FBN Capital Asset Management

FBN HERITAGE FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

FBN Capital Asset Management

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FBN Capital Asset Management

CORPORATE INFORMATION

FUND MANAGER

FBN Capital Asset Management Limited
18, Keffi Street
Off Awolowo Road
Ikoyi S.W. Lagos
Tel: +234 (1) 2798300, +234 (1) 2707180 - 9

DIRECTORS OF THE FUND MANAGER

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

Mr. Kayode Akinkugbe
Mr. Michael Oyebola
Mrs. Funke Ladimeji

REGISTRARS

First Registrars Limited
Plot 2, Abebe Village Road
Iganmu, Lagos

CUSTODIAN

Citibank Nigeria Limited
27 Kofo Abayomi Street
Victoria Island, Lagos
Tel: +234 (1) 2798400 or +234 (1) 4638400
Fax: +234 (1) 2701191

TRUSTEE

Leadway Capital and Trusts Limited
121/123 Funso Williams Avenue
Iponri, Marina, Lagos.
Tel: +234 (1) 2700700

BANKER

Citibank Nigeria Limited
27 Kofo Abayomi Street,
Victoria Island, Lagos
Tel: +234 (1) 2798400 or +234 (1) 4638400
Fax: +234 (1) 2701191

First Bank of Nigeria Ltd.
Samuel Asabia House
35 Marina, Lagos, Nigeria.

AUDITORS

PricewaterhouseCoopers Chartered Accountants
252E Muri Okunola Street,
Victoria Island
P.O. Box 2419, Lagos Nigeria
Tel +234 (1) 2711700

FBN Capital Asset Management -RC 978831
A Subsidiary of FBN Capital, An FBN Holdings Company.

FBN Capital Asset Management

TRUSTEE'S REPORT

The Trustee presents its report on the FBN Heritage Fund (the "Fund"), for the financial year ended March 31, 2015.

PRINCIPAL ACTIVITY

The principal activity of this Fund is the subscription of funds from the members of the public and the investment of such funds in quoted equities, government securities, and other financial instruments as determined by the fund manager in accordance with the trust deed. The fund manager's report is set out on pages 6 to 14

OPERATING RESULTS

The results of the year ended 31st March, 2014 which are set out on pages 14 to 30, have been duly audited in accordance with section 169(1) of the Companies and Allied Matters Act CAP 124 LFN 2007, section 354(1) of the Companies and Allied Matters Act CAP C20 LFN 2004 and the Trust Deed establishing the Fund.

DIRECTORS

The Directors of FBN Capital Asset Management Limited who served during the year under review are:

Mr. Kayode Akinkugbe
Mr. Michael Oyebola; and
Mrs. Funke Ladimeji

DIRECTORS' INTEREST IN THE UNITS OF THE FUND

The following Directors of FBN Capital Asset Management Limited held office during the year and had direct interest in the units of the Fund:

Name of Director	Units Held
Michael Oyebola	5,026
Funke Ladimeji	825

There is no direct or indirect beneficial interest in the units of the Fund by any of the Directors of Leadway Capital and Trusts Limited the Trustee to the Fund.

FBN Capital Asset Management Limited is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any point in time, the financial position of the Fund, and enable FBN Capital Asset Management Limited to ensure that the financial statements comply with the Companies and Allied Matters Act CAP C20 LFN 2004, the Trust Deed together with the rules and regulations set out by the regulatory bodies established pursuant to the legislation referred to within this paragragh. FBN Capital Asset Management Limited is also responsible for taking any reasonable steps for the prevention and detection of fraud and other irregularities.

RESPONSIBILITIES OF THE TRUSTEE

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

- Monitoring the activities of the fund manager and the custodian on behalf of and in the interest of the unit holders;
- Safekeeping of documents relating to investments by the Fund.
- Monitoring the register of unitholders;

- Ascertaining the profitability rationale for the investment decisions of the fund manager;
- Ascertaining compliance with the provisions of the Trustee Investment Act, CAP T22 LFN 2004, the Investment and Securities Act, and the Trust Deed by FBN Capital Asset Management Limited.
- Ascertaining that the monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission

OPINION

The Trustee is of the opinion that the Fund was administered and managed in line with the provisions of the Trust Deed and the Investment and Securities Act.

By order of the Trustee

Leadway Capital and Trust Limited

15 June 2015

FBN Capital Asset Management

FUND MANAGER'S REPORT

We are pleased to present the Report and Accounts for the FBN Heritage Fund for the Year Ended 31 March 2015.

FUND DESCRIPTION AND OBJECTIVE

The FBN Heritage Fund is a Securities and Exchange Commission (SEC) authorized open-ended Mutual Fund that invests in stocks, bonds, money market instruments, real estate and other securities in the Nigerian Capital Markets. The primary objective of the Fund is to achieve total return through a combination of income and long-term capital appreciation.

DISCRETE ANNUAL PERFORMANCE

FBN Heritage Fund	31/03/2010	31/03/2011	31/03/2012	31/03/2013	31/03/2014	31/03/2015
Fund bid price (₦)	89.28	88.69	88.76	112.34	113.19	116.16
Distribution (₦)	NIL	NIL	NIL	NIL	N10	NIL
Fund total return year - on - year*	20.55%	-0.66%	0.08%	30.85%	6.07%	2.62%
Fund total return since inception**	-10.72%	-11.31%	-11.24%	16.14%	21.80%	25.00%

* Total return includes the dividend yield
** Inception date = 1st April 2008
Please remember that past performance is not a guide to future performance. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount originally invested.

INVESTOR PROFILE

The Fund's risk profile is classified as "medium". It is suitable for investors:
- seeking long-term capital growth
- require minimal income
- that can tolerate market volatility

OVERVIEW OF THE OPERATING ENVIRONMENT

The Fund's year 2015 was one of heightened volatility. Crude oil prices began to decline in the middle of 2014 and in January 2015, fell to as low as US$46/barrel. Prices subsequently rebounded to US$56/barrel at the end of the Fund's year, but this was still 51% below the 12-month high of US$115/barrel achieved on 19 June 2014. We expect that the pressure on oil prices would persist in the near term as fundamentals remain unchanged; global demand is slowing where production from both OPEC and non-OPEC producers remain high. This is leading to a market characterised by excess supply – putting pressure on prices.

Oil remains Nigeria's main export and the main source of her foreign exchange earnings. As such, the weakness in the oil price put pressure on the macro situation in Nigeria, and the Naira began to come under significant downward pressure. The Naira was fairly stable, with the currency trading between N158/$ and N163/$ for much of the first half of the Fund's year. In October 2014, the currency began to steadily depreciate in response to the macro issues around the oil price. The Naira depreciated from the aforementioned levels to close the Fund's year at N199/$., undergoing two rounds of devaluation by the Central Bank of Nigeria (CBN) in the process – the first in November 2014 and the second (tacit) devaluation in February 2015

This move in the Naira manifested in the depletion of Nigeria's foreign reserves. Lower accretion following declining earnings from crude oil as well as increased withdrawals to support the weakening Naira, caused declines in reserves. Nigeria's foreign exchange reserves declined from US$39.8bn at the start of the Fund's year to US$29.8bn as at 31 March 2015. This represents a decline of 25% and the reserves as at March 2015 only cover about 4.6 month of imports.

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The 2015 budget benchmark oil price was adjusted from US$65/bbl to US$53/bbl to more closely represent the current oil price fundamentals. However, the impact on budgeted revenues was partly cushioned by the Naira's devaluation. Following the handover to the new government in May 2015, and given the weaker revenue profile for the country, we expect increased borrowing to fund the wider deficit.

Emerging markets saw weakening growth over the year with the most high profile being the policy induced slowdown in China. The Chinese economy was estimated to have grown by 7.6% in 2013, the third consecutive year of decelerating growth. The downward pressure on economic growth meant that the 2013 number barely exceeded the government target of 7.5%. The slowdown in growth saw the People's Bank of China ease liquidity in the interbank market to manage the growth around their target. The economy was affected by the uncertainties in the global economic recovery which dampened external demand as well as the increasing risks in their local government debt and the shadow banking sector. China announced that it will further enhance interest-rate flexibility and coordinate fiscal, monetary, industrial, land-use and environmental policies to avoid big economic fluctuations as it seeks to meet its Full Year 2014 growth rate of 7.5%.

