

CT CLSA GILT EDGED FUND



ANNUAL REPORT AND AUDITED ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 2024

CONTENTS

SECTION

Corporate Information

A

Report of the Fund Manager

B

Auditor's Report & Financial Statements

C

CORPORATE INFORMATION

TRUSTEE & CUSTODIAN

Hatton National Bank PLC

HNB Towers, 479, T B Jayah Mawatha,

Colombo 10.

FUND MANAGER & REGISTRAR

CT CLSA Asset Management (Pvt) Ltd

04th Floor, Majestic City,

No. 10, Station Road, Colombo 04.

Tel : 0115759571 Fax : 0112506347

Web : www.ctclsa.lk

AUDITORS

Nihal Hettiarachchi & Company

“RNH House”, 622B, Kotte Road

Kotte

BANKERS

Hatton National Bank PLC

HNB Towers, 479, T B Jayah Mawatha,

Colombo 10.

FUND MANAGER REPORT

Gilt Edged Fund

Dear Investor,

We take pleasure in presenting the Annual Report of CT CLSA Gilt Edged Fund for the year ended 31st March 2024.

The Net Asset Value per unit of your Fund appreciated by 18.9% during the financial year ended 31st March 2024 (FY24) compared to 21.6% during the twelve months ended 31st March 2023. Consequently, the Net Asset Value per unit as of 31st March 2024 was LKR 15.86

Economic Review

The Sri Lankan economy continued to regress in 2023 despite a second half recovery which stemmed from a low base and the accommodative monetary policy stance adopted by the Central Bank of Sri Lanka from June 2023. Resultantly, the Sri Lankan economy recorded a contraction of -2.3%² in 2023 compared to the decline of -7.8%² recorded in the preceding year. Despite the overall weakness, the Agriculture sector marked a growth of +2.6%² in the year ended 31 December 2023 whilst the Industry and Services sectors contracted by -9.6%² and -0.2%², respectively.

	2021		2022		2023	
	% Growth	% of GDP	% Growth	% of GDP	% Growth	% of GDP
Agriculture	0.9	8.8	-4.6	8.7	2.6	8.3
Industry	5.7	30.0	-16.0	30.3	-9.6	25.6
Services	3.5	55.6	-2.0	56.1	-0.2	59.9
GDP	3.7		-7.8		-2.3	

Source: Statistics Department

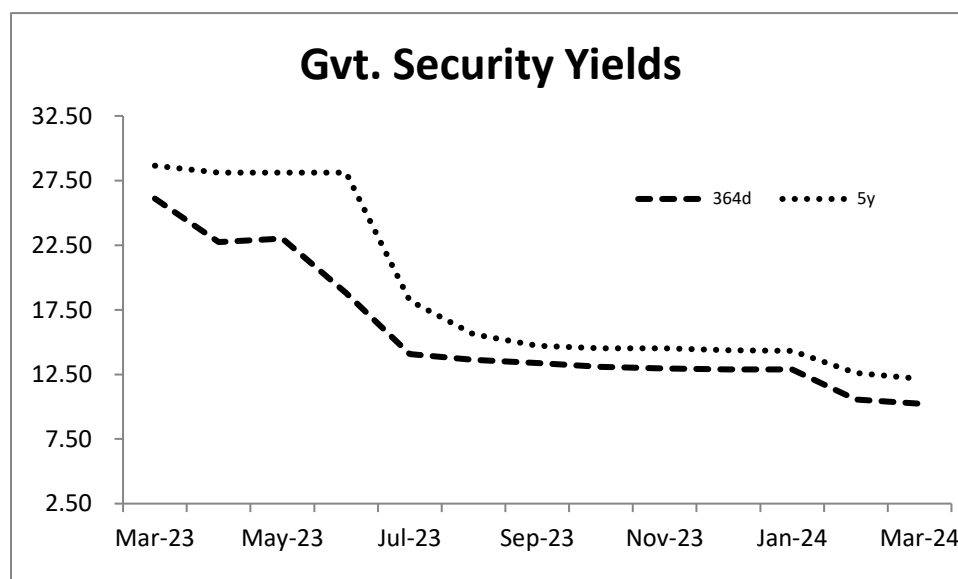
As per the World Economic Outlook (WEO) of the International Monetary Fund (IMF), global growth is projected to continue at 3.2%³ for the year ended 2024 and 2025, at the same pace as in 2023, with growth in developed markets seeing an upward revision whilst growth in emerging and developing markets is projected to slow down.

Interest Rate Environment

	Mar-23	Jun-23	Jul-23	Aug-23	Oct-23	Nov-23	Mar-24
SDFR (%)	15.5	13.0	11.0	11.0	10.0	9.0	8.5
SLFR (%)	16.5	14.0	12.0	12.0	11.0	10.0	9.5
SRR (%)	4.0	4.0	4.0	2.0	2.0	2.0	2.0

Source: CBSL

The Central Bank of Sri Lanka shifted towards an accommodative monetary policy stance in June 2023 as restrictive monetary policy and fiscal adjustments undertaken during the economic crisis in 2022 combined with an improvement in global supply chains helped restore price stability and safeguard financial system stability. The easing of monetary policy stance and the announcement of domestic debt optimization parameters instigated a steep decline in government security yields to mid teen levels by July 2023. The yield curve continued to normalize subsequently as rupee liquidity strengthened aided by a reduction in the statutory reserve ratio and dollar reserve accumulation by the central bank. Private Sector credit growth exhibited positive MoM growth from June 2023 and recorded a +3.6% YoY growth in March 2024 as lower market lending rates gradually increased demand for fresh credit.



