficulty of borrower and/or modification • probability of bankruptcy or financial reorganisation • disappearance of an active market due to financial difficulties.

Notes to the financial statements (cont'd)

(viii) Financial liabilities

Nature

Held for trading	Those financial liabilities incurred principally for the purpose of re-purchasing in the near term, those that form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.
Designated at fair value through profit or loss	Financial liabilities are designated to be measured at fair value in the following instances: - to eliminate or significantly reduce an accounting mismatch that would otherwise arise - where the financial liabilities are managed and their performance evaluated and reported on a fair value basis - where the financial liability contains one or more embedded derivatives that significantly modify the financial asset's cash flows.
At Amortised cost	All other financial liabilities not included the above categories.

(ix) Derecognition

The Fund derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Fund neither transfers nor retains substantially all the risk and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognized. Transfer of assets with retention of all or substantially all risks and rewards include securities lending and repurchase transactions.

The Fund derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(b) Interest income

Interest income, including interest income from non-derivative financial assets at fair value through profit or loss, are recognised in profit or loss, using the effective interest method. Together with dividend income and net gain/loss on investments, interest income make the revenue for the Fund

(c) Dividend income and expense

Dividend income is recognised in profit or loss on the date in which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the unitholders approve the payment of a dividend.

The Fund incurs expenses on short positions in equity securities equal to the dividends due on these securities. Such dividend expense is recognised in profit or loss as operating expense when the unitholders' right to receive payment is established.

(d) Net gain/(loss) on investments

Net gain from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences, but excludes interest and dividend income, and dividend expense.

The cost of sales used in computing the net realised gain from financial instruments at fair value through profit or loss is calculated using the weighted average cost method.

(e) Operating Expenses

Fee expense comprising management fees, custodian fees, registrar fees, trustee's fees, incentive fees, auditor's fees, and other expenses are recognised over the period in which the services are rendered, and are computed as a percentage of the daily Net Asset Value. Other expenses are recognized as incurred in accordance with the substance of the Trust Deed and other relevant agreements.

(f) Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities. They include the bid-ask spread, fees and commissions paid to agents, financial advisers, brokers and dealers, levies by regulatory agencies and securities exchanges.

Transaction costs incurred on financial assets or liabilities recorded at Amortised cost are part of the Amortised cost value and Amortised over the life of the financial instrument.

Transaction costs incurred for other assets and liabilities including those classified as fair value through profit or loss are expensed when incurred.

(g) Taxation

Dividend income received by the Fund is subject to withholding tax. Dividend income and income from financing and investing activities are therefore recorded gross of such taxes and the corresponding withholding tax is recognised as tax expense. The withholding tax borne on dividend is treated as final tax.

Notes to the financial statements (cont'd)

(h) Capital

(i) Equity attributable to unitholders

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund's units in issue are financial instruments issued by the Fund. On liquidation of the Fund, the unitholders are entitled to the residual net assets. They rank *pari passu* in all material respects and have identical terms and conditions. The units provide the investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each daily redemption date and also in the event of the Fund's liquidation.

A puttable financial instrument that includes a contractual right for the Fund to repurchase or redeem that instruments for cash or another financial asset is classified as equity if it meets all the of the following conditions:

- it entitles the holder to a *pro rata* share of the Fund's net assets in the event of the Fund's liquidation;
- it is in the class of instruments that is subordinate to all other classes of assets of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other feature that would require classification as a liability; and
- the total expected cash flows attributable to the instruments over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

The Fund's units meet these conditions and are classified as equity. Incremental costs directly attributable to the issue or redemption of units are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

(ii) Repurchase of units

When units recognised as equity are redeemed, the par value of the units is presented as a deduction from capital. Any premium or discount to par value is recognised as an adjustment to retained earnings.

(i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Fund or the Fund has a present obligation as a result of past events which is not recognised because it is not probable that an outflow of resources will be required to settle the obligation, or the amount cannot be reliably estimated.

(j) Statement of cash flows

The statement of cash flow is prepared using the indirect method in accordance with IAS 7.

(k) Standards, amendments and interpretations issued but not yet effective

The following new or revised standards, amendments and interpretations are not yet effective for the period beginning 01 January 2023.