Nigeria's Q4 Gross Domestic Product (GDP) grew at the slowest pace for the year of 2014 - 5.94%y/y. This was largely driven by slower growth in the non-oil sector (6.44%y/y) relative to preceding quarters. Growth forecasts were revised lower by the IMF and Fitch to 4.8% and 5.2% respectively (vs. 7.3% and 6.4% respectively). The consumer price index for 2014 printed at single digit for the year and remained within the CBN's band of 6% -9%. In line with expectations, headline inflation has begun to inch higher in 2015 as inflationary pressure from the weaker Naira feeds in. Headline inflation printed at 8.0% in December 2014 but as at March 2015, the number rose to 8.5%, rising for four consecutive months. However, expectations are for inflation to rise into double digits in 2015 primarily due to the impact of the aforementioned NGN devaluation.

REVIEW OF THE EQUITY MARKET

The Nigerian Stock Exchange All Share index (NSEASI) struggled in the Fund's year ended March 2015 following the 12.8% gain seen as at the year ended March 2014. The NSEASI declined 17.5% in the Fund's full year.

The first quarter of the Fund's year proved bullish for equities. This was on the back of news that Forte Oil and ETI would be added to the MSCI Frontier Market Index. Offshore monies took note and significant capital inflows chased blue chips. Additionally, in June 2014, news of the completion of Oando's acquisition of Conoco Phillips Nigerian Assets buoyed the index and the Oil & Gas sub index was the best performing of the quarter, rising 62.5% in the quarter. The NSEASI rose 9.6% during the quarter. This rally, not backed by fundamentals, was short lived.

In the second quarter of the Fund's year, the weak earning of Nigerian companies began to weigh on sentiments as the trends noted in the Full calendar Year 2013 earnings carried on in calendar year 2014. We did note that judging by calendar H1 2014 earnings releases; the cement sector was one where majority of the companies posted consistent earnings growth. Additionally, regarding the Industrials index; following the consolidation of the Nigerian and South African operations of Lafarge into Lafarge WAPCO and the renaming of Lafarge WAPCO to Lafarge Africa, the shares of Lafarge Africa surged. This, as well as the positivity around the aforementioned H1 2014 results of the cement names, drove the Industrials index in the quarter making it the best performing sub index, up 2.6%. The NSEASI declined 3.0% during the quarter.

However, equities entered the Fund's third quarter firmly in a risk off mode. Corporate earnings reported in the calendar third quarter were weak as regulatory challenges in the banking sector continued to weigh on those earnings. Within the consumer space, we noted that the listed companies struggled to grow their revenues as competition intensified and the insecurity in the North weighed. Operating costs also rose as companies increased their marketing and distribution spend to tackle said problems. Cement price cuts announced by Dangote Cement brought fears of weakening margins in the sector, causing share prices to fall. Additionally, the oil price weakened dramatically as markets interpreted the actions of key oil exporters who cut their oil price to maintain their market share to mean that a new (lower) floor had been set for the oil price. The combination of those factors dampened sentiments and the NSEASI sustained a 15.9% loss in third quarter of the Fund's year.

The final quarter of the Fund's year saw equities maintain their bearish tone. The NSEASI opened 2015 on the back foot as bearish sentiments further intensified in the first weeks of the year. The index declined 15% in January, pressured lower by an intense sell-off by foreign portfolio investors as outlook for the Naira worsened on the back of falling oil price, and perceived risks from the general elections heightened further. Also, weak earnings growth expectations for companies meant that there was very feeble support for the market in a run-up to the Full calendar Year 2014 earnings season. However, some of the worry over the Naira was removed in February following closure of the Retail Dutch Auction System (RDAS) market by the Central Bank of Nigeria (CBN) in the month, thereby tacitly devaluing the currency further. The reduced uncertainty around the Naira boosted sentiments and the NSEASI gained for the month, despite the postponement of the general elections to March due to security reasons. The appetite for equities improved even further in March, defying expectations for increased risk aversion due to the elections. Local investors, interested in earning dividend income, and foreign investors, attracted by the relatively cheap valuations, piled into Nigerian equities. This allowed equities claw back some more of the losses suffered in January to close the quarter down 8.4%.

REVIEW OF THE MONEY MARKET

The first quarter of the Fund's year brought a moderation in yields especially as the CBN under Governor Emefiele's regime was not as aggressive with regards to mopping up system liquidity, versus the previous regime. Hence, the combination of elevated liquidity and the unavailability of Open Market Operations (OMOs) by the CBN to mop up said liquidity meant that over the quarter, money market yields moved sharply lower. Within the first half of the Fund's year, the exchange rate remained fairly stable, as such, the CBN was able to allow market yields to decline. As we moved into the second half, yields began to rise in the treasury bills space on the back of the deterioration in Nigeria's macro fundamentals (a falling oil price, high inflation and a weakening Naira). This happened despite the high system liquidity; the maturity of the AMCON bonds as well as Treasury bill maturities in the month of October pumped over N1trn into the system. At the last Monetary Policy Committee (MPC) meeting of 2014 held in November, the MPC members voted for a 100 bps increase in the Monetary Policy Rate (MPR) to 13% from 12%, a 500bps increase in the private sector CRR to 20% from 15% and a move of the mid-point of official window of the currency from N155/$ to N168/$. These moves were in response to the aforementioned macro issues which had been weighing on market sentiments. In response, the rise in yields, which had moderated somewhat over the month of October, accelerated in November and December.

Money market rates moved lower in the beginning of January 2015 given the high system liquidity on the back of maturities of government securities. The postponement of the general elections from February to March served to dampen sentiments towards Nigerian securities which were already significantly weakened by the deteriorating macroeconomic fundamentals, chiefly the lower oil price. Consequently, money market rates remained volatile in February and rates rose quickly from moderate levels (10%-12%) at the beginning of the month, as inter-bank liquidity dwindled, largely on the back of the implementation of the Independent Revenue e-Collection Scheme under the Treasury Single Account. The quarter ended with an uncertain market in March given the general elections as well as tighter liquidity conditions. At the end of the Fund's year, the 91, 182 and 364 day Treasury Bills closed at 10.69% p.a., 14.50% p.a. and 14.85% p.a. respectively.

REVIEW OF THE BOND MARKET

Through the year of 2014, the themes affecting the money market space played out within the bond curve, albeit more dramatically. Following the volatility in the final quarter of the Fund's year ended March 2014, in the first quarter of the new Fund year, yields began to back down dramatically and this trend persisted through the second quarter. The moderation in yields was caused by elevated liquidity as the CBN under Governor Emefiele's regime was not as aggressive with regards to mopping up system liquidity. Hence, the combination of elevated liquidity and the unavailability of Open Market Operations (OMOs) by the CBN to mop up said liquidity meant that over the two quarters, bond market yields were sharply lower. The impact of the decline was more on the short end of the curve compared to the long end of the curve leading to a steepening of the yield curve. As money market yields became unattractive, market participants began to view shorter tenored bonds as substitutes, causing the yield curve to fall further and steepen. Within this period, the exchange rate remained fairly stable, giving the CBN the liberty to reduce market yields.

As we moved into the third quarter of the Fund's year, yields began a steady increase on the back of the deterioration in Nigeria's macro fundamentals (a falling oil price, high inflation and a weakening Naira). The yield curve flattened as short dated bond yields rose faster than the long dated bonds given the richness of the former. The maturity of the AMCON bonds at the end of October 2014 pumped just shy of N1trn into the system. This provided temporary respite for yields however macro issues continued to weigh on sentiments as the month of October ended and we saw a brutal sell off in the bonds market which continued into the month of November. The actions of the MPC (the increase in the MPR to 13% from 12%, a 500bps increase in the private sector CRR to 20% and a move of the mid-point of the exchange rate at the official window from N155/$ to N168/$) did little to appease markets. Bond yields rose dramatically in November and December as investors exited the asset class.

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Bond yields, which had risen quite significantly in the final quarter of 2014, continued their ascent as we entered into the final quarter of the Fund's year. Yields were driven higher by heightened political risks in view of tightly contested general elections, persistent volatility in commodities prices and the continued weakness in the Naira. News of a possible removal of Nigeria local currency debt from the JP Morgan Government Bond Index-Emerging Markets (GBI_EM) due to the illiquidity of the foreign exchange markets triggered by the closure of the two way quote market in February further aggravated the bearish sentiments. Also, the postponement of the general elections from February to March resulted in increased anxiety from the offshore investors, thereby pushing yields higher as the Fund's year ended.