Source: CBSL

	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Pvt. Sector Credit Growth (%)	-4.3	-3.1	-0.6	0.0	0.9	3.6

Source: CBSL

External Trade

Trade deficit further narrowed in 2023 to less than USD 5bn¹ amid a slowdown in both exports and imports as the country grappled with tighter fiscal and monetary conditions in 1H 2023. Industrial exports witnessed a decline of -11.3%¹ in 2023 largely owing to an -18.0%¹ drop in the country's largest merchandise exports category, textiles and apparel, as heightened covid-era inventory buildups and monetary tightening in key customer markets caused a collapse in orders. Reflective of reduced economic activity and implementation of import controls/quota systems, intermediate and investment goods imports fell -11.5%¹ and -9.4%¹, respectively.

Exchange Rate Environment

After experiencing steep currency devaluation in 2022, LKR strengthened +13.0%¹ YoY to Rs.323.97 as of 31st December 2023. The tourism flows improved in the second half as the country returned to some degree of normalcy whilst worker remittances also strengthened aided by a stable exchange rate and the surge in labor migration during the previous year's economic crisis. Moreover, portfolio flows to the country staged a notable improvement as higher yielding local currency government securities drew interest from foreign investors. Resultantly, the gross official reserves improved to an estimated US\$5.4bn¹ as of end May 2024 (Including a PBoC Swap that has conditionality on usability).

Inflation

The Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index (CCPI, 2013=100) and the National Consumer Price Index (NCPI, 2013=100), continued to decelerate in 2023, after reaching a peak of 69.8%² and 73.7%², respectively in September 2022. Central Bank of Sri Lanka's tight monetary policy regime combined with fiscal tightening measures imposed in late 2022 bore fruit in wrestling back inflation under control. In June 2023, the Central Bank of Sri Lanka began easing interest rates in order to stimulate activity as price pressures in the economy returned to single digit levels. Headline inflation has largely remained below the Central Bank of Sri Lanka's medium term

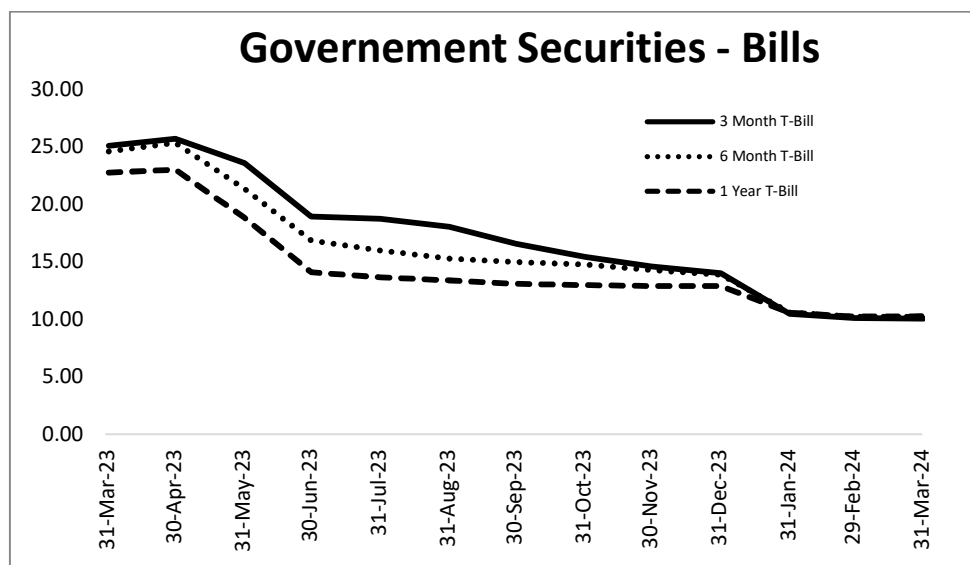
target range of 5-6% since returning to single digit levels in June 2023 (0.9%² in May 2024; CCPI, 2021=100)

Fiscal Accounts

Fiscal revenue continued to show improvement in 2023 reaching Rs.3tn¹ (11.1% of GDP) recording a growth of +52.7%¹ YoY as taxes on income, increase in VAT rate and removal of exemptions, and a full year of imposition of the social security contribution levy meaningfully contributed to the government coffers. The aforementioned revenue raising measures enabled the government of Sri Lanka to meet IMF's quantitative performance targets in terms of tax revenue collection and primary balance for 2023. Government expenditures were broadly curtailed in 2023 with public wages and salaries witnessing a YoY decline. However, interest payments continued to rise rapidly +56.9%¹ YoY amid debt issuance at high interest rates in 2022. As per the IMF second review, government revenue to GDP is projected to rise to 13.6%³ and 15.1%³ by 2024 and 2025, respectively, aided by the lifting of import bans on motor vehicles and new tax measures imposed on property.

