

CAPITAL ALLIANCE GILT TRADING FUND

FINANCIAL STATEMENTS

31 MARCH 2020

GSM/WSN/TW

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEE OF CAPITAL ALLIANCE GILT TRADING FUND**

Report on the Financial Statements

Opinion

We have audited the Financial Statements of Capital Alliance Gilt Trading Fund ('the Fund'), which comprise the Statement of Financial Position as at 31 March 2020, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Movement in Unit Holders' Funds and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2020 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

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 Fund in accordance with the Code of Ethics 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.

Manager's Responsibility for the Financial Statements

The Manager, Capital Alliance Investments Limited 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 the Manager 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, the Manager is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Manager is responsible for overseeing the Fund's financial reporting process.



(Contd...2/)

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.

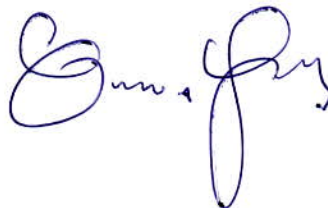
As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 control 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Manager's use of the other than a going concern basis and assess the adequacy of related disclosures based on the audit evidence obtained. If we conclude that the other than a going concern basis of accounting and related disclosures are inadequate, we are required to modify our report.
- 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.

We communicate with the Manager 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.

Report on other legal and regulatory requirements

The financial statements are prepared and presented in accordance with and comply with the requirements of the Unit Trust Code of the Securities and Exchange Commission of Sri Lanka and Unit Trust Deed.



30 June 2020
Colombo

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2020

	Notes	2020 Rs.	2019 Rs.
INVESTMENT INCOME			
Interest Income		-	-
Total Investment Income		-	-
Other Income		1,604	-
EXPENSES			
Bank Charges		(68)	367
Total Operating Expenses		(68)	367
NET PROFIT/(LOSS) BEFORE TAX		1,536	367
Income Tax Expense	4	-	-
NET PROFIT/(LOSS) AFTER TAX FOR THE YEAR		1,536	367
TOTAL COMPREHENSIVE INCOME		1,536	367
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		1,536	367

The accounting policies and notes on pages 07 to 16 form an integral part of these Financial Statements.



Capital Alliance Gilt Trading Fund

STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

	Notes	2020 Rs.	2019 Rs.
ASSETS			
Cash and Cash Equivalents	5	27,421	26,351
Income Tax Recoverable	6	-	-
Total Assets		<u>27,421</u>	<u>26,351</u>
LIABILITIES			
Accrued Expenses	7	1,107	1,107
Total Liabilities		<u>1,107</u>	<u>1,107</u>
NET ASSETS		<u>26,314</u>	<u>25,244</u>
UNIT HOLDERS' FUNDS			
Net Assets Attributable to Unit Holders		<u>26,314</u>	<u>25,244</u>

The Manager are responsible for these Financial Statements and these Financial Statements were approved by the Manager.
Signed for and on behalf of the Manager by;


.....
Director
Management Company


.....
Director
Management Company

The accounting policies and notes on pages 07 to 16 form an integral part of these Financial Statements.



Capital Alliance Gilt Trading Fund

STATEMENT OF CHANGES IN UNIT HOLDERS' FUNDS

Year ended 31 March 2020

	2020 Rs.	2019 Rs.
UNIT HOLDERS' FUNDS AT THE BEGINNING OF THE YEAR	25,244	24,877
Total Comprehensive Income for the Year	1,536	367
Creation of Units	-	-
Redemption of Units	(465)	-
Net Decrease due to Unit Holders' Transactions	(465)	-
UNIT HOLDERS' FUNDS AT THE END OF THE YEAR	<u>26,314</u>	<u>25,244</u>

The accounting policies and notes on pages 07 to 16 form an integral part of these Financial Statements.



Capital Alliance Gilt Trading Fund

STATEMENT OF CASH FLOWS

Year ended 31 March 2020

	2020 Rs.	2019 Rs.
Cash Flows from Operating Activities		
Management Fees, Trustee Fees and Custodian Fees Paid	-	(290,650)
Other Income Received	1,536	357
Net Cash generated from Operating Activities	<u>1,536</u>	<u>(290,293)</u>
Cash Flows from Financing Activities		
Cash Paid on Redemption of Units	(465)	-
Net Cash used in Financing Activities	<u>(465)</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	1,071	(290,293)
Cash and Cash Equivalents at the beginning of the year	<u>26,351</u>	<u>316,644</u>
Cash and Cash Equivalents at the end of the year	<u>27,421</u>	<u>26,351</u>

The accounting policies and notes on pages 07 to 16 form an integral part of these Financial Statements.



