
# Annual Report & Accounts

Financial Year Ended June 30, 2015

# Contents

# Notice of Annual General Meeting

CHAPEL HILL DENHAM

Management Limited

NOTICE IS HEREBY GIVEN THAT the 2nd Annual General Meeting of Women's Investment Fund ("WIF") will be held in Function Room 1 of the Lagos Oriental Hotel, Victoria Island; Lagos at 10 a.m. on April 19, 2016 to transact the following business:

AGENDA

1. To receive the audited Financial Statements for the financial year ended June 30, 2015 together with the report of the Fund Manager and Trustees thereon
2. To ratify the appointment of STL Trustees Limited as Trustees following the disengagement of BOI Investment & Trust Company's appointment as Trustees to the Fund.
3. To obtain the approval of the Unitholders by a Special Resolution to the proposed amendments to following clauses of the Trust Deed dated 25th day of August 2008:

   (i) Cover Page – Name of Trustees
   (ii) Clause 5 – Sale and Issue of Units
   (iii) Clause 8 – Investment Policy and Investment Outlets
   (iv) Clause 10 – Power to Invest
   (v) Clause 12 – Custody of Deposited Property
   (vi) Clause 19 – Redemption of Units
   (vii) Clause 24 – Remuneration and Reimbursement of the Trustee, Fund Manager and Registrar
   (viii) Clause 48 – Modification and Supplemental Deeds
   (ix) Clause 52 – Meetings
   (x) Article 1, Schedule 1
   (xi) Article 5(v) Schedule 1 – Persons Entitled to Notice
   (xii) Article 14 Schedule 1 – Quorum

4. To consider and if thought fit to authorize the Fund Manager to appoint and fix the remuneration of the Auditors for the ensuing year

BY ORDER OF THE FUND MANAGER
Chapel Hill Denham Management Limited

Koya & Kuti

KOYA & KUTI SOLICITORS
COMPANY SECRETARIES

PROXIES

A unitholder is entitled to attend and vote at meetings of the Women's Investment Fund (the "Fund") or to appoint a proxy to attend and vote in his/her stead. A proxy need not also be a unitholder of the Fund. All instruments of proxy should be duly executed and deposited at the offices of the Fund Manager - 45 Saka Tinubu, Victoria Island, Lagos or at the offices of the Registrar, Cardinal Stone Registrars Limited (formerly City Securities Limited) - 358 Herbert Macaulay Way, Yaba; Lagos not later than 48 hours before the date of the meeting.

# Company Information

**FOR THE YEAR ENDED 30 JUNE 2015**

| | |
|---|---|
| Country of incorporation and Domicile | Nigeria |

**Nature of business and principal activities.**
The Women's Investment Fund is Nigeria's first gender focused investment vehicle. Its principal activity is the pooling of funds from individual members of the public and companies, and the investment of such funds in equities listed on the Nigerian Stock Exchange, money market instruments, fixed income securities, real estate and businesses where women own 10% or more of the equities.

| | |
|---|---|
| **Trustees to the Fund** | BOI Investment and Trust<br>BOI House<br>23, Marina<br>Lagos |
| **Fund Manager** | Chapel Hill Denham Management Limited<br><br>45, Saka Tinubu Street<br>Victoria Island<br>Lagos |
| **Registrar** | Cardinal Stone Registrars Limited<br>358 Herbert Macaulay Way<br>Yaba<br>Lagos |
| **Directors of Fund Manager** | |
| Mr Adebayo Olawale Edun | Chairman |
| Mrs Ononuju Irukwu | Managing Director |
| Mr Bolaji Balogun | Director |
| **Custodian** | United Bank of Africa<br>14th Floor, UBA House<br>57,Marina<br>Lagos. |
| **Auditors** | AAE Professional Services<br>(Chartered Accountants)<br><br>19, Karimu Street<br>Off Fred Omojole Crescent<br>Ifako-Gbagada<br>Lagos |

# Trustees' Report

**FOR THE YEAR ENDED 30 JUNE 2015**

The Trustees present their report on the affairs of Women's Investment Fund ("The Fund"), together with its audited International Financial Reporting Standards (IFRS) compliant financial statements and the auditors' report for the year ended 30 June 2015.

**Principal activity:**
The Women's Investment Fund is Nigeria's first gender focused investment vehicle. Its principal activity is the pooling of funds from individual members of the public and companies, and the investment of such funds in equities listed on the Nigerian Stock Exchange, money market instruments, fixed income securities, real estate and businesses where women own 10% or more of the equities.

**Fund Manager:**
Chapel Hill Denham Management Limited

**Custodian:**
United Bank for Africa Plc

**Directors of the Fund:**
The Directors of the Fund Manager who served on the board of the fund manager during the year under review and up to the date of approving these financial statements were:

Mr Adebayo Olawale Edun (Chairman) Mrs Ononuju Irukwu (Managing Director) Mr Bolaji Balogun (Director)

**Directors' interest in the Units of the Fund:**
No director of Chapel Hill Denham Management Limited or BOI Investment and Trust Company Limited has, or had any direct or indirect beneficial interest in units of the Fund.

**Auditors:**
Messrs AAE professional services, (Chartered Accountants), auditors of the Fund have expressed their willingness to continue in office and shall do so in accordance with section 357(2) of the Companies and Allied Matters Act, CAP C20 LFN 2004.

**Dividend:**
The terms of the Trust Deed constituting the Fund, empowers the Fund to distribute any part of its income by way of a cash dividend directly to its unitholders.

**Trustees' Opinion:**
It is the opinion of the Trustees that for the period under review, the Fund Manager substantially administered the scheme in accordance with the provisions of the Trust Deed. The excess in the cash account is as a result of a half year maturity which has been regularized.

By order of the Trustees.

Lagos, Nigeria

BOI Investment and Trust Company Limited
FRC/2013/NBA/00000004347

# Report of the Fund Manager

**FOR THE YEAR ENDED 30TH JUNE, 2015**

Dear Investor,

The year ending June 2015 was significantly eventful as politics, economic issues and worsening security challenges dominated the investment space throughout the year.

While the rebasing of Nigeria's GDP Index in Early 2014 saw our country emerge as the largest economy in Africa and 26th largest in the world, the last quarter of the year was fraught with less pleasant announcements such as the increase of the lead indicative rate to 13% and an 8% devaluation in the Naira following an increasing fall in the international price of crude oil.

Data from the National Bureau of Statistics (NBS) indicate that real GDP grew by 2.35% in YoY in June 2015, however with the oil sector's relative contribution to GDP falling to 9.8% from 10.8% in H1-14 and 10.4% for FY-14. This can be traced to the increased cases of production shut-ins due to the rising incidences of pipeline vandalisation and crude oil theft. The lead indicative rate, Monetary Policy Rate (MPR) was held stable by the Central Bank of Nigeria at 12.0% through the year 2014 till November when in reaction to pressure on monetary liquidity, the monetary policy committee of the Central Bank raised it to 13.0%. The rate was maintained at this level till June 2015

The tight monetary stance accounted for moderation in price levels in the economy as the country recorded single digit inflation rate throughout the year.

