

Norrenberger Money Market Fund

Managed by

Norrenberger Investment and Capital Management Limited

**Financial Statements for The Year Ended
31 December 2023**

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Corporate Information for the Year Ended 31 December 2023

Fund Manager Norrenberger Investment and Capital Management Limited

Directors of the Fund Manager	Names	Designation
	Anthony Edeh	Managing Director
	Andrew Nweke	Non-Executive Director
	Eniola Adedayo	Non-Executive Director
	Nduka Ikeyi	Non-Executive Director
	Ifeoma Malo	Non-Executive Director

Registered office (Fund Manager) 11, Volta Street
Off Thames Street
Maitama,
Abuja, Nigeria

Company Secretary and Legal Advisor Samson Omoti
11, Volta Street
Off Thames Street
Maitama,
Abuja, Nigeria

Trustee to the Fund UTL Trust Management Services Limited
ED Building Lagos Island
No. 47, Marina
Lagos.

Auditors to the Fund PML Professional Services
(Chartered Accountants)
2, Montgomery Road
Yaba, Lagos

Custodian to the Fund United Bank for Africa Plc
UBA House
57, Marina Lagos Island
Lagos.



UTL TRUST
MANAGEMENT SERVICES LIMITED
REPORT OF THE TRUSTEES

UTL Trust Management Services Limited
RC4834
ED Building
47, Marina, (2nd floor) Lagos
P.O. Box 5543, Marina, Lagos
Telephone: 01-2778251, 2705306.
mails@utltrustees.com
www.utltrustees.com

The Trustees are pleased in presenting their annual report together with the audited financial statements on the affairs of Norrenberger Investment and Capital Management Limited's Money Market Fund ("The Fund") for the period ended 31st December, 2023.

PRINCIPAL ACTIVITY

The principal activity of the Norrenberger Money Market Fund ("The Fund") as authorized by the Securities and Exchange Commission is to provide investors with stable and competitive returns through investments in high-quality securities, unsubordinated short term debt securities and other money market securities.

During the period under review, the Fund was managed in accordance with the Investment and Securities Act 2007, the provisions of the Trust Deed, together with the rules and regulations set out by the Securities and Exchange Commission, taking into cognizance the prevailing market conditions for the purpose of preserving and minimizing possible losses of Unit holders funds.

Results:

The results for the period are extracted from the financial records prepared by the Fund Manager and duly audited in accordance with the provision of Section 169(2) of the Investment and Securities Act of 2007.

The Net Asset Value of the Fund as of 31 December 2022 is as follows;

In Naira	31 December 2023
Net Assets attributable to Unit Holders	4,753,180,305

The operating result for the year ended is as follows;

In Naira	31 December 2023
Profit for the year	462,565,470

DIRECTORS

The Directors of the Fund Manager who served on the board of the Fund during the period under review were:

Mr. Anthony Edeh	Managing Director
Mr. Andrew Nweke	Non-Executive Director
Mrs. Eniola Adedayo	Non-Executive Director
Mr. Nduka Ikeyi	Non-Executive Director
Mrs. Ifeoma Malo	Non-Executive Director

DIRECTORS AND RELATED PARTIES' INTEREST IN THE UNITS OF THE FUND:

As of 31 December 2023, Mr. Anthony Edeh (Managing Director) of the Norrenberger Investment and Capital Limited holds 100,000 units of the Fund.

None of the directors of UTL Trust Management Services Limited has any direct or indirect beneficial interest in the units of the Fund as of 31 December 2023.



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STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee's responsibilities to the Fund are as follows:

- To ensure that the basis on which the sale, issue repurchase or cancellation, as case may be, of participatory interests effected by or on behalf of the Fund is carried out in accordance with the Investment and Securities Act, SEC Rules and Regulations and the Trust Deed.
- To ensure that the selling or repurchase price or participatory interests is calculated in accordance with the Investment and Securities Act, SEC Rules and the Trust Deed.
- To carry out the instructions of the Manager unless they are inconsistent with the Investment and Securities Act, any applicable law or the Trust Deed.
- To ensure appropriate internal control systems are maintained and that records clearly identify and value of the Held Assets in trust, the ownership of each investment and the place where documents of title pertaining to each Investment are kept.
- To verify that the income accruals of the Fund are applied in accordance with the Investments and Securities Act, SEC Rules and Regulations and the Trust Deed.
- To enquire into and prepare a report on the administration of the Fund by the Manager during each annual accounting period, in which it shall be stated whether the Fund has been administered in accordance with the provisions of the Investment and Securities Act, the SEC Rules and Trust Deed.
- To enquire into and send report on the administration of the Fund to the Commission and to the Manager in good time to enable the Manager include a copy of the report in its annual report of the Fund.
- To ensure there is a legal separation of the Held assets in trust and that the legal entitlement of the Fund/Unitholders to such Held assets are assured.
- Monitoring of the activities of the Fund Manager on behalf of and in the interest of the Unitholders.
- To ensure that the management of the Fund is carried out in accordance with the Trust Deed and the Investment and Securities Act.
- To satisfy that every income statement, balance sheet or other return prepared by the Manager in terms of section 169 of the Investment and Securities Act, SEC Rules and the Trust Deed.
- To monitor entries made by the Registrar in the register.
- To ascertain that monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission.
- To exercise any voting right conferred on it as the registered holder of any investment.
- To act at all times in the interest of and for the benefit of the Unitholders.

BY ORDER OF THE TRUSTEE

UTL Trust Management Services Limited

Olufunke Aiyepola (Mrs.)

