

AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED
FINANCIAL STATEMENTS
for the year ended
31st DECEMBER, 2023

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Audited financial statements for the year ended 31st December 2023

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**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Corporate information

Trustee to the Fund

Investment One Financial Services Limited
37 Karimu Kotun Street,
Victoria Island,
Lagos

Directors of the Fund Manager

Ms. Denise Ntonta
Mr. Erick Decker
Mr. Deji Tunde-Anjous
Mrs. Rashidat Adebisi
Mr. Tope Adeniyi
Mrs. Ngozi Ola-Israel
Mrs. Abisola Nwoboshi

Registered Office of the Fund Manager

Mansard Place
Plot 927/928 Bishop Aboyade Cole Street
Victoria Island
Lagos

Independent Auditors to the Fund

Crowe Dafinone
Chartered Accountants
15, Elsie Femi Pearse
Victoria Island
Lagos

Bankers

First Bank of Nigeria Limited
First City Monument Bank Plc
Guaranty Trust Bank Limited
Rand Merchant Bank
United Bank for Africa Plc
Zenith Bank Plc

Custodian to the Fund

RMB Nominees
3rd Floor East Tower, Wings Office Complex
Victoria Island
Lagos

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Corporate information

Dear Unitholder,

The Trustee presents its report on the AXA Mansard Money Market Fund (the “Fund”), for the Financial Year ended 31st December 2023.

Constitution of the Fund

The Fund, an open-ended Unit Trust Scheme, is constituted under a Trust Deed duly stamped on the 23rd day of May 2016 (“the Trust Deed”) and registered with the Securities and Exchange Commission (“the Commission”) as a Collective Investment Scheme.

Investment Objective of the Fund

The objective of the Fund is to provide Unit holders with capital preservation and steady streams of income derived from investments in money market instruments issued by the Federal Government and in highly rated instruments from financial and non-financial institutions rated by a registered rating agency as may be specified from time to time by the commission.

Directors

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

S/N	NAMES
1.	Ms. Denise Ntonta
2.	Mrs. Abisola Nwoboshi
3.	Mr. Erick Decker
4.	Mr. Deji Tunde-Anjous
5.	Mrs. Rashidat Adebisi
6.	Mr. Tope Adeniyi
7.	Mrs. Ngozi Ola-Israel

Directors' interest in the units of the Fund

Five (5) Directors of the Fund Manager held beneficial interest in the units of the Fund as at 31st December, 2023.

S/N	DIRECTOR	UNITS HELD
1.	Mr. Deji Tunde-Anjous	5,600,262.65
2.	Mrs. Rashidat Adebisi	158,825.44
3.	Mrs. Ngozi Ola-Israel	602,756.98
4.	Mrs. Abisola Nwoboshi	299,246.03
5.	Ms. Denise Ntonta	3,387,005.24

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 these financial statements, the fund manager:

AXA MANSARD MONEY MARKET FUND MANAGED BY AXA MANSARD INVESTMENTS LIMITED

Corporate information

- Selected suitable significant accounting policies and applied them consistently;
- Made judgments and estimates that have been reasonable and prudent;
- Ensured that the applicable International Financial Reporting Standards were followed, and in the case of any material departures, that it was fully disclosed and explained within the financial statements;
- Prepared the financial statements on a going concern basis; since it was appropriate to assume that the fund shall continue to exist.

Responsibilities of the Fund Manager:

- Is responsible for keeping proper accounting records, which disclose with reasonable accuracy, the financial position of the fund, and enable the fund manager to ensure that the financial statements comply with the applicable regulations.
- 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 Trustees

The responsibilities of the Trustee as provided by Securities and Exchange Commission, Rules and Regulations made pursuant to the Investments and Securities Act, 2007 are as stated below:

Monitoring the activities of the Fund Manager and the Custodian on behalf of and in the interest of the unitholders;

- Ensuring that the Custodian takes into custody all of the scheme's assets and holds it in trust for the unitholders in accordance with the Trust Deed and the Custodian Agreement;
- Monitoring the register of unitholders 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;
- Taking all steps and executing all documents which are necessary to secure acquisitions or disposals properly made by the Fund Manager in accordance with the Trust Deed and Custodian Agreement;
- 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 are within the prescribed limits; and
- Acting at all times in the interest and for the benefit of unitholders of the scheme

Income Distribution

During the year ended 31st December 2023, the Fund Manager made distributions from the net income of the Fund on a quarterly basis to the Unit holders up to a total sum of ₦ 1,046,868,570.26 (2022: ₦ 1,592,130,609.91) in line with the provisions of the Trust Deed.

Compliance

The Fund Manager, during the Financial Year ended 31st December 2023, complied with the Trust Deed, the rules and regulations of the Commission and applicable laws including preparation of the financial statements of the Fund in the manner required by the Financial Reporting Council of Nigeria.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Corporate information

Charitable donations

The Fund did not make any charitable donations during the 2023 Financial year. (2022: nil).

Independent Auditors

Messrs Crowe Dafinone, the Fund's Auditors, have indicated their willingness to continue in office and shall do so in accordance with Section 184(1) of the Investments and Securities Act, 2007.