Government Securities Market

The Central Bank of Sri Lanka began its monetary policy easing cycle in June 2023 announcing a 250bps cut in policy rates. Moreover, the CBSL along with the Ministry of Finance announced the domestic debt restructuring parameters towards end June 2023 and subsequently successfully concluded the restructuring. These positive developments drove a notable decline in G-sec yields in the 2H of 2023. The Central Bank of Sri Lanka continued to relax monetary policy in the subsequent months totaling a policy rate reduction of 700bps and an SRR cut of 200bps between June 2023-March 2024. Meanwhile, implementation of fiscal based revenue consolidation measures and improved foreign exchange inflows in the forms of worker remittances and tourism receipts also aided domestic money market liquidity.



Source: CBSL

Resultantly, Weighted Average Yield Rates (WAYR) of the 91, 182, and 364 days treasury bills declined to 10.07%, 10.23% and 10.28% at the primary auctions as of end March 2024 reflecting a significant YoY reduction. Meanwhile, 2 years and 5 years bonds recorded a WAYRs of 13.83% and 12.25% at the primary auctions as of end March 2024.

Tenure of the T Bonds	Yield as at 31 Mar 2023	Yield as at 30 Sep 2023	Yield as at 31 Mar 2024
2 Years	29.99	29.99	13.83
5 Years	28.11	14.52	12.25

Source: CBSL

Asset Allocation & Duration of the Portfolio

The fund maintained its strategy of investing in short term Repurchase Agreements in FY24 in order to secure consistent returns whilst protecting its unitholders from heightened market volatility.

Fund Performance

The fund generated an after-tax income of **LKR 39mn** for the Financial Year ended 31st March 2024.

Annual Performance				
Period	FY24	FY23	FY22	FY21
Performance	18.87%	21.60%	4.49%	4.42%

Expectations, Outlook and Strategy

As demand side inflationary pressures remain well controlled, we do not overrule further policy rate easing by the Central Bank of Sri Lanka in order to revive private sector credit growth (which has stayed relatively tepid) targeting higher GDP growth for the economy. However, we believe that most of the downward shift in G-sec yields has already materialized and expect interest rates to remain broadly stable in the medium term. The fund will remain invested in short term repurchase agreements until upward interest rate pressures create attractive entry points into long term government securities.

Sources

¹ The Central Bank of Sri Lanka (www.cbsl.gov.lk)

² The Department of Census and Statistics (www.census.gov.lk)

³ International Monetary Fund (www.imf.org)

Declaration By Trustees and Management Company


Declaration by Trustees and Managing Company as per SEC Circular No: 02/2009 on Guidelines for Trustees and Managing Companies of Unit Trusts Funds.

Hatton National Bank PLC, the Trustee and CT CLSA Asset Management (Pvt) Ltd the Managing Company of **CT CLSA Gilt Edged Fund**, hereby declare that

1. The requirements of the Guidelines for Trustees and Managing Companies of Unit Trust Funds set by the Securities and Exchange Commission of Sri Lanka have been complied with during the financial year ended 31st March 2024.
2. The transactions were and will be carried out at an arm's length basis and on terms which are best available for the fund, as well as act, at all times, in the best interest of the fund's unit holders.

X 
.....

Director
Management Company


.....

Director
Management Company



Hatton National Bank PLC

Trustee of the Fund

CT CLSA GILT EDGED FUND
{FORMERLY KNOWN AS COMTRUST
GILT EDGED FUND}

FINANCIAL STATEMENTS
31ST MARCH, 2024.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CT CLSA GILT EDGED FUND (FORMERLY KNOWN AS COMTRUST GILT EDGED FUND)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CT CLSA Gilt Edged Fund (Formerly Known as Comtrust Gilt Edged Fund), (the Company), which comprise the statement of financial position as at March 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for Small and Medium-Sized Entities (SLFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

🏠 "RNH House", 622-B,
Kotte Road,
Kotte, Sri Lanka.

☎ +94 114 975 999

📠 +94 114 511 473

✉ info@nh-co.lk

Galle Branch

🏠 3rd Floor,
Galle District Chamber of
Commerce and Industries,
Galle.

☎ +94 773 158 134

🌐 www.nh-co.lk

Partners
Nimal Wettasinghe FCA, FCPA, FCP
Sri Lanka Chartered Accountants
Tax Director
Sushila Senarathne B.Com, ACCA, FCPA, FCPA (UK)

Standi Weerasinghe FCA, BSc (Hons),
Leadership Institute FCA, BSc (Hons)



WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

Other Information

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company and the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

COLOMBO,
July 24, 2024


NIHAL HETTIARACHCHI & CO.,
Chartered Accountants



STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH

	NOTES	2024 Rs.	2023 Rs.
INVESTMENT INCOME			
Interest income	(05)	22,520,254	40,473,751
Net unrealized gain on financial assets - at fair value through profit and loss	(06)	-	100,551
Net investment income		22,520,254	40,574,302
OPERATING EXPENDITURE	(07)	(975,487)	(1,558,364)
Net Operating Profit Before Taxation		21,544,767	39,015,938
Income tax expense	(08)	-	-
Increase in net assets attributable to unit holders		21,544,767	39,015,938
Other comprehensive income / (expenses)		-	-
Total comprehensive income for the year		21,544,767	39,015,938



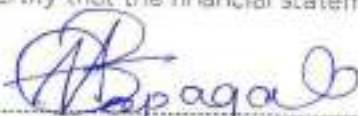
Figures in brackets indicate deductions.

