

CEYBANK CENTURY GROWTH FUND

ANNUAL REPORT

31 MARCH 2022

Managed By





Investment Objective

- Provide a high level of capital growth in the medium to long term by primarily investing in equity securities quoted in the Colombo Stock Exchange.
- Reduce the volatility of asset values associated with the aggressive growth.



CONTENTS

Performance Highlights

Corporate Information

Report of the Manager

Independent Auditor's Report

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Unit Holders Funds

Statement of Cash Flows

Notes to the Financial Statements

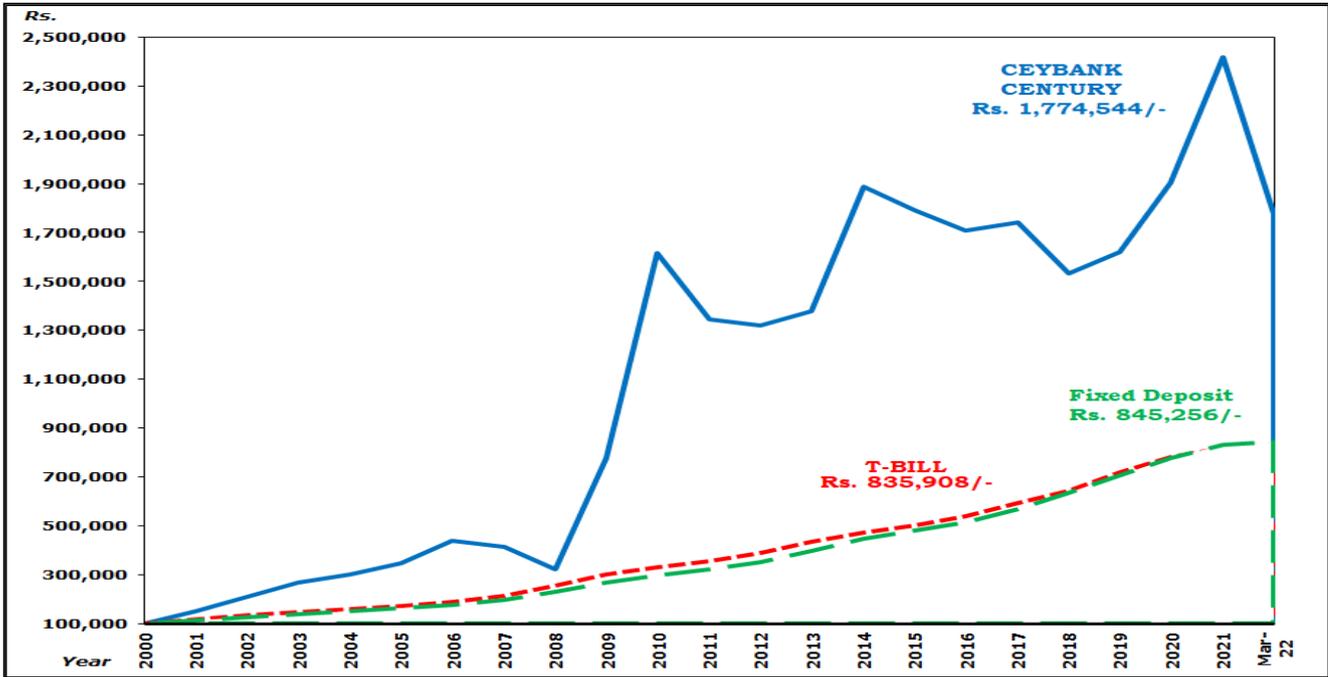
Management Team

Declaration by Trustee and Managing Company

“The SEC in granting approval does not extend to either endorsing or ratifying the accuracy of the specific details set out therein, and that the management company remains at all times responsible for the specific details set out in the Annual Report.”



The Growth in Value of Rs. 100,000/- invested in the Ceybank Century Growth Fund (adjusted for dividends) Vs Treasury Bills & Fixed Deposits (For the period 29-12-2000 to 31-03-2022)



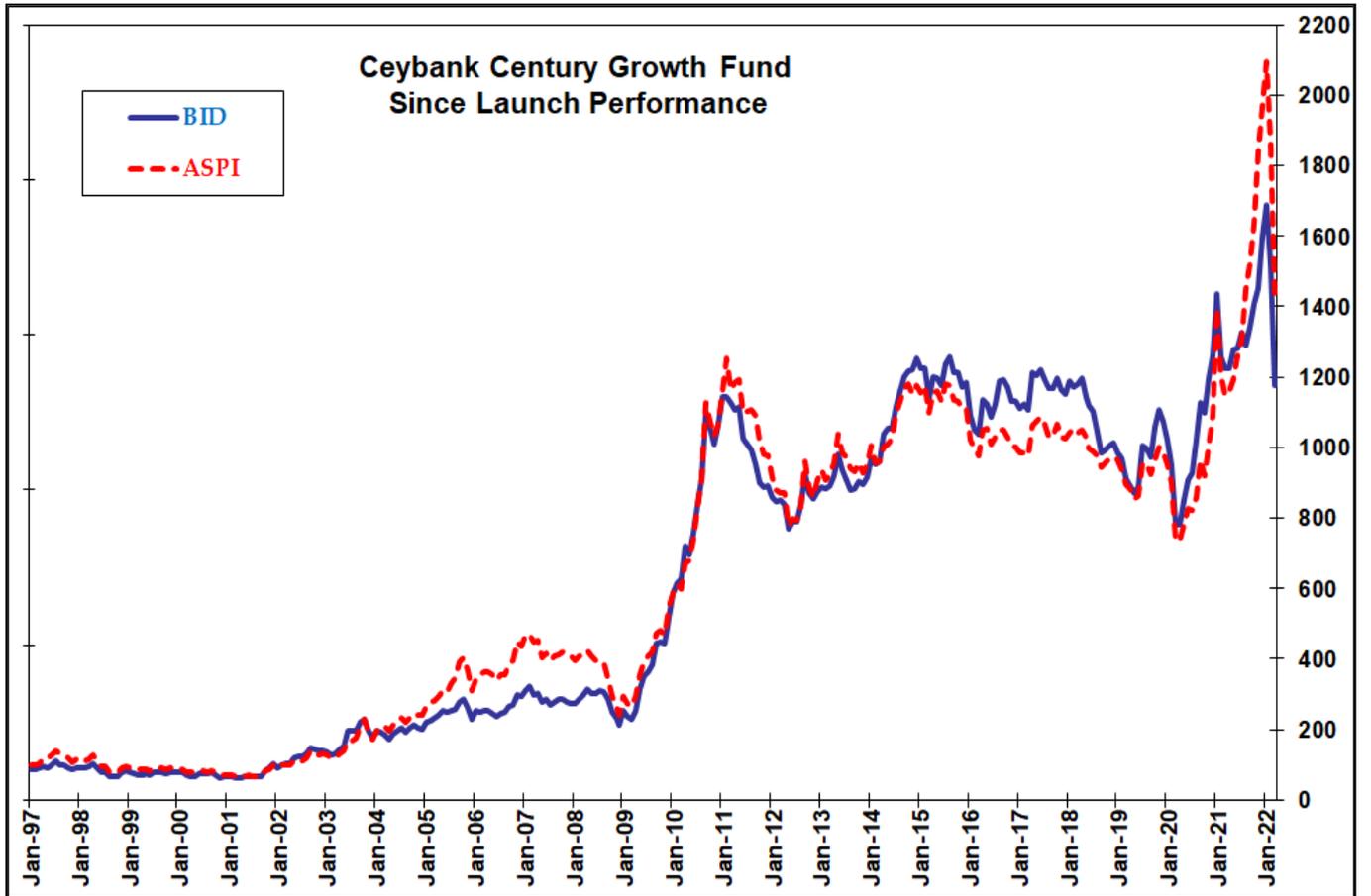
* Treasury Bill - 1 Year WAR
Fixed Deposit - AWFDR