**BY ORDER OF THE TRUSTEES
INVESTMENT ONE FINANCIAL SERVICES LIMITED**



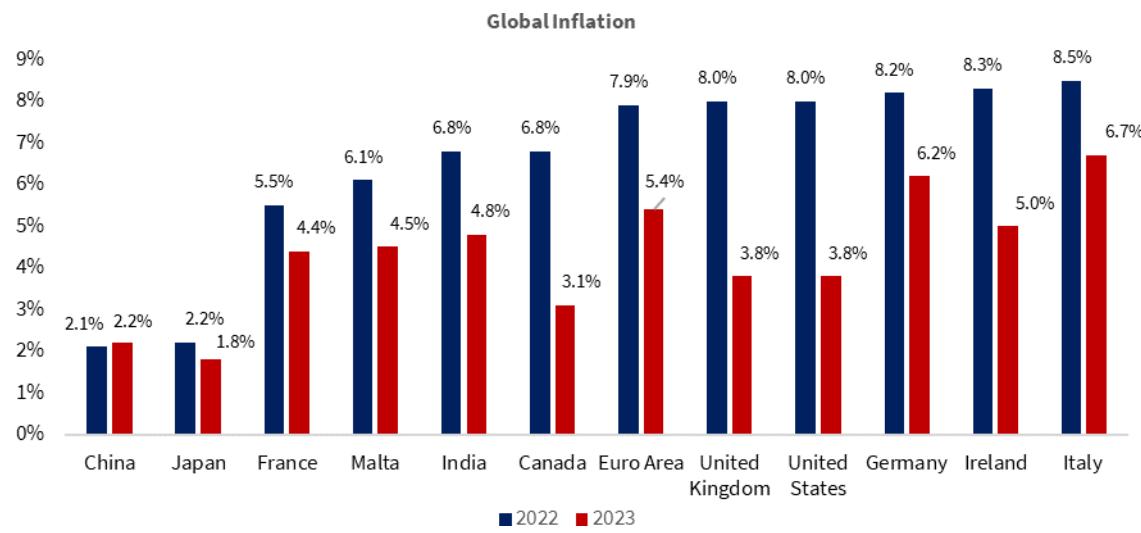
**IFEOMA UBA-ONUBOGU
Head, Trust Services FRC/2015/NBA/0000000/6266
March 28, 2023**

AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED

Report of the Fund Manager (continued)

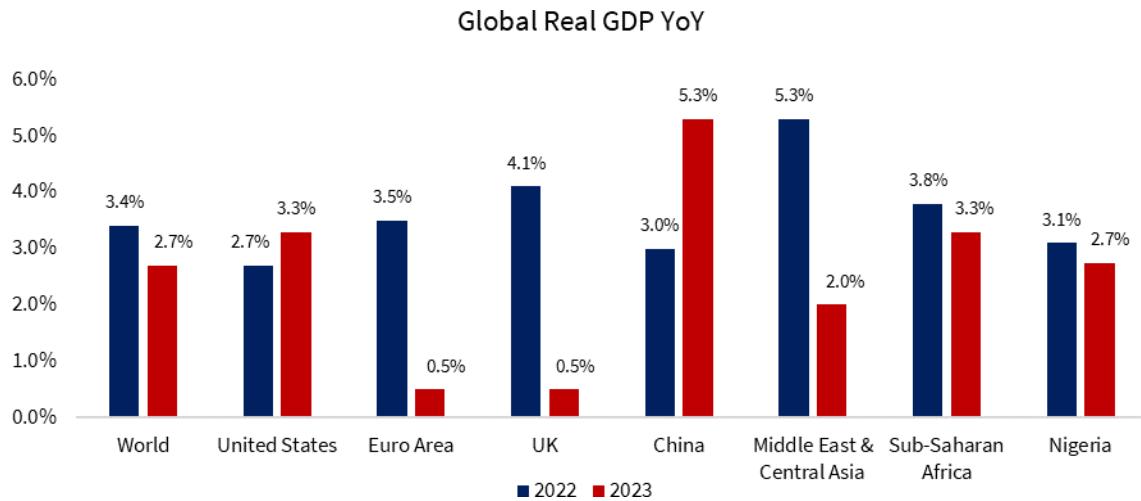
Geo-political tension escalated further in 2023 and weighed on global economic recovery as growth slowed to on the back of the high cost-of-living crisis that plagued consumer demand. In a reaction to the inflationary impact of higher commodity prices on cost-of-living, monetary policy authorities were quick to tighten even as price pressures moderated across key economies in the second half of the year.

Figure 1: Global inflation across key countries



Source: Bloomberg, AXA Mansard

Figure 2: Global economic growth across key countries and Region



Source: IMF, AXA Mansard

Nigeria transitioned to a new government to extend democratic rule to 25 years. Growth moderated from 3.1% YoY in 2022 to 2.74% YoY in 2023 on the back of several factors and not limited to subsidy removal, cash shortages, heightened insecurity, and currency depreciation. Consequently, non-oil sector growth slowed to 3.04% YoY in 2023 (2022: 4.84% YoY) – hinged on the slowdown in the services sector growth to 4.18% YoY (2022: 6.66% YoY). Additionally, growth in the agricultural sector slowed to 1.13% YoY (2022: 1.88%) but the industrial sector saw improvement following the 0.72% YoY growth (2022: -4.62%) over the review period.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Report of the Fund Manager (continued)

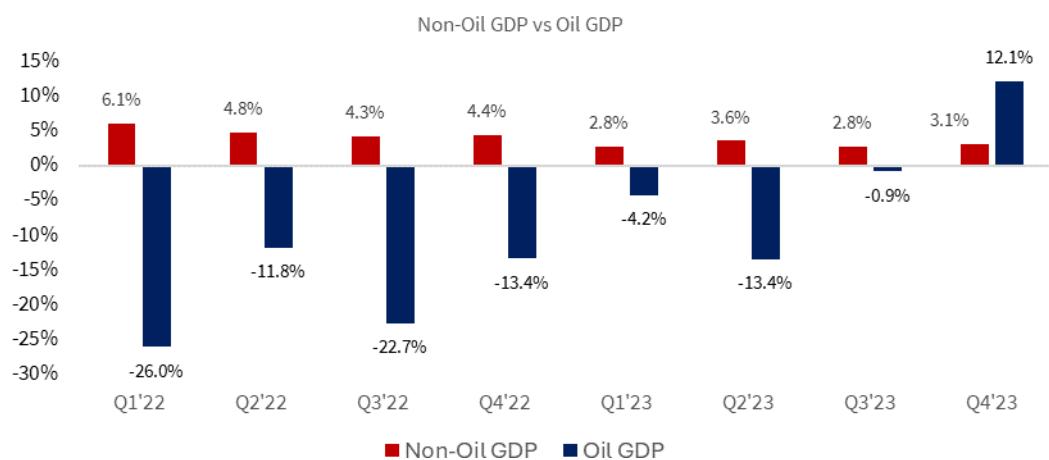
Table 1: Sectorial Contribution to Non-Oil Sector

Sector	2018	2019	2020	2021	2022	2023
Agriculture	21.2	21.91	24.14	25.88	25.58	25.18
Industry	25.73	27.38	28.22	20.56	19.02	18.65
Service	52.02	49.73	46.39	53.56	55.4	56.18

Source: NBS Nigeria, AXA Mansard

On the flipside, the oil sector improved as the decline slowed to -2.22% YoY relative to the 20% YoY dip the previous year. The benefits from the security measures put in place to curb the prolonged oil theft in the country began to yield the desired result, and reflected in the increase in average crude production to 1.55mbpd in 2023 from 1.34mbpd in 2022.