1. GENERAL INFORMATION

Capital Alliance Gilt Trading Fund is open ended unit trust Fund approved by the Securities and Exchange Commission of Sri Lanka. The Fund was launched on 16 January 2015.

The Fund is managed by Capital Alliance Investments Limited which is incorporated and domiciled in Sri Lanka. The registered office of the Management Company is located at No.46/58, Nawam Mawatha, Colombo 02. The Trustee of the Fund is Deutsche Bank AG having its place of business at No.86, Galle Road, Colombo 03.

The investment objective of the Fund is to optimize income at very low levels of risk, essentially retaining the risk free nature of Government securities but with the potential of making capital gains by trading government securities in the secondary market while offering the convenience of a unit trust.

The fund has not engaged in any operations during the current financial year. However, Capital Alliance Investments Limited as the Manager to the Capital Alliance Gilt Trading Fund ("Fund") has no intention of ceasing the said Fund and is actively canvassing for new clients for the Fund. Furthermore, the current interest rate environment is supportive for Government securities trading with the expectation of rates reducing further. Also, with the increase in credit risk due to uncertainty looming around on a global arena, many investors look to invest in risk free Government securities investments. Hence the fund manager believes that this fund has the capability of restarting their operations, as soon as new investors, looking to invest in government securities with specific requirements that can be adjusted and catered to by the fund, are found. Also, this fund would help optimize returns at very low levels of risk for clients whilst meeting unit holder's liquidity requirements. Currently, the Fund management company bears all operating expenses of the fund in order to support the continuity of the fund. Therefore, the Financial Statements have been prepared and presented on the going concern basis.



2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements have been prepared on the historical cost basis unless otherwise indicated. The financial statements are presented in Sri Lankan rupees. The statement of financial position is presented on a liquidity basis.

2.1.1 Statement of compliance

The financial statements which comprise the statement of financial position as at 31 March 2020, statement of profit or loss and other comprehensive income, statement of movement in Unit Holders' Funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information have been prepared and presented in accordance with Sri Lanka Accounting Standards and the requirements of the Unit Trust Deed and Unit Trust Code of the Securities and Exchange Commission of Sri Lanka.

2.1.2 Going Concern

These financial statements are prepared on the assumption that the Fund is a going concern i.e. as continuing in operation for the foreseeable future. It is therefore assumed that the Fund has neither the intention nor the necessity of liquidation.

Management of the fund has assessed the potential impact of COVID 19 on the fund's operations, and is confident that it will not impact the going concern ability of the fund.

2.2 Summary of Significant Accounting Policies

2.2.1 Financial instruments

2.2.1.1 Initial recognition

Financial assets and liabilities, are initially recognized on the trade date, i.e the date that the Fund becomes a party to the contractual provisions of the instrument. This includes purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

2.2.1.2 Initial measurement of financial instrument

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. 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.

2.2.1.3 Measurement categories of financial assets and liabilities

The Fund classifies all of its financial assets in the following measurement categories:

- those to be measured at amortised cost
- those to be measured at fair value through profit or loss

Financial liabilities of the Fund are measured at amortised cost, and includes all financial liabilities, other than those measured at fair value through profit or loss. The financial liabilities of the Fund include accrued expenses and other payables.



2.2.1.4 Subsequent measurement

Amortised cost: A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at amortised cost in the statement of financial position comprise of investments in treasury bill repurchase agreements. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in realised gain/(loss) on debt instruments held at amortised cost.

FVPL: A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding
Or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell
Or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminate or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within unrealised gains/(losses) in the period in which it arises. Financial assets at fair value through profit or loss at statement of financial position comprise of investment in treasury bills. As of 31 March 2020, the Fund has no such investments.

2.2.1.5 Recognition and initial measurement

The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management intention in acquiring them. Accordingly, Fund's financial Assets have been classified as financial assets at amortised cost and financial assets at fair value through profit or loss.

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2.2.1.6 Financial liabilities**a) Initial recognition and measurement**

The Fund determines the classification of its financial liabilities at initial recognition.

The Fund's financial liabilities comprise of accrued expenses and other payables in the Statement of Financial Position.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the profit or loss and other comprehensive income statement when the liabilities are derecognised as well as through the EIR amortisation process.



2.2.1.7 Impairment

The Fund assesses on a forward-looking basis, the expected credit losses (ECLs) associated with its debt instruments not held at fair value through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate.

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 a 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 Fund uses the ratings from either Fitch Rating 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 issued by Sovereign, the Fund applies the low risk simplification.

The Fund's debt instruments at amortized cost comprise solely of Treasury bill repurchase agreements that are obtained from primary dealers with a collateral of either treasury bills or bonds that are graded in the top investment category- AAA rating and, therefore, are considered to be low risk investments.