FRC/2013/NBA/00000003285

UTL Trust Management Services Limited

REPORT OF FUND MANAGER

A brief highlight of some Macro-economic activities that were predominant in year 2023:

1. Economy expands albeit at slower rate

The Nigerian economy expanded by 2.74% in 2023, slower than the 3.1% recorded in the previous year, largely attributable to several macro-economic headwinds such as significant cash crunch, high inflationary pressure, downturn in foreign inflows amongst others. The growth recorded in 2023 was largely driven by the non-oil sector. The non-oil sector grew by 3.04% in the review year albeit lower than the 4.84% in 2022, while the oil sector contracted by 2.22% in contrast to a contraction of 19.22% recorded in the previous year.

Despite the headwinds, the oil sector saw some improvement compared to previous years, mostly due to improved crude oil production, elevated global oil prices, and other reforms in the sector, one of which includes the implementation of the Petroleum Industry Act (PIA) leading the removal of petroleum subsidy in the country. Crude oil production averaged at 1.433mbpd in 2023, representing a 4.9% year-on-year increase over 1.365mbpd recorded in the previous year. In terms of contribution to the economy, the non-oil sector contributed 94.6% compared to the 5.4% contribution of the oil sector. The performance of the non-oil sector was driven by the services sector, majorly by the financial and the ICT subsectors.

2. Inflationary pressure persists

Headline inflation averaged the year at 24.52%, an uptrend from the 18.77% recorded in the previous year, further eroding the purchasing power of Nigerians. The surge in the headline inflation was driven by the combination of the food and core index following the removal of petrol subsidy and the liberalization of the foreign exchange market, which saw the price of petrol triple to as high as N570/liter and exchange rate around N900/\$. The official exchange rate depreciated by 49% in 2023 closing the year at N907/\$ while the parallel market rate closed at N1,215/\$.

The unemployment rate also increased to 5% in Q3 2023 from 4.2% recorded in the previous quarter. The under-employment rate also rose to 12.3% from 11.8%, representing the highest level since Q4 2022. In addition, the labor force participation rate among the working-age population decreased slightly from 80.4% recorded in Q2 2023 to 79.5% in Q3 2023.

3. Capital inflows fall to lowest level in 2023.

Capital importation into Nigeria fell to its lowest level on record in 2023, standing at \$3.91 billion from \$5.33 billion recorded in the previous year. According to the National Bureau of Statistics, capital inflows declined by 27% year over year, most of which came in through external loans. Foreign Direct Investments (FDI) fell to \$377.4 million while Foreign Portfolio Investment (FPI) declined to a record low of \$1.15 billion.

4. CBN embark on operational changes to the FX market

The CBN announced the collapse of all the segments in the foreign exchange market into the Investors and Exporters (I&E) Window. The apex bank also re-introduced the "Willing Buyer, Willing Seller" model at the I&E Window, reiterating that all eligible transactions are permitted to access forex at the I&E Window. In the same vein, the CBN re-introduced the order-based two-way quote system. In addition, the CBN halted the RT200 Rebate Scheme and the Naira4Dollar Remittance Scheme.

5. President Tinubu signs Budget of Renewed Hope (N28.77 trillion)

President Bola Ahmed Tinubu signed the 2024 fiscal budget of N28.77 trillion, following the passage by the National Assembly, which is 4.6% higher than the N27.5 trillion initially proposed by the Executive. The breakdown of the budget shows that N10 trillion was earmarked for capital expenditure, N8.8 trillion for recurrent expenditure, N8.2 trillion for debt service, and N1.7 trillion as statutory transfers.

FINANCIAL MARKET

Money Market

The tightening policies of the CBN spilled over from 2022 to 2023 as the Monetary Policy Committee raised the benchmark interest rate by 225 basis points to 18.75% over the 4 Monetary Policy Committee meetings held in 2023 with the last meeting of the year held in July. The committee was inactive for most part of H2. The asymmetric corridor was adjusted to +100/-300 basis points at the July 2023 meeting while the cash reserve ratio (CRR) and liquidity ratio were retained at 32.5% and 30%, respectively.

The hawkish stance of the CBN in 2023 are consequences of the continued rise in inflation figures both locally and internationally.

Interbank rates (OBB AND OVN) increased at the end of 2023 compared with figures recorded at the beginning of the year.

Fixed Income Market

In the fixed income market, selloffs continued to dominate the bonds market in the year 2023 as yields rose across major tenors. A lot of activity was recorded in the year 2023 due to the need for the government to fund the budget deficit as a total of ₦6.66 trillion was issued at the Nigerian Treasury Bills Auctions in the year 2023 and a sum of ₦5.34 trillion was allotted in the FGN Bonds primary market.

Albeit these offerings, system liquidity was still surfeit and the CBN sought to manage liquidity by selling a total of ₦728 billion in OMO Bills.

INVESTMENT OBJECTIVE

The Fund is an actively managed open-ended Money Market Unit Trust Scheme that invests in money market instruments subject to the approval of SEC and earns a consistent income stream. The Fund seeks to provide capital preservation and steady income while maintaining liquidity, diversification, and competitive return.