Y/E Dec	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Mar-22
CUT Value (Rs'000)	100	152	210	267	302	347	441	415	322	778	1,615	1,345	1,320	1,380	1,889	1,790	1,709	1,740	1,531	1,622	1,905	2,416	1,775



CEYBANK CENTURY GROWTH FUND

Annual Report and Accounts 2021/2022



CEYBANK CENTURY GROWTH FUND

Annual Report & Accounts 2021/22

CORPORATE INFORMATION

(As at 31st March 2022)

TRUSTEE

National Savings Bank
Savings House, 255, Galle Road
Colombo 03

FUND MANAGERS & REGISTRAR

Ceybank Asset Management Ltd
Reg. No PV 3326
No 85, York Street, Colombo -1
Tel: 011- 760 2000-2, Fax: 011- 2327203
E.mail : info@ceybank.com
Web: www.ceybank.com

DIRECTORS OF THE MANAGEMENT COMPANY

Mr. G. Wickramage
Chairman
(Appointed w.e.f. 13th January 2022)

Mr. I. Ferdinands
CEO/Executive Director

Mr. G.A. Jayashantha
(Nominee - Bank of Ceylon)

Mr. R. M. N. Jeewantha
(Nominee - Bank of Ceylon)

Ms.V. Govindan
(Nominee - Unit Trust of India)

Mr. A.D. Perera
(Nominee - Sri Lanka Insurance)

Ms. W. Sriyani Kulasighe
(Nominee - Sri Lanka Insurance)
(Appointed w.e.f. 09th March 2022)

MEMBER OF THE INVESTMENT ADVISORY PANEL

Mr. S N P Palihena
Former General Manager
Bank of Ceylon

AUDITORS

SJMS Associates
Chartered Accountants

TAX CONSULTANTS

Ernst & Young
Chartered Accountants

BANKERS & CUSTODIAN

Bank of Ceylon

LAWYERS

F. J. & G. De Saram
Attorneys –at-Law

Nithya Partners
Attorneys –at-Law

CEYBANK CENTURY GROWTH FUND

Annual Report & Accounts 2021/2022

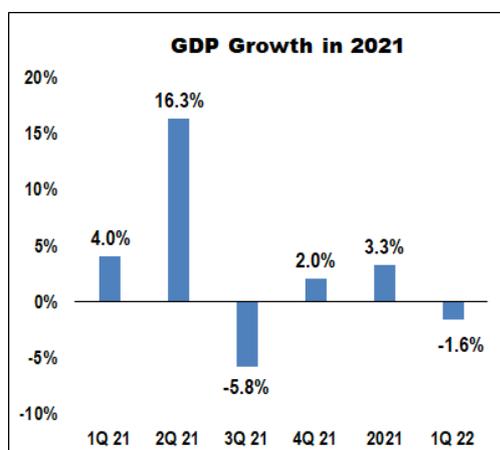
REPORT OF THE MANAGER

We have great pleasure in presenting the Annual Report and Audited Accounts of Ceybank Century Growth Fund for the year ended 31st March 2022.

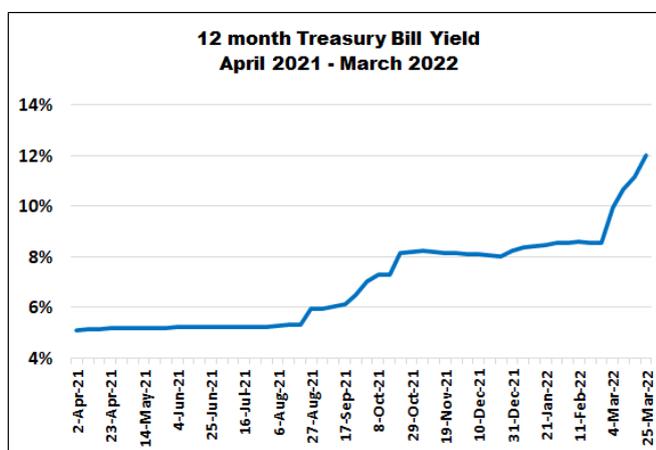
The Stock market which witnessed a bullish sentiment in 2021, reversed during the first quarter of 2022 owing to macro-economic challenges. The market indexes ended the year positively. Both ASPI and S&P SL20 indices appreciated by 25.03% and 6.35% respectively in FY2021/22. The ASPI closed at 8,903.87 and S&P SL20 at 3,031.16 as at 31st March 2022. During the period, the Net Asset Value per unit of your Fund marginally depreciated by 3.30%. The net asset value per unit amounted to Rs 68.83 as at 31st March 2022.