2.2.1.8 De-recognition

A financial asset is de-recognised when,

- 1) The rights to receive cash flows from the asset have expired.
- 2) The Fund 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 a third party under a 'pass-through' arrangement; and either,
 - The Fund has transferred substantially all the risks and rewards of the asset or
 - The Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

2.2.1.9 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if:

- there is a currently enforceable legal right to offset the recognised amounts and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously



2.2.2 Recognition of income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised.

Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

2.2.3 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and statement of cash flows comprise cash at bank.

2.2.4 Income tax

Current tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the taxation authorities. Until 31 March 2018 the Fund is liable to pay income tax at the rate of 10% in accordance with the Inland Revenue Act No 10 of 2006. Subsequent to the enactment of the new Inland Revenue Act No 24 of 2017, effective 01 April 2018, an Eligible Unit Trust would not be liable for income tax on any income which is a pass through to its unit holders. Accordingly, post 31 March 2018, the Fund has considered all income as being a pass through its unit holders.

2.2.5 Expenses

Effective from March 28, 2018, the Manager and the Trustee have waived off the management, trustee and custodian fees respectively.

2.2.6 Unit Holders' Funds and net assets attributable to Unit Holders

Unit holders' Funds has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unit holders as at the reporting date.

Units can be issued and redeemed based on the Fund's net asset value per unit, calculated by dividing the net assets of the Fund as described in the Trust Deed and directives issued by the Securities and Exchange Commission of Sri Lanka, by the number of units in issue. Income not distributed is included in net assets attributable to unit holders.

3. FINANCIAL RISK MANAGEMENT

Risks arising from holding financial instruments are inherent in the Fund's activities, and are managed through a process of ongoing identification, measurement and monitoring. The Fund is exposed to credit risk, market risk, and liquidity risk.

Financial instruments of the Fund comprise cash at bank.

The Manager is responsible for identifying and controlling the risk that arise from these financial instruments. The Manager agrees policies for managing each of the risks identified below.



The risks are measured using a method that reflects the expected impact on the statement of profit or loss and other comprehensive Income and Statement of Financial Position of the Fund from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below.

The manager also monitors information about the total fair value of financial instruments exposed to various risks, as well as compliance with established investment mandate limits. These mandate limits reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept, with additional emphasis on selected industries. This information is prepared and reported to relevant parties within the Manager on a regular basis as deemed appropriate, including the Fund manager, other key management, Risk and Investment Committees, and ultimately the Trustees of the Fund.

Concentration of risk arises when a number of financial instruments or contracts are entered in to with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions.

a. Credit risk

Credit risk is the risk that the counterparty to the financial statement will fail to discharge an obligation and cause the Fund to incur a financial loss.

The Fund is subject to credit risk on its bank balance and receivables. The credit risk exposure on these instruments is not deemed to be significant.

b. Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in raising Funds to meet its obligation to pay Unit Holders.

Due to the nature of a unit trust, it is unlikely that a significant number of Unit Holders would exit at the same time. However to control liquidity risk, the Fund invests in financial instruments which are readily convertible into cash under normal market conditions. In addition, the Fund invests within established limits to ensure there is no concentration of risk. The Manager ensures that a minimum liquidity level of 3% of the total NAV of the Fund is available in cash or near cash form at any given time as required by the Unit Trust Code, reducing the liquidity risk to its investors.

In addition, the Security and Exchange Commission and the Fund require additional no. of business days' notice to the Fund from large investors redeeming over 3% of the Fund and the Fund is also permitted to borrow up to 15% of the deposited property for redemption payouts. No such borrowings have arisen during the period.

Fund's investments are managed on short term basis and by investing in Government securities. Further, liquidity is managed by the fund managing company through bank facilities and investment in highly liquid short term instruments. Hence, no significant impact due to COVID 19.

The table below analyses the Fund's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.



31 March 2020	Less than 1 month Rs.	1-6 months Rs.	6-12 months Rs.	1-2 years Rs.	Total Rs.
Financial Assets	27,421	-	-	-	27,421
Financial Liabilities	-	-	-	-	-

31 March 2019	Less than 1 month Rs.	1-6 months Rs.	6-12 months Rs.	1-2 years Rs.	Total Rs.
Financial Assets	26,351	-	-	-	26,351
Financial Liabilities	-	-	-	-	-

c. 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 a liability. 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.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Management Company. Under the terms of the Unit Trust Code, the Management Company has the discretion to reject an application for units and to defer redemption of units if the exercise of such discretion is in the best interests of unitholders.

Management Company has the discretion to reject an application for units.