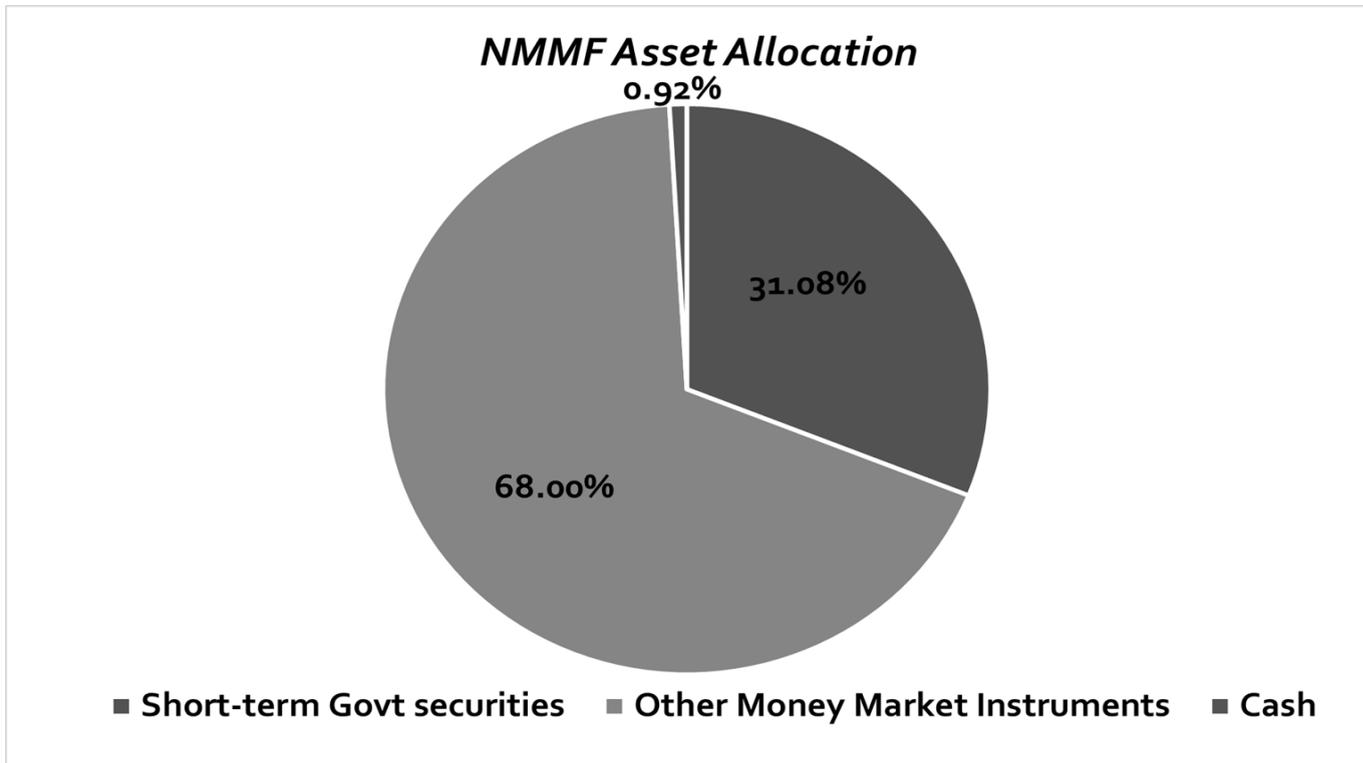
The Fund shall achieve the objective through investing 100% of its assets in low-risk short-term securities such as high-quality short-term money market securities, unsubordinated short term debt securities such as bankers' acceptances, certificate of deposits, commercial papers, collateralized repurchase agreements, deposits (fixed/tenured) with eligible financial institutions, and other instrument introduced and approved by the CBN from time to time as permissible under the SEC Rules. These eligible securities must have received an investment grade rating from a SEC-registered agency.

INVESTMENT STRATEGY

The Fund seeks to achieve its objective through active securities selection consistent with a daily assessment of market liquidity and credit risks. The Fund Manager shall maintain a weighted average portfolio maturity of 90 days and will invest only in investment grade instruments that have a term to maturity of not greater than 366 days at the time of issuance.

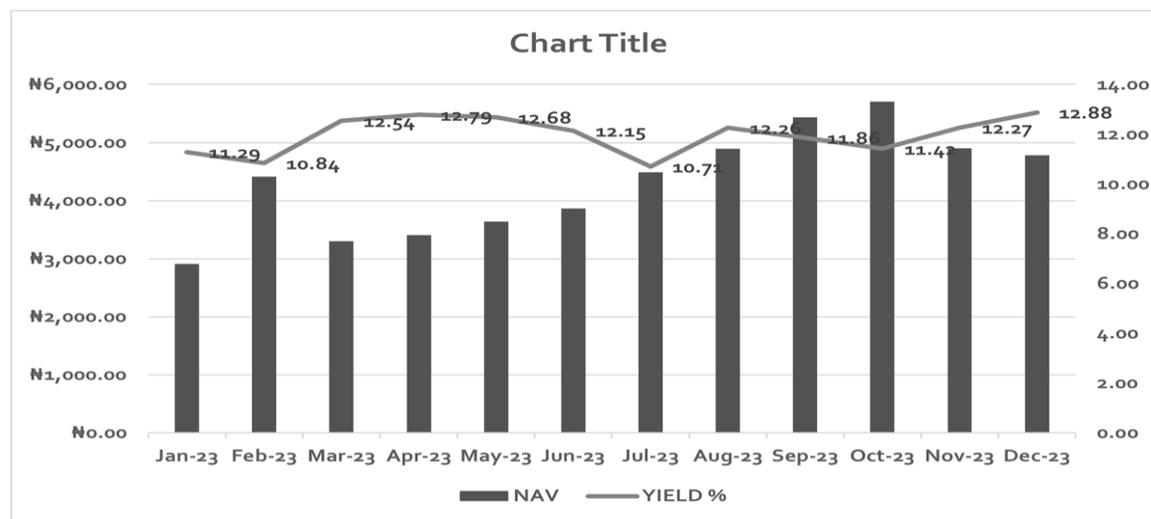
ASSET ALLOCATION

As at the end of 2023, Treasury bills accounted for about 31.08%, other money market instruments (Commercial Papers & Fixed Deposits) accounted for a total of 68.00% and Cash was 0.92%.