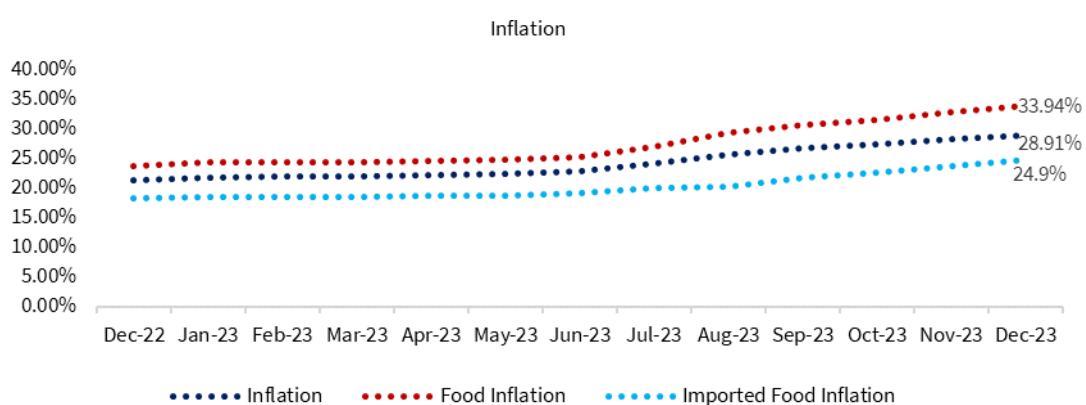
Figure 4: Oil and Non-Oil growth (QoQ)



Source: NBS Nigeria, AXA Mansard

Headline inflation reached an all-time high of 28.92% YoY in 2023, averaging at 24.52% YoY (2022: 18.77% YoY) – mirroring an increase in both food and energy prices. The interpolation of an increase in retail petrol prices, currency depreciation, flooding and insecurity in the north and the implication for food supply led to the persistent rise in general price level. As a result, core inflation for the year averaged at 20.76% YoY (2022: 16.01% YoY), and the average food inflation increased to 27.8% YoY (2022: 20.83% YoY).

Figure 5: Trend in Inflation rate (YoY)



Source: NBS Nigeria, AXA Mansard

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Report of the Fund Manager (continued)

Fund Performance

In 2023, the fund returned 10.68% and c.479bps higher than its benchmark- 90-Day NITTY. The alpha over the benchmark was achieved by minimizing allocation to treasury bills in favour of fixed deposit. In addition, fund managers reduced duration in H1 2024 when interest rates were low thereby providing scope to take advantage of the yield pick up in Q4 2023.

Outlook

Looking ahead to 2024, the outlook for the Nigerian fixed income market is a tale of two divides. We expect the CBN to continue to reign in on inflation via aggressive rate hikes and liquidity mop up with Open Market Operations. We also anticipate higher borrowings by the Federal Government, across the yield curve, and supportive for yields to push higher.

On the contrary, we expect the high interest environment to be short-lived given our forecast for inflation to abate through H2 2024, barring any unexpected shock. On this basis, we expect the CBN to begin some quantitative easing for the economy thereby providing some respite for fixed income yield.



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**REPORT OF THE INDEPENDENT AUDITORS TO THE UNIT HOLDERS OF THE
AXA MANSARD MONEY MARKET FUND**

We have audited the financial statements of the AXA Mansard Money Market Fund which comprise, the statement of financial position as at 31st December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year ended, the significant accounting policies and other explanatory notes. These financial statements are set out on pages 11 to 34 and have been prepared using the significant accounting policies set out on page 18 to 24.

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 31st December, 2023 and of its financial performance and its cash flows for the year ended on that date, and have been properly prepared in accordance with the Trustee Investments Act, CAP T22 LFN 2004, the Investments and Securities Act, 2007 and the applicable International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria and the provision set out in the Trust Deed of the Fund and the Securities and Exchange Commission's Rules and Regulations.

Basis of our opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) and in the manner required by the Nigerian Standards on Auditing (NSAs). Our responsibilities are further described in the Auditor's responsibilities for the financial statements.

Independence

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

We believe that the audit evidence we obtained is sufficient and appropriate to provide a reasonable basis for our audit 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 year. These matters were addressed in the context of our audit of the financial statement, 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.



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REPORT OF THE INDEPENDENT AUDITORS TO THE UNIT HOLDERS OF THE AXA MANSARD MONEY MARKET FUND (continued)

Information other than the financial statements and auditors' report

The report of the trustees, report of the fund manager and other information contained therein are the responsibility of management. Our opinion does not cover these reports and accordingly we do not express any form of assurance conclusion thereon. It is our responsibility to read the other information and in doing so, consider whether the information is materially inconsistent with the financial statements or with the knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Fund Manager and Trustee's responsibilities for the financial statements

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and the requirements of the Investments 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 and Trustee 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, Fund Manager and Trustee are responsible for assessing the fund's ability to continue as a going concern and using the going concern basis of accounting unless the Fund and Trustee either intends to liquidate the Fund or to cease operations or has no realistic alternative but to do so.

Auditors' responsibilities for the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error and to issue an auditors report that include our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Auditing Standards (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 scepticism throughout the audit. We also:-



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**REPORT OF THE INDEPENDENT AUDITORS TO THE UNIT HOLDERS OF THE
AXA MANSARD MONEY MARKET FUND (continued)**

Auditors' responsibilities for the financial statements (continued)

- 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 company's internal control.
- Evaluate the appropriateness of significant accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager and Trustee.
- 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 events or conditions that may cast significant doubt on the company'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 the manner that achieves fair presentation.