Economy

The Sri Lankan Economy recorded a growth of 3.3% in 2021 as opposed to a contraction of 3.5% in 2020 (base year=2010), in the wake of successful vaccination programme against the Covid 19 pandemic. Sector wise, Industry expanded by 5.6%, Services by 3.3% and Agriculture by 2.5% in 2021. However, the economy witnessed a setback in the first quarter of 2022 with the GDP shrinking by 1.6%. Annual Average Inflation measured by the CCPI (Base: 2013) which was at 3.9% in April 2021 showed an accelerated trend by ending higher at 9.1% as at 31st March 2022.



Source: Department of Census and Statistics



Source: Central Bank of Sri Lanka

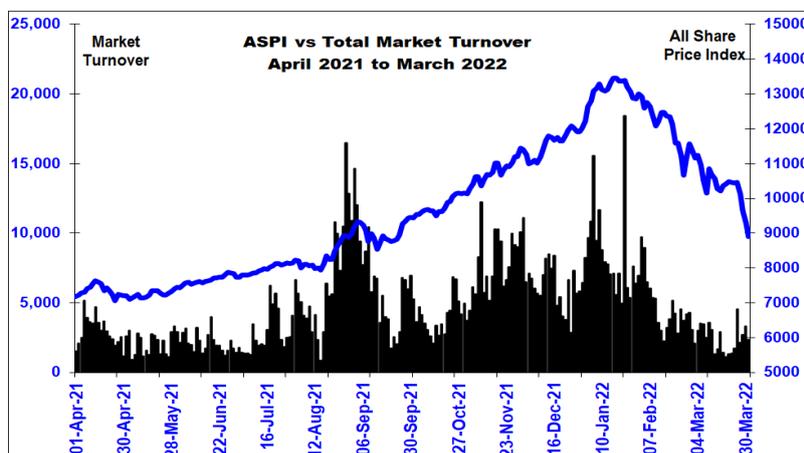
Interest rates surged up during the period. The benchmark 12month Treasury bill rate which was at 5.11% p.a. in Apr-21 increased throughout the year to close 689 basis points higher at 12% p.a. by the end of Mar-22. Yields on long term Treasury bonds also followed in tandem.

Overnight call money rates traded between 4.60% and 7.50% p.a. The exchange rate which was at 199.2153 (Rs/US\$) beginning Apr-21, depreciated continuously to close weaker. The exchange rate was at 299 (Rs/USD) as at 31st March 2022, depreciated by 50% against USD during the year.

Central Bank key policy rates were changed three times during the year in Aug 21, Jan and Mar 2022. Effectively the Standing Deposit Facility Rate (SDFR) was increased by 200bps (to 6.50%), Standing Lending Facility Rate (SLFR) was raised by 200bps (to 7.50%) while the Statutory Reserve Requirement (SRR) for Commercial Banks was increased by 200 bps (to 4%).

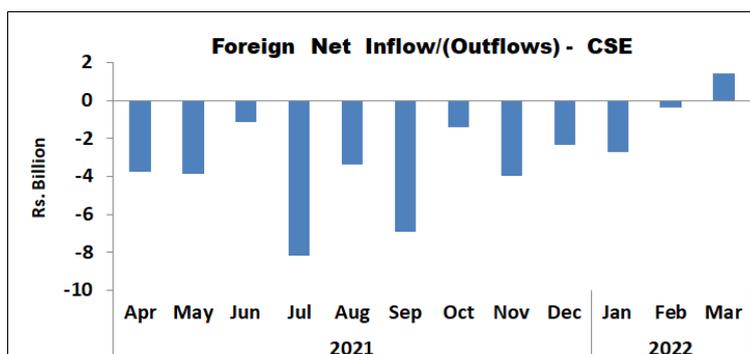
Capital Market Performance

Despite the macro-economic challenges, the bullish market on equity trading was witnessed during Apr21-Jan22 owing to excess liquidity in the market, low interest rates, strong corporate earnings, digitalization of CSE and attractive multiples of some index heavy counters. During the period, the CSE raised more than Rs.13Bn through IPOs and all issues were oversubscribed. The ASPI registered its all-time high level of 13,462.39 on 19th January 2022. However, the accelerated trend was reversed and bearish sentiment continued after Jan-22 in the wake of surge in market interest rates and exacerbated uncertainty in policy outlook of the economy.



Source: Colombo Stock Exchange

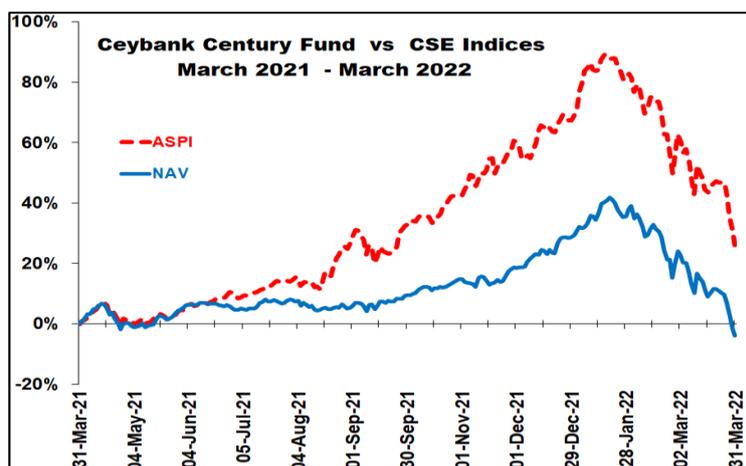
During the period, the foreign investors emerged as net sellers by recording Rs.36.60Bn in sales consequence to local and global challenges, downgrading of Sri Lanka by rating agencies and policy instability on macro fundamentals in the country.



Source: Colombo Stock Exchange

However, net foreign inflow of Rs.1.42Bn was accounted in March 2022 due to attractive valuations of some counters in CSE. The average daily turnover during the period was Rs 4,798.45 million.