**Summary Review of the Global Economy**

The IMF cut its global growth estimate for 2014 to 3.3% from 3.4% previously, signifying a flat from the global growth of 3.3% in 2013. This was due to weaker-than-expected growth in H1-14, as all regions except MENA (Middle East, North Africa) and SSA (Sub-Saharan Africa) underperformed in H1-14. The IMF also cut its growth forecast for 2015 to 3.8% from 4.0% previously. Chief among the crisis was the Euro-zone debt crisis which affected the emerging and developed markets.

U.S.A.: Financial markets across the world continued to benefit from low cost funds throughout the year, as the anticipated decision by the US Federal Reserve to reduce its monthly asset purchases was first announced in December 2013. The US Federal Reserve's quantitative easing has helped to restore growth in the US as the economy recorded a growth rate of 2.6% in 2014. Europe: Weak domestic demand and existing structural issues contributed to the sluggish GDP growth of Europe's 0.2% in 2014. Despite the challenging conditions however, a number of countries in the Euro Zone are beginning to exhibit signs of recovery. Asia: In Asia, monetary and fiscal stimuli have re-established the Japanese economy on the path of growth as the Bank of Japan has stated that country's economy has entered a phase of moderate recovery.

Sub-Saharan Africa: The IMF cut its SSA regional growth estimate for 2014 to 5.1% from 5.4% previously. This is largely attributed to the break-out of the Ebola virus in some parts of West Africa.

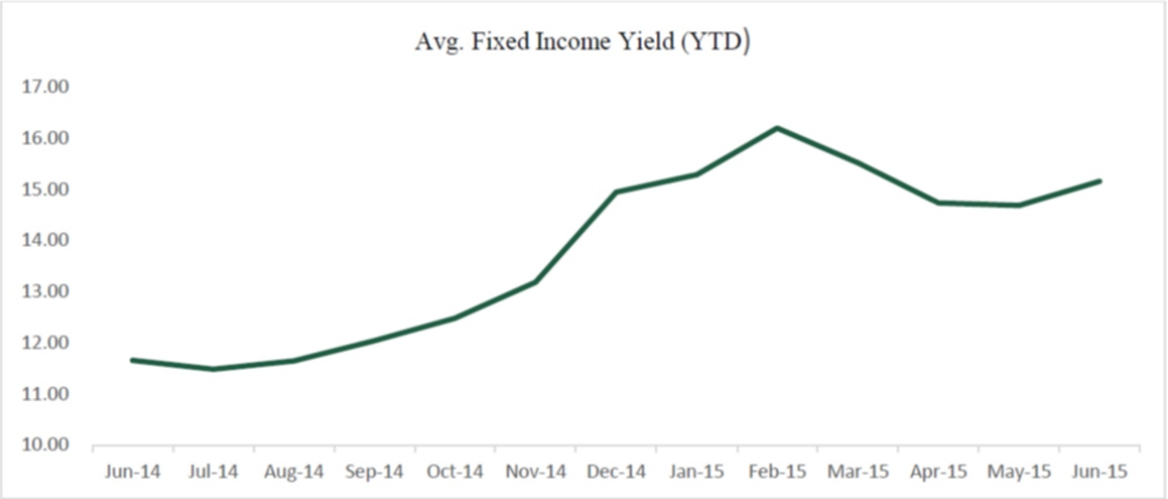
**Nigeria- Economic and Financial Market Review**

Nigeria's economic growth remained respectable as GDP rose by 6.22% in 2014. This impressive growth comes despite the security challenges which has fraught the country such as

- Increasing number and intensity of attacks by the Islamic fundamentalist group, Boko Haram
- Sharp fall of Crude Oil over the year; putting immense pressure on the Nigeria Naira and causing a loss in the naira to dollar exchange rate
- Loss in revenue due to continuing vandalisation of oil pipelines and theft of crude oil Economic growth however shrunk in H1-15 as indicated earlier. This was caused by declines in GDP from electricity, manufacturing and mining, as well as slower growth in agriculture, construction and trade.

**Capital Market Equities:** The continuation of reforms in the market by the Regulators and supporting economic policies did not sustain investor interest in the equities market as the NSE All Share Index lost 21.48% in the 12 months to June 2015. As a result of increasing interest rates, liquidity gradually and significantly gravitated from equities towards term- deposits and other fixed income instruments.

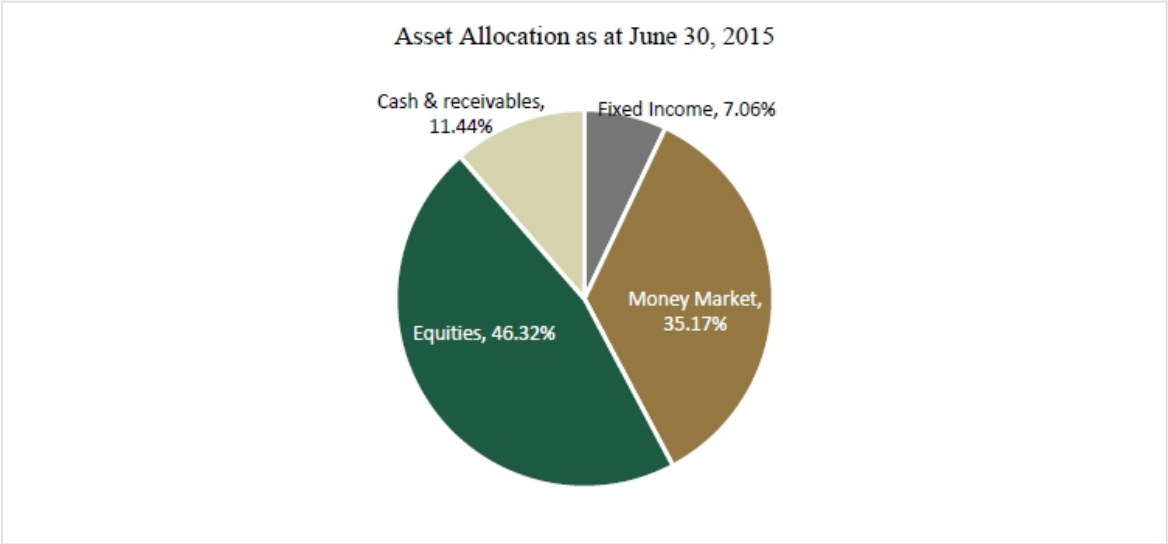
**Bonds:** The fixed income market experienced huge selloffs at the tail end of 2014. This bearish trend was driven by the deteriorating macroeconomic outlook and socio political concerns.




**Fund Performance**

The NAV/Unit as at June 30, 2015 was N85.19, the Fund price declined by -10.51% thus faring better than the NSE-ASI by 10.74%. The Fund's exposure to equities particularly the Banking and Industrial Sectors which recorded -14.92% and 14.81% over the period under review contributed largely to this performance.