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.

Compliance with the relevant legislation and regulations

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

[Signature]
Lagos, Nigeria
28th March, 2024

[Signature]
Oluwatosin Dare-Abel
Engagement Partner
FRC/2020/PRO/ICAN/004/00000021583
For: Crowe Dafinone
Chartered Accountants



**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Statement of financial position as at 31st December 2023

	Notes	2023 ₦ '000	2022 ₦ '000
Current assets			
Cash and cash equivalents	8	3,279,272	902,588
Receivables	9	61,502	84,679
Financial assets at amortised cost	10	43,968,763	31,869,754
		—————	—————
Total assets		47,309,537	32,857,021
Current liabilities			
Other payables	11	(1,994,718)	(1,215,364)
		—————	—————
Net assets		45,314,819	31,641,657
		—————	—————
Financed By:			
Members' Fund		45,314,819	31,641,657
		—————	—————
Net assets per unit	12	1.00	1.00
		=====	=====

The financial statements on pages 11 to 32 were approved and authorised for issue by the Board of directors on 2024 and were signed on its behalf by;




**Mrs. Rashidat Adebisi
Director
FRC/2012/ICAN/00000000497**

**Mr. Deji Tunde-Anjous
Director
FRC/2014/CISN/00000008235**

The notes to the financial statements and significant accounting policies set out on pages 15 to 32 form an integral part of these financial statements.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Statement of profit or loss and other comprehensive income for the year ended 31st December, 2023

		2023 ₦ '000	2022 ₦ '000
Notes			
Income			
Investment income	13	4,558,066	3,144,015
Income from investing activities		4,558,066	3,144,015
Expenses			
Operating expenses	14	(757,212)	(479,864)
Profit before taxation		3,800,854	2,664,151
Taxation	16	-	-
Profit for the year		3,800,854	2,664,151
Other comprehensive income		-	-
Total comprehensive income for the year		3,800,854	2,664,151
		=====	=====

The notes to the financial statements and significant accounting policies set out on pages 15 to 32 form an integral part of these financial statements.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Statement of changes in equity for the year ended 31st December, 2023

	Unit holder capital balances 2023 ₦ '000	Unit holder capital balances 2022 ₦ '000
As at 1 st January	31,641,657	26,662,501
Total comprehensive income for the year	3,800,854	2,664,151
	<hr/>	<hr/>
	35,442,511	29,326,652
	<hr/>	<hr/>
Transactions with unit holders:		
Units purchased	93,066,836	77,550,500
Units liquidated	(80,441,230)	(73,694,423)
Distributions (note 15)	(2,753,298)	(1,541,072)
Net transactions with unit holders	9,872,308	2,315,005
Members' funds as at 31st December	45,314,819	31,641,657
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

The notes to the financial statements and significant accounting policies set out on pages 15 to 32 form an integral part of these financial statements.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Statement of cash flows for the year ended 31st December, 2023

	Notes	2023 ₦ '000	2022 ₦ '000
Cash flow from operating activities			
Profit before taxation		3,800,854	2,664,151
Changes in working capital			
Other payables		779,354	154,759
Other receivables		23,177	(84,679)
Cash generated from operation		4,603,385	2,734,231
Tax paid	16	-	-
Net cash inflows from operating activities		4,603,385	2,734,231
Cash outflow from investing activities			
Movement in financial assets at amortised cost		(12,099,009)	(5,246,826)
Net cash outflows from investing activities		(12,099,009)	(5,246,826)
Cash flow from financing activities			
Net cash flow from securities trading transactions		12,625,606	3,856,078
Distributions to holders of redeemable unit		(2,753,298)	(1,197,493)
Net inflows from financing activities		9,872,308	2,658,585
Net increase in cash and cash equivalents		2,376,684	145,990
Cash at the beginning of the year		902,588	756,598
Cash and cash equivalents at the end of the year	8	3,279,272	902,588
		=====	=====

The notes to the financial statements and significant accounting policies set out on pages 15 to 32 form an integral part of these financial statements.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023

1. General information

1.1 Reporting entity

The AXA Mansard Money Market (“the Fund”) is a collective investment scheme registered by the Securities and Exchange Commission. The Fund’s principal office is located at Mansard Place, Plot 927/928 Bishop Aboyade Cole Street, Victoria Island, Lagos.

The Fund is primarily involved in investments in money market securities.

The Fund is managed by AXA Mansard Investments Limited (“the Fund Manager”) and the Trustees to the Fund is Investment One Financial Services Limited (“the Trustee”).

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB) in the manner required by the Financial Reporting Council of Nigeria, the Investments and Securities Act 2007, the Securities and Exchange Commission and the provisions set out in the Trust deed.

The financial statements were authorised for issue by the Trustee and Fund Manager on2024.

2.2 Functional and presentation currency

These financial statements are presented in Nigerian Naira, which is the Fund’s functional currency.

2.3 Basis of measurement

These financial statements are prepared on the historical cost basis except for the following:

- Financial instruments at fair value through profit or loss are measured at fair value;
- Financial instruments at amortised cost;
- Financial instruments at fair value through other comprehensive

2.4 Financial period

These financial statements cover twelve months from 1st January 2023 to 31st December 2023 with comparative figures for the year ended 31st December 2022.