Title	Key requirements	Effective Date
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting year. Contracts are measured using the building blocks of: • Discounted probability-weighted cash flows • An explicit risk adjustment, and • A contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage year. The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns fromunderlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. However, this standard is not applicable to the fund.	1 January 2023 (deferred from 1 January 2021)
Classification of Liabilities as Current or Noncurrent - Amendments to IAS 1	The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023.	1 January 2023 (possibly deferred from 1 January 2022)
Disclosure of Accounting Policies Amendments to IAS 1 and IFRS Practice Statement 2	The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is material accounting policy information and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	1/1/2023
Definition of Accounting Estimates - Amendments to IAS 8	The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1/1/2023

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • Right-of-use assets and lease liabilities, and • Decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments. However, this standard is not applicable to the fund.	1/1/2023

New standards and interpretations not yet effective
A number of new standards are effective for the year beginning after 1 January 2023 and earlier application is permitted; however, the Fund has not early adopted the new or amended standards in preparing this financial statements.

Title	Key requirements	Effective Date
IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments will be applied prospectively and are not expected to have a material impact on the Group's financial statements.	Effective date of this standard deferred indefinitely
Non-current Liabilities with Covenants (Amendments to IAS 1) and Classification of Liabilities as Current or Non - Current (Amendments to IAS 1)	This standard seek to clarify the conditions on determining whether a liability is current or non-current, and requires new disclosures for the non-current liabilities that are subject to future convenants.	1 January 2024.
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendment will be applied retrospectively. The impact on the annual financial statements has not yet been fully determined.	1 January 2024.
Amendment to IAS 7 and IFRS 17 (Supplier Finance Agreements)	The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangemens on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk.	1 January 2024.
Amendment to IAS 21 (Lack of Exchanageability)	The amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.	1 January 2025.

Early adoption of standards

The Fund did not early adopt any standards.

(l) Earnings per unit

The Fund presents basic and diluted earnings per unit (EPU) for its outstanding units. Basic EPU is calculated by dividing the profit for the year by the units outstanding as at the year end. Where there are units that could potentially affects the numbers of units issued, those units are considered in calculating the diluted earnings per unit. There are currently no unit that could potentially dilute the total units issued.

Notes to the financial statements (cont'd)

5 Financial risk management and fair value disclosures

Risk Management framework

The fundamental investment objective of the Fund is to achieve consistent income streams through investment in select portfolio of money market securities and instruments.

The Fund maintains positions in a variety of financial instruments in line with its investment management strategy which is to have 100% of the Fund's assets in elect money market securities and investments. The Fund's investment portfolio comprises money market instruments, treasury bills and bonds. As a result, the Fund has exposure to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. These risks include credit risk, liquidity risk and market risk. This note presents information about the Fund's exposure to each of these risks and how they are managed.

a Market risk

Market risk is the risk that changes in market prices, such as interest rates, credit spreads (not relating to changes in the obligor's/issuers credit standing) will affect the Fund's income or the fair value of its holding of financial instruments. The Fund's market risk is affected by one main component: changes in interest rates.

i. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund's investments in interest-bearing financial instrument.

As at 31 December 2023, the Fund's exposure to interest rate risk was in relation to fixed income instruments such as bonds and treasury bills. Sensitivity analysis conducted on fixed income instruments reveals that a 1% rise in interest rate, with all other variables remaining constant, would lead to a drop in net asset value by about N463.29mn. In practice, actual changes in interest rate may differ from 1% and the impact on the Fund's net asset value could be material.

The table below summarizes the Fund's direct exposure to interest rate risk based on its financial assets holding:

	Carrying Amount	**Exposure to Interest Rate Risk**
	₦'000	₦'000
Less than 1 year	**226,424,579**	207,303,178
More than 1 year	**159,886,321**	46,706,528
	386,310,900	254,009,706

b Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the Fund resulting in a financial loss to the Fund. The Fund is subject to credit risk from its holdings in fixed income instruments such as money market instruments, treasury bills, and bonds. The Fund limits exposure to credit risk by placing funds with banks (that have investment grade ratings) and investing in securities with high credit quality and by diversifying among a number of issuers. The Fund is also exposed to credit risk from its receivables, which are interest receivables on its money market placements.