FUND PERFORMANCE

The Heritage Fund closed the financial year ended 31 March 2015 with a NAV/share of N116.16. Following the end of the Fund's year, the Fund Manager declared a distribution of N11 per unit, rewarding shareholders based on the performance in 2014. This represents a 10% increase from the previous distribution of N10 per unit. On a price basis alone, the Fund's price increased 2.6% over the full year which ended March 2015. The equity market declined 17.46% over the same period. Performance was particularly dragged down by the 5.2% decline in the Fund's price in the Fund's third quarter. The weak performance was driven by the 15.9% decline in the equity market over the quarter. The Fund's composite benchmark fell 9.9% over the 12 months to March 2015.

EQUITY MARKET OUTLOOK FOR 2015

We remain skeptical about the prospects for equities in 2015 despite the successful conduct of the general elections as this is just one risk factor out of the way. The major sectors of the index continue to be plagued by a myriad of headwinds which we believe will have significant impact on the profits of the underlying companies. For the banks, we envisage fewer opportunities to write quality loans due to weak macroeconomic conditions. Also related to this is the propensity for Non-Performing Loans (NPL) build-up in the year and the associated cost to banks. Funding costs are also likely to continue to be a challenge for a number of banks given the tight monetary stance of the CBN and the weak Naira, and the further removal of non-interest revenue components from banks' earnings sources will reduce profitability. The consumer goods sector is likely to be faced with higher raw materials costs given the weaker currency since they are very reliant on imported raw materials. Also, revenues may be further pressured should fuel subsidies be eventually removed as this would put significant strain on consumer disposable incomes. Operating costs will also likely remain elevated as companies compete to protect/win market share. However, we expect companies focused on value brands to outperform their premium counterparts in the near to medium term. We expect lower capital expenditure on infrastructural projects by government due to the dwindling fiscal position to have a negative impact on the revenues of cement makers in 2015. Also, persistent gas shortage will continue to pile pressure on operating margins as they continue to use more expensive fuel sources as alternative. Overall, we are not constructive on equities going further into 2015. However, we expect to find opportunities to pick up good quality names at attractive valuations as these headwinds get fully priced in by the market in subsequent quarters.

MONEY MARKET OUTLOOK FOR 2015

The successful conclusion of the general elections has markedly improved the outlook for the domestic money market, and this optimism is further fuelled by expectations of fiscal discipline by the incoming government and the seemingly stable oil price. However, fears of a further devaluation of the Naira have and may continue to hamper foreign portfolio inflows into the market, and we think this may force CBN's hand at their May 2015 MPC meeting. In essence, we believe that the fundamentals of the economy continue to favour a slightly elevated interest rate environment. In the meantime, we expect that the market will continue to be greatly influenced by inter-bank liquidity and regulations out of CBN, and we expect to continue to see more interest in the shorter tenored government securities as they offer liquidity and a relatively lower risk.

BOND OUTLOOK FOR 2015

We expect the MPC to maintain its tight monetary policy stance further in 2015 given inflationary threat from the significantly weaker Naira with a potential to breach the CBN's single digit inflation rate target. The resumption of Open Market Operations (OMO) to mop up excess liquidity in the money markets in April through the issuance of short tenured government securities at relatively attractive rates versus the secondary markets, lends credence to this view.

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Furthermore, the macroeconomic challenges that constrained growth from the second half of the calendar year 2014 are likely to continue through 2015. The uncertainty around the oil price and by extension the foreign exchange rate will continue to hamper both business and investment activities going forward. In view of this, we expect higher correlation between bond prices and macro-economic fundamentals in the near term - strong recovery in the oil price and improved fiscal metrics will mean higher bond prices and vice versa. However, we see lesser risk from higher interest rates in the US on foreign portfolio flows given that other developed economies are maintaining a divergent monetary policy stance – Europe recently embarking on quantitative easing and Japan maintaining its own program. This will potentially serve to reduce pressure on the exchange rate following the eventual lift-off of interest rates in the US.

FUND OUTLOOK/STRATEGY

With the elections over, Nigeria's macro challenges still linger which the president elect will need to address very quickly. The most critical include power supply and the oil sector. Beyond these critical reform areas, fiscal adjustments through revenue diversification, efficiency gains and improved tax collection all need to be addressed.

Within the equity space, we expect broadly flat to negative markets based on the current reading of the macro picture. The banking sector is expected to be weighed down by regulatory headwinds. The CBN, in the face of falling oil prices, a weakening Naira and rising inflation expectations is likely to tighten monetary policy further, negatively impacting the banks. For example, the use of the Cash Reserve Ratio (CRR) to tighten policy is expected to further reduce the earnings expectations for the sector in 2015. Within the consumer sectors, we are likely to see further pressure on disposable incomes as the government has been clamouring for a removal of fuel subsidies post elections. Additionally, rising inflation, on the back of a weaker Naira would impact real incomes negatively. The cement sector is expected to see bottom line pressure as their pioneer tax statuses on new investments roll off, meaning that tax bills have begun to rise. Lower oil prices are also likely to weigh on sentiments within the Exploration & Production segments of the Oil & Gas industry. Overall, we are not constructive on the equity market in the short term. With that, we do not envision drastically increasing our weighting in the equity market. However, we would continue to use dips in the market to buy into names where we see fundamental value. The current positioning of the portfolio remains satisfactory, being a relatively defensive portfolio that weathers bearish markets.

Within the Money Market and Fixed Income segments, we expect the MPC to maintain its restrictive monetary stance given the pressure on the exchange rate. We see the risks to the Monetary Policy Rate (MPR) as skewed to the upside as the CBN works to prevent a decline in interest rates capable of jeopardising efforts to stabilise the Naira. We also expect the CBN to employ other policy tools to tighten the monetary environment in Nigeria. The elevated system liquidity is likely to see the CBN maintaining the status quo with regards to OMO auctions, further supporting yields. As such, we expect to be more active within this segment and also the bond space where we are likely to see yields move higher. We expect that the Bond and Money Market segments, similar to 2014, are likely to outperform in 2015. This informs our decision to remain overweight in these markets. However, within the bond space, we would maintain a relatively short duration positioning to protect the portfolio from market volatility.

FUND FACTS AS AT 31 MARCH, 2015

Launch date	April 1, 2008
Base currency	Nigerian Naira (₦)
Year end	March 31
Net Asset Value per unit	₦116.16
Minimum investment	₦50,000
Redemption	5 working days
Reporting	Quarterly
Management fee	1.50% of AUM

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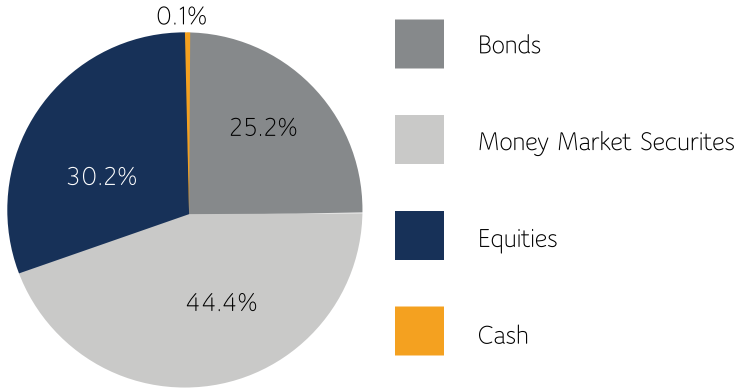
ASSET ALLOCATION

Asset Class	Allocation
Money Market Instruments	44.4%
Equities	30.2%
State Government Bonds	10.7%
FGN Bonds	11.2%
Corporate Bonds	3.3%
Cash	0.1%



EQUITY SECTOR BREAKDOWN

Sector	Allocation
Banking	32.9%
Beverages - Brewers/Distillers	8.7%
Building materials	22.0%
Crude oil & Natural gas extraction	3.7%
ETF	0.3%
Food products - diversified	14.7%
Insurance	14.6%
Non-building/Heavy construction	0.8%
Real estate development	2.3%
	100.0%

HIGHEST/LOWEST SHARE PRICE RECORD

Reporting Year	Lowest (₦)	Highest (₦)
2010	73.78	89.41
2011	86.45	93.36
2012	85.82	93.74
2013	90.43	116.14
2014	110.93	125.64
2015	110.13	122.34