At the end of the year, the Fund's equity position stood at 46.32%.The average interest rate on the Fund's money market investment as at June 30, 2015 was 13.31%; staying above the recently increased MPR of 13%.




On the regulatory and compliance side, the Fund Manager ensured the investments made on behalf of the Fund were in line with the provisions of the Trust Deed and no regulatory infraction was recorded.

# Independent Auditor's Report


**Report on the financial statements**
We have audited the annual financial statements of WOMEN'S INVESTMENT FUND, which comprise the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flow for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 12 to 35.

**Manager's Responsibilities for the Financial Statements**
The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in accordance with the Investments & Securities Act 2007. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**
Our responsibility is to express an independent opinion on these financial statements based on our audit.We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**
In our opinion, the financial statements give a true and fair view of the state of affairs of the Fund as at June 30, 2015 and of the Statement of cashflow for the year then ended and have been properly prepared in accordance with International Financial Reporting Standards, Trust Deed, the Investments & Securities Act
2007, the rules and regulations issued by the Securities & Exchange Commission and relevant statements of accounting standards issued by the Financial Reporting Council of Nigerian.


Engagement Partner: Gabriel Adeola Jimba
FRC/ICAN/2013/00000002959
For: AAE Professional Services
Chartered Accountants
Lagos, Nigeria
Date: October, 2015

# Statement of Financial Position

**AT 30 JUNE 2015**

**ASSETS**

| | Notes | 2015 =N= | 2014 =N= |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | 7 | 61,336,091 | 55,898,078 |
| *Financial assets:* | | | |
| - Available for sale | 8 | 9,806,337 | 11,400,000 |
| - Fair value through profit or loss | 9 | 63,084,409 | 92,370,749 |
| - Other receivables | 10 | 676,688 | - |
| **Total assets** | | 134,903,526 | 159,668,827 |
| **Liabilities** | | | |
| Other financial liabilities | 11 | 1,723,875 | 3,715,021 |
| **Total liabilities** | | 1,723,875 | 3,715,021 |
| **Equity** | | | |
| Trust Fund | 12 | 231,395,815 | 236,835,578 |
| Retained earnings | | (98,216,164) | (82,281,772) |
| Fair value reserve | | - | 1,400,000 |
| **Total equity** | | 133,179,651 | 155,953,806 |
| **Total equity and liabilities** | | 134,903,526 | 159,668,827 |

These financial statements were approved and authorised for issue by the Board of Trustee of Women's Investment Fund on September 27, 2015.

They were signed on its behalf by:

MRS ONONUJU IRUKWU
FUND MANAGER
FRC/2014/NIM/00000006662

The notes on pages 12 to 35 forms an integral part of these financial statements

# Statement of Profit or Loss and Other Comprehensive Income

**FOR THE YEAR ENDED 30 JUNE 2015**

| | Notes | 2015 =N= | 2014 =N= |
|---|---|---|---|
| Interest on fixed/call deposit | | 6,117,048 | 667,101 |
| Other income | 13 | 887,308 | - |
| Dividend income | | 4,721,526 | 5,640,708 |
| Net gain on financial asset at fair value through profit or loss | 14 | - | 4,592,649 |
| Coupon income | | 1,815,964 | 1,063,151 |
| Total revenue | | 13,541,845 | 11,963,608 |
| Management expenses | 15 | 3,584,259 | 1,862,021 |
| Net loss on financial asset at fair value through profit or loss | 16 | 25,012,078 | - |
| Administrative expenses | 17 | 879,901 | 1,359,171 |
| Total operating expenses | | 29,476,237 | 3,221,192 |
| Profit(/loss) before taxation | | (15,934,392) | 8,742,416 |
| Taxation | | - | - |
| Profit/(Loss) for the year | | (15,934,392) | 8,742,416 |
| *Other comprehensive income:* | | | |
| Fair value gain on bond | | - | 1,400,000 |
| *Total comprehensive income for the year* | | (15,934,392) | 10,142,416 |

The notes on pages 12 to 35 forms an integral part of these financial statements

# Statement of changes in equity

**30 JUNE 2015**

| | Fund account =N= | Fair value reserve =N= | Retained earnings =N= | Total =N= |
|---|---|---|---|---|
| Balance at 1 July 2014 | 236,835,578 | 1,400,000 | (82,281,772) | 155,953,806 |
| Profit for the year | | | (15,934,392) | (15,934,392) |
| Subscription during the year | 3,560,000 | | | 3,560,000 |
| Redemption during the year | (8,999,763) | | | (8,999,763) |
| Fair value gain on bond | | (1,400,000) | | (1,400,000) |
| Balance at 30 June 2015 | 231,395,815 | - | (98,216,164) | 133,179,651 |

**June 30, 2014**

| | | | | |
|---|---|---|---|---|
| Balance at 1 July 2013 | **=N=** | **=N=** | **=N=** | **=N=** |
| | 153,112,116 | - | (92,159,714) | 60,952,402 |
| Profit for the year | | - | 8,742,416 | 8,742,416 |
| Subscription during the year | 86,936,022 | - | - | 86,936,022 |
| Redemption during the year | (3,212,560) | - | - | (3,212,560) |
| Adjustment | | | 1,135,526 | 1,135,526 |
| Fair value gain on bond | | 1,400,000 | - | 1,400,000 |
| Balance at 30 June 2014 | 236,835,578 | 1,400,000 | (82,281,772) | 155,953,806 |

The notes on pages 12 to 35 forms an integral part of these financial statements

# Statement of Cash Flow

**FOR THE YEAR ENDED 30 JUNE 2015**

| | 2015<br>=N= | 2014<br>=N= |
|---|---|---|
| Profit/(Loss) before taxation | (15,934,392) | 8,742,416 |
| *Adjustment for non cashflow items:* | | |
| Net unrealised gain or loss | - | 4,592,649 |
| Adjustment | - | 1,135,526 |
| **Movements in working capital:** | | |
| (Increase)/decrease in Accounts receivable | 30,203,315 | - |
| Increase/(decrease) in other financial liabilities | (1,991,146) | (79,018,o80) |
| **Net cash inflow from operations** | 12,277,777 | (64,547,489) |
| | | |
| **Cashflow from investing activities:** | | |
| Net (purchase)/sale of quoted equities | - | 4,612,160 |
| | | |
| **Net cash inflow/(outflow) from investing activities** | - | 4,612,160 |
| | | |
| **Cash flows from financing activities** | | |
| Changes in fair value reserve | (1,400,000) | |
| Funds redemption | (8,999,763) | (3,212,560) |
| Fund subscription | 3,560,000 | 86,936,022 |
| | | |
| **Net cash outflow from finance activities** | (6,839,763) | 83,723,462 |
| | | |
| **Net cash inflow/(outflow) for the year** | 5,438,014 | 23,788,133 |
| Cash and cash equivalents at beginning of period | 55,898,078 | 32,109,945 |
| **Cash and cash equivalents at end of period** | 61,336,092 | 55,898,078 |

# Notes to the financial statements

for the year ended 30 June, 2015

**1 Reporting Fund**

Women's Investment Fund ("The Fund") is a Fund domiciled in Nigeria. The Fund manager registered office is 45, Saka Tinubu Street, Victoria Island, Lagos. The principal activities of the Fund is the pooling of funds from individual members of the public and companies, and the investment of such funds in equities listed on the Nigerian Stock Exchange, and money market instruments.