Fund Performance



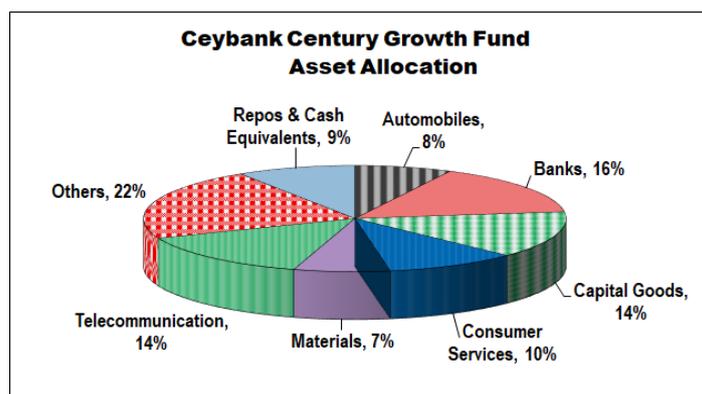
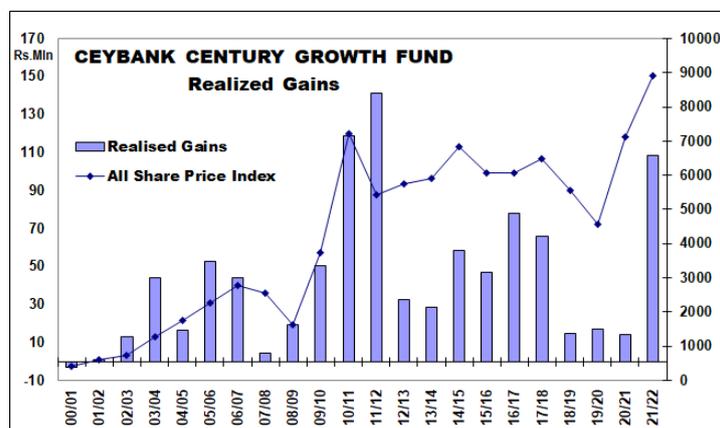
Source: Colombo Stock Exchange

During the period, the Net Asset Value per unit of your Fund marginally declined by 3.3% against ASPI and S&P SL20 gains of 25.03% and 6.35% respectively. The total net assets stood at Rs. 765.85 million as at 31st March 2022. During April– December 2021, the ASPI did not mirror the real situation of the Equity market as the trend movement was indistinct and unstable on the back of share price volatility of illiquid and speculative counters in CSE. After revising the index calculation methodology of ASPI in Jan-2022, the ASPI witnessed an accurate movement of the CSE. The new calculation methodology is based on the public float-adjusted market capitalization from the previous computation of full market capitalization-weighting.

Interest income of the Fund increased from Rs 6.44 million to Rs 12.34 million growing by 92% during the period. Dividend income improved by 29% to Rs 49.82 million from Rs 38.65 million in the previous year.

The bullish market provided some opportunities for trading during the year. The Fund realized capital gain of Rs 108.19 million against Rs 14.39 million gain accounted in the previous year from the sale of equity. The operating expenses increased from Rs 19.93 million to Rs 28.21 million during the period.

The Net Asset Value of the portfolio grew to Rs 765.85 million as at 31st March 2022 from Rs 1,020 million in March 2021.



Your Fund investments are diversified widely across fundamentally strong stocks, with a medium to long term outlook, in Telecommunication, Capital Goods, Banks, Consumer services, Automobiles and Materials sectors as depicted in the chart.

Future Outlook

Despite the setback due to the pandemic in 2020, the Sri Lankan economy regained and delivered gratifying results by recording a growth of 3.3% in 2021 owing to successful vaccination programme against the Covid 19 pandemic. However, the economy contracted by 1.6% in 1Q2022 due to local and

global challenges as a consequence of policy instability on macro fundamentals coupled with political chaos.

The supply chain disruptions, rising commodity prices on account of escalating crude oil prices, and geopolitical tensions as a consequence of Russia's invasion of Ukraine and increase in US Fed rate would trigger geopolitical realignment and have a ripple effect on the interruption of global recovery. Despite these global issues, Sri Lanka has many challenges to be addressed in order for the economy to rebound in 2022 and beyond, which includes accelerated inflation due to disruptions in power and supply chains, shortages of basic necessities, the volatile financial market, unfavorable balances in both trade and fiscal accounts, downgrading country's sovereign rating, looming debt repayments, contraction of foreign reserves, heavily depressed currency, heightened political crisis, social unrest, and faster implementation of several vital reforms like converting loss making SOEs to positive contributors.

Currently, inflation is at an accelerated trend chiefly as a result of supply side interruptions. We would expect inflation to rocket in the short term and then, slow down in medium term with the executing of corrective measures to address the disruptions in supply side. After floating the currency, a heavy depreciation of the Rupee against USD was witnessed in the market. The momentum could continue till the economy attracts more worker remittances and foreign dollar inflows with an aim to build up healthy foreign reserve position, which mostly address the supply side disturbance and would help to cushion the inflationary pressure in the economy.

The rising market interest rates are expected to stabilize at a moderate level without discouraging the credit growth in the economy as it is crucial to enhance the economic activities in the long term. This would ease off the pressure on hyper-inflation and heavy depreciation of rupee against dollars.

At present, Sri Lanka has already commenced the process of negotiation to obtain the assistance from IMF in an effort to address the macro-economic challenges which crucially includes the uninterrupted supply of essentials, reschedule the debt payments and boost the foreign reserves of the country. This would further encourage the positive sentiment on equity trading in CSE with more foreign inflows to the market on the back of attractive multiples of some trading counters.

The Managers will continue to monitor the changing environment to address any change required in the asset allocation in order to meet the Fund objective. We expect selected sectors and Companies in the Equity market to recover gradually in line with the regaining fundamentals in the economy from the effects of the disastrous situation prevailing in the country. We will continue to search for value in specific sectors and counters and make changes to the Fund portfolio based on the changing market environment.