S/N	Asset/Security	Asset/Security (% of Portfolio)
1	14.20% T-Bills (04/02/2016 Maturity)	8.3%
2	14.75% T-Bills (06/08/2015 Maturity)	7.3%
3	Skye Bank placements	4.9%
4	14.70% T-Bills (16/07/2015 Maturity)	4.8%
5	Nestle Nigeria PLC	4.4%
6	14.17% T-Bills (16/07/2015 Maturity)	4.3%
7	10.70% FGN Bond (30/05/2018 Maturity)	4.2%
8	Dangote Cement	3.4%
9	Zenith Bank PLC	3.4%
10	14.80% T-Bills (24/09/2015 Maturity)	2.8%

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PRICE AND DISTRIBUTION HISTORY - SINCE INCEPTION

Date	Fund Bid Price ₦	Distribution ₦
1-Apr-08	100.00	-
30-Apr-08	91.48	-
31-May-08	90.81	-
30-Jun-08	90.30	-
31-Jul-08	88.63	-
31-Aug-08	84.57	-
30-Sep-08	85.98	-
31-Oct-08	82.39	-
30-Nov-08	80.14	-
31-Dec-08	79.82	-
31-Jan-09	74.95	-
28-Feb-09	75.22	-
31-Mar-09	74.06	-
30-Apr-09	75.49	-
31-May-09	80.80	-
30-Jun-09	80.96	-
31-Jul-09	80.72	-
31-Aug-09	79.87	-
30-Sep-09	81.34	-
31-Oct-09	81.89	-
30-Nov-09	83.17	-
31-Dec-09	83.44	-
31-Jan-10	85.88	-
28-Feb-10	87.11	-
31-Mar-10	89.28	-
30-Apr-10	90.87	-
31-May-10	90.29	-
30-Jun-10	89.17	-
31-Jul-10	89.89	-
31-Aug-10	87.99	-
30-Sep-10	86.83	-
31-Oct-10	89.25	-
30-Nov-10	89.76	-
31-Dec-10	89.77	-
31-Jan-11	92.04	-
28-Feb-11	91.54	-
31-Mar-11	90.10	-
30-Apr-11	92.22	-
31-May-11	93.32	-
30-Jun-11	92.24	-
31-Jul-11	91.39	-
31-Aug-11	87.59	-
30-Sep-11	86.19	-

Date	Fund Bid Price ₦	Distribution ₦
31-Oct-11	88.31	-
30-Nov-11	87.48	-
31-Dec-11	88.67	-
31-Jan-12	88.76	-
29-Feb-12	89.23	-
31-Mar-12	90.40	-
30-Apr-12	92.73	-
31-May-12	93.41	-
30-Jun-12	94.01	-
31-Jul-12	96.47	-
31-Aug-12	97.94	-
30-Sep-12	100.82	-
31-Oct-12	102.96	-
30-Nov-12	103.75	-
31-Dec-12	107.00	-
31-Jan-13	111.55	-
28-Feb-13	113.15	-
31-Mar-13	115.33	-
30-Apr-13	115.79	-
31-May-13	121.27	-
30-Jun-13	118.70	-
31-Jul-13	120.76	-
31-Aug-13	119.21	-
30-Sep-13	120.86	-
31-Oct-13	123.40	-
30-Nov-13	110.79	10.00
31-Dec-13	114.49	-
31-Jan-14	114.19	-
28-Feb-14	113.07	-
31-Mar-14	113.19	-
30-Apr-14	114.33	-
31-May-14	118.19	-
30-Jun-14	119.68	-
31-Jul-14	120.53	-
31-Aug-14	120.28	-
30-Sep-14	122.34	-
31-Oct-14	118.58	-
30-Nov-14	115.70	-
31-Dec-14	115.99	-
31-Jan-15	111.88	-
28-Feb-15	113.55	-
31-Mar-15	116.16	-

FBN Capital Asset Management -RC 978831
A Subsidiary of FBN Capital, An FBN Holdings Company.

STATEMENT OF FUND MANAGER'S RESPONSIBILITIES

This statement, which should be read in conjunction with the Auditor's report, is made with a view to setting out for Unit holders, the responsibilities of the Fund Manager with respect to the financial statements.

The Fund Manager is responsible for the preparation of the financial statements, which give a true and fair view of the state of affairs of the Fund and the results of its operations for the yea

The responsibilities include ensuring that:

i. the appropriate internal controls are established both to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities;

ii. the Fund keeps accounting records which disclose with reasonable accuracy the financial position of the Fund and which ensure that the financial statements comply with the requirements of the Investments and Securities Act and relevant Securities and Exchange Commission circulars;

iii. the Fund has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed and;

iv. the financial statements are prepared on a going concern basis unless it is presumed that the Fund will not continue in business

Chairman, FBN Capital Asset Management Limited

MD/CEO, FBN Capital Asset Management Limited

FBN Capital Asset Management -RC 978831
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CERTIFICATION OF ACCOUNTS BY DIRECTORS OF THE FUND MANAGER

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

i. transferred units to another person for sale, resale or subsequent transfer to the Fund Manager for sale or resale; or

ii. acquired or disposed of investments for account of the Trust otherwise than through a recognised Stock Exchange or Over The Counter market except where such investments consist of money market instruments or cash deposits; or

iii. disposed of units to another person for a price lower than the current bid price; or

iv. acquired units for a price higher than the current offered price.

Kayode Akinkugbe

Michael Oyebola

FBN Capital Asset Management -RC 978831
A Subsidiary of FBN Capital, An FBN Holdings Company.

REPORT OF THE INDEPENDENT AUDITOR

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of FBN Heritage Fund (the "Fund"). These financial statements comprise the statement of financial position as at 31 March 2015 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

FUND MANAGER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Fund Manager is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and for such internal control, as the Fund Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an independent opinion on the 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 our audit to obtain reasonable assurance that 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 judgement, 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 accompanying financial statements give a true and fair view of the state of the Fund's financial affairs at 31March 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act and the Investment and Securities Act.

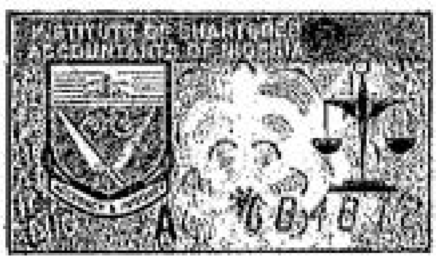
REPORT ON OTHER LEGAL REQUIREMENTS

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the Fund has kept proper books of account, so far as appears from our examination of those books;

iii) the Fund's balance sheet and profit and loss account are in agreement with the books of account;



19 June 2015

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

Engagement partner: Patrick Obianwa
FRC/2013/ICAN/00000000880

FBN Capital Asset Management

STATEMENT OF COMPREHENSIVE INCOME

	Note	31 March 2015	31 March 2014
		₦ '000	₦ '000
Income			
Interest income	6	398,869	436,198
Dividend income		96,020	64,133
Other investment income		1,065	3,280
Gain on disposal of shares		13,669	347,088
TOTAL INCOME		509,623	850,699
Expenses			
Administrative expenses	7	(83,750)	(86,318)
Loss from financial instruments at fair value through profit or loss	8	(262,295)	(242,558)
Registrars fees		(67)	(1,421)
Trustees fees		(1,212)	(1,257)
Custodian fees		(6,060)	(6,312)
Impairment on receivables		-	(19,393)
TOTAL EXPENSES		**(353,384)**	**(357,259)**
PROFIT FOR THE YEAR BEFORE TAX		156,239	493,440
Taxation	9	(9,602)	(6,413)
PROFIT FOR THE YEAR AFTER TAX		**146,637**	**487,026**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
- Net gain/(loss) on available for sale financial assets	15	23,181	(111,200)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		23,181	(111,200)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		169,818	375,826

The notes to the accounts form an integral part of these financial statements

FBN Capital Asset Management

STATEMENT OF FINANCIAL POSITION

	Note	31 March 2015	31 March 2013
		₦ '000	₦ '000
ASSETS			
Cash and cash equivalents	10	417,754	58,138
Investment securities:			
- Financial assets at fair value through profit or loss	11	1,437,549	1,765,963
- Available-for-sale investment securities	11	2,695,390	2,637,012
- Held to maturity investment securities	11	207,078	207,094
Other assets	12	3,223	14,720
TOTAL ASSETS		4,760,994	4,682,927
LIABILITIES			
Other liabilities	13	34,253	34,573
TOTAL LIABILITIES		34,253	34,573
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		4,726,741	4,648,354
REPRESENTED BY:			
Share capital	14	4,138,178	4,208,006
Retained earnings		629,407	504,373
Fair value reserve	15	(40,844)	(64,025)
UNITHOLDERS' FUNDS		4,726,741	4,648,354

These financial statements were approved by the Board of Directors of the Fund Manager on 15 June 2015 and signed on behalf of the board of directors by the directors listed below:

Mr Kayode Akinkugbe
(Chairman of the Fund Manager)
FRC/ 2013/ IODN/ 00000003063

Mr Michael Oyebola
(Managing Director of the Fund Manager)
FRC/ 2013/ IODN/ 00000002179

Additionally certified by:

Mr Fasiu Adenekan
(Ag. Chief Financial Officer of the Fund manager)
FRC/2013/ICAN/00000002443

The notes to the accounts form an integral part of these financial statements

Date: 15 June 2015

FBN Capital Asset Management -RC 978831
A Subsidiary of FBN Capital, An FBN Holdings Company.