2.5 Use of estimates and judgments

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

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

2. Basis of preparation (continued)

2.5 Use of estimates and judgments (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material

3. New standards, amendments and interpretations

3.1 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations, are not yet effective for the year ended 31st December, 2023, and have not been applied in preparing these financial statements. None of these will have an effect on the financial statements of the Fund, with the possible exception of the following:

Pronouncement	Nature	Effective date
<i>Amendment to IAS 1 – Non-current liabilities with covenants</i>	<p>These amendments seek to clarify how conditions that an entity must comply with within twelve months after the reporting period impact the classification of a liability.</p> <ul style="list-style-type: none"> The amendments also aim to enhance the information provided by entities related to liabilities subject to these conditions. Classification of liabilities is influenced by conditions that must be met within twelve months after the reporting period. 	Annual periods beginning on or after January 1, 2024.
<i>Amendment to IAS 7 and IFRS 7 - Supplier Finance</i>	<p>These amendments introduce disclosure requirements to improve transparency regarding supplier finance arrangements and their impact on an entity's liabilities, cash flows, and exposure to liquidity risk.</p> <ul style="list-style-type: none"> The changes respond to investors' concerns about the visibility of some companies' supplier finance arrangements. Enhanced transparency in reporting supplier finance arrangements 	Annual periods beginning on or after January 1, 2024, with transitional relief in the first year.
<i>Amendments to IAS 21-Lack of Exchangeability</i>	<p>These amendments impact entities with transactions or operations in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.</p> <ul style="list-style-type: none"> Exchangeability is determined by the ability to obtain the other currency with a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. <p>Entities with non- exchangeable foreign currencies will be affected.</p>	Annual periods beginning on or after January 1, 2025, with early adoption available.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

3. New standards, interpretations and amendments (continued)

3.1 New standards and interpretations not yet adopted (continued)

Pronouncement	Nature of change	Effective date
<i>IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information</i>	<p>The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity</p> <p>It requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').</p> <p>It sets out the requirements for disclosing information about an entity's sustainability-related risks and opportunities. In particular, an entity is required to provide disclosures about:</p> <ul style="list-style-type: none"> • the governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities. • the entity's strategy for managing sustainability-related risks and opportunities. • the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities; and • the entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation. 	Annual periods beginning on or after January 2024
<i>IFRS S2 – Climate-Related Disclosures</i>	<p>The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.</p> <p>IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects').</p> <p>IFRS S2 applies to:</p> <p>a.) climate-related risks to which the entity is exposed, which are:</p> <p style="margin-left: 20px;">climate-related physical risks; and</p> <p style="margin-left: 20px;">climate-related transition risks; and</p> <p style="margin-left: 20px;">b.) climate-related opportunities available to the entity.</p>	Annual periods beginning on or after 1 st January, 2024

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies

The significant accounting policies set out below have been consistently applied to all periods presented in these financial statements.

4.1 Foreign currency transactions

Transactions denominated in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of each transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the statement of financial position date, the resulting foreign exchange gain is recognised in the income statement while those on non-monetary items are recognised in other comprehensive income.

4.2 Net gain/(loss) from financial instruments at fair value through profit or loss

Net gain/(loss) from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences but excludes finance and dividend income.

4.3 Dividend income

Dividend income is recognised when the right to receive income is established. Dividend income from equity securities designated at fair value through profit or loss and amortised cost is recognised in the “dividend income” line in the statement of comprehensive income.

4.4 Fees and other expenses

Fees and other expenses are recognised in the statement of comprehensive income on an accrual basis.

4.5 Taxation

Income from other money market instruments such as commercial papers received by the Fund is subject to withholding tax. Dividend income and income from financing and investing are therefore recorded gross of such taxes and the corresponding withholding tax is recognised as tax expense.

4.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

The Fund's investment portfolio continues to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

4.7 Financial instruments

(i) Initial recognition and measurement

Financial instruments are recognised initially when the Fund becomes a party to the contractual provisions of the instruments. Financial instruments carried at fair value through profit or loss are initially recognised at fair value with transaction costs, which are directly attributable to the acquisition or issue of the financial instruments, being recognised immediately through profit or loss. Financial instruments that are not carried at fair value through profit or loss are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments. Financial instruments are recognised or de-recognised on the date the Fund commits to purchase or sell the instruments (trade day accounting).

(ii) Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at amortised cost or fair value depending on their classification category.

(iii) Classification

All financial assets within the Fund are measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI); or
- fair value through profit or loss (FVTPL).

The Fund's financial assets are subsequently measured at amortised cost if they meet both of the following criteria and are not designated as at FVTPL:

- 'Hold to collect' business model test - The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- 'SPPI' contractual cash flow characteristics test - The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding on a specified date. Interest in this context is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

4.7 Financial instruments (continued)

Debt instruments are measured at amortised cost by the Fund if they meet both of the following criteria and are not designated as at FVTPL:

- ‘Hold to collect and sell’ business model test: The asset is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset; and
- ‘SPPI’ contractual cash flow characteristics test: 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

All other financial assets (equity investments) are measured at fair value. A financial asset is classified and measured at fair value through profit or loss (FVTPL) by the Fund if the financial asset is:

- A debt instrument that does not qualify to be measured at amortised cost or FVOCI;
- An equity investment which the Fund has not irrevocably elected to classify as at FVOCI and present subsequent changes in fair value in OCI;
- A financial asset where the Fund has elected to measure the asset at FVTPL under the fair value option.
- Financial liabilities Financial liabilities are either classified by the Fund as:
 - Financial liabilities at amortised cost; or
 - Financial liabilities as at fair value through profit or loss (FVTPL).
- Financial liabilities are measured at amortised cost by the Fund unless either:
 - The financial liability is held for trading and is therefore required to be measured at FVTPL, or
 - The Fund elects to measure the financial liability at FVTPL (using the fair value option).

(iv) Fair value measurement

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm’s length transaction on the measurement date. The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e. the fair value of the consideration paid or received, unless the fair value is evidenced by comparison with other observable current market transactions in the same instrument, without modification or repackaging, or based on discounted cash flow models and option pricing valuation techniques whose variables include only data from observable markets.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

4.7 Financial instruments (continued)

(iv) Fair value measurement (continued)

Subsequent to initial recognition, the fair values of financial instruments are based on quoted market prices or dealer price quotations for financial instruments traded in active markets. If the market for a financial asset is not active or the instrument is an unlisted instrument, the fair value is determined by using applicable valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and valuation techniques commonly used by market participants.

Where discounted cash flow analyses are used, estimated cash flows are based on management's best estimates and the discount rate is a market-related rate at the financial position date from a financial asset with similar terms and conditions. Where pricing models are used, inputs are based on observable market indicators at the financial position date and profits or losses are only recognised to the extent that they relate to changes in factors that market participants will consider in setting the price.