The administration of the Fund is delegated to Chapel Hill Denham Management Limited.

**2 Basis of Preparation**

**(a) Statement of Compliance**

The financial statement of the Fund as at year ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The financial statements were authorised for issue by the Board of Trustee of Women's Investment Fund on September 27, 2015.

**(b) Basis of Measurement**

The financial statement have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss which are measured at fair value.

**(c) Functional and presentation currency**

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

**(d) 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statement are described in Notes 4.

**(e) ADOPTION OF NEW AND REVISED STANDARDS**

**Changes in accounting policy and disclosure**

(a) New and amended standards effective during the year

Below are the IFRSs and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are effective for the first time for the financial year beginning on or after 1 January 2014 that would be expected to have an impact on the Company.

(i) IAS 32 Financial instrument: presentation

Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right to set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the company's financial statements.

(ii) IAS36 Impairment of assets

Amendment to IAS36, 'Impairment of assets', on the recoverable amount disclosures for non- financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS36 by the issue of IFRS13. The amendment also consider ssettlement mechanisms. The amendment did not have a significant effect on the company's financial statements.

(iii) IAS39 Financial instrument: recognition and measurement

Amendment to IAS39, 'Financial instruments: Recognition and measurement 'on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The amendment did not have a significant effect on the company's financial statements.

(iv) IFRIC21- Levies

IFRIC21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not relevant to the Company.

*(b) New and amended standards and interpretations issued but not yet effective*

As at 31 December 2014, a number of standards and interpretations, and amendments thereto, had been issued by the IASB which are not yet effective for these financial statements. None of these standards is expected to have a significant effect on the financial statements of the Company.

**IFRS 9 Financial Instruments: Classification and Measurement (effective 1 January 2018)**

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. IFRS 9 (2010) introduces additions relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and add new requirements to address the impairment of financial assets and hedge accounting.

The IFRS 9 (2009) requirements represents a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories of financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables. For an investment in equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognized in other comprehensive income would ever be reclassified to profit or loss at a later date. However, dividend on such investments are recognized in profit or loss, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investments. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognized in profit or loss. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the board.

**IFRS 15 Revenue from contract with customer (effective 1 January 2017 )**

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Company is assessing the impact of IFRS 15.

# Notes to the financial statements

for the year ended 30 June, 2015

*(c) Other IFRSs or IFRIC interpretations that are not yet effective and would be expected not to have a material impact on the Company are as detailed in the table below*

| IFRS | Effective Date | Subject of |
|---|---|---|
| IFRS 11 Joint arrangements on acquisition of an interest in a joint operation. | The amendments specify the appropriate accounting treatment for such acquisitions. | 1 January 2016 |
| IFRS 16 Property, Plant and Equipment | The amendment changes the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms and include them within the scope of IAS 16, instead of IAS 41. IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate. | 1 January 2016 |
| IFRS 14 Regulatory Deferral Accounts | The amendment now permits firsttime adopters to continue to recognize amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. | 1 January 2016 |
| IFRS 27 Consolidated and Separate Financial Statement. | These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. | 1 January 2016 |
| IFRS 1o Consolidated Financial Statement | The amendment confirms that the exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity. | 1 January 2016 |
| IFRS 5 Non current assets held for sale and discontinued operations | The amendment clarifies that if an entity has classified an asset (or disposal group) as held for sale or as held but the criteria for held for sale are no longer met, the entity shall cease to classify the asset as held for sale. | 1 January 2016 |
| IFRS 7 Financial Instruments: Disclosure | The amendment clarifies whether a servicing contract is continuing involvement in a transferred asset for the purpose of determining disclosures. | 1 July 2016 |
| IFRS 19 Employee Benefits | The amendment clarifies that high quality corporate bonds used in estimating the discount rate for post employment benefits should be denominated in the same currency as the benefits to be paid. | 1 July 2016 |
| IFRS 34 Interim Financial Reporting | The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross reference between the financial statements and wherever they are included within the greater interim financial report. | 1 July 2016 |

**3 Significant accounting policies**

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

**(a) Interest**

Interest income and expenses are recognized in profit or loss using the effective interest method.The effective interest rate is the rate that exactly discounts the estimated future cash to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instruments but not future credit losses.

The calculation of the effective interest rate includes contractual fees and points paid or received, transaction costs and discounts or premiums that are integral part of the effective interest rate.

Interest income and expense presented in the financial statement include:(i)

(ii) interest on financial assets and liabilities measured at amortised cost calculated on an effective interest rate basis.

Interest on financial assets measured at fair value through profit or loss calculated on an effective interest rate basis.

**(b) Accrued expenses**

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

**(c) Dividend income**

Dividend income is recognized when the right to receive income is estabilshed.

**(d) Taxation**

**Witholding Tax**

The Fund is exempted from paying income tax under the current system of taxation in Nigeria. Certain dividend and interest income received by the Fund are subject to witholding tax imposed in the country of origin. The witholding tax borne by the Fund is treated as the final tax.

**(e) Financial assets and liabilities**

**(i) Recognition**

Financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date which is the date that the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss. Subsequent recognition of financial assets and liabilities is at amortised cost or fair value.

When the transaction price differs from the fair value of other observable current market, transactions in the same instrument or based on a valuation technique whose variables include only data observable from markets, the Fund immediately recognises the difference between the transaction price and the fair value (a 'Day 1' profit or loss) in' Net gains/(losses) on financial instruments at fair value through profit or loss'. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognized in the income statement when the inputs become observable, or when the instrument is derecognized.

**(ii) Classification**

The classification of financial instruments depends on the purpose and management's intention for which the financial instruments were acquired and their characteristics. The Fund classifies financial assets and liabilities into the following

- Financial assets at fair value through profit or loss
- Held to maturity
- Loans and receivables
- Available for sale
- Other financial liabilities at amortised cost

**Financial assets and liabilities at fair value through profit or loss**
This category comprises financial assets designated by the Fund as a fair value through profit or loss upon initial recognition.

Financial liabilities for which the fair value option is applied are recognised in the statement of financial position as 'Financial liabilities designated at fair value'. Fair value changes relating to financial liabilities designated at fair value through profit or loss are

**(i) Financial assets and liabilities classified as held for trading**
Trading assets and liabilities are those assets and liabilities that the Fund acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit.

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the statement of financial position with transaction costs recognised in profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss.