FUND PERFORMANCE

The money market and fixed income space experienced a mild growth in 2023. Likewise, the Fund Manager sought to optimize the average annual yield. In tandem, the NAV grew by about 76.58% over the year as the NMMF's NAV grew to ₦4.75 billion in December 2023 from ₦2.69 billion at the beginning of the year.



Pabina Yinkere
Pabina Yinkere
 (Fund Manager)

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 gives a true and fair view of the state of affairs of the unit trust scheme during the period covered by the financial statements.

In preparing the financial statements, the Fund Manager:

- a) selected suitable significant accounting policies and applied them consistently;
- b) made judgments and estimates that were reasonable and prudent;
- c) ensured that the applicable International Financial Reporting Standards have been followed, and in the case of any material departure, that it was fully disclosed and explained in the financial statements;
- d) 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 is 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.



Queen Ehi-Ujahman (Group Chief Financial Officer)
FRC/2023/PRO/ICAN/001/510337



Anthony Edeh (Managing Director)
FRC/2015/ICAN/00000012821

**INDEPENDENT AUDITORS' REPORT
TO THE UNIT HOLDERS OF NORRENBERGER MONEY MARKET FUND**

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Norrenberger Money Market Fund, which comprises the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant 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 Company as at 31 December 2023, and of its financial performances and its cash flows for the period then ended and comply with the requirement of the Trust Deed, Investments and Securities Act, 2007, and the applicable International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, Financial Reporting Council of Nigeria Act, Securities and Exchange Commission's Rules and Regulations.

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 Statement sections of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountant's Code of Ethics for Professional Accountants (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 judgement, were of most significant 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.

The following key audit matters apply to the audit of the financial statements:

Financial asset – Impairment

There are various complexities relating to the testing and recognition of impairment on financial asset.

As a result, impairment on financial asset is considered a key audit matter due to the complexities and judgement arising from the considerations relating to the calculation, recognition in line with IFRS 9, in relation to the financial statements as a whole.

Our audit procedures included:

We evaluated whether the model used to calculate the recoverable amount complies with the requirements of IFRS 9 and its agreement with our understanding of the business and the industry in which Norrenberger Money Market Fund operates by considering the impairment charged by different funds with similar asset portfolio during the period. We also reviewed the qualitative and quantitative disclosures for reasonableness to ensure conformity with IFRS 7 – Financial Instrument: Disclosure.

Information Other than the Financial Statements and Audit Opinion thereon

The Fund Manager and Trustee report and other information contained therein are the responsibility of the Fund manager and Trustee. Our opinion does not cover these reports and accordingly 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 the fact. We have nothing to report in this regard.

Responsibilities of the Fund Manager and Trustee for the Financial Statements

The Fund Manager and those charged with governance are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Financial Reporting Council of Nigeria Act, 2011 and the requirements of the Investment and Securities Act, 2007, whilst the Trustee is responsible for ascertaining compliance with the provision of the Trust Deed and other relevant laws. The responsibility of the Fund Manager includes the designing, implementing and maintaining internal controls that are relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error as well as selecting and applying appropriate significant accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the Fund Manager and those charged with governance are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless the Fund Manager either intends to liquidate the Fund or to cease operations, has alternative but do so.

Auditor's Responsibilities for the Audit of the Financial Statement

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, individual 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 procedure responsive to those risks, 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 Fund Manager.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cause 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 date of our auditor's report. However, future events or condition 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Fund to express an opinion on the financial statements.

We are responsible for the direction, supervision and performance of the Fund audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance with statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Section 169 of the Investment and Securities Act 2007.

In accordance with Section 169 (1) of the Investment and Securities Act, 2007. We confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

In accordance with Section 169 (3) of the Investment and Securities Act, 2007. We confirm that we received all of the information and explanation that were required for the purpose of the audit.

Signed:

Abiola Fajimi FCA
FRC/2012/ICAN/0000002994

PML Professional Services
(Chartered Accountants)
Lagos, Nigeria

27 March 2024



Statement of Financial Position as at 31 December 2023

Assets	Notes	<u>2023</u>	<u>2022</u>
		N'	N'
Cash and cash equivalents	17	46,779,576	3,828,817
Financial assets at Amortised Cost	18	4,858,531,269	2,749,569,828
Other assets	19	2,024,505	-
Total assets		<u>4,907,335,350</u>	<u>2,753,398,645</u>
Liabilities			
Dividend payable	20	119,398,316	63,403,238
Other payables	21	27,714,629	44,787,202
Total liabilities		<u>147,112,944</u>	<u>108,190,440</u>
Net Asset Attributable to Unitholders		<u>4,760,222,406</u>	<u>2,645,208,205</u>
Represented by:			
Unitholder fund	22	4,753,180,305	2,645,208,205
Retained earnings	22(b)	7,042,101	-
Net Asset Attributable to Unitholders		<u>4,760,222,406</u>	<u>2,645,208,205</u>

The financial statements were approved by the Board of Trustee of Norrenberger Money Market Fund on 27 March 2024 and signed on its behalf by:



Queen Ehi-Ujahman (Group Chief Financial Officer)

FRC/2023/PRO/ICAN/001/510337



Anthony Edeh (Group Managing Director)

FRC/2015/ICAN/00000012821

The accompanying notes form an integral part of these financial statements

**Statement of Profit or Loss and Other Comprehensive Income
 For the Year Ended 31 December 2023**

		<u>2023</u>	<u>2022</u>
	Notes	N	N
Interest Income	24	548,037,271	168,604,059
Gross income		548,037,271	168,604,059
Management fees	25	44,979,499	16,089,778
Operating Expenses	27	33,450,201	9,446,593
Total expenses		78,429,700	25,536,371
Profit for the period		469,607,571	143,067,688
Other comprehensive income:		-	-
		-	-
Total comprehensive income for the period		469,607,571	143,067,688
Net Asset value per unit		100	100