Management

We would like to thank our valued unit holders for the confidence placed in us. We are confident of providing a consistent return to the unit holders who remain in the Fund in the medium to long term. We also place on record our appreciation for the support and co-operation received from the Securities and Exchange Commission of Sri Lanka, Colombo Stock Exchange, the Trustee National Savings Bank and Custodian Bank of Ceylon.

Our sincere appreciation is also due to the stakeholders, the Chairman and Board of Directors for their guidance. Our achievements would not have been possible without the skills and commitment of the Management Team. We thank them for their contribution and dedication throughout the year and look forward to their support in the future.

SGD

Kanchana Karannagoda

Fund Manager

28th June 2022

**CEYBANK CENTURY GROWTH FUND
FINANCIAL STATEMENTS TOGETHER
WITH AUDITOR'S REPORT
FOR THE YEAR ENDED
31 MARCH 2022**

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CEYBANK CENTURY GROWTH FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ceybank Century Growth Fund ("the Fund") which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in unitholders' 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 2022, 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 ethical requirements of the Code of Ethics issued by CA Sri Lanka (Code of Ethics), that are relevant to our audit of the financial statements, 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the manager's annual report, but does not include the financial statements and our auditor's report thereon.

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 identified above 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 Fund Management Company and the Trustee for the Financial Statements

The Manager and the Trustee 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 Manager and Trustee determine 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, Manager and Trustee 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 and trustee either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund'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 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 and trustee.
- Conclude on the appropriateness of Manager's and Trustee'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 Fund'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 Fund 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.

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.

Report on Other Legal and Regulatory Requirements

These financial statements also comply with the requirements of the Rule 27(3) of the Unit Trust Code of September 2011 issued by the Securities and Exchange Commission of Sri Lanka under the Act No. 36 of 1987 and the trust deed.


SJMS ASSOCIATES
Chartered Accountants
Colombo
04 July 2022



Statement of comprehensive income
For the year ended 31 March 2022
(all amounts in Sri Lanka Rupees thousands)

	Note	2021/2022	2020/2021
Investment income			
Dividends		49,821	38,657
Interest income	4	12,346	6,442
Net realized gain on financial assets held at fair value through profit or loss	5	108,194	14,397
Net change in unrealized (loss)/gain on financial assets held at fair value through profit or loss	8	(114,760)	327,935
Miscellaneous receipts		-	28
Total investment income		55,601	387,459
Expenses			
Management fee		(19,171)	(14,132)
Trustee and custodian fee		(3,892)	(2,869)
Transaction cost		(4,491)	(2,398)
Audit fee		(235)	(244)
Other expenses		(425)	(291)
Total expenses		(28,214)	(19,935)
Net profit before tax		27,387	367,524
Income tax expense		-	-
Profit after tax		27,387	367,524
Other comprehensive income		-	-
Total comprehensive income		27,387	367,524
Increase in net assets attributable to unitholders		27,387	367,524

The accounting policies and notes from 1 to 15 form an integral part of these financial statements.



Statement of financial position

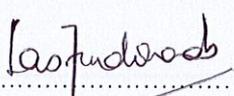
As at 31 March 2022

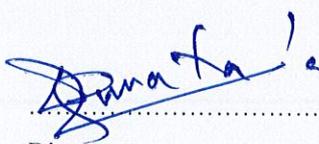
(all amounts in Sri Lanka Rupees thousands)

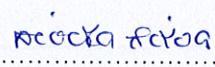
	Note	31.03.2022 Rs.	31.03.2021 Rs.
Assets			
Cash and cash equivalents	6	1,751	2,116
Other receivables	7	10,356	9,354
Financial assets held at fair value through profit or loss	8	730,411	884,026
Financial assets measured at amortised cost	9	27,724	129,550
Income tax receivable	10	-	-
Total assets		770,242	1,025,045
Unitholders' funds and liabilities			
Liabilities			
Payables	11	4,387	4,720
Total liabilities (excluding net assets attributable to unitholders)		4,387	4,720
Unitholders' funds			
Net assets attributable to unitholders	12	765,855	1,020,325
Total unitholders' funds and liabilities		770,242	1,025,045

The fund management company and trustee are responsible for the preparation and presentation of these financial statements in accordance with the Sri Lanka Accounting Standards.

The financial statements comply with the requirements of the trust deed and were approved by the fund management company on 28 June 2022 and the trustee on 30 June 2022.


 Director
 Ceybank Asset Management Ltd.
 Fund Management Company


 Director
 Ceybank Asset Management Ltd.
 Fund Management Company


 National Savings Bank - Trustee

The accounting policies and notes from 1 to 15 form an integral part of these financial statements.



Statement of changes in unitholders' funds

For the year ended 31 March 2022

(all amounts in Sri Lanka Rupees thousands)

	2021/2022 Rs.	2020/2021 Rs.
Unitholders' funds at the beginning of year	1,020,325	585,778
Increase in net assets attributable to unitholders	27,387	367,524
Received on unit creations	648,104	797,285
Payments on unit redemptions	(929,961)	(730,262)
Distributions to unitholders	-	-
Unitholders' funds at the end of the year	<u>765,855</u>	<u>1,020,325</u>

The accounting policies and notes from 1 to 15 form an integral part of these financial statements.



Statement of cash flows

For the year ended 31 March 2022

(all amounts in Sri Lanka Rupees thousands)

	Note	2021/2022 Rs.	2020/2021 Rs.
<i>Cash flows from operating activities</i>			
Dividends received		47,218	32,514
Interest received	4	12,412	6,538
Operating expenses paid		(28,548)	(20,235)
Investment in equity shares		(164,968)	(115,191)
Proceeds from sale of equity shares	5	336,897	100,056
Net investments in repurchase agreements	9	91,360	(106,060)
Net investments in bank deposits	9	10,000	36,135
Net investment in treasury bills	8	(24,479)	-
Miscellaneous receipts		-	28
Cash received on share application paid in previous year	7	1,600	(1,600)
<i>Net cash inflows / (outflows) from operating activities</i>		<u>281,492</u>	<u>(67,813)</u>
<i>Cash flows from financing activities</i>			
Proceeds from issue of units	12	648,104	797,285
Payments on redemption of units	12	(929,961)	(730,262)
<i>Net cash (outflows) / inflows from financing activities</i>		<u>(281,856)</u>	<u>67,024</u>
<i>Net decrease in cash and cash equivalents</i>		<u>(364)</u>	<u>(790)</u>
Cash and cash equivalents at the beginning of the year		2,116	2,906
Net decrease in cash and cash equivalents		(364)	(790)
<i>Cash and cash equivalents at the end of the year</i>	6	<u>1,751</u>	<u>2,116</u>