(v) Impairment of financial assets

(a) Assets carried at amortised cost

The Fund assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that financial assets (including equity securities) are impaired may include; default or delinquency by a debtor, restructuring of a financing account or advance by the Fund on terms that the Fund would not otherwise consider, indications that a customer or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of customers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Fund first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant.

If the Fund determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in a collective assessment of impairment.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

4.7 Financial instruments (continued)

(v) Impairment of financial assets (continued)

(a) Assets carried at amortised cost (continued)

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the basis of the Fund's grading process which considers asset type, industry, geographic location, collateral type, past-due status and other relevant factors). These characteristics are relevant to the estimation of future cash flows for groups of such assets being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

In assessing collective impairment, the Fund uses statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that actual losses are likely to be greater or less than suggested benchmarks against actual outcomes to ensure that they remain appropriate.

If there is objective evidence that an impairment loss on receivable or at amortised cost asset has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the asset's original effective return rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Finance income on the impaired asset continues to be recognised through the unwinding of the discount. The carrying amount of the asset is reduced through the use of an allowance account.

The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable. Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects off current conditions that did not affect the period on which the historical loss experience is based, and to remove the effects of conditions in the historical period that do not exist currently.

To the extent a receivable is irrecoverable, it is written off against the related allowance for impairment. Such receivables are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowance for impairment in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

4.7 Financial instruments (continued)

(vi) Offsetting financial instrument

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Fund has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by accounting standards, or for gains and losses arising from a group of similar transactions such as in the Fund's trading activity.

(vii) Derecognition of financial instruments

The Fund derecognises 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 on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria.

Any interest in transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Fund enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all risks or rewards of the transferred assets or a portion of them. If all or substantially all the risks and rewards are retained, then the transferred assets are not derecognised from the statement of financial position. In transactions where the Fund neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if control over the asset is lost.

The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Fund continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

4.8 Provisions

A provision is recognised if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is provable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Fund has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Fund from a contract are lower than the unavoidable cost of meeting the obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract. Before a provision is established, the Fund recognises any impairment loss on the assets associated with that contract.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

4. Significant accounting policies (continued)

4.9 Contingencies

(i) Contingent asset

Contingent asset is a possible asset 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 entity.

A contingent asset is disclosed when an inflow of economic benefit is probable. When the realisation of income is virtually certain, then the related asset is not a contingent and its recognition is appropriate. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

(ii) Contingent liability

Contingent liability is a possible obligation that arises from past event 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 entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

4.10 Unit holders 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 balance sheet 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.

4.11 Investment restrictions and allocation

The Fund Manager shall ensure that the aggregate value of investments made by the Fund shall be as follows:

Asset classes	% allocated
Deposits (Fixed/Tenured)	20 – 75
Government securities	25 – 80
Other Money Market instruments	0 – 40
Cash	0 – 5

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

5. Financial risk management

Risk management objectives

(a) The Fund Manager adopts an encompassing Enterprise Risk Management (ERM) framework that considers risk from a comprehensive and integrated standpoint. In carrying out the Fund's investment activities, the fund is exposed to a number of risks, key among which are:

- **Market and Investment risk**
- **Liquidity risk**
- **Counterparty credit risk**
- **Regulatory and Compliance risk**
- **Operational risk**

The Fund Manager has an independent risk function which oversees risk exposure. The Risk Management function works closely with all business managers in order to address identified issues in a timely manner. In addition, the importance of risk management is stressed through periodic awareness activities, which include all members of staff, as well as a zero tolerance for violations of risk management guidelines.

• **Market and Investment risk**

Market risk is the risk of loss occurring as a result of unfavourable changes in market rates, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit and implied volatilities of the market rates.

The Fund is exposed to market and investment risk through the Fund Manager's investing activities, which is carried out in accordance with approved investment guidelines and within strategic asset allocation as contained in the trust deed. Also an Investment Committee, which includes an independent member who serves as the Chairman, meets on a quarterly basis to review fund activities and performance as well as set operational strategy for each succeeding quarter. Identified exceptions are reported to the fund managers and the Fund Investment Committee in a timely manner.

The Fund's performance is assessed periodically and compared to relevant benchmarks and peer funds.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Foreign exchange risk

The Fund is not exposed to foreign exchange risk, all transactions are done in the Nigerian Naira, neither are there investments made offshore or in foreign currencies.

**AXA MANSARD MONEY MARKET FUND
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Notes to the financial statements for the year ended 31st December, 2023 (continued)

5. Financial risk management (continued)

Risk management objectives (continued)

Interest rate risk

Interest rate exposure is generated from investment in interest bearing securities such as bonds, treasury bills as well as placements with financial institutions, most of which are fixed rate instruments. The Fund Manager maintains relationships that help seek the best bargains with allowable counterparties and within allowable investment limits.

The Fund's exposure to interest rate risk is shown in its holdings in financial assets at amortised cost as shown below.

The fund is exposed to daily cash redemptions of redeemable units.

	2023 ₦ '000	2022 ₦ '000
Financial assets at amortised cost	43,968,763	31,869,754
Cash and cash equivalents	3,279,272	902,588
Receivables	61,502	84,679
	=====	=====
	47,309,537	32,857,021
	=====	=====

Cash and cash equivalents are held in interest bearing accounts.

• Liquidity risk

Liquidity risk is the risk that the fund will be unable to efficiently meet its financial obligations as they fall due and without adversely affecting realisable amount on the fund's assets.

Liquidity risk is managed on a daily basis by the Portfolio Manager. In order to meet client redemption requests, asset allocations are carefully and appropriately structured to ensure that the Fund is liquid at all times and that it has enough cash or cash equivalents that can be converted to cash immediately without any loss in Fund value when the need arises. To achieve this, the Fund invests principally in highly liquid assets such as treasury bills, commercial papers and placement with financial institutions. The fund also retains a portion of its assets in call accounts and up to a maximum of 5% in cash balance to meet client redemption requests in a timely manner without having to liquidate other assets. The table below shows the fund's investment in cash and near cash equivalents as at 31st December.