The Fund invests in financial assets with investment grade from rating agencies approved by the Securities and Exchange Commission (SEC). The exposures per rating category as at 31 December 2023 are noted below:

Debt securities by	**2023**	**2022**
	Exposure as a % of Total Fixed Income Instruments	Exposure as a % of Total Fixed Income Instruments
AAA	27.78%	27.10%
AA	0.91%	18.66%
A	19.56%	33.03%
BBB	47.06%	21.22%
BB	0.00%	0.00%
B*	4.69%	0.00%
Total	**100.00%**	**100.00%**

*The rating category B is constituted by a financial institution, whose credit rating was downgraded by Fitch Ratings from BBB- to B+. Most (if not all) of the placements made with the bank will mature on or before 8 February 2024.

Notes to the financial statements (cont'd)

As at 31 December 2023, only treasury bills and Federal Government of Nigeria bonds were classified under the AAA rating category.

For over-the-counter trades, communications with counterparties are recorded in properly trailed and archived emails and where there is a dispute or default, it is referred to the Financial Markets Dealers Association for resolution. The risk of default is therefore considered minimal.

The Fund's cash is held with the custodian, UBA Global Investor Services which is rated 'A+' by Fitch Ratings. The Securities and Exchange Commission (SEC) rule 454 (2e) also requires the Custodian to take up insurance cover for all assets under custody.

All financial assets of the Fund are neither past due nor impaired and as such no provisions are required for them.

c Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's Trust Deed provides for daily creation and cancellation of units and it is therefore exposed to liquidity risk of meeting unit holders' redemptions. Liquidity risk is managed by investing the Fund's assets in investments that are traded in an active market and can be easily disposed within the limits allowed by the Fund's IFRS 9 Policy. In addition, the Fund aims to maintain sufficient liquidity in cash and cash equivalent.

For net assets attributable to the unitholders, the Fund has a contractual obligation to redeem within five days of the redemption requests. However, where a significant proportion (25%) of the Fund is being redeemed, the redemption process could exceed five days. Historical experience indicates that these units are held by unitholders on a medium- or long-term basis, that is, greater than one year.

The Fund manages its liquidity risk by investing 100% of its net assets in securities with an expected liquidation period within five days.

As at 31 December 2023, the Fund's investments are considered readily realizable and highly liquid; therefore, the Fund's exposure to liquidity risk is considered minimal. The following were the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

31 December 2023		***Contractual cash flows***					
		Carrying amount	Total	< 3 months	3 - 6 months	6 months - 1 year	> 1 year
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Accounts payable	15	5,334,902	5,334,902	5,334,902	-	-	-

31 December 2022		***Contractual cash flows***					
		Carrying amount	Total	< 3 months	3 - 6 months	6 months - 1 year	> 1 year
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Accounts payable	15	2,780,514	2,780,514	2,780,514	-	-	-

The table above shows the undiscounted cash flows of the Fund's financial liabilities on the basis of their earliest possible contractual maturity.

6 Use of estimates and judgement

These disclosures supplement the commentary on financial risk management

(i) Determining fair value

The Fund measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

(i) Level 1: Quoted market price (unadjusted) in an active market for the instrument.

(ii) Level 2: Valuation techniques based on observable inputs, either directly - i.e. as prices or indirectly - i.e. derived from prices. This category includes instruments valued using : quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

(iii) Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments' valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Notes to the financial statements (cont'd)

The determination of the fair value of financial assets and liabilities for which there are no observable market prices requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and reduces the uncertainty associated with determination of fair value. Availability of observable market prices and inputs varies depending on the product and market and is prone to changes based on specific events and general conditions in the financial markets.