FBN Capital Asset Management

STATEMENT OF CHANGES IN EQUITY

	Share capital	Fair value reserve	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 April 2014	4,208,006	(64,025)	504,373	4,648,354
Profit for the year	-	-	146,637	146,637
Comprehensive income or (loss)	-	23,181	-	23,181
	4,208,006	**(40,844)**	**651,009**	**4,818,170**
Subscriptions during the year	125,310	-	-	125,310
Premium on redemption	-	-	(21,602)	(21,602)
Redemptions by unit holders	(195,138)	-	-	(195,138)
At 31 March 2015	**4,138,178**	**(40,844)**	**629,407**	**4,726,741**
Net asset value per unit (Naira)				**115.22**

	Share capital	Fair value reserve	Retained earnings	Total
	₦'000	₦'000	₦'000	₦'000
Balance at 1 April 2013	4,324,399	47,175	486,400	4,857,974
Profit for the year	-	-	487,026	487,026
Comprehensive income or (loss)	-	(111,200)	-	(111,200)
Distributions	-	-	(428,092)	(428,092)
	4,324,399	**(64,025)**	**545,334**	**4,805,708**
Subscriptions during the year	182,282	-	-	182,282
Premium on redemption	-	-	(40,961)	(40,961)
Redemptions by unit holders	(298,675)	-	-	(298,675)
At 31 March 2014	4,208,006	(64,025)	504,373	4,648,354
Net asset value per unit (Naira)				**110.46**

FBN Capital Asset Management

STATEMENT OF CASHFLOWS

	Note	31 March 2015	31 March 2014
		₦ '000	₦ '000
Cash flows from operating activities			
Profit before income tax		156,239	493,440
Adjustments for:			
Fair value losses on financial assets at fair value through profit or loss	7	262,295	242 558
Impairment on receivables	12	-	19,393
Taxation		(9,602)	(6,413)
Proceeds from sale of investment		4,088,581	-
Purchase of investments		(4,077,036)	(548,912)
		420,477	**200,066**
Change in operating assets/liabilities			
Decrease/(increase) in receivables		30,889	(31,054)
Decrease in other liabilities		(320)	(193,790)
Net cashflows from/(used in) operating activities		451,046	(24,778)
Cash flows from financing activities			
Proceeds from units issued during the year		125,310	182,282
Redemption of units during the year	14	(195,138)	(298,675)
Premium on redemption of units		(21,602)	(40,961)
Distributions		-	(428,092)
Net cashflows used in financing activities		**(91,430)**	**(585,446)**
Increase/(decrease) in cash and cash equivalents		359,616	(610,224)
Cash and cash equivalents at start of year		58,138	668,362
Cash and cash equivalents at end of year	**10**	**417,754**	**58,138**

NOTES TO THE FINANCIAL STATEMENTS

1 Reporting entity

FBN Heritage Fund ("the Fund") is an open-ended unit trust scheme that operates in Nigeria. The address of the Fund's registered office is FBN Capital Asset Management Limited, 18 Keffi Street, Off Awolowo road, S.W Ikoyi, Lagos, Nigeria. The Fund invests predominantly in equities and in fixed income securities. The Fund is not a legal entity but is constituted and exists under a Trust Deed. The Fund Manager is FBN Capital Asset Management. Units of the Fund were first allotted to subscribers on April 1, 2008.

The principal activity of this Fund is the subscription of funds from members of' the public and the investment of such funds in quoted equities, government securities, and other financial instruments as determined by the Fund Manager in accordance with the Trust Deed.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements for the year ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB. Additional information required by national regulations is included where appropriate.

The financial statements were authorized for issue by the by the Board of Directors of the Fund Manager on 15 June 2015.

These financial statements have been prepared in accordance with the going concern principle under the historical cost convention, as modified by the valuation of available for sale financial assets and financial assets designated as fair value through profit or loss. The financial statements are presented in Nigerian currency (Naira) and rounded to the nearest thousand.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Fund manager to exercise its judgement in the process of applying the Fund's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Fund manager believes that the underlying assumptions are appropriate and that the Fund's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

(a) Standards and amendments to existing standards effective 1 April 2014

Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of 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 Fund's financial statements.

Amendments to IAS 36, '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 IAS 36 by the issue of IFRS 13. The amendment did not have a significant effect on the Fund's financial statements.

Amendment to IAS 39, '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 IAS 39 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 Fund's financial statements.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The Fund is not currently subjected to significant levies so the impact on the Fund is not material.

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2014 that would be expected to have a material impact on the Fund.

(b) New standards, amendments and interpretations effective after 1 April 2014

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Fund except the following set out below:

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

The Fund manager is yet to assess the full impact of this standard in the Fund's classification and measurement of its financial instruments.

2.2 Foreign currency translation

(a) Functional and presentation currency

The Fund's investors are mainly from Nigeria, with the subscriptions and redemptions of the redeemable shares denominated in Naira. The performance of the Fund is measured and reported to the investors in Naira. The Board of Directors considers the Nigerian Naira as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Naira, which is the Fund's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within 'net foreign currency gains or losses on cash and cash equivalents'.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss'.

2.3 Financial assets

(a) Classification

The Fund allocates financial assets to the following IAS 39 categories: (i) financial assets at fair value through profit or loss (ii) available-for-sale financial assets (iii) held to maturity. Management determines the classification of its financial instruments at initial recognition.

(i) Financial assets at fair value through profit or loss

This category comprises two sub-categories: financial assets classified as held for trading, and financial assets designated as fair value through profit or loss upon initial recognition. A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Financial assets held for trading consist of quoted equities securities.

Financial assets designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy.

(ii) Available for sale financial assets

Available-for-sale investments are financial assets that are designated by management or are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

(iii) Held to maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Fund's management has the positive intention and ability to hold to maturity, other than:

(1) those that the Fund upon initial recognition designates as at fair value through profit or loss;
(2) those that the Fund designates as available-for-sale; and
(3) those that meet the definition of loans and receivables.

These are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method.

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

(b) Recognition, derecognition and measurement

The Fund uses settlement date accounting for regular purchases and sales of financial assets. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the entity tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition).

Subsequent to initial recognition, available for sale financial assets are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the statement of comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised. If an available-for-sale financial asset is determined to be impaired, the cumulative gain or loss previously recognised in the statement of comprehensive income is recognised in the income statement. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of interest income.

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Fund manager will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maxium use of market inputs and relying as little as possible on entity-specific inputs.

(d) Transfers between levels of the fair value hierarchy
Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

2.4 Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term placements with banks & other financial institution, treasury bills in an active market with original maturities of three months or less.

2.5 Accrued expenses
Accrued expenses represents payables to third parties related to the Fund, such as auditors, trustees, rating agencies, custodian and Fund manager fees. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.6 Revenue
Interest income
Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income from cash and cash equivalents, available for sale and held to maturity financial instruments.

Dividend income
Dividend on investments in quoted ordinary shares is recognized when the right to receive payment is established, which is when such dividends are declared at the annual general meeting. Dividend income from equity securities designated as at fair value through profit or loss is recognised in profit or loss as a separate line item.

Other investment income
Other investment income is recognised as the gain realized on the disposal of investment.

2.7 Unitholders' interest
(a) Equity attributable to unit holders
The Fund's units in issue are financial instruments issued by the Fund and, or on liquidation of the Fund the unitholders are entitled to the residual net assets. They rank pari passu in all material respects and have identical terms and conditions. The units provide the investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each daily redemption date and also in the event of the Funds liquidation.