The accompanying notes form an integral part of these financial statements

**Statement of Changes in Unitholders Fund
For the Year Ended 31 December 2023**

	2023		
	Redeemable unit N	Retained earnings N	Total N
Balance at 1 January 2023	2,645,208,205	-	2,645,208,205
Addition during the period	2,107,972,100	-	2,107,972,100
Profit for the period	-	469,607,571	469,607,571
Dividend	-	(462,565,470)	(462,565,470)
Balance at 31 December 2023	<u>4,753,180,305</u>	<u>7,042,101</u>	<u>4,760,222,406</u>
	2022		
	Redeemable unit N	Retained earnings N	Total N
Balance at 1 January 2022	695,911,405	-	695,911,405
Addition during the period	1,949,296,800	-	1,949,296,800
Profit for the period	-	143,067,688	143,067,688
Dividend	-	(143,067,688)	(143,067,688)
Balance at 31 December 2022	<u>2,645,208,205</u>	<u>-</u>	<u>2,645,208,205</u>

Statement of Cash Flow for the Year Ended 31 December 2023

	2023	2022
	N	N
Cash flow from operating activities		
Profit for the year	469,607,571	143,067,688
Adjustments for:		
Impairment of financial assets	(379,297)	268,432
	469,228,273	143,336,120
Changes in working capital:		
Other assets	(2,024,505)	
Other payables	(17,072,573)	38,112,702
Dividend payable	55,995,078	-
Net cash used in operating activities	506,126,274	181,448,822
Cash flows from investing activities		
Investment in placements	(288,813,089)	(1,015,577,147)
Investment in treasury bills	(1,027,570,376)	(498,680,338)
Investment in commercial paper	(792,198,680)	(523,097,485)
Net cash generated from investing activities	(2,108,582,145)	(2,037,354,970)
Cash flows from financing activities		
Dividend paid	(462,565,470)	(91,894,948)
Issue of units	2,107,972,100	1,949,296,800
Net cash generated from financing activities	1,645,406,630	1,857,401,852
Net increase in cash & cash equivalents	42,950,759	1,495,704
Cash and cash equivalents at beginning of period	3,828,817	2,333,113
Cash and cash equivalents at end of period	46,779,575	3,828,817

The accompanying notes form an integral part of these financial statements

Note to the financial statements for the year ended 31 December 2023

1 General information

Norrenberger Money Market Fund (“the Fund”) is a collective investment scheme registered by the Securities and Exchange Commission. The Fund’s principal office is located at 11, Volta Street Off Thames Street Maitama, Abuja, Nigeria

2 Basis of Accounting

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act, 2011. The financial statements were authorised for issue by the Trustee and Fund Manager on 28 March 2023.

(b) Basis of measurement

The financial statements of Norrenberger Money Market Fund have been prepared on historical cost basis except for other payables which are measured at amortised cost.

3 Functional and presentation currency

Items are indicated in these financial statements using the currency that best reflects the primary economic environment in which the Fund is operated. These financial statements are presented in Nigerian Naira, which is the Fund’s functional currency. Financial information are also presented in absolute Naira.

4 Presentation

These financial statements have been prepared on a going concern basis. The statement of financial position is presented based on liquidity. In the statement of cash flows, the cash flows from operating activities are reported on the indirect method.

5. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS, requires management to make judgements, 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 judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

i. Provisions

Provisions are liabilities of uncertain timing or amount and are recognised when the entity has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6 Changes to accounting policies

(a) Standards and interpretations effective during the year reporting period

All the applicable International Financial Reporting Standards, amendments and interpretations effective for the year ended 31 December 2023 have been adopted as applicable in these financial statements.

(b) New standards and interpretations that have been issued but not yet effective

A number of new standards and amendments to standards and interpretations are issued but not effective for annual period beginning after 1 January 2023, and have not been applied in preparing these financial statements. These standards are not expected to have a material impact on the entity in the current reporting and on foreseeable future transactions.

Significant accounting Policies

7 Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks (less bank overdraft) and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Fund in the management of short-term commitments.

8 Financial assets

The Fund classifies its financial instruments into two categories: at fair value through profit or loss and amortised cost. The Fund Manager determines the classification at initial recognition.

II. Classification and Measurement

Initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss. Financial assets include both debt and equity instruments.

Financial assets are classified into one of the following measurement categories:

1. Amortised cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL)

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

Business Model Assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Company assesses business model at a portfolio level reflective of how the Company's of assets are managed together to achieve a particular business objective.

8.2 Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement. Contractual cash flows are consistent with a basic lending arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

a) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, financial assets in this category are carried at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Statement of Profit or Loss and Other Comprehensive Income. Amortization is included in Interest income in the Statement of Profit or Loss and Other Comprehensive Income.

b) Financial assets measured at FVOCI

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive income (OCI). Upon derecognition, realized gains and losses are reclassified from OCI and recorded in Non-interest income in the Statement of profit or loss and other comprehensive income. Foreign exchange gains and losses that relate to the amortized cost of the debt instrument are recognized in the Statement of profit or loss and other comprehensive income. Premiums, discounts and related transaction costs are amortized over the expected life of the instrument to Interest income in the Statement of profit or loss and other comprehensive income using the effective interest rate method

c) Financial assets measured at FVTPL

Debt instruments measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognized immediately in the Statement of profit or loss and other comprehensive income as part of non-interest income.