The accounting policies and notes from 6 to 26 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH

	NOTES	2024 Rs.	2023 Rs.
ASSETS			
Cash and cash equivalents	(09)	328,689	1,988,784
Financial assets - at fair value through profit and loss	(10)	-	-
Financial assets - at amortized cost	(11)	100,725,918	136,291,881
Income tax receivable	(12)	-	-
Total Assets		101,054,607	138,280,665
LIABILITIES AND UNIT HOLDERS' FUNDS			
Liabilities			
Accrued expenses and other payables	(13)	439,443	727,399
Total liabilities		439,443	727,399
Unit holders' funds			
Net assets attributable to unit holders		100,615,164	137,553,266
Total unit holders' funds and liabilities		101,054,607	138,280,665
Net asset per unit	(14.1)	15.91	13.34

I certify that the financial statements comply with the requirements of the Companies Act, No. 7 of 2007.


Chief Executive Officer



The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of The Board by:


Chairman




Director

July 24, 2024

The accounting policies and notes from 5 to 26 form an integral part of these financial statements.



**STATEMENT OF CHANGES IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED 31 MARCH**

	Unit capital Rs.	Retained Earnings Rs.	Total Equity Rs.
Balance as at 31 March 2022	(84,299,626)	113,209,684	28,910,058
Increase due to unit creation during the year	352,782,174	-	352,782,174
Decrease due to unit redemption during the year	(283,154,904)	-	(283,154,904)
Increase in net assets attributable to unit holders	-	39,015,938	39,015,938
Balance as at 31 March 2023	<u>(14,672,356)</u>	<u>152,225,622</u>	<u>137,553,266</u>
Balance as at 01 April 2023	(14,672,356)	152,225,622	137,553,266
Increase due to unit creation during the year	5,459,401	-	5,459,401
Decrease due to unit redemption during the year	(63,942,270)	-	(63,942,270)
Increase in net assets attributable to unit holders	-	21,544,767	21,544,767
Unit holders' funds as at 31 March 2024	<u>(73,155,225)</u>	<u>173,770,389</u>	<u>100,615,164</u>

Figures in brackets indicate deductions.

The accounting policies and notes from 6 to 25 form an integral part of these financial statements.



STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH

	2024 Rs.	2023 Rs.
Cash flows from operating activities		
Interest received	22,186,217	38,829,759
Net investments in repurchase agreements	35,900,000	(126,484,788)
Net investments in T-Bills	-	24,476,800
Fees and expenses paid	(1,263,443)	(1,697,558)
Net cash flow generated from / (used in) operating activities	56,822,774	(64,875,787)
Cash flows from financing activities		
Amount received on unit creations	5,459,401	349,782,162
Amount paid on unit redemptions	(63,942,270)	(283,154,904)
Net cash flow (used in) / generated from financing activities	(58,482,869)	66,627,258
Net (decrease) / increases in cash and cash equivalents	(1,660,095)	1,751,471
Cash and cash equivalents at the beginning of the financial year	1,988,784	237,313
Cash and cash equivalents at the end of the financial year	328,689	1,988,784

Figures in brackets indicate deductions.

The accounting policies and notes from 6 to 26 form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

(01) GENERAL INFORMATION

CT CLSA Gilt Edged Fund (Formerly Known as Comtrust Gilt Edged Fund) is an open-ended Collective Investment Scheme (CIS), approved by the Securities and Exchange Commission of Sri Lanka. The fund was launched on 01 March 2013.

CT CLSA Asset Management (Pvt) Ltd (Former name - Comtrust Asset Management (Pvt) Ltd) is the managing company of CT CLSA Gilt Edged Fund while Hatton National Bank has been appointed as the Trustee, from 31st January 2019.

The registered office and place of business of the Collective Investment Scheme (CIS), is located at 4-15, Majestic City, 10, Station Road, Colombo 4.

The principal place of operations of the Trustee, Hatton National Bank PLC, a bank duly incorporated in the said Republic of Sri Lanka at 479 T. B. Jayah Mawatha, Colombo 01.

1.1. Principal activities

The CT CLSA Gilt Edged Fund (Formerly - Comtrust Gilt Edged Fund) is an Open-Ended Money Market Fund investing in Government Securities, Investment Grade Short Term Corporate Debt & Bank Deposits.

1.2. Date of authorization for issue

The financial statements of the fund for the year ended 31 March 2024 was authorized for issue by the Fund Management company and the Trustee on 24th July 2024.