7 Classifications and fair value of financial assets and liabilities

The table below shows the categories into which the line items of financial instruments have been classified:

31 December 2023

	Note	Total	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Amortized cost (assets)	Amortized cost (liabilities)	Fair value
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cash and cash equivalents	13	226,424,579	-	-	226,424,579	-	226,424,579
Investment Securities	14	159,886,321	-	-	159,886,321	-	159,886,321
Total assets		**386,310,900**	**-**	**-**	**386,310,900**	**-**	**386,310,900**
Accounts payable	15	5,334,902	-		-	5,334,902	5,334,902
Total liabilities		**5,334,902**	**-**	**-**	**-**	**5,334,902**	**5,334,902**
31 December 2022							
Cash and cash equivalents	13	207,303,178	-	-	207,303,178	-	207,303,178
Investment Securities	14	46,706,528	-	-	46,706,528	-	46,706,528
Total assets		**254,009,706**	**-**	**-**	**254,009,706**	**-**	**254,009,706**
Accounts payable	15	2,780,514	-	-	-	2,780,514	2,780,514
Total liabilities		**2,780,514**	**-**	**-**	**-**	**2,780,514**	**2,780,514**

The fair values of financial instruments such as cash and cash equivalents, trade and other receivables and trade and other payables are not materially sensitive to shifts in market return rate because of the short term to maturity of these instruments. As such, the carrying values of these financial assets and liabilities at financial position date approximate their fair values.

Notes to the financial statements (cont'd)

	2023	2022
8 Investment income	**₦'000**	₦'000
Income on investment securities:		
Interest income on money market investments	**42,330,673**	20,396,751
Interest income from Bonds	**399,701**	410,136
Total	**42,730,374**	**20,806,887**

	2023	2022
9 Impairment Charge on Investment Securities	**₦'000**	₦'000
ECL impairment charge (see note 14)	**(140,489)**	(4,151)
	(140,489)	(4,151)

	2023	2022
10 Interest income from local banks	**₦'000**	₦'000
Interest income from local banks	**265,166**	127,425
	265,166	127,425

	2023	2022
11 Other income	**₦'000**	₦'000
Other income	**287,493**	31,901
	287,493	**31,901**

12 Operating expenses	**2023**	**2022**
	₦'000	₦'000
Management fees	**5,678,493**	3,678,908
Custody fee	**302,853**	196,209
Registrars fees	**24,717**	21,980
SEC fees	**704,309**	453,383
Trustee fees	**142,360**	92,220
Audit fee	**18,344**	15,287
WHT on fixed Income instruments	**933,165**	-
Advertisement fees	**1,075**	-
Other expenses	**203,311**	78,394
Total	**8,008,627**	**4,536,381**

**other expenses include other expenses, bank charges and stamp duty*
**No non audit fees were paid to KPMG Professional Services in 2023 and 2022*

13 Cash and cash equivalents
Cash and cash equivalents comprise:

	2023	2022
	₦'000	₦'000
Cash at bank	**7,160,890**	3,873,168
Placements with banks	**219,263,689**	203,430,010
	226,424,579	207,303,178

14 Investment Securities	**2023**	**2022**
	₦'000	₦'000
Investment Securities:		
Money Market	**159,289,723**	31,532,556
Bonds	**760,808**	15,197,693
	160,050,531	**46,730,249**
ECL impairment allowance	**(164,210)**	(23,721)
	159,886,321	**46,706,528**

The movement in impairment allowance on financial asset is analysed below:

	2023	2022
	₦'000	₦'000
At 1 January	**(23,721)**	(19,570)
(Allowance) made during the year (See note 9)	**(140,489)**	(4,151)
At 31 December	**(164,210)**	(23,721)

Notes to the financial statements (cont'd)

15 Accounts payable

	2023	2022
	₦'000	₦'000
Accrued expenses	**2,990,915**	1,326,457
Sundry Creditors	**528,847**	942,551
Distribution payable	**1,815,140**	511,506
	5,334,902	2,780,514

16 Unitholders' funds

The units of the Fund carry equal voting rights, are entitled to distributions and are entitled to a proportionate share of the net assets attributable to unit holders of the Fund. All issued units are fully paid. The Fund's units are subject to a minimum holding and subscription amount. The Fund has no limit on cash redemptions except where the cash redemption request is up to 25% of the Net Asset Value of the Fund. In this case, the Fund Manager may require a longer period to process redemption depending on the market conditions. Under extraordinary circumstances, the Fund also has the ability to suspend redemptions if this is deemed to be in the best interest of all unitholders.