Financial liabilities are classified into one of the following measurement categories:

- Amortised cost
- Fair Value through Profit or Loss (FVTPL)

d) Financial Liabilities at fair value through profit or loss

Financial liabilities accounted for at fair value through profit or loss fall into two categories: financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception. Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of shortterm profit-taking.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading are included in the statement of profit or loss and other comprehensive income.

e) Financial Liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are other payables.

I. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets. A change in the Fund's business model will occur only when the Fund either begins or ceases to perform an activity that is significant to its operations such as acquisition and disposal of a business line.

II. Modification of financial assets and liabilities

a. Financial assets

When the contractual terms of a financial asset are modified, the Fund evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognised at fair value. Any difference between the amortized cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in profit or loss as 'gains and losses arising from the derecognition of financial assets measured at amortized cost.

b. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. The Fund derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

8.3 De-recognition of financial Instruments

The Fund derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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 transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

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

8.4 Impairment of Financial Assets

In line with IFRS 9, the Fund assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Amortized cost financial assets;

The Fund adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

- Stage 1 – 12-months ECL

Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded.

- Stage 2 – Lifetime ECL - not credit-impaired

The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly

When a financial instrument experiences a significant increase in credit risk (SICR) subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

- Stage 3 – Lifetime ECL - credit-impaired

Financial instruments that are considered to be in default are included in this stage. Financial assets are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. As this uses the same criteria as under IAS 39, the Fund's methodology for specific provisions remains unchanged. For financial assets that have become credit-impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost rather than the gross carrying amount.

9 Other Payables

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. Other payables are not usually remeasured, as the obligation is known with a high degree of certainty and settlement is short-term.

10 Unit holder Balances

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the financial position date if the holder exercised their right to redeem the balances. The Fund's redeemable units meet these conditions and are classified as equity.

All transactions relating to the issue and redemption of redeemable units as well as distributions to holders of redeemable units are recognised in equity.

11 Retained earnings

The retained earnings comprise of undistributed profit/loss from previous years and current year. Retained earnings is classified as part of equity in the statement of financial position.

a. Dividend

Dividend is the entitlement of the Unitholders on the unit of fund held. The Fund manager is expected to distribute income (less expense) as dividend to Unitholders on a quarterly basis.

The Unitholders have the option to choose whether to be paid dividends or to reinvest their dividends in additional Units at the prevailing unit price. Unitholders who elect to have their dividends reinvested in new units shall be entitled to an issue of units that shall be equal in value to the amount they otherwise would have received in cash as dividend. Where an investor did not choose any of these options, the default will be for the Fund Manager to pay dividends to the respective Unitholders.

12 Interest Income

Interest income comprises interest on funds granted to third party and actual amount collected and changes in the fair value of financial assets at fair value through profit or loss where the Fund holds such financial assets. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

13 Management Fee

This is the fund manager incentive fee relating to the operation of the Fund. It is an annual management fee of 1.50% of the Net Asset Value of the Fund, accruable daily and payable quarterly in arrears and represents the remuneration due to the Fund Manager for the management and advisory roles involved in the daily management of the Fund. The fund was benchmarked against the prevailing 90-day FGN Treasury bills rate plus 100bps. The incentive fee was chargeable on the total annualised returns above the benchmark (up to 20% of the excess returns), where the Fund underperforms its benchmark, it shall not be entitled to charge the incentive fee.

The fund manager outperformed its benchmark and was entitled to charge the incentive fee.

14 Operating expenses

This is an expense a business incurs through its normal business operations. It involves expenses associated with operations of the Fund, including fees payable to Trustee, Custodian, Initial offer cost shall be deducted from the income generated by the Fund.

15 Financial Risk Management

Introduction and Overview of Company's Risk Management

Financial risk management is carried out through internal control process adopted by the Fund Manager and adherence to the investment restrictions as stipulated in the prospectus.

The Fund has exposure to the following risks from financial instruments.

- a. Market risk
- b. Liquidity risk
- c. Credit risk
- d. Reinvestment risk
- e. FGN Obligations risk
- f. Inflation risk

a. Market/Interest Rate Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as interest rate, equity prices, foreign exchange rates and credit spreads.

The value of the Fund's portfolio may be affected by markets risks that are external and out of the Fund Manger's control. Some of these risks include volatility (risk) in interest rates. Interest rate risk is the risk of an unexpected change in interest rate affecting the value of an investment. A decline in interest rates resulting in a dip in the market value of the Fund while a rise in interest rates would surge in the market value of the Fund.

(i) Foreign currency risk

The Fund does not have any transactional currency exposures that could arise from receipts and/or payments in currencies other than the respective functional currency.

(ii) Interest rate risk

The Fund is exposed to interest rate risk on credit facilities to the extent that the significant rise in market interest rates would result in an increase in the interest paid by the Fund.

