

MCB CASH MANAGEMENT FUND
the "FUND"

ANNUAL REPORT

**FOR THE PERIOD FROM DECEMBER 09, 2015 (DATE OF
INCORPORATION) TO JUNE 30, 2016**

MCB CASH MANAGEMENT FUND

FINANCIAL STATEMENTS - FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016

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MCB CASH MANAGEMENT FUND

MANAGEMENT & ADMINISTRATION

PLACE OF BUSINESS OF THE FUND	C/o MCB Investment Management Co. Ltd 9th Floor, MCB Centre, Sir William Newton Street Port Louis, MAURITIUS
REGISTERED OFFICE	C/o Gfin Corporate Services Ltd 9th Floor, Orange Tower Cybercity Ebene, MAURITIUS
BOARD MEMBERS	Mr Bashirali Abdulla Currimjee - Appointed on December 09, 2015 Mr Bernard D'Hotman De Villiers - Appointed on December 09, 2015 Mr Patrick Eric Ronald Lam Yan Foon - Appointed on December 09, 2015
FUND MANAGER	MCB Investment Management Co. Ltd 9th Floor, MCB Centre, Sir William Newton Street Port Louis, MAURITIUS
CORPORATE SECRETARY	Gfin Corporate Services Ltd 9th Floor, Orange Tower Cybercity Ebene, MAURITIUS
REGISTRAR	MCB Registry & Securities Ltd 9th Floor, MCB Centre, Sir William Newton Street Port Louis, MAURITIUS
BANKER	The Mauritius Commercial Bank Ltd 9-15 Sir William Newton Street Port Louis, MAURITIUS
CUSTODIAN FOR INVESTMENTS	The Mauritius Commercial Bank Ltd 9-15 Sir William Newton Street Port Louis, MAURITIUS
AUDITORS	BDO & Co. 10, Frere Felix de Valois Street Port Louis, MAURITIUS
LEGAL ADVISOR	BRIDGES LTD 5 Unicorn House, Royal Street Port Louis, MAURITIUS
ISIN	MU051 IS00008

MCB CASH MANAGEMENT FUND

SECRETARY'S CERTIFICATE FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016

I certify that, to the best of my knowledge and belief, the Fund has filed with the Registrar of Companies all such returns as are required of the Fund under the Companies Act 2001.

SECRETARY

For and on behalf of

GFin Corporate Services Ltd

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of MCB Cash Management Fund (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of MCB Cash Management Fund as set out on pages 4 to 10 which comprise the statement of financial position at June 30, 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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 on 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 Company'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 Company'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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Financial Statements (Continued)

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 on pages 4 to 10 give a true and fair view of the financial position of the Company at June 30, 2016, and of its financial performance and its cash flows for the period from December 09, 2015 to June 30, 2016 then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

BDO & Co
Chartered Accountants

Port Louis,
Mauritius.

Ameenah Ramdin, FCCA, ACA
Licensed by FRC

MCB CASH MANAGEMENT FUND**STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2016**

	<u>Notes</u>	<u>2016</u> USD
ASSETS		
Current Assets		
Other Receivables	4	10
Cash and cash equivalents		(20)
Total Assets		<u>(10)</u>
LIABILITY		
Other Payables	5	575
Total liability		<u>575</u>
NET ASSETS		<u>(585)</u>
Represented by:		
Net Assets		(595)
Management share	6	10
		<u>(585)</u>

These financial statements have been approved for issue by the Board of Directors on 29 September 2016.

)
DIRECTORS
)

The notes on pages 8 to 10 form an integral part of these financial statements.
Independent auditors' report on pages 3 and 3(a).

MCB CASH MANAGEMENT FUND**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD FROM
DECEMBER 09, 2015 TO JUNE 30, 2016**

	Period ended June 30, 2016
	USD
Expenses	
Audit Fees	575
Bank Charges	20
	<hr/> 595 <hr/>
Loss before taxation	(595)
Taxation	-
Loss for the period	<hr/> (595) <hr/>
Other Comprehensive Income	-
Decrease in Net Assets	<hr/> (595) <hr/>

The notes on pages 8 to 10 form an integral part of these financial statements.
Independent auditors' report on pages 3 and 3(a).