The accounting policies and notes from 1 to 15 form an integral part of these financial statements.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

1. General information

Ceybank Century Growth Fund was launched in December 1996, by Ceybank Asset Management Ltd with the objective of providing capital growth in terms of appreciation of unit price in the medium to long term by primarily investing in equity securities quoted on the Colombo Stock Exchange. The Fund would strive to minimise the high risk associated with investing in equity by diversifying across different economic sectors and individual securities. The registered office of the Management Company is located at 85, York Street, Colombo 01.

The Trustee of the fund is National Savings Bank, at 255, Galle Road, Colombo 03.

1.1 Date of authorization for issue

The financial statements of the fund for the year ended 31 March 2022 were authorized for issue by the fund management company on 28 June 2022 and the trustee on 30 June 2022.

2. Preparation of financial statements**2.1 Statement of compliance**

The financial statements of the fund, as at 31 March 2022 and for the year then ended, have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRS and LKAS), laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Unit Trust Code of the Securities and Exchange Commission of Sri Lanka.

These financial statements include the following components:

- Statement Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Unitholders' Funds
- Statement of Cash Flows
- Notes to the financial statements comprising accounting policies and other explanatory information

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the financial assets at fair value through profit or loss. Historical cost is generally the fair value of the consideration given in exchange of assets. The financial statements are presented in Sri Lankan rupees (LKR).

The statement of financial position is presented on a liquidity basis and assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with SLFRSs requires management to make judgments, estimates and assumptions that influence the application of Accounting Policies and the reported amounts of assets, liabilities, income and expenses. In the selection and application of the company's accounting policies, which are described below, the directors are required to make judgments and assumptions and use assumptions in measuring items reported in the financial statements. These estimates are based on management's knowledge of current facts and circumstances, and assumptions based on such knowledge and expectations of future events. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized during the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods as well, if the revision affects both current and future periods.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupees thousands unless otherwise stated)

**2.3 Significant accounting judgments, estimates and assumptions - (Contd..)**

Management considers credit, liquidity and market risk and assesses the impact on valuation of investments when determining the fair value.

Management uses its judgment in determining the appropriate valuation technique for financial instruments that are not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. Other financial instruments are valued using a discounted cash flow analysis based on the assumptions supported, where possible, by observable market prices or rates.

Determination of fair value and fair value hierarchy

The fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Techniques which use inputs other than quoted prices included within level 1, that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 : Techniques which use inputs that are not based on observable market data.

2.4 Summary of significant accounting policies

Accounting policies set out below have been applied consistently to all periods presented in these statements.

2.4.1 Financial instruments**(i) Recognition and initial measurement**

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

A financial asset is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVTOCI or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The fund's financial assets classified under amortised cost include Treasury bill under repurchase agreement and fixed deposits.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost in or at fair value through other comprehensive income. However, the Fund has made an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupees thousands unless otherwise stated)

(iii) Subsequent measurement and gains and losses

<i>Financial assets at amortised cost</i>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
<i>Debt investments at FVTOCI</i>	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, and impairment are recognised in profit or loss. The changes in fair value of FVOCI debt instruments are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
<i>Debt investments at FVTPL</i>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

(iv) Impairment

The fund recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The fund measures loss allowances at an amount equal to lifetime ECL, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months period after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the fund is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data: –

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- It is probable that the borrower will enter bankruptcy or other financial reorganization.

As of the date of the statement of financial position the fund has not observed any of the above thus no impairment provision has been recognized in the financial statements.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

(v) De-recognition

A financial asset is de-recognized 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.

(vi) Financial liabilities**a) Initial recognition and measurement**

The Fund determines the classification of its financial liabilities at initial recognition. 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 Fund's financial liabilities comprise of accrued expenses and other payables in the Statement of Financial Position.

Payables are initially recognized at fair value, which is the fair value of the consideration to be paid in the future for goods and service received, whether or not billed to the Trust, and subsequently at amortized cost.

2.4.2 Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in values.

2.4.3 Provisions

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

2.4.4 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the fund and the revenue can be reliably measured.

Dividend income

Income is recognized when the right to receive the dividend is established, normally being the ex-dividend date.

Interest income

For all financial instruments measured at amortized 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.

Realised gains / (losses) on financial assets held at fair value through profit or loss

Realised gains / (losses) on financial assets held at fair value through profit or loss includes results of buying and selling of quoted equity securities.

Unrealised gains / (losses) on financial assets held at fair value through profit or loss

Unrealised gains / (losses) on financial assets held at fair value through profit or loss includes all gains and losses arise from changes in fair value of financial assets held at fair value through profit or loss as at the reporting date.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

2.4.5 Expenditure recognition

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

The management participation fee of the fund is as follows:

Management Fee - '1.65% p.a. of Net Asset Value of the Fund

Trustee Fee - '0.25% p.a. of Net Asset Value of the Fund

Custodian Fee - '0.085% p.a. of Net Asset Value of the Fund

2.4.6 Income tax

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of Inland Revenue Act.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. The fund was liable to pay income tax at the rate of 10% in accordance with the Inland Revenue Act No.10 of 2006 for the period up to 31 March 2018, Unit Trusts that conduct eligible investment business are treated as pass through vehicles and tax will be payable by unitholders in accordance with the new Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021. Hence the taxation has not been recognised for the current year and previous year.

2.4.7 Unitholders' funds and net assets attributable to unitholders

Unitholders' 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 unitholders, 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 calculated in accordance with the valuation guidelines issued by the Unit trust Association of Sri Lanka and directives issued by the Securities and Exchange Commission of Sri Lanka, by the number of units in issue.