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

The Fund's unit meet these conditions and are classified as equity.

Incremental costs directly attributable to the issue or redemption of units are recognised directly in equity as a deduction from the proceeds or part of the acquisition cost.

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

(c) Expenses
All fees and expenses applicable to the administration and operation of the fund, including accounting, auditing and communication costs, custodian fees, legal and filing fees, applicable taxes and bank charges are payable by the Fund.

Management fee expense
Management fees are charged at a rate not exceeding 1.5% of the Net Asset Value of the Fund. They are accrued daily based on portfolio valuation.

Performance fee expense
Performance fees are charged at a rate of 10% on the excess return on the portfolio. Excess return is defined as the differential between the achieved return and the targeted return of 10% on the portfolio.

Trustee fee expense
Trustee fees are charged at a rate not exceeding 0.025% of the Net Asset Value of the Fund. They are accrued daily based on portfolio valuation.

Custodian's fee expense
Custodian fees are charged at a rate not exceeding 0.125% of the Net Asset Value of the Fund. They are accrued daily based on portfolio valuation. The total expenses charged to the Fund excluding incentive fees are not to exceed 5% of the Net Asset Value of the Fund.

Other expenses
All other expenses are recognised in the statement of comprehensive income on an accrual basis.

2.8 Distribution to unit holders of redeemable units
Proposed distributions to holders of redeemable units are recognised in the statement of changes in equity when they are appropriately authorised and no longer at the discretion of the Fund. This typically occurs when proposed distribution is ratified at the Annual General Meeting.

2.9 Taxation
The Fund currently incurs withholding taxes on investment income. Such income are recorded gross of witholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income.

3 Financial risk management
The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance. Risk management is carried out by the Fund manager's risk department under policies approved by its board of directors. The risk department identifies and evaluates financial risks in close co-operation with all operating units. The board of directors of the Fund Manager provides written principles for overall risk management, as well as written policies covering specific areas such as interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

The table below provides a reconciliation of line items in the Fund's statement of financial position to the categories of financial instruments.

31 March 2015	Note	Held to Maturity	Fair value through profit or loss	Other amortised cost	Available for sale	Total carrying amount	Fair Value
In thousands of Naira							
Cash and cash equivalents	10	-	-	417,754	-	417,754	417,754
Quoted equities securities	11	-	1,437,549	-	-	1,437,549	1,437,549
Available-for-sale debt securities	11	-	-	-	2,695,390	2,695,390	2,695,390
Held to maturity debt securities	11	207,078	-	-	-	207,078	178,900
Other assets	12	-	-	3,223	-	3,223	3,223
		207,078	1,437,549	420,977	2,695,390	4,760,994	4,732,816
Payables and other accruals	13	-	-	34,253	-	34,253	34,253
		-	**-**	**34,253**	**-**	**34,253**	**34,253**

31 March 2014	Note	Held to Maturity	Fair value through profit or loss	Other amortised cost	Available for sale	Total carrying amount	Fair Value
In thousands of Naira							31-Mar-13
Cash and cash equivalents	10	-	-	58,138	-	58,138	58,138
Quoted equities securities	11	-	1,765,963	-	-	1,765,963	1,765,963
Available-for-sale debt securities	11	-	-	-	2,637,012	2,637,012	2,637,012
Held to maturity debt securities	11	207,094	-	-	-	207,094	180,600
Other assets	12	-	-	14,720	-	14,720	14,720
		207,094	1 765,963	72,858	2,637,012	4,682,927	4,656,433
Payables and other accruals	13	-	-	34,573	-	34,573	34,573
		-	**-**	**34,573**	**-**	**34,573**	**34,573**

(a) Credit risk

Credit risk is defined as the likelihood that a customer or counterparty is unable to meet the contracted financial obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from debt securities held, other receivables and cash and cash equivalents.

(i) Management of credit risk

The Fund's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting the Fund's credit standards which is assesed sometimes through the credit history of the counterparty.

Credit risk is monitored on a periodic basis by the Fund manager in accordance with policies and procedures in place. Where the credit risk is not in accordance with the investment policy or guidelines of the Fund, the Fund manager is obliged to rebalance the portfolio in compliance with the stated investment parameter.

The tables below presents an analysis of financial assets by Agusto and Co.'s rating designation as at 31 March.

At 31 March 2015	Cash and cash equivalent	Fair value through profit or loss	Available for sale	Held to maturity	Loans and receivables	Total
In thousands of Naira						
A+ to A-	417,754	-	2,695,390	207,078	3,223	3,323,446

At 31 March 2014	Cash and cash equivalent	Fair value through profit or loss	Available for sale	Held to maturity	Loans and receivables	Total
In thousands of Naira						
A+ to A-	58,138	-	2,637,012	207,094	-	2,902,244
Unrated	-	-	-	-	14,720	14,720
	58,138	**-**	**2,637,012**	**207,094**	**14,720**	**2 916,964**

A: Good quality debt issue with low credit risk; strong capacity to pay interest and principal on local currency debt in a timely manner.

A "+" (plus) or "-" (minus) sign may be assigned to ratings to reflect comparative position within the rating category. Therefore, a rating with + (plus) attached to it is a notch higher than a rating without the + (plus) sign and two notches higher than a rating with the - (minus) sign.

(ii) Maximum exposure to credit risk
The Fund's maximum credit risk exposure at the reporting date is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

(iii) Credit quality
The Fund's credit quality is as enumerated below

At 31 March 2015	Cash and cash equivalent	Fair value through profit or loss	Available for sale	Held to maturity	Loans and receivables	Total
In thousands of Naira						
Neither past due nor impaired	417,754	-	2,695,390	207,078	3,223	3,323,445

At 31 March 2014	Cash and cash equivalent	Fair value through profit or loss	Available for sale	Held to maturity	Loans and receivables	Total
In thousands of Naira						
Neither past due nor impaired	58,138	-	2,637,012	207,094	14,720	2,916,964

(a) Financial assets neither past due nor impaired
Financial instruments in this category include cash and cash equivalents as well as debt securities whose contractual interest or principal repayment are not past due.

(b) Impaired
These are receivables that the Fund manager has determined they are irrecoverable and has therefore made appropriate provision to cover for the receivable amount.

(b) Liquidity risk
Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

(i) Management of liquidity risk
The trust deed and the Fund manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund is exposed to liquidity risk because of the need to meet unitholders's redemption of units at any date.

The Fund has no long term borrowing as at 31 March 2015 (2014: nil). Surplus cash held by the Fund over and above balance required for working capital management are invested in interest bearing current accounts and short term deposits, choosing instruments with appropriate maturities. At the reporting date, the Fund held liquid cash assets of N417.75 million (2014: 58.14 million) which is expected to readily generate cash inflows for managing liquidity risk.

The Fund's overall liquidity risk is monitored on a periodic basis by the Fund manager.

(ii) Residual contractual maturities of financial assets and liabilities
The table below analyses the Fund's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 March 2015	Carrying amount	Less than 3 months	3 to 6 months	6 months to 1 year	Over 1 year
In thousands of Naira					
Cash and cash equivalents	417,754	427,992	-	-	-
Financial assets at fair value through profit or loss (a)	1,437,549	-	-	-	1,437,549
Held to maturity investment securities	207,078	-	-	-	234,634
Available for sale investment securities	2,695,390	523,746	262,400	751,510	2,562,557
Other assets	3,223	3,223	-	-	-
	4,760,994	**954,962**	**262,400**	**751,510**	**4,234,740**
Other liabilities	(34,253)	(34,253)	-	-	-
Gap (assets-liabilities)	4,726,741	920,709	262,400	751,510	4,234,740
Cummulative liquidity gap		920,709	1,183,109	1,934,619	6,169,359

FBN Capital Asset Management

At 31 March 2014	Carrying amount	Less than 3 months	3 to 6 months	6 months to 1 year	Over 1 year
In thousands of Naira					
Cash and cash equivalents	58,138	64,598	-	-	-
Financial assets at fair value through profit or loss (a)	1,765,963	-	-	-	1,765,963
Held to maturity investment securities	207,094	-	-		276,126
Available for sale investment securities	2,637,012	1,301,010	100,240	515,233	1,013,628
Other assets	3,059	-	3 059	-	-
	4,671,266	**1,365,608**	**103,299**	**515,233**	**3,055,717**
Other liabilities	(34,573)	(34,573)	-	-	-
Gap (assets-liabilities)	4,636,693	1,331,035	103,299	515,233	3,055,717
Cummulative liquidity gap		1,331,035	1,434,334	1,949,567	5,005,284

((a): assets that do not have contractual maturity and have been classified based on their expected disposal dates

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Fund's income or the fair value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Management of the market risk

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The Fund's investment objectives, policies and processes are aimed at instituting a model that objectively identifies, measures and manages market risks in the Fund. The Fund's market position are monitored on a periodic basis by the Fund manager.

