

Standard Lesotho Money Market Fund

for the year ended
31 December 2015

Focused Investing

 **STANLIB**

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You say future
potential.

We say
STANLIB.

Standard Lesotho Money Market Fund

Registered address

MGC Office Park
Ground Floor
Cnr Pope John Paul II and Mpilo Boulevard
Maseru

Postal address

PO Box 115
Maseru, 100
Lesotho

Trustees

AON Lesotho

Auditors

Sheeran & Associates

Bankers

Standard Lesotho Bank

Standard Lesotho Money Market Fund

Independent Auditors' Report to the Members of Standard Lesotho Money Market Fund

SHEERAN & ASSOCIATES

Chartered accountants (Lesotho)

No 1 Link House
Opposite American
Embassy
Kingsway Road
Maseru Lesotho

Postal Address
Private Bag 1420
Maseru 100
Lesotho

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We have audited the financial statements of Standard Lesotho Money Market Fund, which comprise the balance sheet as at 31 December 2015, and the income statement, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, the trustees' report, as set out on pages 5 to eight.

Trustees' responsibility for the financial statements

The fund's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting as described in Note 1 of the financial statements, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from materials misstatements, whether due to fraud or error. The responsibility includes determining that the basis of accounting described in Note 1 to the financial statement is an acceptable basis for preparing and presenting financial statements in the circumstances.

Auditors' responsibility

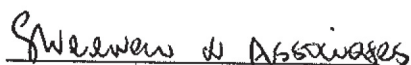
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether 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 auditors 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 auditors consider 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, if any, made by management, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Standard Lesotho Money Market Fund as at 31 December 2015 and its financial performance for the year then ended in accordance with the basis of accounting as described in Note 1 of the financial statements.



SHEERAN & ASSOCIATES

Chartered Accountants (Lesotho)

Date: 24 March 2016

Standard Lesotho Money Market Fund

Report of the Trustee of the Standard Lesotho Money Market Fund to the Registrar of the Collective Investment Scheme



*Aon Lesotho (Pty) Ltd
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Maseru, Lesotho
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29 February 2016

The Registrar of the Collective Investment Scheme
The Central Bank of Lesotho
P O Box 1184
Maseru
Lesotho

Dear Sir/Madam

REPORT OF THE TRUSTEE OF THE STANDARD LESOTHO MONEY MARKET FUND TO THE REGISTRAR OF THE COLLECTIVE INVESTMENT SCHEME

We have reviewed the books and records of the Standard Lesotho Money Market Fund for the twelve months ended 31st December 2015 with the objective of reporting on the compliance by the Management of the Trust with Section 38(1) of the Collective Investment Scheme Regulations of 2001.

In terms of Section 38(1) (f) of the same regulations, we have enquired into the administration of the scheme by the management of the Trust in terms of observing the limitations imposed on the investment and borrowing powers.

It is therefore our opinion that based on the information received STANLIB Lesotho Management Company conducted the investment scheme in accordance with the requirement of the section 38(1) of the Collective Investment Scheme Regulations of 2001.

Aon Lesotho (Pty) Ltd
Trustees of Standard Lesotho Money Market Fund

A handwritten signature in black ink, appearing to read 'Retseilsitsoe Leboela'.

Retseilsitsoe Leboela
Chief Operating Officer & Chief Financial Officer

Cc The General Manager - STANLIB Lesotho

Aon Lesotho (Pty) Ltd (Registration Number 69191)
Directors: J. Onsando (Chairperson)*, J. Mawere (CEO)**, L.I. Mohapeloa (Mrs), R. Leboela, M. Rupapa, R. Kooijman
*Kenya, **Zimbabwe

Standard Lesotho Money Market Fund

Income Statement

Non Statutory Financial Statements for the year ended 31 December 2015

	2015 M	2014 M
INCOME	26 665 653	22 699 389
Interest Received	26 665 653	22 699 389
Dividends Received	-	-
Income adjustments on creations and cancellations of units	-	-
EXPENDITURE	3 237 150	3 011 896
Auditor's remuneration	67 685	50 218
Service charges	2 689 213	2 738 590
Bank Charges	15 814	13 089
Sundry Expenses	-	-
Trustee/Custody Fees	209 999	209 999
Withholding tax	254 439	-
NET INCOME FOR THE YEAR	23 428 503	19 687 493