Dividend to unitholders is declared according to Explanatory Memorandum. Distribution to unitholders is recognized in the statement of changes in unitholders' funds. Income not distributed is included in net assets attributable to unitholders.

3. Financial instruments and risk management**3.1 Financial risk management objectives, policies and processes**

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 investments in repurchase agreements, fixed deposits and trading securities for the purpose of generating a return on the investment made by unitholders, in addition to cash at bank, and other financial instruments such as other receivables and other payables, which arise directly from its operations.

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.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

3.1 Financial risk management objectives, policies and processes (Contd.)

The manager also monitors information about the total fair value of financial instruments exposed to risk, 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.

3.1.1 Market risk

Market risk represents the risk that the value of the Fund's investments portfolios will fluctuate as a result of changes in market prices.

This risk is managed by ensuring that all investment activities are undertaken in accordance with established mandate limits and investments strategies. As such, unitholders can manage this risk through their choices of which investment portfolios to participate in.

The Fund uses a range of different Fund managers for investment assets. Where a unitholder is invested in more than one investment portfolio, this reduces the impact of a particular manager underperforming. Within the underlying investment portfolio, diversification is achieved at a number of levels. The diversified portfolios are invested across a range of investment sectors. Within each sector of the diversified portfolios, the Fund managers invest in a variety of securities.

3.1.2 Price risk

Price risk is the risk that the fair value of the fund's investment in trading securities will fluctuate as a result of changes in the price of the fund's investments in trading securities. Price risk exposure arises from the fund's investment portfolios.

The table below shows the impact on the statement of comprehensive income and statement of financial position due to a reasonably possible change in the price of the fund's investment in trading securities in note 8, with all other variables held constant:

	31-Mar-22		31-Mar-21	
	Increases/ (decreases) on profit before tax	Increases/ (decreases) on amounts attributable to unitholders	Increases/ (decreases) on profit before tax	Increases/ (decreases) on amounts attributable to unitholders
Change in price of the Fund's investment in trading securities existing as of reporting date				
+ 10%	73,041	73,041	88,403	88,403
- 10%	(73,041)	(73,041)	(88,403)	(88,403)



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

3.1.3 Interest rate risk

Interest rate risk is the risk that the value of a financial instruments will fluctuate as a result of changes in market interest rates.

The Fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. This risk is measured using sensitivity analysis. However, due to the short term nature of the instruments of repurchase agreements, treasury bills and trust certificates it is reasonably expected that the fluctuation in interest rate will not materially impact the net assets value of the Fund. The table appended below summarises the Fund's exposure to interest rate risks.

As at 31.03.2022	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
Financial assets				
Cash and cash equivalents	-	-	1,751	1,751
Financial assets measured at amortised cost	-	27,724	-	27,724
Financial assets held at fair value through profit or loss	-	24,837	705,574	730,411
Other receivables	-	-	10,356	10,356
Total exposure	-	52,561	717,681	770,242
As at 31.03.2021				
	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
Financial assets				
Cash and cash equivalents	-	-	2,116	2,116
Financial assets measured at amortised cost	-	129,550	-	129,550
Financial assets held at fair value through profit or loss	-	-	884,026	884,026
Other receivables	-	-	9,354	9,354
Total exposure	-	129,550	895,495	1,025,045

3.1.4 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's exposure to credit risk from its financial assets arises from default of the counterparty, with the current exposure equal to the fair value of these instruments as detailed below. It is the Fund's policy to enter into financial instruments with reputable counterparties. The details are as follows:



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

3.1.4 Credit risk (Contd.)

(i) Debt securities

The fund invests in debt securities which have an investment grade categorization as rated by Fitch. An analysis of debt by rating is set out in the table below.

	31.03.2022	31.03.2021
Repurchase agreements		
Rating		
Risk free	27,724	119,073
Bank deposits		
Rating	Company	Rating Agency
A+	Singer Finance PLC	ICRA
Total	27,724	129,550

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counter-parties have a rating of AAA as determined by the ICRA Lanka.

In accordance with the fund's policy, the investment manager monitors the fund's credit position on a daily basis.

3.1.5 Liquidity risk

Liquidity risk is the risk that the fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The fund is exposed to daily cash redemptions of redeemable units. It therefore, primarily holds investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange.

Units are redeemed on demand at the unitholder's option. However, the Board of Directors do not envisage that the contractual maturity disclosed in the table below will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The table below analyses the fund's non-derivative financial 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.

	Less than 1 month	1-6 months	6-12 months	Total
31 March 2022				
Payables	1,436	235	2,716	4,387
Contractual cash flows(excluding gross settled derivatives)	1,436	235	2,716	4,387
31 March 2021				
Payables	1,762	244	2,714	4,720
Contractual cash flows(excluding gross settled derivatives)	1,762	244	2,714	4,720



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

3.1.6 Capital risk management

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

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.

Following being the disclosures of unitholders' Funds;

The movement in the unitholders' Funds as at 31 March 2022

i In terms of Value

Unitholders' Funds as at 01 April 2021	1,020,325
Increase in net assets attributable to unitholders	27,387
Received on unit creations	648,104
Distributions to unitholders	-
Payments on unit redemptions	(929,961)
Unitholders funds at the end of the year	765,855

ii In terms of No of units

Opening no of units as at 01 April 2021	14,333,830
Closing no of units as at 31 March 2022	11,126,581

3.2 Fair value estimation

The carrying amounts of the fund's assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value including any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are added to the value of the asset or liability. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognized in profit or loss.

(i) Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The fund values its investments in accordance with the accounting policies set out in note 2.4.1. For the majority of its investments, the fund relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

(ii) Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the fund for similar financial instruments.

3.2.1 Fair value hierarchy*(i) Classification of financial assets and financial liabilities*

The fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the management Company. The management company considers observable data to be the market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

3.2.1 Fair value hierarchy (Contd.)

The tables below set out the fund's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 31 March 2022.