**(iii) Reclassification of financial assets and liabilities**
The Fund may choose to reclassify a non-derivative financial asset held for trading out of the held for trading financial assets category if the financial assets are no longer held for trading purpose. Financial assets other than loans and receivabless are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to reocur in the near-term. In addition, the Fund may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for- sale categories if the Fund has the intention and ability to hold these financial assets for the forseeable future until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no revearsals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determinedd at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

**Held to maturity**
Held to maturity investments are non derivative assets w-ith f-ixed or determinable payments and fixed maturity that the Fund has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or available for sale.

Held to m-atu- rity investments are carried at am-orti-sed cost using the effective interest method. A sale or reclassification of- a s-ignificant amount of held to maturity investments would result in the reclassification of all held to maturity investments as available for sale, and prevent the Fund from classifying investment securities as held to maturity for the current and the following two financial years.

**Loans and receivables**
Loans and advances are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Fund does not intend to sell immediately or in the near term.

**Available for sale**
Available for sale invest-me-nts are non derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost. All other available for sale investments are carried at fair value.

Interest income is recognised in profit or loss using the effective interest method. Dividend income is recognised in profit or loss when the Fund becomes entitled to the dividend.

Other fair value changes are recognised directly in other comprehensive income until the investment is sold or impaired whereupon the cumulative gains and losses previously recognised in other comprehensive income are recognised to profit or loss as a reclassification adjustment.

**(iii) De-recognition**
The Fund de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or when it transfers the rights to receive the contractual cash flows on the financial assets in a transaction in which substancially all of the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the Fund is recognized as a separate asset or liability.

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

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

In transactions in which the Fund neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the Fund continues to recognise the asset to the extent of its continuing involvement, determnined by extent to which it is exposed to changes in the value of the transferred asset. The rights and obligations retained in the transfer asset 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.

**(iv) Offsetting**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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

**(v) Amortised cost measurement**

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

**(vi) Fair value measurement**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market price or dealer price quotations.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occuring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer or significant increase in the bid- offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, NIBOR,LIBOR yield curve, FX rates, volatilities and counterparty spreads) existing at the dates of the statement of financial position.

In cases where the fair value of the unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment.

The best evidence of fair value of a financial instument at initial recognition is the transaction price, i.e, the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data observable from markets.

**(vii) Identification and measurement of impairment**

**(a) Assets carried at amortised cost**

The Fund assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset or a group of financial assets are impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or

more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash vows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash vows, such as changes in arrears or economic conditions that correlate with defaults.

For receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash vows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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, the reversal of the previously recognised impairment loss is recognised in the income statement.

**(b) Assets classified as available for sale**

The Fund assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Fund uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale
financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in profit or loss. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

**(f) Cash and cash equivalents**

Cash and cash equivalents comprise deposits with Funds, cash at hand 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.

**(g) Provisions**

Provisions are liabilities of uncertain timing or amount and are recognised when the Fund 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 re?ects 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.

**(h) Net gain from financial instruments at fair value through profit or loss**

Net gain from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes on quoted equity investment.

**4 Use of estimates and judgements**

**(a) Key sources of estimation uncertainty**

**(i) Determining fair value**

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 3(e)(vi). For financial instruments that

trade frequently and have little price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instruments.

**(b) Critical accounting judgements in applying the Fund`s accounting policies**

**(i) Valuation of financial instruments**
The Fund`s accounting policy on fair value measurement is discussed in note 3(e)(vi)

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

Level 1: Quoted 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 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 for which all significant inputs are directly or indirectly observable from market data.

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

Fair values of financial assets and liabilities that are traded in an active markets are based on quoted price or dealer price quotations. For all other financial instruments, the Fund determines fair values using valuation techniques. Valuation technique include net present value and discounted cash flow models, comparison to similar instruments for which market observable price exist, binomial or trinomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indexprices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm`s length.

Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

**(a)** The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **June 30, 2015** | | | | |
| **Financial assets at fair value through profit or loss** | | | | |
| Quoted investment | 63,084,409 | - | - | 63,084,409 |
| | 63,084,409 | - | - | 63,084,409 |

**June 30, 2014**

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets at fair value** | | | | |
| Quoted investment | 92,370,749 | - | - | 92,370,749 |
| | 92,370,749 | - | - | 92,370,749 |

**5 Classifications of financial assets and liabilities**

The table below provides a reconciliation of the line items in the Fund`s inancial position to the categories of financial assets.

| | Cash and Cash equivalent | Available for sale | Fair value through profit or loss | Loans and Receiva-bles | Other Liabilities | Total |
|---|---|---|---|---|---|---|
| **June 30, 2015** | | | | | | |
| Cash and cash equivalent | 61,336,091 | - | - | - | - | 61,336,091 |
| Financial assets available for sale | - | 9,806,337 | - | - | - | 9,806,337 |
| Financial asset at fair value through profit or loss | - | - | 63,084,409 | - | - | 63,084,409 |
| | | | | | | 0 |
| Other receivables | - | - | - | 676,688 | - | 676,688 |
| | | 9,806,337 | 63,084,409 | 676,688 | - | 134,903,526 |
| Other financial liabilities | - | - | - | 1,723,875 | 1,723,875 | |
| | - | - | - | 1,723,875 | 1,723,875 | |
| **June 30, 2014** | | | | | | |
| Cash and cash equivalent | 55,898,078 | - | - | - | - | 55,898,078 |
| Financial assets available for sale | - | 11,400,000 | - | - | - | 11,400,000 |
| Financial asset at fair value through profit or loss | - | - | 92,370,749 | - | - | 92,370,749 |
| Other receivables | - | - | - | 0 | - | 0 |
| | 55,898,078 | 11,400,000 | 92,370,749 | 0 | - | 159,668,827 |
| Other financial liabilities | - | - | - | - | 3,715,021 | 3,715,021 |
| | - | - | - | - | 3,715,021 | 3,715,021 |

**6 Financial Risk Management**

**(a) Overview**

Risk is inherent in investing and cannot be eliminated. Risk is essential for returns. The approach to risk within Women's Investment funds is principally determined by the Fund trust deed / agreement with the client. Risk will be managed in accordance with this defined risk appetite and exposures within pre- defined risk limits.

Funds under management outside of mutual funds are aggregated according to Risk profile as follows:

- Aggressive
- Balanced
- Cautious

Where there are differences between the policies set forth in this manual and regulatory provisions/ requirements, the latter shall take precedence. All material risks that the Women's Investment FUNDS may be exposed to in the course of its investment/trading business shall be identified, measured, and managed using appropriate policies and controls to protect such investments from losses arising from the crystallisation of these risks.

**Risks faced by the Women Investment Funds**

In order to achieve the defined objectives of each type of fund, fund assets will be invested in a variety of financial instruments ( as agreed by the client or defined by the mutual fund trust deeds) including but not limited to equities, money market instruments, fixed income instruments, real estate and cash. By investing in these financial instruments, Women's Investment FUNDS will be exposed to a variety of risks, amongst which are market risk and counterparty risk. These risks must be adequately understood, assessed and managed.