(ii) Cash flow and fair value interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Fund holds fixed interest securities that expose the Fund to fair value interest rate risk. The Fund is not exposed to cash flow interest rate risk as it does not hold investments with floating interest rates.

The table below summarizes the Fund's interest rate gap position; analysed by the earlier contractual re-pricing or maturity date is as follows:

At 31 March 2015	Carrying amount	Less than 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
In thousands of Naira						
Assets						
Available for sale investment securities	2,695,390	523,746	262,400	751,510	2,562,557	4,100,213

The analysis below shows the impact on the Fund's profit before tax if interest rates on financial instruments had increased or decreased by 100 basis points, with all other variables held constant.

Effect of 100 basis points movement on profit before tax (N'000)	plus 1%	minus 1%
	41,002	(41,002)

At 31 March 2014	Carrying amount	Less than 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
In thousands of Naira						
Assets						
Available for sale investment securities	2,637,012	1,301,010	100,240	515,233	1,013,628	2,930,111

The analysis below shows the impact on the Fund's profit before tax if interest rates on financial instruments had increased or decreased by 100 basis points, with all other variables held constant.

Effect of 100 basis points movement on profit before tax (N'000)	plus 1%	minus 1%
	29,301	(29,301)

(iii) Foreign Exchange risk

Foreign Exchange risk is the exposure of the Fund's financial condition to adverse movements in exchange rates. Where the Fund invests in financial instruments that are denominated in currencies other than its functional currency, it is exposed to foreign exchange risk. In this scenerio the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Fund's financial assets and liabilities denominated in currencies other than the Naira.

Currently, the Fund does not have transactions in any other currency except the Fund's functional currency (Naira). Hence it is not exposed to foreign exchange risk.

(iv) Price risk

The Fund is exposed to equity securities price risk. This is the risk that the fair value of the equity securities will fluctuate as a result of changes in market prices (other than arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, it's issuer or factors affecting all instruments traded in the market.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits stipulated by the trust deed. Between 20% and 65% of the Fund's assets is expected to be invested in equity securities.

The fair value of equity securities exposed to price risk as at year end are as stated in note 11.

The table below summarises the impact of increases/decreases of the equity index on the Fund's post-tax profit for the year and on Level 1 equity instruments. The analysis is based on the assumption that the equity index had increased/decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index:

In thousands of Naira

Impact on post-tax profit	31 March 2015	31 March 2014
Increase of 5%	71,877	88,298
Decrease of 5%	(71,2877)	(88,298)

(d) Capital risk management

The units issued by the Fund provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at the redemption date and are classified as equity. The Fund's objectives in managing the units are to ensure a stable base to maximise returns to all investors, and to manage liquidity arising from redemptions.

(e) Classifications and fair values of financial assets and liabilities:

(i) Financial asset and liability classification

The Fund's accounting policies guide scope for assets and liabilities to be designated on inception in to different accounting categories in certain circumstances.

(i) In designating financial assets at fair value through profit or loss, the Fund has determined that it has met one of the criteria for this designation set out in note 2.3(a)(i)

(ii) The unitholders interest is classified as equity, as the Fund has determined that it has met the criteria for this designation set out in note 2.7

(ii) Valuation of financial instruments

The Fund's accounting policy on fair value measurement is discussed in note 2.3(b).

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

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

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

(iii) Level 3 : Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the 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.

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.

31 March 2015	Level 1	Level 2	Total
Assets			
Financial assets at fair value through profit or loss			
- Quoted equity	1,437,549	-	1,437,549
Available-for-sale financial assets			
- FGN bonds	335,581	-	335,581
- State bonds	-	475,747	475,747
- Corporate bonds	-	144,375	144,375
- Treasury bills	1,739,687	-	1,739,687
	3,512,816	**620,122**	**4,132,939**

31 March 2014	Level 1	Level 2	Total
Assets			
Financial assets at fair value through profit or loss			
- Quoted equity	1,765,963	-	1,765,963
Available-for-sale financial assets			
- FGN bonds	159,859	-	159,859
- State bonds	-	684,722	684,722
- Treasury bills	1,792,431	-	1,792,431
Closing total balance as at March 31, 2014.	3,718,253	684,722	4,402,975

Financial instruments not measured at fair value

In thousands of Naira

	Carrying value	Fair value	Carrying value	Fair value
In thousands of Naira	**At 31 March 2015**		**At 31 March 2014**	
Assets				
Cash and cash equivalents	417,754	417,754	58,138	58,138
Held to maturity investments	207,078	178,900	207,094	180,600
Other assets	3,223	3,223	14,720	14,720
	628,055	**599,878**	**279,952**	**253,458**
Liabilities				
Other liabilities	34,253	34,253	34,573	34,573
	34,253	**34,253**	**34,573**	**34,573**

The following table presents the fair value hierarchy of financial instruments not measured at fair value

In thousands of Naira

31 March 2015	Level 1	Level 2	Total
Assets			
Cash and cash equivalents	417,754	-	417,754
Held to maturity investments	-	207,078	207,078
Other assets	-	3,223	3,223
	417,754	**210,301**	**628,055**
Liabilities			
Other liabilities	-	34,253	34,253
	-	**34,253**	**34,253**

FBN Capital Asset Management

In thousands of Naira

31 March 2014	Level 1	Level 2	Total
Assets			
Cash and cash equivalents	58,138	-	58,138
Held to maturity investments	-	207,094	207,094
Other assets	-	14,720	14,720
	58,138	**221,814**	**279,952**
Liabilities			
Other liabilities	-	34,573	34,573
	-	**34,573**	**34,573**

4 Use of estimates and judgements

These disclosures supplement the commentary on financial risk management (see note 3).

Management makes estimates and assumptions concerning the future. The resulting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Fair value of securities not quoted in an active market

The fair value of such securities not quoted in an active market may be determined by the Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Fund would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Fund may value positions using its own models. The Fund used prices obtained from the Finanancial Markets Dealers Association website, an over-the-counter (OTC) platform for trading in debt securities, to value its debt securities not quoted in an active market.

6 Interest income

	31 March 2015 ₦'000	31 March 204 ₦'000
Interest on placements	81,752	27,894
Interest on treasury bills	175,025	264,185
Interest on bonds	142,092	144,119
	398,869	**436,198**

7 Administrative expenses

	31 March 2015 ₦'000	31 March 2014 ₦'000
Professional fees	-	1,500
Auditor's remuneration	5,500	5,315
AGM expenses	1,083	1,816
Management fees (see (a) below)	76,604	75,743
Other admin expenses	563	1,944
	83,750	**86,318**

(a) In line with the provisions of the Fund's trust deed, the Fund manager earns management fees of 1.5% of the Fund's Net Asset Value. Total management fees for the year amounted to N76.6 million (2013: N75.7 million)

FBN Capital Asset Management

8 Loss from financial instruments at fair value through profit or loss

	31 March 2015 ₦'000	31 March 2014 ₦'000
Equity securities	(262,295)	(242,558)
	(262,295)	**(242,558)**

9. Taxation

The Fund is exempt from paying income taxes under the current system of taxation in Nigeria. Certain dividend and interest income received by the Fund are subject to withholding tax imposed in the country of origin. During the year the average withholding tax rate was 10%

10 Cash and cash equivalents

	31 March 2015 ₦'000	31 March 2014 ₦'000
Balances with banks	34,866	45,134
Short term placements	382,888	13,004
	417,754	**58,138**

11 Investment securities

	31 March 2015 ₦'000	31 March 2014 ₦'000
Financial assets at fair value through profit or loss (a)	1,437,549	1,765,963
Available for sale investment securities (b)	2,695,390	2,637,012
Held to maturity investment securities (c)	207,078	207,094
	4,340,017	**4,610,069**

(a) Financial assets at fair value through profit or loss

	31 March 2015 ₦'000	31 March 2014 ₦'000
Quoted equities-cost	1,419,310	1,485,429
Fair value (loss)/gain (see (d) below)	18,239	280,534
	1,437,549	**1,765,963**