(02) BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with and comply with Sri Lanka Accounting Standards (SLFRSs and LKASs) issued by the Institute of Chartered Accountants of Sri Lanka and adopted as directed by the Securities and Exchange Commission of Sri Lanka.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unit holders. The amount expected to be recovered or settled within twelve months after the end of each reporting period cannot be reliably determined.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.



Notes to the financial statements continued on page 7.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(02) BASIS OF PREPARATION (CONTINUED)

b) Basis of measurement

The financial statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements

c) Statement of cash flows

The statement of cash flows has been prepared using the "Direct Method" of preparing cash flows in accordance with the Sri Lanka Accounting Standard LKAS 7 - "Statement of Cash Flows". Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

d) Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees, which is the Collective Investment Scheme's (CIS), functional currency.

e) Comparative information

The comparative information is re-classified wherever necessary to conform with the current year's classification in order to provide a better presentation. The details of such re-classifications have been provided in the notes to the financial statements.

f) Use of estimates and judgments

The preparation of financial statements in conformity with the Sri Lanka Accounting Standards requiring management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the relevant Notes as follows

- Recognition and measurement of financial instruments (Note 4.1.1)
- Identification, measurement and assessment of impairment (Note 4.1.2)

g) Going concern

The management has made an assessment of the Collective Investment Scheme's (CIS), ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the unit trust's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Notes to the financial statements continued on page 8.

NOTES TO THE FINANCIAL STATEMENTS(CONTINUED)

(03) MATERIALITY AND AGGREGATION

Each material class of similar item is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

(04) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently throughout the period of financial statements, unless otherwise indicated.

a) Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

4.1 Financial assets

4.1.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial assets contractual cash flow characteristics and the unit trust business model for managing them. At initial recognition, the Fund measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the statement of profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Collective Investment Scheme's (CIS), business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e, the date that the Unit trust commits to purchase or sell the asset.



Notes to the financial statements continued on page 9

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(04) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 Financial assets (Continued)

4.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Collective Investment Scheme's (CIS), financial assets at amortised cost includes fixed deposits, commercial papers and repurchase agreements.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Collective Investment Scheme's (CIS), statement of financial position) when:

- The rights to receive cash flows from the asset have expired
- Or
- The Collective Investment Scheme (CIS), has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to third party under a 'pass-through' arrangement; and either (a) the unit trust has transferred substantially all the risks and rewards of the asset, or (b) the unit trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset



Notes to the financial statements continued on page 10.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(04) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 Financial assets (Continued)

4.1.3. Impairment

The Collective Investment Scheme (CIS), recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from:

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12 month ECL). For those credit exposures from which there has been significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL)

The Collective Investment Scheme (CIS), uses the ratings from either Fitch Ratings Lanka Limited or ICRA Lanka Limited as applicable to determine the significant deterioration in credit risk and to estimate the ECLs.

Consistent with the policies of the Fund, investments when rated below BBB- are considered as non-investment grade investments and the Fund considers such investments as having incurred significantly deteriorated credit risk. Such investments are considered for life time ECL calculation.

Further, movements within the ratings of the investment grade stipulate significant deterioration of credit risk. Significant deterioration is measured through a two notches downgrade of the external credit rating of the counterparty since the origination of the instrument.

For debt instruments at Amortized cost, the unit trust applies the low credit risk simplification. At every reporting date, the unit trust evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making the evaluation, the unit trust reassesses the external credit rating of the debt instrument. In addition, the Collective Investment Scheme (CIS), considered that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

It is the Collective Investment Scheme's (CIS), policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the Fitch Rating Lanka Limited or ICRA Lanka both to determine whether the debt instruments has been significantly increased in credit risk and to estimate ECLs.



Notes to the financial statements continued on page 11.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(04) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 Financial assets (Continued)

4.1.3. Impairment (Continued)

b) Dividend payable

Dividend payable is recognized at the time the dividend recommended and declared by the board of Directors.

c) Provision

A provision is recognized if, as a result of a past event, the unit trust has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

d) Commitment and contingencies

All discernible risks are accounted for in determining the amount of all known liabilities.

Contingent liabilities are possible obligation whose existence will be confirmed only by uncertain future events or present obligation where the transfer of economic benefits is not probable or cannot be reliably measured. Contingent liabilities are not recognised in the statement of financial position but are disclosed unless they are remote.

e) Interest

Interest income and expenses are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discount the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the unit trust estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

Interest income and expenses presented in the statement of comprehensive income include interest on financial asset and financial liabilities measured at amortised cost calculated on and effective interest basis and fair value changes in qualifying derivatives.

Fair value changes on all other financial assets and liabilities carried at fair value through profit or loss, are presented in net trading income in the statement of comprehensive income.

f) Expenses

All expenses, including management fees and trustee fees, are recognized in profit or loss on accruals basis.