A summary of the Fund's interest rate gap position on trading and non trading portfolio is as follow:

Repricing period	31 December 2023			
	Repricing profile			
	carrying amounts	0-6 months	6-12 months	more than 12 months
	N	N	N	N
Cash and cash equivalents	46,779,576	46,779,576	-	-
Financial assets at Amortised Cost	4,858,531,269	3,337,106,311	1,521,424,958	-
	<u>4,905,310,845</u>	<u>3,383,885,886</u>	<u>1,521,424,958</u>	<u>-</u>
	4,905,310,845	3,383,885,886	1,521,424,958	-
Repricing Gap (assets-liabilities)	<u>4,905,310,845</u>	<u>3,383,885,886</u>	<u>1,521,424,958</u>	<u>-</u>
	4,905,310,845	3,383,885,886	1,521,424,958	-
Interest rate shock				
+ 1%	49,053,108			
+ 2%	98,106,217			
- 1%	(49,053,108)			
- 2%	(98,106,217)			
Repricing period	31 December 2022			
	Repricing profile			
	carrying amounts	0-6 months	6-12 months	more than 12 months
	N	N	N	N
Cash and cash equivalents	3,828,817	3,828,817	-	-
Financial assets at Amortised Cost	2,749,949,126	2,020,722,848	729,226,278	-
	<u>2,753,777,943</u>	<u>2,024,551,665</u>	<u>729,226,278</u>	<u>-</u>
	2,753,777,943	2,024,551,665	729,226,278	-
Repricing Gap (assets-liabilities)	<u>2,753,777,943</u>	<u>2,024,551,665</u>	<u>729,226,278</u>	<u>-</u>
	2,753,777,943	2,024,551,665	729,226,278	-
Interest rate shock				
+ 1%	27,537,779			
+ 2%	55,075,559			
- 1%	(27,537,779)			
- 2%	(55,075,559)			

b. Liquidity Risk

Liquidity risk is the risk that the fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are due. The Fund manages its liquidity process by:

- regular monitoring of future cash flows to ensure that requirements can be met.
- monitoring balance sheet liquidity ratios against internal requirements
- managing debt profile

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Gross nominal (undiscounted) maturities of financial assets and liabilities

Liquidity GAP Analysis (Asset - Liability Matching)

At 31 December 2023

	Carrying amount	Nominal cashflow	0 - 6 months	6 - 12 months	Above 1 period
	N	N	N	N	N
Cash and cash equivalents	46,779,576	46,779,576	46,779,576	-	-
Financial assets at Amortised Cost	4,858,531,269	4,858,531,269	4,858,531,269	-	-
	4,905,310,845	4,905,310,845	4,905,310,845	-	-
Financial liabilities					
Other payables	27,714,629	27,714,629	27,714,629	-	-
Dividend payable	119,398,316	119,398,316	119,398,316	-	-
	147,112,945	147,112,945	147,112,945	-	-
Gap (assets - liabilities)	4,758,197,899	4,758,197,899	4,758,197,899	-	-

Liquidity GAP Analysis (Asset - Liability Matching)

At 31 December 2022

	Carrying amount	Nominal cashflow	0 - 6 months	6 - 12 months	Above 1 period
	N	N	N	N	N
Fixed income securities	1,261,110,017	-	-	-	-
Bank balances	3,828,817	3,828,817	3,828,817	-	-
Call deposits	1,488,839,109	475,129,395	475,129,395	-	-
	2,753,777,943	478,958,212	478,958,212	-	-
Financial liabilities					
Other payables	44,787,202	44,787,202	44,787,202	-	-
Dividend payable	63,403,238	63,403,238	63,403,238	-	-
	108,190,440	108,190,440	108,190,440	-	-
Gap (assets - liabilities)	2,645,587,503	370,767,772	370,767,772	-	-

c. Credit Risk

This is the risk that an asset/security in which the Fund Manager may invest becomes unable to make returns or interest as at when due. While the Fund Manager would only invest in grade investment securities, the fund manager offers no guarantee that the ratings of the issuer of the instrument will remain the same through out the life of the Fund.

The maximum exposure to credit risk as at the period end is summarised below:

		Carrying Amount	Carrying Amount
		2023	2022
		N	N
Financial Assets			
Cash and cash equivalents	17	46,779,576	3,828,817
Financial assets at amortized cost	18	4,858,531,269	2,749,949,126
		4,905,310,845	2,753,777,943

d. Reinvestment Risk

This is the risk that future money market investments might be at a lower interest rate in comparison to the prevailing rate or that there may be no viable investment opportunity to re-invest the securities in at maturity of the asset.

e. FGN Obligations Risk

FGN obligations are subject to low but varying degrees of credit risks and are still subject to interest rate and market risk. While Debt Management Office issued obligations are backed by the "full faith and credit" of the FGN, securities issued by the government agencies or government-sponsored entities may not be backed by the full faith and credit of the FGN. If a government-sponsored entity is unable to meet its obligations or its creditworthiness declines, the performance of the Fund that holds securities issued or guaranteed by the entity will be adversely impacted.

f. Inflation Risk

This is the risk that an increase in price levels will undermine the purchasing power of the Fund's value of investment and returns.

16 Fair value

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.

Fair value hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

** Level 1: Quoted (unadjusted) prices in active markets for identical instrument.

** Level 2: Valuation technique based on observable inputs.

** Level 3: Valuation techniques using significant unobservable inputs.

There have been no transfers between fair value levels during the reporting period. Also, for some financial instruments of which their fair value cannot be obtained with certain degree of reliability or that their carrying amount mimics (or reflects) fair value are all stated at their carrying amount.