Standard Lesotho Money Market Fund

Balance Statement

Non Statutory Financial Statements for the year ended 31 December 2015

	2015 M	2014 M
ASSETS		
NON CURRENT ASSETS	384 307 177	360 401 464
Investments at market value	384 307 177	360 401 464
CURRENT ASSETS	3 110 551	6 000 374
Accrued income and accounts receivable	2 297 856	2 017 862
Cash and cash equivalents	812 695	3 982 512
TOTAL ASSETS	387 417 727	366 401 836
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES	384 994 157	364 250 802
Capital value of unit portfolio	384 994 157	364 250 802
2015: 384 994 818 units (2014: 400 535 132 units)		
Undistributed income (current year)	-	-
CURRENT LIABILITIES	2 423 570	2 151 034
Accounts payable	2 423 570	2 151 034
TOTAL EQUITY AND LIABILITIES	387 417 727	366 401 836

Standard Lesotho Money Market Fund

Statement of Changes in Funds

Non Statutory Financial Statements for the year ended 31 December 2015

	2015 M	2014 M
DISTRIBUTABLE INCOME		
Balance at the beginning of the year	-	-
Net income for the year	23 428 503	19 687 493
Income available for distribution	23 428 503	19 687 493
Income Distributions	23 428 503	19 687 493
Interest declared for the year	23 428 503	19 687 493
Balance at the end of the year	-	-
Capital value of unit portfolio - investors		
Balance at the beginning of the year	364 250 802	392 120 132
Creation of Units	660 598 036	525 890 133
Cancellation of Units	(639 854 681)	(553 759 462)
Capital (loss)/profit reinvested in the fund	-	-
Balance at the end of the year	384 994 157	364 250 802
Total capital value & reserves at the beginning of the year	364 250 802	392 120 132
Total capital value & reserves at the end of the year	384 994 157	364 250 802

Standard Lesotho Money Market Fund

Notes to the Financial Statements

Non Statutory Financial Statements for the year ended 31 December 2015

1. Accounting policies

The following are the principle accounting policies, which are consistent with the prior year.

1.1 Basis of preparation

The annual financial statements have been compiled on the historical cost basis, except for investments comprising the unit portfolio, which are reflected at fair value.

1.2 Revenue recognition

- Revenue is recognised on the accrual basis, when the right to such revenue is established.
- Dividends are recognised when the right to receive payment is established.
- Interest is recognised on the accrual basis on a time proportionate basis.

1.3 Service charges

Service charges represent the fee paid to the manager for the management and administration of the portfolios and unit holder transactions.

1.4 Financial instruments

Financial instruments are initially measured at cost and subsequently at fair value. Fair value is determined as follows:

- Listed instruments are valued at the closing price as published by the relevant exchanger;
- Unlisted instruments are valued by discounting of nominal cash flows using current interest rates;
- Money market instruments are valued at accrued value.
- Realised and unrealised profits or losses on investments are accounted for in the capital value of the portfolio.

1.5 Foreign currencies

Foreign currency income and expenses are converted at the rate of exchange on the transaction date. Foreign investments are converted at the year-end closing rate of exchange.

1.6 Accounts receivable

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end.

1.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, balances with banks and funds at call or short notice.

1.8 Accounts payable

Liabilities are recognised when the fund has a present legal or constructive obligation as a result of past events, it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2. Accounting policies

	REPURCHASE PRICE (LISENTE)					
	2015 Minimum	2015 Maximum	2015 Last price	2014 Minimum	2014 Maximum	2014 Last price
Class - A	100	100	100	100	100	100
Class - B1	100	100	100	100	100	100
Class - B2	100	100	100	100	100	100
Class - B3	100	100	100	100	100	100

3. Creation and Cancellation of units

	MALOTI MOVEMENT		UNIT MOVEMENT		UNITS IN ISSUE	
	2015 M 000's	2014 M 000's	2015 000's	2014 000's	2015 000's	2014 000's
Class - A	-23 264	57 960	-23 264	-57 960	167 713	190 977
Class - B1	35 261	18 694	35 261	18 694	163 413	128 152
Class - B3	8 747	11 397	8 747	11 397	53 868	45 122