Notes to the financial statements continued on page 12.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(04) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 Financial assets (Continued)

4.1.3. Impairment (Continued)

g) Income tax expenses

According to the provision of the Inland Revenue Act No.24 of 2017 (with effect from 01 April 2018), if the unit trust conducts an eligible investment business, it will be treated as "pass-through vehicle" and the tax on income earned by the unit trust will be payable by the unit holders. Therefore, the adjusted profit calculated for the period from 01 April 2019 to 31 March 2020 will not be considered as a part of assessable income of the unit trust for the Y/A 2021/2022.

h) Offsetting

Current tax assets and liabilities and deferred tax assets and liabilities are offset only to the extent that they relate to income taxes imposed by the same taxation authority, there is a legal right and intentions to settle on a net basis and it is allowed under the tax law of the relevant jurisdiction.

i) Distributions

In accordance with the trust deed, the Fund distributes income adjusted for amounts determined by the CT CLSA Asset Management (Private) Limited, to unit holders by cash or reinvestment. The distributions are recognized in statement of changes in unit holder's funds.

j) Increase / decrease in net assets attributable to unit holders

Income not distributed is included in net assets attributable to unit holders

k) Applications and redemptions

Applications received for units in the Fund are recorded at creation price. Redemption from the Fund are recorded at redemption price of units redeemed.

l) Offsetting income and expenses

Income and expenses are not offset unless required or permitted by the Sri Lanka Accounting Standards.



Notes to the financial statements continued on page 13

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(04) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 Financial assets (Continued)

4.1.3. Impairment (Continued)

m) Offsetting assets and liabilities

Assets and liabilities are offset and the net amount reported in the statement of financial position only where there is:

- A current enforceable legal right to offset the asset and liability; and
- An intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

n) Events occurring after the reporting period

Events occurring after the reporting period are those events, favorable and unfavorable, that occur between the reporting date and the date the financial statements are authorized for issue.

All material and important events that occurred after the reporting date have been considered and appropriate disclosures are made in the financial statements.

In compliance with CIS Code 2022, Comtrust Gilt Edged Fund has changed its name to CT CLSA Gilt Edge Fund after the reporting period.



Notes to the financial statements continued on page 14.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2024 Rs.	2023 Rs.
(05) INVESTMENT INCOME		
Interest on repurchase agreements	22,520,254	40,192,025
Interest on treasury bills	-	281,726
	<u>22,520,254</u>	<u>40,473,751</u>
(06) NET UNREALIZED GAIN / (LOSS) ON FINANCIAL ASSETS - AT FAIRVALUE THROUGH PROFIT AND LOSS		
Unrealized capital gain on treasury bills	-	100,551
	<u>-</u>	<u>100,551</u>
(07) OPERATING EXPENSES		
Management fees	362,873	513,342
Trustee fees	282,621	393,875
Custodian fees	285,078	273,859
Audit fees	220,350	296,999
Audit fees over provision	(191,576)	-
Advertising fee	-	28,268
Bank charges	16,141	19,921
Printing and stationary	-	12,100
Other expenses	-	20,000
	<u>975,487</u>	<u>1,558,364</u>

(08) TAXATION

According to the provisions of the Inland Revenue Act No. 44 of 2022 (with effect from 19 December 2022), if the unit trust conducts an eligible investment business, it will be treated as "pass-through vehicle" and the tax on income earned by the unit trust will be payable by the unit holders. Therefore, the adjusted profit calculated for the period from 01 April 2023 to 31 March 2024 will not be considered as a part of assessable income of the unit trust for the Y/A 2023/2024.

(09) CASH AND CASH EQUIVALENTS

	31.03.2024 Rs.	NAV as a percentage	31.03.2023 Rs.	NAV as a percentage
Cash at bank - current account at HNB	328,689	0.33%	1,988,784	1.44%
	<u>328,689</u>		<u>1,988,784</u>	

Notes to the financial statements continued on page 15



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2024 Rs.	2023 Rs.
(10) FINANCIAL ASSETS - AT FAIR VALUE THROUGH PROFIT AND LOSS		
Treasury bills	-	-

	31.03.2024		31.03.2023	
	Cost Rs.	Market Value Rs.	Cost Rs.	Market Value Rs.
Investments in treasury bills (Note 10.1)	-	-	-	-

(10.1) Investments in treasury bills

Purchased cost	-	24,617,723
Interest receivable on treasury bills	-	281,726
Unrealized gain/(loss) on treasury bills	-	-
Upliftment of treasury bills	-	(24,899,449)
Market value at the end of the year	-	-

(11) FINANCIAL ASSETS- AT AMORTIZED COST

	31.03.2024 Rs.	NAV as a percentage	31.03.2023 Rs.	NAV as a percentage
Investment in repurchase agreements (Note 11.1)	98,500,000	97.90%	134,400,000	97.71%
Interest receivable on repurchase agreement	2,225,918	2.21%	1,891,881	1.38%
	<u>100,725,918</u>	<u>100.11%</u>	<u>136,291,881</u>	<u>99.08%</u>

This represent investment in Resale agreements entirely backed by Government securities. No impairment provisions derived through these investments.



Notes to the financial statements continued on page 15

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(14) CAPITAL MANAGEMENT

The trust's capital is represented by redeemable units with no par value and is reflected in the statement of financial position as amount attributable to unit holders. In accordance with the accounting policies and the risk management policy in note 16, the Trust endeavours to invest contributions received in appropriate investments, while maintaining sufficient liquidity to meet any withdrawal requests. The terms and conditions attached to units in the Collective Investment Scheme (CIS), can be found in the trust deed.