(b) Available-for-sale investment securities

	31 March 2014 ₦'000	31 March 2013 ₦'000
State Bonds	513,193	701,347
FGN Bonds	327,119	163,740
Corporate Bonds	156,694	-
Treasury Bills	1,739,228	1,835,950
	2,736,234	2,701,037
Fair value (loss)/gain (see (e) below)	(40,844)	(64,025)
	2,695,390	**2,637,012**

FBN Capital Asset Management

(c) Held to maturity investment securities

	31 March 2015 ₦'000	31 March 2014 ₦'000
FGN bonds	207,078	207,094
	207,078	**207,094**

(d) The movement in fair value for financial assets at fair value through profit or loss is shown below:

	31 March 2015 ₦'000	31 March 2014 ₦'000
Balance at the begininning of the year	280,534	523,092
Recognised in income statement	(262,295)	(242,558)
Balance at the end of the year	**18,239**	**280,534**

(e) The movement in fair value for available for sale financial assets is shown below:

	31 March 2015 ₦'000	31 March 2014 ₦'000
Balance at the begininning of the year	(64,025)	47,175
Recognised in other comprehensive income	23,181	(111,200)
Balance at the end of the year	**(40,844)**	**(64,025)**

12 Other assets

	31 March 2015 ₦'000	31 March 2014 ₦'000
Other receivables	3,223	34,113
	3,223	34,113
Provision for other receivables	-	(19,393)
	3,223	**14,720**
Movement in provision		
Opening balance	19,393	-
Recognised in income statement	-	19,393
Amount written-off	(19,393)	-
Closing balance	**-**	**19,393**

13 Other liabilities

	31 March 2015 ₦'000	31 March 2014 ₦'000
Audit fees	4,992	5,073
Withholding tax payable	56	42
Other payables	29,205	29,458
	34,253	**34,573**

14 Equity attributable to unit holders

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

Number of units (issued and fully paid):
41,021,476 units of N100 each (2014: 42,080,060 units of N100 each)

Number of units (in thousands)	31 March 2015	31 March 2014
Balance at 1 April	42,080	43,244
Additional subscription of units during the year	902	1 823
Redemption of units during the year	(1,959)	(2,987)
As at 31 March	**41,023**	**42,080**

Number of units (in thousands of Naira)	31 March 2015	31 March 2014
Balance at 1 April	4,208,006	4,324,399
Additional subscription of units during the year	125,310	182,282
Redemption of units during the year	(195,138)	(298,675)
As at 31 March	**4,138,178**	**4,208,006**
Net assets value per unit (Naira)	**115.22**	**110.46**

15 Fair value reserve

The fair value reserve comprises the cummulative net change in the fair value of available for sale financial assets until the investments are derecognized or impaired. The fair values of the available for sale financial assets which comprise state and corporate bonds were ascertained by interpolation using market prices of similar FGN Bonds which share similar risk characteristics with the applicable state and corporate bonds.

The movement in fair value reserves is shown below:

	31 March 2015 ₦'000	31 March 2014 ₦'000
Balance at 1 April	(64,025)	47,175
Movements during the year	23,181	(111,200)
As at 31 March	**(40,844)**	**(64,025)**

16 Related parties

"Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes associates, joint ventures and the Fund's pension schemes, as well as key management personnel. The Fund's key related party is it's Fund manager, FBN Capital Asset Management.

The Fund is expected to pay management fee of 1.5% of the daily net asset value of the Fund to the Fund manager. The management fee payable to the Fund manager as at 31 March 2015 is N18.71 million (2014: N18.26 million).

17 Other key contracts

Citibank Nigeria Limited also provides custodial services to the Fund. The Fund pays a custodian fee of 0.125% of the value of the net assets under custody. The custodian fees for the year was N6.06m (2014:N6.3m)

18 Contingent liabilities

The Fund had no contingent liability as at 31 March 2015 (31 March 2014: Nil).

19 Capital commitments

The Fund had no capital commitments as at 31 March 2015 (31 March 2014: Nil).

20 Post balance sheet events

There were no post balance sheet events which could have had material effect on the state of affairs of the Fund as at 31 March, 2015 (31 March 2014: Nil) and on the profit for the year ended on that date which have not been adequately provided for or recognised.

FBN Capital Asset Management

VALUE ADDED STATEMENT

	31March 20145₦'000	%	31March 2014 ₦'000	%
Total revenue	509,623		850,699	
Bought in goods and services	(276,780)		(281,517)	
Value added	**232,843**	**100%**	**569,182**	**100%**
Applied to pay:				
Government as taxes	9,602	4%	6,413	1%
Fund Manager and other parties to the Fund	76,604	33%	75,743	13%
Retained in the Fund	146,637	63%	487,026	86%
	232,843	**100%**	**569,182**	**100%**

FINANCIAL SUMMARY

STATEMENT OF FINANCIAL POSITION	31 March 2015 ₦'000	31 March 2014 ₦'000	31 March 2013 Restated ₦'000	31March 2012 ₦'000	1 April 2011 ₦'000
ASSETS					
Cash and cash equivalents	417,754	58,138	668,363	26,894	1,473,680
Investment Securities					
- Financial assets at fair value through profit or loss	1,437,549	1,765,963	1,667,588	1,261,041	1,585,294
- Available-for-sale investment securities	2,695,390	2,637,012	986,231	721,973	839,142
-Held to maturity investment securities	207,078	207,094	1,761,096	1,910,673	722,798
Other assets	3,223	14,720	3,059	30,367	-
TOTAL ASSETS	**4,760,994**	**4,682,927**	**5,086,337**	**3,950,948**	**4,620,914**
LIABILITY					
Other liabilities	34,253	34,573	228,363	23,205	20,676
TOTAL LIABILITIES	**34,253**	**34,573**	**228,363**	**23,205**	**20,676**
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS	**4,726,741**	**4,648,354**	**4,857,974**	**3,927,743**	**4,600,238**
REPRESENTED BY					
Equity attributable to unitholders	4,138,178	4,208,006	4,324,399	4,435,930	5,113,307
Retained earnings	629,407	504,373	486,400	(414,793)	(503,091)
Fair value reserve	(40,844)	(64,025)	47,175	(93,394)	(9,978)
UNITHOLDERS' FUNDS	**4,726,741**	**4,648,354**	**4,857,974**	**3,927,743**	**4,600,238**

STATEMENT OF COMPREHENSIVE INCOME	31 March 2015 ₦'000	31 March 2014 ₦'000	31 March 2013 Restated ₦'000	31March 2012 ₦'000
Income				
Interest income	398,869	436,198	454,871	377,788
Dividend income	96,020	64,133	21,911	93,163
Other investment income	1,065	3,280	-	-
Gain on disposal of shares	13,669	347,088	-	-
Net gain from financial Instruments at fair value through profit and loss	-	-	932,636	194,377
TOTAL INCOME	**509,623**	**850,699**	**1 409,418**	**665,328**
Administrative expenses	(83,750)	(86,318)	(274,651)	(74,625)
Net loss from financial instruments at fair value throught profit and loss	(262,295)	(242,558)	(218,619)	(562,778)
Registrars fees	(67)	(1,421)	(883)	(2,871)
Trustees fees	(1,212)	(1,257)	(1,118)	(896)
Custodian fees	(6,060)	(6,312)	(5,601)	(2,236)
Impairment on receivables	-	(19,393)	-	-
TOTAL EXPENSES	**(353,384)**	**(357,259)**	**(500,872)**	**(643,406)**
PROFIT FOR THE YEAR BEFORE TAX	**156,241**	**493,440**	**908,546**	**21,922**
Taxation	(9,602)	(6,413)	(2,191)	(9,316)
PROFIT FOR THE YEAR AFTER TAX	146,638	487,026	906,355	12,606
OTHER COMPREHENSIVE INCOME:				
Net gain on available for sale financial assets	23,181	(111,200)	140,569	(83,416)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**23,181**	**(111,200)**	**140,569**	**(83,416)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**169,818**	**375,826**	**1,046,924**	**(61,494)**

The financial information presented above reflects historical summaries based on International Financial Reporting Standards. Information related to prior periods before 31 March 2012 has not been presented as it is based on a different financial reporting framework (Nigerian Statement of Accounting Standards, SAS) and is therefore not directly comparable.

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A subsidiary of FBN Capital, An FBN Holdings Company