MCB CASH MANAGEMENT FUND

STATEMENT OF NET ASSETS FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016

	<u>Note</u>	<u>Net Assets</u> USD
Issue during the period	6	10
Decrease in Net Assets for the period		<u>(595)</u>
Balance at June 30, 2016		<u><u>(585)</u></u>

The notes on pages 8 to 10 form an integral part of these financial statements.
Independent auditors' report on pages 3 and 3(a).

MCB CASH MANAGEMENT FUND**STATEMENT OF CASH FLOWS FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016**

	Period ended June 30, 2016 USD
Cash flows used in operations	
Loss for the period	(595)
Changes in working capital:	
- other payables	<u>575</u>
Cash used in operations	<u>(20)</u>
Net change in cash and cash equivalents	<u>(20)</u>
Movement in Cash and Cash Equivalents	
At December 09, 2015	-
Net change in cash and cash equivalents	<u>(20)</u>
At June 30, 2016	<u><u>(20)</u></u>

The notes on pages 8 to 10 form an integral part of these financial statements.
Independent auditors' report on pages 3 and 3(a).

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016

I REPORTING ENTITY

MCB Cash Management Fund (the "Fund") was incorporated in Mauritius under the Companies Act 2001 on December 09, 2015 as a public company with liability limited by shares and holds a Category I Global Business Licence issued by the Financial Services Commission (the "FSC") to operate as a Collective Investment Scheme, categorised as an Expert Fund. The Fund's registered office is C/o Gfin Corporate Services Ltd, 9th Floor, Orange Tower, CyberCity, Ebene, Mauritius.

The Fund's objective is to achieve a consistent level of return commensurate with low risk investment strategies by investing primarily in fixed income securities issued by corporates.

The Fund is being promoted by MCB Investment Management Co. Ltd (the "Fund Manager"), which is a company duly licensed by the FSC to promote funds and offer management, administration, distribution and other services to collective investment schemes and closed-end funds.

2 BASIS OF PREPARATION

The financial statements of MCB Cash Management Fund comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention, except for financial instruments at fair value through profit or loss which are stated at fair value.

These financial statements are that of an individual entity. The financial statements of the Fund are expressed in US Dollars (USD). The Fund's business or other activity is carried out in a currency other than the Mauritian rupee, which is a requirement of the Financial Services Act 2007. The Fund's functional currency is the USD, the currency of the primary economic environment in which the Fund operates.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

There are no standards, amendments to published standards and interpretations effective for the first time in the reporting period.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2016 or later periods, but which the Funds have not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments

IFRS 14 Regulatory Deferral Accounts

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)

IFRS 15 Revenue from Contract with Customers

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)

Equity Method in Separate Financial Statements (Amendments to IAS 27)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM DECEMBER 09, 2015 TO JUNE 30, 2016

2 BASIS OF PREPARATION (CONT'D)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Annual Improvements to IFRSs 2012-2014 Cycle

Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)

Disclosure Initiative (Amendments to IAS 1)

IFRS 16 Leases

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)

Amendments to IAS 7 Statement of Cash Flows

Clarifications to IFRS 15 Revenue from Contracts with Customers

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)

Where relevant, the Funds is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

Use of Estimates & Judgements

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There were no major estimates and assumptions made during the period that have a significant risk of causing material adjustments to the carrying amounts of the Fund's assets and liabilities within the next financial year.

3 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Foreign Currencies

(i) Functional and Presentation

The financial statements of the Fund are expressed in US Dollars (USD). The Fund's business or other activity is carried out in a currency other than the Mauritian rupee, which is a requirement of the Financial Services Act 2007. The Fund's functional and presentation currency is the USD, the currency of the primary economic environment in which the Fund operates.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of other receivables is established when there is objective evidence that the Manager will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the statement of profit or loss.

(c) Other payables

Other payables are stated at their fair value and subsequently measured at amortised cost using the effective interest method.

(d) Cash and cash equivalents

Cash and cash equivalents include bank balances.

4 OTHER RECEIVABLES

	2016
	USD
Share capital receivable	10
	10

The carrying amounts of other receivables approximate their fair value and do not contain impaired balances. The Fund does not hold any collateral as security.

5 OTHER PAYABLES

	2016
	USD
Amount due within one year	
Auditors' remuneration	575
	575

The carrying amounts of other payables approximate their fair values.

6 MANAGEMENT SHARE

One Management Share of USD 10 was issued by the Fund to MCB Investment Management Co. Ltd on incorporation.