The Fund classified the financial instruments into three levels prescribed under the accounting standards as shown below:

At 31 December 2023

	Carrying Amount	Fair Value Measurements		
		N	N	N
		Level 1	Level 2	Level 3
Cash and cash equivalents	46,779,576	46,779,576	-	-
Financial assets at Amortised Cost	4,858,531,269	-	4,858,531,269	-
Total Financial Assets	4,858,531,269	-	4,858,531,269	-
Dividend payable	119,398,316	119,398,316	-	-
Other payables	27,714,629	27,714,629	27,714,629	-
Total Financial liabilities	147,112,945	147,112,945	27,714,629	-

At 31 December 2022

	Carrying Amount	Fair Value Measurements		
		N	N	N
Financial Assets at Amortised Cost		Level 1	Level 2	Level 3
Placements	1,488,839,109	1,488,839,109	-	-
Commercial papers	531,883,739	-	531,883,739	-
Treasury bills	729,226,278	-	-	-
Financial Assets at fair value through FVTPL:				
Cash and cash equivalents	3,828,817	3,828,817	-	-
Total Financial Assets	2,753,777,943	1,492,667,925	531,883,739	-
Financial liabilities at amortized cost				
Dividend payable	63,403,238	63,403,238	-	-
Other payables	44,787,202	44,787,202	44,787,202	-
Total Financial liabilities	108,190,440	108,190,440	44,787,202	-

The fair value of the Fund's financial instruments such as cash and cash equivalents, other receivables, unvested fund deposits are not materially sensitive to shifts in market return rate because of the limited term to maturity of these instruments. As such, the carrying value of these financial assets and liabilities at financial position date approximate their fair values.

Notes to the financial statement for the year ended 31 December 2023

17 Cash and cash equivalents

	2023	2022
	N	N
Cash at Bank	46,779,576	3,828,817
	46,779,576	3,828,817

18 Financial assets at Amortised Cost

	2023	2022
	N	N
Placements	1,777,652,196	1,488,839,109
Commercial papers	1,559,454,115	531,883,739
Treasury bills	1,521,424,958	729,226,278
	4,858,531,269	2,749,949,126
Expected credit loss	-	(379,297)
	4,858,531,269	2,749,569,828

19 Other assets

	2023	2022
	N	N
Other receivables	2,024,505	-
	2,024,505	-

20 Dividend payable

	2023	2022
	N	N
Dividend payable (See Note (a) below)	119,398,316	63,403,238
	119,398,316	63,403,238

(a) Dividend payable

	2023	2022
	N	N
Balance, beginning of the year	63,403,238	12,230,498
Arising during the period	462,565,470	143,067,688
Dividend paid	(406,570,392)	(91,894,948)
Balance at the end of the year	119,398,316	63,403,238

21 Other payables

	2023	2022
	N	N
Deposit liabilities	2,002,155	35,411,674
Other payables	1,251,984	538,217
Accruals (See Note (a) below)	24,460,491	8,837,311
	27,714,629	44,787,202

(a) Accruals

	2023	2022
	N	N
Management fee	13,187,689	5,805,416
Custodian fee	986,644	290,271
Trustee fee	1,318,769	580,542
Audit fee	500,000	1,000,000
SEC supervisory fees	2,637,538	1,161,083
Other professional fees	5,829,852	-
	24,460,490	8,837,311

Notes to the financial statement for the year ended 31 December 2023

22 Net Asset value per unit

The net asset per unit is computed using the net assets value as at the closing date divided by the number of units in existence as at the date.

	2023	2022
	N	N
Net asset as at year end	4,760,222,406	2,645,208,205
Total number of units in issue	47,531,803	26,452,082
Net asset per unit	100.15	100.00

23 Equity attributable to Unit Holders

(a) Redeemable Units

	2023	2022
	N	N
Unitholder fund	4,753,180,305	2,645,208,205
	4,753,180,305	2,645,208,205

(b) Retained earnings

	2023	2022
	N	N
Balance, beginning of the year	-	-
Profit for the period	469,607,571	143,067,688
Dividend declared to be paid (see note (i) below)	(462,565,470)	(143,067,688)
Balance at the end of the year	7,042,101	-

(i) This represents Dividend declared to be paid in the year 2023. It is the portion of retained earnings that is distributed as dividend. The dividend declared for the year is the amount left of the profit after the deduction of expenses.

Notes to the financial statement for the year ended 31 December 2023

24 Interest Income	2023	2022
	N	N
Placement with banks	182,418,892	72,085,976
Treasury bills	91,841,036	33,269,183
Commercial paper	266,341,606	60,365,754
Gain/loss from treasury bill	7,435,737	2,883,146
	548,037,271	168,604,059

25 Management Fee	2023	2022
	N	N
Management fees	44,979,499	16,089,778
	44,979,499	16,089,778

26 Operating Expenses	2023	2022
	N	N
Bank Charges	12,111,916	2,469,129
Custodian fees (See note (a) below)	1,514,705	783,944
Trustee fees (See note (b) below)	4,497,950	1,567,887
SEC Supervisory fees	8,368,279	2,946,905
Audit fee	1,200,000	1,000,000
Other Operating Expenses (See note (c) below)	5,757,352	299,431
Impairment Loss	-	379,297
	33,450,201	9,446,593

- (a) This represents Custody fee, it is an annual fee of 0.025% of the Net asset Value, accruable daily and payable annually in arrears to the custodian.
- (b) This represents Trustee fee, it is an annual fee of 0.10% of the Net Asset Value, accruable daily and payable annually in arrears to the Trustee.
- (c) This represents the initial offer cost, it is the costs, charges and expenses of and incidental to the offer including fees payable to the SEC , brokerage, printing and distribution expenses, which is borne by Unitholders and offset from the Offer proceeds.

Notes to the financial statement for the year ended 31 December 2023

27 Related parties

- (i) Related parties: Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes Fund Manager and other key contracts

The Fund appointed UTL Trust Management Services Limited, a Trusteeship company in Nigeria to provide administrative services to the fund.

Unit holding of related parties

	Units	
	2023	2022
Anthony Edeh		100,000
Norrenberger Investment and Capital Management Limited	3,143,461	973,845
	3,143,461	1,073,845

- (ii) Other key contracts
 Trustee

The Fund appointed UTL Trust Management Services Limited, a Trusteeship Company in Nigeria to provide administrative services to the fund.

28 Contingent liabilities - Litigations and claims

The Fund was not involved in any litigation during the year under review.