Following being the disclosures of Unit Holders' Funds;

The movement in the Unit Holder's Funds as at 31 March 2020

I. In terms of Value

	Rs.
Unit Holders' Funds as at 01 April 2019	25,244
Creations during the year	-
Redemptions during the year	(465)
Total Comprehensive Income for the Year	1,536
Unit Holders' Funds as at 31 March 2020	26,314

II. In terms of No. of units

Opening no. of units as at 01 April 2019	570
Unit creations during the year	-
Unit redemptions during the year	(10)
Closing no. of units as at 31 March 2020	560

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 Alliance Gilt Trading Fund
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

4. TAXATION

From 01 April 2018, no income tax is recognised in the financial statements as the fund has considered all income tax as being passed to its unitholders.

5. CASH AND CASH EQUIVALENTS

	2020	2019
	Rs.	Rs.
Cash at Bank	27,421	26,351
	<u>27,421</u>	<u>26,351</u>

6. INCOME TAX RECOVERABLE

	2020	2019
	Rs.	Rs.
Income Tax Receivable	191,856	191,856
Provision for doubtful income tax receivable	(191,856)	(191,856)
	<u>-</u>	<u>-</u>

7. ACCRUED EXPENSES

	2020	2019
	Rs.	Rs.
Fund management fee payable	1,107	1,107
	<u>1,107</u>	<u>1,107</u>

8. CONTINGENCIES

There are no material contingencies existing as at the reporting date that require adjustments to or disclosures in the Financial Statements.

9. EVENTS AFTER THE REPORTING DATE

Government has introduced various measures to combat the COVID-19 outbreak, including travel restrictions, quarantines, closure of business and other venues and lockdown of certain area. These measures have affected the supply chain as well as demand for goods and services. At the same time, fiscal and monetary policies are being relaxed to sustain the economy. These government responses and their corresponding effects are still evolving.

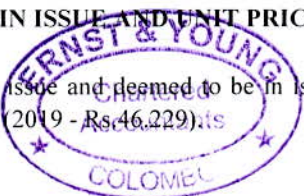
However, these events occurring after the reporting date does not require adjustments and/or additional disclosures in these Financial Statements.

10. CAPITAL COMMITMENTS

The Fund does not have significant capital commitments as at the reporting date.

11. UNITS IN ISSUE AND UNIT PRICE

Units in issue and deemed to be in issue as at 31 March 2020 is 560 (2019 - 570) and unit price as at this date is Rs. 48.9664 (2019 - Rs.46.229).



Capital Alliance Gilt Trading Fund

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2020

12. RELATED PARTY DISCLOSURE

12.1 Management Company and Trustee

The Management Company is Capital Alliance Investments Limited.
The Trustee is Deutsche Bank AG.

12.2 Key management personnel

Key management personnel includes persons who were directors of Capital Alliance Investments Limited at any time during the financial year.

i) Directors

Mr. W. A. T. Fernando

Ms. H. M. S. Perera

Mr. A D Pushparajah

(Resigned w.e.f. 06.02.2020)

Mr. K D Bernard

Mr. S M Paranavitana

ii) Other key management personnel

Other KMPs include persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year.

12.3 Key management personnel compensation

Key management personnel are paid by Capital Alliance Investments Limited. Payments made from the Fund to Capital Alliance Investments Limited do not include any amounts directly attributable to the compensation of key management personnel.

12.4 Other transactions with related parties

Apart from those details disclosed in note 12.5 and 12.6, key management personnel have not entered in to any other transactions involving the Fund during the financial year.

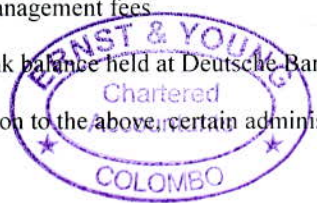
12.5 Related party unit holding and other transactions

Name of related Party	Relationship	As at 31 March 2019	
		No of Units Held	Value of Investment
Mr. A D Pushparajah	Director of Capital Alliance Investments Limited - Management Company	10.0	462

12.6 Other transactions with and amounts due to related parties

The fees were 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 as disclosed below:

	Payable as at	
	31 March 2020	31 March 2019
	Rs.	Rs.
Fund management fees	1,107	1,107
The Bank balance held at Deutsche Bank AG as at 31 March	27,421	26,351
In addition to the above, certain administrative expenses are borne by the management company.		



13. RECONCILIATION BETWEEN THE NET ASSET VALUE AS PER FINANCIAL STATEMENTS AND THE PUBLISHED NET ASSET VALUE

	2020 Rs.	2019 Rs.
Net Asset Value as per Financial Statements	26,314	25,244
Management Fee and Other Adjustments	1,107	1,107
Published Net Asset Value	<u>27,421</u>	<u>26,351</u>
Number of units outstanding	560.0	570.0
Published Net Asset Value per Unit	<u>48.9664</u>	<u>46.2290</u>