	2023 ₦ '000	2022 ₦ '000
Financial assets at amortised cost	43,968,763	31,869,754
Cash and bank balances	3,279,272	902,588
Receivables	61,502	84,679
	=====	=====
Cash and cash equivalent	47,309,537	32,857,021
Current liabilities	(1,994,718)	(1,215,364)
	=====	=====
Investments in cash and near cash equivalents net of payables	45,314,819	31,641,657
	=====	=====

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

5. Financial risk management (continued)

Risk management objectives (continued)

• Liquidity risk

The table below shows redemption history and members' fund which are redeemable.

	2023 ₦ '000	2022 ₦ '000
Members' funds	45,314,819 =====	31,641,657 =====
Total client redemptions during the year	80,441,230 =====	73,694,423 =====

• Counterparty credit risk

Credit risk is the risk of loss arising from counterparty's inability or unwillingness to fulfil contractual obligations to the Fund. Credit risk arises from cash placements and cash equivalent positions held in financial institutions, as well as other interest-bearing investments in treasury bills and bonds.

Counterparties are chosen with utmost care following an assessment of their financial positions and are approved in the course of the review following a CAMEL analysis.

The Fund's maximum exposure to credit risk as at 31st December is shown in the table below:

Analysis of credit risk exposure by counter party.

	2023 ₦ '000	2022 ₦ '000
Government securities	11,502,959	8,612,227
Commercial papers	1,236,364	2,914,811
Placement with financial institutions	31,229,440	20,342,716
Cash and cash equivalents	3,279,272	902,588
Receivables	61,502	84,679
	47,309,537 =====	32,357,021 =====

None of the balances were past due or impaired as at 31st December 2023 and 2022.

• Regulatory and Compliance risk

Compliance risk is the risk from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies and procedures or ethical standards.

The Fund Manager operates strictly within the fund's risk profile as stipulated within the Trust Deed and has a dedicated compliance unit as well as a registered Compliance Officer, so as to ensure that strict compliance with regulatory requirements as well as internal investment guidelines are enforced and monitored at all times. In addition, regulatory returns and disclosures are made as and when due.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

5. Financial risk management (continued)

Risk management objectives (continued)

• Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, people, systems and external events.

The Fund Manager manages operational risk using a well-established control framework, and tools such as Risk and Control Self Assessment (RCSA) sessions, Internal Loss Data Collection (LDC), Issues Management and Whistleblowing.

Operational risk loss events are escalated and managed using a four level escalation matrix depending on the amount of loss that may occur. The ultimate aim of the Fund Manager's operational risk management activities is to improve operational efficiency as well as the quality of its service delivery to investors through:

- Improved processes and operational guidelines
- Minimising occurrence of avoidable risk events
- Creating group-wide risk awareness that guides behaviours and creates a careful approach to transaction handling and execution.

6. Critical accounting estimates and judgements

(i) Valuation of financial instruments

The Fund's significant accounting policy on fair value measurements is discussed in note 4.7 (iii).

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

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument;
- 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.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's 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.
- Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Fund determines fair values using valuation techniques.

AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED

Notes to the financial statements for the year ended 31st December, 2023 (continued)

7. Financial assets and liabilities

Accounting classification, measurement basis and fair value.

The table below sets out the Fund's classification of each class of financial assets and liabilities, and their fair values.

31 st December 2023	Notes	Financial	Other	Total	Fair value
		assets at amortised cost ₦ '000	financial liabilities ₦ '000	carrying amount ₦ '000	
Cash and cash equivalents	8	3,279,272	-	3,279,272	3,279,272
Financial assets at amortised cost	10	43,968,763	-	43,968,763	43,968,763
Other receivables	9	61,502	-	61,502	61,502
		<hr style="border-top: 1px solid black;"/>			
Trade and other payables	10	47,309,537	-	47,309,537	47,309,537
		<hr style="border-top: 1px solid black;"/>			
		47,309,537	(1,994,718)	45,314,819	45,314,819
		<hr style="border-top: 1px solid black;"/>			
31st December 2022					
Cash and cash equivalents	8	902,588	-	902,588	902,588
Financial assets at amortised cost	10	31,869,754	-	31,869,754	31,869,754
Receivables	9	84,679	-	84,679	84,679
		<hr style="border-top: 1px solid black;"/>			
Trade and other payables	10	32,857,021	-	32,857,021	32,857,021
		<hr style="border-top: 1px solid black;"/>			
		32,857,021	(1,215,364)	31,641,657	31,641,657
		<hr style="border-top: 1px solid black;"/>			

The fair value of the Fund's financial instruments such as cash and cash equivalents, other receivables and uninvested 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.

**AXA MANSARD MONEY MARKET FUND
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Notes to the financial statements for the year ended 31st December, 2023 (continued)

	2023 ₦ '000	2022 ₦ '000
8. Cash and cash equivalents		
Cash and bank balances	3,279,272 =====	902,588 =====

9. Receivables

Interest receivables*	61,502 =====	84,679 =====
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* This represents fixed deposit maturities that the interest have not been received.

	2023 ₦ '000	2022 ₦ '000
10. Financial assets at amortised cost		
Treasury bills	11,502,959	8,612,227
Commercial papers	1,236,304	2,914,811
Placement with financial institutions	31,229,440	20,342,716
	=====	=====
	43,968,763 =====	31,869,754 =====

11. Other payables

Unallotted fund depositors' funds (i)	415,451	158,927
Management fee (note 17(a))	265,794	99,680
Custodian fee (note 17(b))	263	3,426
Trustee fee	328	4,282
Rating fee	3,235	3,225
Audit fees	4,300	2,688
Dividend payable	1,046,869	884,918
SEC supervisory fee	1,224	15,935
Other payable	37,254	42,283
Redemption awaiting settlement (ii)	220,000	-
	=====	=====
	1,994,718 =====	1,215,364 =====

(i) This represents unallocated units for proceeds received for units not yet created.

(ii) This represents amount due to investors who liquidated as at year end. Post year end review showed that this has been settled.