**Market Risk**
Market risk is defined, in the Firm's market risk policy as 'the risk of loss due to an adverse change in the market value of financial instruments caused by a change in market prices or rates'. The key market parameters experienced in the Nigerian and Ghanaian securities markets impacting the price of financial instruments are interest rates, equity prices and foreign exchange prices.

**Impact of movements in interest rates**

- A movement in interest rates may adversely affect the market price of a security e.g. for investments in bonds, the price of a typical bond changes in the opposite direction to a change in interest rates. Women's Investment FUNDS thus faces the risk of a decline in the principal value of its bonds portfolio if interest rates rise and could result in a capital loss. if the bond is redeemed before maturity.

- An opportunity cost may arise if Women's Investment FUNDS were to invest in debt instruments or term instruments in a falling or rising interest rate regime. e.g. in an environment of rising interest rates if funds were tied up in a fixed interest rate contract where the contract does not allow for re-pricing in a changing interest rate environment.

- Changes in interest rates may affect Women's Investment FUNDS's portfolio by altering interest-sensitive income in the Fund's portfolio. These changes may negatively affect the value of Women Investment FUNDS's investment portfolio and could thus lead to a decline in income earned from fees charged on Assets-Under-Management (AuM).

The Fund does not currently have any interest bearing liabilities.

**Impact of movements in equity prices.**
Equity price risk refers to the risk arising from the volatility in stock prices and consists of systematic risk and unsystematic risk. Systematic risk refers to the risk due to general market factors and affects the entire industry. It cannot be diversified away. Unsystematic risk is the risk specific to a company that arises due to the company specific characteristics. According to portfolio theory, this risk can be eliminated through diversification which is a key element of risk management.

***Market risks will be managed primarily by:***

- Setting risk limits e.g. stop loss and monitoring against usage
- Asset allocation to achieve diversification of the portfolio ensuring that there are no over exposures to a single sector, stock etc.

As at 31 December, the fair value of equities exposed to price risk were as follow:

| | Fair Value | |
|---|---|---|
| **At 30 June** | **2015** | **2014** |
| ***Financial assets*** | | |
| Financial asset at fair value through profit or loss | 63,084,409 | 92,370,749 |

As at 31 December 2015, the impact of 5% changes in equity price is N3,154,221 (2014: N4,618,538) and increase in profit and equity.

**Counterparty credit risk**
Counterparty risk is defined as the risk that the other party in an agreement will default in its contractual obligations. Women's Investment FUNDS are exposed to counterparty risk through counterparties including:

- Investment vehicles
- Custodians / third parties that handle cash and securities on behalf of the funds.

If not properly controlled, these risks may result in a decline in the value of the Fund's investment portfolio which could lead to financial losses in the Fund's books (loss of income), loss of reputation and a decline in market share.

The primary approach to manage counter party risk is to ensure that the credit worthiness of all counterparties is assessed before investing / interacting with them and monitoring of credit exposure on an ongoing basis along with setting limits.

**Liquidity Risk**
Liquidity risk is the risk of loss arising from the Funds inability to meet its obligations when they come due without incurring unacceptable losses. It is vitally important that the fund manager has access to sufficient levels of liquidity to enable it meet the obligations of the funds. The following will be considered when managing liquidity:

- Redemption rights of investors and the amount of investor capital that is subject to the redemption rights
- Changes in market liquidity conditions.
- Manager should aim to increase the stability of funds by prudent agreements with investors.
- Take into consideration of holding short term cash instruments e.g. money market vs. cash in light of the potential for illiquidity, unexpected delays in satisfying redemptions and the resulting mismatches in funding requirements

**Liquidity management strategy:**

- Ensuring, where possible, that funds are invested on a long term basis e.g. through the insertion of penalties, restrictions within legal documents.
- Ensuring all exposures are monitored and ensuring that a liquidity buffer is held against a percentage of these exposures.

Gross nominal (undiscounted) maturities of financial assets and liabilities as at 31 December were as follows:

| | | | 2015 Maturity Profile | | | |
|---|---|---|---|---|---|---|
| **At 30 June 2014** | | | | | | |
| ***Financial assets*** | | | | | | |
| | **Carrying amount** | **Nominal cashflow** | **0 to 3 months** | **3 to 6 months** | | **Above 6 months** |
| Cash and cash equivalent | 61,336,091 | 61,288,680 | 61,288,680 | | | - |
| Financial asset available for sale | 9,806,337 | 9,806,337 | - | | | 9,806,337 |
| Financial asset at fair value | 63,084,409 | 63,084,409 | 37,850,646 | 25,233,764 | | |
| Other receivables | | 676,688 | 676,688 | | 676,688 | - |
| | 134,903,526 | 134,856,114 | 99,139,325 | 25,910,452 | **-** | **9,806,337** |
| ***Financial liabilities*** | | | | | | |
| Other financial liabilities | 1,723,875 | 1,723,875 | 1,723,875 | | - | |
| | 1,723,875 | 1,723,875 | 1,723,875 | **-** | **-** | **-** |
| Gap (assets - liabilities) | **133,179,651** | **133,132,240** | **97,415,451** | **25,910,452** | **-** | **9,806,337** |
| Cummulative liquidity gap | **133,179,651** | **133,132,240** | **97,415,451** | **123,325,902** | | **133,132,240** |

| | | | 2014 Maturity Profile | | | |
|---|---|---|---|---|---|---|
| **At 30 June 2013** | | | | | | |
| ***Financial assets*** | | | | | | |
| | **Carrying amount** | **Nominal cashflow** | **0 to 3 months** | **3 to 6 months** | | **Above 6 months** |
| | 55,898,078 | 55,898,078 | 55,898,078 | - | - | |
| Financial asset available for sale | 11,400,000 | 11,400,000 | - | 11,400,000 | - | |
| Financial asset at fair value through | 92,370,749 | 92,370,749 | 55,422,450 | 36,948,300 | - | |
| Other receivables | 0 | 0 | - | - | - | |
| | 159,668,827 | 159,668,827 | 111,320,527 | 48,348,300 | - | - |
| ***Financial liabilities*** | | | | | | |
| Other financial liabilities | 3,715,021 | 3,715,021 | 3,715,021 | | | 3,715,021 |
| | 3,715,021 | 3,715,021 | - | **-** | **-** | |
| Gap (assets - liabilities) | **155,953,806** | **155,953,806** | **107,605,507** | 48,348,300 | **-** | **-** |
| Cummulative liquidity gap | **155,953,806** | **155,953,806** | **107,605,507** | 155,953,806 | | **155,953,806** |

**Other risks**
The following risks may also impact the Funds and are managed by a combination of oversight from dedicated control functions and governance processes involving the Women's Investment funds.