Movements in the number of units and net assets attributable to unit holders during the year were as follows:

	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Units	Units	Rs.	Rs.
Opening balance	10,312,977	2,633,723	137,553,266	28,910,058
Units issued during the year	387,756	31,407,911	5,459,401	352,782,174
Units redeemed / cancelled during the period	(4,377,174)	(23,728,657)	(63,942,270)	(283,154,904)
Increase in net assets attributable to unit holders	-	-	21,544,767	39,015,938
Distribution to unit holders	-	-	-	-
Closing balance	6,323,559	10,312,977	100,615,164	137,553,266

As stipulated within the trust deed, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Capital risk management

The Fund considers its net assets attributable to unit holders as capital, notwithstanding net assets attributable to unit holders are classified as an equity. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unit holders.

	2024	2023
	Rs.	Rs.
(14.1) Net assets per unit		
Net assets (Rs.)	100,615,164	137,553,266
Total no. of units	6,323,559	10,312,977
Net assets per unit (Rs.)	15.91	13.34
(14.2) Distributions to unit holders		
Distributions for the year	-	-

Notes to the financial statements continued on page 18

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(15) ANALYSIS OF FINANCIAL INSTRUMENT BY MEASUREMENT BASIS

Summary of Financial Assets and Liabilities

As at 31 March 2024	Measured at Fair Value	Carried at Cost	Amortized Cost	Total
Assets				
Cash and cash equivalents	-	328,689	-	328,689
Financial assets - at amortized cost	-	-	100,725,918	100,725,918
Financial assets - at fair value through profit and loss	-	-	-	-
Total	-	328,689	100,725,918	101,054,607
Liabilities				
Accruals and other payables	-	439,443	-	439,443
Total	-	439,443	-	439,443

As at 31 March 2023	Measured at Fair Value	Carried at Cost	Amortized Cost	Total
Assets				
Cash and cash equivalents	-	1,988,784	-	1,988,784
Financial assets - at amortized cost	-	-	136,291,881	136,291,881
Financial assets - at fair value through profit and loss	-	-	-	-
Total	-	1,988,784	136,291,881	138,280,665
Liabilities				
Accruals and other payables	-	727,399	-	727,399
Total	-	727,399	-	727,399



Notes to the financial statements continued on page 19.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(16) FINANCIAL RISK MANAGEMENT

Overview

The unit trust has exposure to the following risks via financial instruments.

- Market Risk
- Liquidity Risk
- Credit Risk
- Operational Risk

This note presents information about the unit trust's exposure to each of the above risks and the objectives, policies and processes for measuring and managing risk.

(16.1) Risk management framework

The Board of Directors of the managing company has the overall responsibility for the establishment and oversight of the unit trust's risk management framework. The Managing Company has established an Investment Committee (IC) which is tasked with reviewing wide-ranging risk categories that includes market, liquidity, credit and operational risk. The committee members have been assigned the responsibility to manage these risks prudently.

Collective Investment Scheme's (CIS), risk management policies are established to identify and analyse the risk confronted by the unit trust, to set appropriate risk limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

(a) Market Risk

Market risk is the risk which reflect changes in market prices, changing interest rates affecting the unit trust's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Management of market risk includes the following elements.

- Overall authority for managing market risk is vested with the Board of Directors.
- The operational authority for managing market risk is vested with the Investment Committee (IC).
- Interest rate risk is managed within the approved limits by the Investment Committee.



Notes to the financial statements continued on page 20.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(16) FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity Risk

Liquidity risk is the risk that the Collective Investment Scheme (CIS), will not have adequate financial resources to meet unit trusts's obligations as when they fall due. This risk arises from mismatches in the timing of cash flows.

Management of liquidity risk includes the following elements:

Taking steps to ensure, as far as possible, that it will always have adequate financial resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Collective Investment Scheme's (CIS), reputation.

Maturity analysis of the financial assets and financial liabilities

As at 31 March 2024	Carrying amount	Up to 3 months	3 months to 1 year	One to 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Assets					
Cash at bank	328,689	-	-	-	328,689
Financial assets recognised through profit or loss	-	-	-	-	-
- measured at fair value					
Financial assets at amortised cost	-	100,725,918	-	-	100,725,918
Total financial assets	328,689	100,725,918	-	-	101,054,607



Notes to the financial statements continued on page 21.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(16) FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity Risk (Continued)

As at 31 March 2023	Carrying amount	Up to 3 months	3 months to 1 year	One to 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Assets					
Cash at bank	1,988,784	-	-	-	1,988,784
Financial assets recognised through profit or loss	-	-	-	-	-
- measured at fair value					
Financial assets at amortised cost	-	136,291,881	-	-	136,291,881
Total financial assets	1,988,784	136,291,881	-	-	138,280,665

(c) Credit Risk

Credit risk is the risk of financial loss to the unit trust if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Collective Investment Scheme's (CIS), investment in reverse repo agreements.

Management of credit risk includes the following

- Formulating credit policies in consultation with business units covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval and renewal of credit facilities.
- Limiting concentration of exposures to counterparties.
- Reviewing compliance through regular audits by audit.