The relevant movements are shown on the statement of changes in net assets attributable to holders of issued units. In accordance with the risk management policies in note 5, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

The analysis of movements in the net assets attributable to unitholders during the year were as follows:

Net assets attributable to unitholders:

31 December 2023

	Unitholders equity	Retained earnings	Total
	₦'000	₦'000	₦'000
Balance as at 1 January 2023	246,807,105	4,422,088	251,229,193
Profit for the year	-	35,133,917	35,133,917
	246,807,105	39,556,005	286,363,110
Subscriptions during the year	539,152,643	-	539,152,643
Redemption of units by Unitholders during the year	(407,674,233)	-	(407,674,233)
Distributions	-	(36,865,522)	(36,865,522)
As at 31 December 2023	**378,285,515**	**2,690,483**	**380,975,998**
Net assets value per unit			₦1.00

Net assets attributable to unitholders

31 December 2022

	Unitholders' equity	Retained earnings	Total
	₦'000	₦'000	₦'000
Balance as at 1 January 2022	213,772,436	4,317,340	218,089,776
Total comprehensive income for the year:			
Profit for the year	-	16,427,681	16,427,681
Total comprehensive income for the year	213,772,436	20,745,021	234,517,457
Subscriptions during the year	292,888,303	-	292,888,303
Redemption of units by Unitholders during the year	(259,853,634)	-	(259,853,634)
Distributions	-	(16,322,933)	(16,322,933)
Total contributions and distributions to unitholders	33,034,669	(16,322,933)	16,711,736
As at 31 December 2022	**246,807,105**	**4,422,088**	**251,229,193**
Net assets value per unit			₦1.00

Notes to the financial statements (cont'd)

17 Distributions paid to unitholders

Any distribution for the Fund is made in accordance with the Trust Deed of the Fund. The total distributions paid in 2023 amounted to ₦36.8 billion (2022: ₦16.3 billion). Distributions are recognised in the statement of changes in net assets attributable to unitholders.

18 Notes to the statement of cashflow
Financial asset at amortised cost

18a	Changes in	**Dec. 2023 ₦'000**	Dec. 2022 ₦'000	Movement ₦'000
	Accounts payable	5,334,902	2,780,514	2,554,388
	Investment Securities	(159,886,321)	(46,706,528)	(113,179,793)
18b	**Interest Received**			
	Investment income	42,730,374	20,806,887	21,923,487
	Other income	287,493	31,901	255,592
	Interest income from local banks	265,166	127,425	137,741
	ECL impairment charge	(140,489)	(4,151)	(136,338)
		43,142,544	**20,962,062**	**22,180,482**

19 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or one other party controls both. Others are entities in the Stanbic IBTC Group and the key management personnel of the Fund Manager. The Fund's key related party is its Fund Manager, Stanbic IBTC Asset Management Limited.

The following summarize the Fund's transactions with its related parties:

a) *Fund Manager's Fee*

The Fund is managed by Stanbic IBTC Asset Management Limited (the 'Fund Manager'), an investment management company incorporated in Nigeria. Under the terms of the management agreement, the Fund appointed Stanbic IBTC Asset Management Limited as a Fund Manager to provide fund management services to the Fund. Stanbic IBTC Asset Management Limited receives a fee based on an annual rate of 1.5% on the weighted average net assets value of the fund accrued daily payable quarterly. Total management fees for the year amounted to ₦5,678 million (2022: ₦3,679 million).

b) *Related parties holding*

The beneficial interest of related parties in the units of the fund was:

Name	**2023 Value ₦'000**	2022 Value ₦'000
Stanbic IBTC Trustees Limited	644,470	1,890
Stanbic IBTC Asset Management Limited	389,315	123,163
Stanbic IBTC Capital Limited	3,349,747	234,829
Stanbic IBTC Pension Limited	119,598	2,253,657
Stanbic IBTC Holdings Plc	55,813	11,124,622
Stanbic IBTC Stockbrokers Limited	714,710	302,399
Stanbic IBTC Insurance Brokers Limited	618,357	3,175
Stanbic IBTC Ventures Limited	313,723	198,684
Stanbic IBTC Insurance Limited	154,596	3,175