	2023 ₦ '000	2022 ₦ '000
12. Net asset per unit:	1.00 ====	1.00 ====

The net asset per unit is computed using the net assets value ₦ 45,314,819,000 (2022: ₦ 32,551,749,889) at the statement of financial position date divided by the 45,314,819,000 units (2022:32,551,749,889) in existence as at the end of the year.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

	2023 ₦ '000	2022 ₦ '000
13. Investment income		
Interest income on commercial papers	493,043	319,452
Interest income on fixed deposit	3,179,115	2,291,189
Interest income on treasury bill	885,770	533,374
Other income	138	-
	—————	—————
	4,558,066	3,144,015
	=====	=====
14. Operating expenses		
Custodian fee	16,772	13,641
Trustee's fee	20,966	17,052
Audit fee	4,300	2,687
Rating agency fee	3,234	3,225
Management fee	628,958	379,811
SEC supervisory fee	78,010	63,448
Other expenses	4,972	-
	—————	—————
	757,212	479,864
	=====	=====
15. Distributions		

In accordance with section 23.1 of the Trust Deed, the income of the fund, less any sums properly chargeable thereon or deductible therefrom shall be distributed to the unit holders in such form, manner and amount for such periods and at such times as the fund manager and Trustee may agree, in line with the provisions of the Deed and subject to the applicable laws, rules and regulations of the Commission.

16. Taxation

The Fund is exempt from paying income taxes under the current system of taxation in Nigeria.

17. Related parties and other key contracts

(a) Related Parties

(i) Fund Manager

The Fund appointed AXA Mansard Investments Limited, an investment management company incorporated in Nigeria to implement the investment strategy as specified in the prospectus and the Fund's trust deed. Under the Fund Management Agreement (Trust Deed), the Fund Manager is entitled to:

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Notes to the financial statements for the year ended 31st December, 2023 (continued)

17. Related parties and other key contracts (continued)

(a) Related parties (continued)

(i) Fund Manager (continued)

A management fee at an annual rate of up to 1.5 percent of the Net Assets Value (NAV) attributable to holders of redeemable units on each valuation day. The Fund manager has charged a management fee of ₦ 628.96 million (2022: ₦ 379.81 million) and the amount payable as at 31st December, 2023 was ₦ 265.80 million (2022: ₦ 99.68 million).

(b) Other key contracts

(i) Trustee

The Fund appointed Investment One Financial Services Limited, a trusteeship company in Nigeria, to provide administrative services to the Fund. Under the Fund Trust Deed, the Trustee is entitled to a fee at an annual rate of 0.05% percent of the Net Assets Value attributable to holders of redeemable units on each valuation day. The Trustee charge was ₦ 21 million (2022: ₦ 17 million) for the year and the amount payable as at 31st December, 2023 was ₦ 0.33 million (2022: ₦ 4.3 million).

(ii) Custodian

The Fund engaged the service of RMB Nominees to provide custodial services for a fee. The fee can be charged up to 4.5 bps per annum of the Net asset value. The custodian charge for the year was ₦ 16.77 million (2022: ₦ 13.64 million) and the amount payable as at 31st December, 2023 was ₦ 0.26 million (2022: ₦ 3.43 million).

(iii) SEC Supervisory fee

This relates to an annual supervisory fee of 0.2% of the Net Asset Value of the Fund payable to the Securities and Exchange Commission (SEC). The charge for the year was ₦ 78.01 million (2022: ₦ 63.45 million) and the amount payable as at 31st December, 2023 was ₦ 1.22 million (2022: ₦ 15.94 million).

18. Compliance with regulatory bodies

The Fund Manager complied with the Trust Deed, the rules and regulations of the Commission and the applicable laws.

19. Events after the reporting period

There were no significant post balance sheet events after the reporting period which would have had any material effect on the financial statements of the fund as at 31st December 2023 that have not been taken into account in preparation of these financial statements.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Statement of value added for the year ended 31st December, 2023

	2023 ₦ '000	%	2022 ₦ '000	%
Investment income	4,558,066		3,144,015	
Bought in material and services:	4,558,066		3,144,015	
Local	(12,506)		(5,912)	
Value added	4,545,560	—	3,138,103	100
	=====	==	=====	==
Applied as follows:				
To pay fund manager and other related parties				
Fees	744,706	16	473,952	15
To pay government				
Taxation	—		—	
Retained for future replacement of assets and expansion of business:				
Profit for the year	3,800,854	84	2,664,151	85
	=====	—	=====	—
	4,545,560	100	3,138,103	100
	=====	==	=====	==

Statement of value added represents the additional wealth which the fund has been able to create through the effort of the Fund Managers, and other parties to the fund. The statement shows the allocation of the wealth between the unit holders and the governments, and that retained for the future creation of more wealth.

**AXA MANSARD MONEY MARKET FUND
MANAGED BY AXA MANSARD INVESTMENTS LIMITED**

Five year financial summary

	2023 ₦	2022 ₦	2021 ₦	2020 ₦	2019 ₦
Assets					
Financial assets at amortised cost	43,968,763	31,869,754	26,622,928	29,017,107	35,214,748
Other receivables	61,502	84,679	-	-	-
Cash and cash equivalents	3,279,272	902,588	756,598	560,740	1,215,950
	47,309,537	32,857,021	27,379,526	29,577,847	36,430,698
Liabilities					
Trade and other payables	(1,994,718)	(1,215,364)	(717,026)	(434,625)	(1,199,363)
Net assets	45,314,819	31,641,657	26,662,501	29,143,222	35,231,335
Equity					
Members' capital	45,314,819	31,641,657	26,662,501	29,143,222	35,231,335
Statement of profit or loss					
Investment income	4,558,066	3,144,015	1,903,487	1,995,638	3,611,800
Profit before taxation	3,800,854	2,664,151	1,541,072	1,481,852	3,227,213
Profit after taxation	3,800,854	2,664,151	1,541,072	1,481,852	3,227,213
Net assets per unit	1.0 ====	1.00 ====	1.00 ====	1.00 ====	1.00 ====
Basic earnings per unit	8.39 ====	8.42 ====	5.78 ====	5.08 ====	9.16 ====