Notes to the financial statements continued on page 22.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(16) FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit Risk (Continued)

Credit quality by class of financial assets

As at 31 March 2024	12 Month Expected Credit Losses	Life Time Expected Credit Losses not credit impaired	Life Time Expected Credit Losses credit impaired	Total
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank and in hand	328,689	-	-	328,689
Financial assets - at fair value through profit and loss	-	-	-	-
Financial assets - at amortised cost	100,725,918	-	-	100,725,918
Total financial assets	101,054,607	-	-	101,054,607

As at 31 March 2023

	12 Month Expected Credit Losses	Life Time Expected Credit Losses not Credit Impaired	Life Time Expected Credit Losses Credit Impaired	Total
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank and in hand	1,988,784	-	-	1,988,784
Financial assets - at fair value through profit and loss	-	-	-	-
Financial assets - at amortised cost	136,291,881	-	-	136,291,881
Total financial assets	138,280,665	-	-	138,280,665



Notes to the financial statements continued on page 23.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(16) FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's involvement with financial instruments, including processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Collective Investment Scheme's (CIS), objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the business reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Collective Investment Scheme's (CIS), standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions.
- Requirements for the reconciliation and monitoring of the transaction.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Development of business contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

Compliance with Collective Investment Scheme's (CIS), internal controls and procedures is supported by a programme of periodic reviews undertaken by Investment Committee. The results of reviews are discussed with the management of the business unit with summaries submitted to the Fund administrator of the fund manager.



Notes to the financial statements continued on page 24.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(17) RELATED PARTY TRANSACTIONS

a) Responsible entity

The responsible entity of CT CLSA Gilt Edged Fund is CT CLSA Asset Management (Pvt) Ltd.

b) Key management personnel

(i) Directors

Key management personnel include persons who were directors of CT CLSA Asset Management (Pvt) Ltd at any time during the financial year.

- Ms. Cecilia Page
- Mr. Zakir Mohamedally
- Mr. Joseph Page
- Mr. Patrick Martin Lawlor
- Ms. Bimanee Meepagala
- Ms. Miriam Pietersz

(ii) Other key management personnel

- Ms. Hansini Aravinda Senior Financial analyst
- Mr. Kuhan Vinayagasundaram Chief Investment Officer

c) Key management personnel unit holdings

The key management personnel of CT CLSA Asset Management (Pvt) Limited held units in the fund as follows:

31 March 2024	No of units held at opening	No of units held at closing	Fair value of investment	Interest Held	Distribution paid or payable by the fund
Unit holders			Rs.		Rs.
Mr. Kuhan Vinayagasundaram	-	-	-	-	-
Ms. Hansini Aravinda	-	75.00	1,190	0.0000%	-



Notes to the financial statements continued on page 25.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(17) RELATED PARTY TRANSACTIONS (CONTINUED)

d) Key management personnel compensation

Key management personnel are paid by CT CLSA Asset Management (Pvt) Limited. Payments are made from the Funds to CT CLSA Asset Management (Pvt) Limited do not include any amounts directly attributable to the compensation of key management personnel.

e) Other transactions within the Fund

Apart from those details that are disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial year and there were no material contracts involving key management personnel's interest existing at year end.

f) Related party unit holding

The management company and other related party held units in the fund as follows:

31 March 2024	No of opening units	No of closing units	Fair value of investment	% of Holdings	Distribution paid or payable by the fund.
			Rs.		Rs.
Unit holders					
CT CLSA Asset Management (Pvt) Ltd	-	382,376	6,068,919	6.05%	-
CT CLSA Holdings Limited	-	1,802,133	28,602,734	28.50%	-
CT CLSA Capital (Pvt) Ltd	-	3,544,118	56,250,823	56.05%	-



Notes to the financial statements continued on page 26.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(17) RELATED PARTY TRANSACTIONS (CONTINUED)

g) Transactions with and amounts due to related parties

The fee was charged by the management company and trustee for services provided during the year and the balances outstanding from such dues as at year end are disclosed below:

	Charge for the year		Balance outstanding	
	2023/2024	2022/2023	31.03.2023	31.03.2022
	Rs.	Rs.	Rs.	Rs.
Management fees	(362,873)	(513,342)	79,234	141,493
Trustee fees	(282,621)	(393,875)	60,437	110,836
Custodian fee	(285,078)	(273,859)	72,613	69,534
	<u>(930,572)</u>	<u>(1,181,076)</u>	<u>212,284</u>	<u>321,863</u>

(18) COMMITMENTS AND CONTINGENCIES

There were no material commitments or contingent liabilities outstanding at the end of the reporting date.

(19) EVENTS AFTER REPORTING DATE

There were no any material events occurring after the reporting date 31st March, 2024 that require adjustment or disclosure in the financial statements.



**DETAIL NOTES TO THE FINANCIAL STATEMENTS
31ST MARCH****NET ASSET VALUE RECONCILIATION**

Rs.

Net asset value published as at 31st March 2024

100,364,967

Over provision of audit fee

250,197

Total

100,615,164

Audited net asset value published as at 31 March 2024

(Note - 14.1)

100,615,164