Key management personnel of the Fund Manager that held units of the fund as at 31 December 2023:

Efe Omoduemuke	**9**	103
Wunmi Ehis-Uzenabor	**6**	8
Olufunke Amobi	**25,593**	4
Olayinka David-West	**46,204**	-
Ifeoma Esiri	**8**	7
Olumide Oyetan	**14,082**	-
Babatunde Majiyagbe	**1,644**	1,486
Bridget Oyefeso-Odusami	**64**	58

20 Contingencies

There were no contingent assets and liabilities as at 31 December 2023 (2022: Nil)

21 Claims and litigations

There were no claims and litigations as at 31 December 2023 (2022: Nil)

22 Subsequent events after the reporting period

There was no event known to the Fund Manager which could have a material effect on the financial statements of the Fund for the year ended 31 December 2023 that has not been adequately recognised and/ or disclosed in the financial statements.

23 Capital commitments

The Fund had no capital commitments as at 31 December 2023 (2022: Nil).

24 Earnings Per Unit

Basic earnings per unit (EPU) is calculated by dividing the profit after tax by the number of outstanding units in issue at the end of the year.

	2023	2022
Profit for the year (₦'000)	**35,133,917**	16,427,681
Number of units in issue at end of the year ('000)	378,285,515	246,807,105
Basic and diluted earnings per unit (Naira)	0.09	0.07

Basic and diluted earnings per unit are the same, as the fund has no potentially dilutive units.

27 Assets Under Management

The total assets under management in 2023 amounted to ₦386.6billion (2022: ₦255.2 billion).

OTHER DISCLOSURES

Other disclosures:
Portfolio summary

	31 December 2023		31 December 2022	
	Market Value	**Percentage of total investment**	Market Value	Percentage of total investment
Money Market Investments and tenored deposits	**₦'000**	**%**	₦'000	%
Money Market and Bond	**159,886,321**	**41.39**	46,706,528	**18.39**
Placement with Banks	**219,263,689**	**56.76**	203,430,010	**80.09**
Cash and cash equivalents	**7,160,890**	**1.85**	3,873,168	**1.52**
Total	**386,310,900**	**100**	254,009,706	100

OTHER NATIONAL DISCLOSURES

Other national disclosures:
Value added statement

	31-Dec-23	%	31-Dec-22	%
	₦'000		₦'000	
Total revenue	**43,142,544**		20,966,213	
Bought in goods and services - Local	**(1,155,895)**		(93,681)	
Value added	**41,986,649**	**100**	20,872,532	100
Applied to pay				
Fund Manager and other parties to the Fund	**6,852,732**	**16**	4,442,700	24
Retained in the Fund to augment reserves	**35,133,917**	**84**	16,427,681	76
Value added	**41,986,649**	**100**	20,870,381	100

Other national disclosures:
Financial summary

Year ended 31 December	2023 ₦'000	2022 ₦'000	2021 ₦'000	2020 ₦'000	2019 ₦'000
Statement of financial position					
Cash and cash equivalents	**226,424,579**	207,303,178	160,699,284	187,033,662	209,828,267
Debt securities at amortised cost	**159,886,321**	46,706,528	59,309,057	115,468,510	129,634,999
Total assets	**386,310,900**	254,009,706	220,008,341	302,502,172	339,463,266
Accounts payable	**(5,334,902)**	(2,780,514)	(2,513,373)	(2,342,694)	(2,600,876)
Net assets	**380,975,998**	251,229,192	217,494,968	300,159,478	336,862,390
Unitholders' funds	**380,975,998**	251,229,192	217,494,968	300,159,478	336,862,390
Statement of comprehensive income					
Revenue	**43,283,033**	20,966,213	15,498,326	19,358,898	37,050,158
Net income after tax	**35,133,917**	16,427,681	11,758,147	13,841,621	32,310,264
Distribution	**36,865,522**	16,322,933	11,781,804	14,393,590	24,912,926