**Legal risk**
The Risk that contractual terms will be unenforceable due to suitability issues or other claims by a counterparty. Legal is an integral part of the investment management business and should be involved be involved in reviewing and drafting agreements between the Women's Investment funds / Fund manager and clients / other counterparties.

**Regulatory risk**
Risk to earnings or capital arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices, or ethical standards. The Women's Investment Funds are regulated by the SEC and must meet the conditions laid out in SEC's rules and regulations. The Women's Investment group compliance function has responsibility for Regulatory Compliance across the entities as well as the Mutual funds.

**Reputation risk**
Defined as the risk to earnings arising from negative public opinion that could affect the Firm's ability to establish new relationships or service or continue servicing existing relationships. Decision making around investments by the funds will be taken by the Investment strategy committee which draws membership from a number of disciplines. Additionally the FIC, by setting the high level strategy of the funds, will also specify parameters to manage this risk.

**Fund Risk appetite**

| **Risk appetite** | **Definition** |
|---|---|
| Aggressive/ Growth | Higher risk for potentially higher returns. Geared toward capital appreciation in the longer term rather than income. |
| Balanced | Medium risk. Moderate growth potential coupled with income and focus on capital preservation. |
| Cautious / Capital preservation | Lower risk for potentially lower returns. Geared primarily towards income and maintenance of capital. |

**Instrument quality: Rating requirements**
Credit rating must be provided by a recognised rating

| | **Minimum credit** |
|---|---|
| All instrument types | **Investment grade** |

| **Bond yield to maturity** | |
|---|---|
| Minimum yield to | Official inflation rate*at time of purchase |

***subject to review**

**Portfolio level limits**
provided below.

**Operational risk**
Risk of loss due to failure of operational processes, people, systems or from external events. The FIC

**Model risk**
Risk of loss due to reliance on financial and other models to make investment decisions. Models

**Transparency**
Refers to the level of information that is made available to clients in relation to the risks that are managed within their investment funds. SEC requires that the following information be made available to investors before the manager accepts their investment into a collective investment scheme:

# Notes to the financial statements

for the year ended 30 June, 2015

**Risk management approach / framework**

Approach to the management of risk within the funds is to ensure that risks are appropriately identified, assessed, mitigated and monitored on an ongoing basis. The risk management process is dynamic and should be reviewed regularly particularly as the markets develop and new / different risks emerge.

**Risk Identification and assessment:**

Identify Risks - Measure the principal categories of risk e.g. liquidity, market risk etc and also consider other risks that may impact the fund. Identification is primarily the responsibility of the
FM and RM however, FIC will be involved to review and approve. FM / RM will ensure:

- o Guidelines of the trust deed / client investment guidelines are considered to ensure thorough understanding of the risk profile of the fund / client
- o Understanding of the risk profiles / nuances of the asset classes that can be included in the fund.

**Allowable instruments**

- o A list of allowable instruments is documented (see appendix).
- o Changes to the list of allowable instruments must be approved by FIC. An analysis will be put together including a risk assessment and recommendation for the inclusion of the asset class onto the list.

**Counterparty Risk management**

A list of eligible counterparts in line with the approved minimum requirements is compiled and communicated to all parties concerned on a periodic basis.

FIC.
acceptable risk ratings for financial instruments, countries (in the event that the Fund trades in foreign markets), and industries (to determine the industries whose operators will be considered for investment exposures).

**Risk Mitigation**

principally through the use of limits and parameters around the portfolio.

**Risk limit approval**

The FIC specifies whether limits are absolute in the sense that they should never be exceeded or whether, under specific circumstances, breaches of limit can be tolerated for short periods of time.

The FIC periodically review the risk limits, consider changes in market conditions or resources on a regular basis in prompting a re-assessment of limits.

Breaches is reported to FIC for further action and RM will provide monitoring and reporting on a regular basis to FIC. Any breach of limit is promptly investigated, reported to and ratified by FIC.

Temporary limit excesses shall, where applicable, be ratified by and approval for an increase in limit sought if necessary from the FIC.

The following limits will be implemented:

- o For mutual funds the asset allocations specified by the trust deeds will take precedent o For other funds, consideration will be given to the risk outlook provided by the client.
- o FIC will approve the asset allocation applied to funds
- o Asset allocation will cover exposure type and also include sub limits e.g. instrument and maturity.

**Other risk mitigation tools / techniques**

Investment decision making is supported by data and information. The Mund Manger takes into consideration: research reports; consider quantitative analysis of the securities e.g. for equities consider dividend yield, price/ earnings ratio and other financial ratios.

**Risk governance and monitoring**

Governance and monitoring is aimed at ensuring that full information in relation to the risk carried by the funds is made available to the FIC and other interested parties in a timely manner.

**Risk management will:**

Exposure to Risks accordance with the valuation policy:

# Notes to the financial statements

for the year ended 30 June, 2015

**Valuation policy and framework**

The aim of the valuation framework is to provide clear and consistent valuations of all the investment positions in the fund's portfolio. The following requirements apply:
basis.

**Limit monitoring**

All approved limits will be actively monitored and reporting produced regarding this. The following reports will be provided:

**Allowable instruments:**

recognised exchange. asset backed.

**Stop loss**

| Asset class | Stop loss guidelines (%) | | |
|---|---|---|---|
| | Aggressive | Balanced | Conservative |
| Equities | 25% | 15 | 10 |
| Fixed income(non hold to | 5% | 3 | 1 |
| Real estate securities* | 25% | 15% | 5% |

Trigger limits are set below thresholds to give early warning of approach to stop loss limits

**Asset allocation**

alternatively the lowest risk for a needed rate of return.

returns with lower risk over the long term. Adding high risk asset classes and investments to a portfolio may seem risky, but it's common for the net effect to be both increased returns and lower overall risk for the portfolio because the assets have low correlation.
consider "single-security risk," or the risk that a portfolio may fluctuate widely in value with the price of one holding.

**Asset class**

Maximum percentage of an asset class for a fund to be invested in.

| Asset class | Asset allocation -maximum | | |
|---|---|---|---|
| | Aggressive | Balanced | Cautious |
| Equities / ord shares | 50% | 30% | 10% |
| Govt securities | 50% | 75% | 100% |
| Corporate bonds | 45% | 40% | 35% |
| Money market | 35% | 35% | 35% |
| Private equity funds | 10% | 5% | 0% |
| Real estate | 30% | 20% | 10% |

Single counterparty / issuer limits

| Maximum exposure allowable to a single counterparty | | | |
|---|---|---|---|
| Asset class | Single counterparty limits | | |
| | Aggressive | Balanced | Cautious |
| Equities* | 15% | 10% | 5% |
| Fixed income (non govt) | 15% | 10% | 5% |
| Money market | 5% of fund NAV | 5% of fund NAV | 5% of fund NAV |

Excesses to the above limit must be corrected within a 30 day period.

**Issues limit**

Maximum exposure of Women Investment funds to a new issue of a security

| | |
|---|---|
| All asset classes | 5% of issued amount |

# Notes to the financial statements

for the year ended 30 June, 2015

## 7 Cash and cash equivalent

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Cash at bank | 14,441,675 | 5,513,527 |
| Commercial papers | 46,894,417 | 50,384,551 |
| | 61,336,091 | 55,898,078 |

## 8 Available for sale

| | | |
|---|---|---|
| Osun SG Bond | 9,806,337 | 11,400,000 |
| | 9,806,337 | 11,400,000 |

## 9 Financial asset at fair value through profit or loss

| | | |
|---|---|---|
| Quoted investment | 63,084,409 | 92,370,749 |
| | 63,084,409 | 92,370,749 |

Portfolio statement for the year ended 30 June 2013

## 10 Other receivables

| | | |
|---|---|---|
| Dividend Receivables | 676,688 | - |
| | 676,688 | 0 |

## 11 Other financial liabilities

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Trustees fees payable | - | 568,781 |
| Registrar fees payable | 131,250 | 124,988 |
| Accrued Custodian fees | 63,757 | |
| Management fee payable | 1,003,867 | 1,168,252 |
| Audit fee payable | 25, 000 | 1,228,000 |
| Other financial liabilities | - | 625,000 |
| | 1,723,875 | 3,715,021 |

## 12 Equity

### (a) Trust Fu nd

| | | |
|---|---|---|
| Authorised 25m Units at N100 each | 2,500,000,000 | 2,500,000,000 |
| Issued: | | |
| Balance, beginning of year | 236,835,578 | 153,112,116 |
| Subscription during the year | 3,560,000 | 86,936,022 |
| Redemption during the year | (8,999,763) | (3,212,560) |
| Balance, end of year | 231,395,815 | 236,835,578 |
| Value of units issued as at 30 June. | 231,395,815 | 236 835 578 |

# Notes to the financial statements

for the year ended 30 June, 2015

## 13 Other income

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Interest income | - | - |
| Other income | 250,000 | |
| Decrease in accrual provisions | 637,308 | |
| | 887,308 | 0 |

## 14 Net gain on financial asset at fair value through profit or loss

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Unrealised gain on quoted equities | | 4,592,649 |
| | 0 | 4,592,649 |

## 15 Management expenses

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Management fee | 2,141,764 | 1,168,252 |
| Trustee`s fee | 1,049,998 | 568,781 |
| Registrar`s fee | 262,500 | 124,988 |
| Custodian fees | 129,997 | |
| | 3,584,259 | 1,862,021 |

## 16 Net loss on financial asset at fair value through profit or loss

| | | |
|---|---|---|
| Impairment loss on investment securities | 25,012,078 | - |

## 17 Administrative expenses

| | 2015 | 2014 |
|---|---|---|
| | =N= | =N= |
| Audit Fees | 525,000 | 500,000 |
| Finance charges | 37,595 | 21,905 |
| AGM expenses | | 290,055 |
| Advert and publication | - | 318,500 |
| Other expenses | 317,306 | 228,711 |
| | 879,901 | 1,359,171 |

**18 Related parties and other key contracts**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

(a) **Management fee**

The Fund is managed by Chapel Hill Denham Management Limited ("The Fund Manager"), an investment management company incorporated in Nigeria and it is responsible for the investment decisions of the Fund. The Fund manager receives a management fee at an annual rate of 1.5% of the net assets value. The management fee incurred during the year amounted to N2,141,764 (2014: N1,168,252). Included in other payable at 30 June 2015 is a management fee payable of N1,003,867 (2014: N1,168,252).

(b) **Trustee fee**

The Fund has engaged the services of BOI Investment and Trust Company Limited ("the trustee") as the trustee to the Fund to provide trustee services to the Fund for a fee.

The trustee fee incurred during the year amounted to N1,049,998 (2014: N568,781). Included in other payable at 30 June 2015 is a trustee fee payable of Nil balance (2014: N568,781).

(c) **Directors**

The directors of the Fund manager who served during the year under review were:

| | |
|---|---|
| Mr Adebayo Olawale Edun | Chairman |
| Mrs Ononuju Irukwu | Managing Director |
| Mr Bolaji Balogun | Director |

No director of Women's Investment Fund or BOI Investment and Trust Company Limited has, or had any direct or indirect beneficial interest in units of the Fund.

# Proxy Form

**The 2nd Annual General Meeting of The Women's Investment Fund** to be in held in Function Room 1, Lagos Oriental Hotel, Victoria Island; Lagos at 10 a.m. on Tuesday, April 19, 2016.

I/We ……..……..…….. of ……..……. being a holder/holders of units in The Women's Investment Fund ("the Fund") hereby appoint ……..…… of ……..…… or failing him/her The Managing Director of STL Trustees Limited or failing him The Managing Director of Chapel Hill Denham Management Limited as my/our proxy to vote on my/our behalf for/against (**) all resolutions that are to be proposed at the Annual General Meeting of Unitholders of the Fund to be held on **Tuesday, April 19, 2016** and at any adjournment thereof.

| SPECIAL RESOLUTION | FOR | AGAINST |
|---|---|---|
| To approve the amendments of the principal Trust Deed as listed below:<br>i. Cover Page – Name of Trustees<br>ii. Clause 5 – Sale and Issue of Units<br>iii. Clause 8 – Investment Policy and Investment Outlets<br>iv. Clause 10 – Power to Invest<br>v. Clause 12 – Custody of Deposited Property<br>vi. Clause 19 – Redemption of Units<br>vii. Clause 24 – Remuneration and Reimbursement of the Trustee, Fund Manager and Registrar<br>viii. Clause 48 – Modification and Supplemental Deeds<br>ix. Clause 52 – Meetings<br>x. Article 1, Schedule 1<br>xi. Article 5(v) Schedule 1 – Persons Entitled to Notice<br>xii. Article 14 Schedule 1 – Quorum | | |
| **ORDINARY RESOLUTION** | **FOR** | **AGAINST** |
| To authorize the Fund Manager to appoint and fix the remuneration of the Auditors to the Fund for the ensuing years | | |

Dated this ……. day of …... 2016

Signature of Unitholder

Name of Unitholder ……..

(**) delete as appropriate. If no deletion is made, the proxy will be used in favour of the resolutions. All votes need not be cast in the same way. If a Unitholder desires to have his/her votes cast in different ways by the proxy, separate proxy forms must be used and appropriate directions given in each form. Additional proxy forms may be obtained from the Registrars, **Cardinal Stone Registrars Limited**, 358 Herbert Macaulay Way, Yaba; Lagos

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(Please tear along here and retain the Admission Card)

**ADMISSION CARD**

Please admit ……... to the 2nd Annual General Meeting of The Women's Investment Fund at Function Room 1, Lagos Oriental Hotel, Victoria Island on **Tuesday, April 19, 2016 at 10:00 a.m.**

**Name of Unitholder** …….

**Signature of Person Attending the Meeting** …….