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets held for trading:				
- Equity shares	705,574	-	-	705,574
Treasury bills	-	24,837	-	24,837
Total	705,574	24,837	-	730,411
As at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets held for trading:				
- Equity shares	884,026	-	-	884,026
Total	884,026	-	-	884,026

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, certain listed unit trusts, exchange traded derivatives.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include; investment-grade corporate bonds and certain unlisted unit trusts, and over-the-counter derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include corporate debt securities and certain unlisted unit trusts. As observable prices are not available for these securities, the management company has used valuation techniques to derive fair value.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

	2022	2021
4. Interest income		
Interest on repurchase agreements	7,187	3,235
Interest on fixed deposits	3,718	3,207
Interest on treasury bills	1,441	-
	12,346	6,442
5. Net realized gain on financial assets held at fair value through profit or loss		
Net gains recognised in relation to financial assets held at fair value through profit or loss:		
Proceeds on sale of investments	336,897	100,056
Average cost of investments sold	(228,703)	(85,659)
	108,194	14,397
	31.03.2022	31.03.2021
6. Cash and cash equivalents		
Cash at bank		
Bank of Ceylon	1,751	2,116
	1,751	2,116
6.1	Bank of Ceylon is the custodian of Ceybank Century Growth Fund.	
	31.03.2022	31.03.2021
7. Other receivables		
Dividend receivables	10,356	7,754
Share application receivables	-	1,600
	10,356	9,354



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

8. Financial assets held at fair value through profit or loss

	31.03.2022	31.03.2021
Held for trading		
Investment in equity shares (note 8 (a))	705,574	884,026
Treasury Bills (note 8 (b))	24,837	-
	730,411	884,026

a) Investment in equity shares as at 31 March 2022

Company	No. of shares	Market value	Percentage of total net assets
Automobiles & Components			
Kelani Tyres PLC	1,011,585	58,571	7.65%
	1,011,585	58,571	7.65%
Banks			
Commercial Bank Of Ceylon PLC - Non Voting	217,645	13,255	1.73%
Nations Trust Bank PLC	39,552	1,784	0.23%
Pan Asia Banking Corporation PLC	5,605	61	0.01%
Commercial Bank Of Ceylon PLC - Voting	196,908	12,346	1.61%
Sampath Bank PLC	1,168,215	53,504	6.99%
Hatton National Bank Plc -Voting	110,289	12,049	1.57%
Hatton National Bank PLC - Non Voting	274,176	28,788	3.76%
	2,012,390	121,787	15.90%
Capital Goods			
Royal Ceramics Lanka PLC	288,214	11,730	1.53%
John Keells Holdings PLC	301,001	43,645	5.70%
Lanka Walltiles PLC	501,539	34,957	4.56%
Softlogic Holdings PLC	23,200	872	0.11%
Access Engineering PLC	1,376,094	20,641	2.70%
	2,490,048	111,846	14.60%
Commercial & Professional Services			
Exterminators Limited	157,878	821	0.11%
	157,878	821	0.11%
Consumer Durables & Apparel			
Teejay Lanka PLC	216,245	8,607	1.12%
Hela Apparel Holdings Limited	1,472,600	18,997	2.48%
	1,688,845	27,603	3.60%
Consumer Services			
Trans Asia Hotels PLC	569,596	27,455	3.58%
Hayleys Leisure PLC	316,448	5,126	0.67%
Asian Hotels & Properties PLC	1,260,052	46,622	6.09%
	2,146,096	79,203	10.34%
Diversified Financials			
Peoples Leasing & Finance PLC	764,596	6,193	0.81%
	764,596	6,193	0.81%



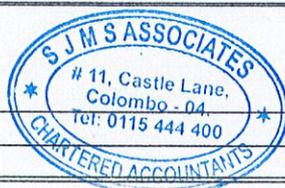
Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

a) Investment in equity shares as at 31 March 2022 - (Contd.)

Company	No. of shares	Market value	Percentage of total net assets
Energy			
Lanka IOC PLC	831,264	25,603	3.34%
	831,264	25,603	3.34%
Food Beverage & Tobacco			
Kelani Valley Plantations PLC	25,591	1,492	0.19%
Sunshine Holdings PLC	124,145	4,544	0.59%
Ceylon Grain Elevators PLC	156,250	9,531	1.24%
Lucky Lanka Milk Processing Company PLC	200,000	160	0.02%
Melstacorp PLC	210,000	8,631	1.13%
	715,986	24,358	3.18%
Health Care Equipment & Services			
The Lanka Hospitals Corporation PLC	524,721	26,341	3.44%
	524,721	26,341	3.44%
Insurance			
HNB Assurance PLC	252,000	10,912	1.42%
LOLC General Insurance Limited	713,800	5,068	0.66%
	965,800	15,980	2.09%
Materials			
Dipped Products Limited	360,000	11,700	1.53%
Chevron Lubricants Lanka PLC	53,191	4,633	0.60%
Tokyo Cement Company (Lanka) PLC - Non Voting	510,695	13,431	1.75%
Jat Holdings Limited	500,000	7,950	1.04%
Ex-Pack Corrugated Cartons Limited	2,000,000	19,800	2.59%
	3,423,886	57,514	7.51%
Real Estate			
C T Land Development PLC	188,354	4,860	0.63%
Seylan Developments PLC	388,303	5,863	0.77%
Colombo Land & Development Company PLC	363,318	9,047	1.18%
Millennium Housing Developers PLC	95,440	391	0.05%
Prime Lands Residencies Limited	250,000	1,725	0.23%
	1,285,415	21,886	2.86%
Retailing			
Kapruka Holdings Limited	958,400	6,709	0.88%
	958,400	6,709	0.88%
Software & Services			
Hsenid Business Solutions Limited	319,200	5,746	0.75%
	319,200	5,746	0.75%
Telecommunication Services			
Sri Lanka Telecom	1,620,369	56,551	7.38%
Dialog Axiata	4,782,054	47,821	6.24%
	6,402,423	104,371	13.63%
Transportation			
Chrissworld Limited	362,896	4,391	0.57%
	362,896	4,391	0.57%
Utilities			
Lvl Energy Fund PLC	595,415	5,061	0.66%
Windforce Limited	100,000	1,590	0.21%
	695,415	6,651	0.87%
		705,574	92.13%



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

a) Investment in equity shares as at 31 March 2021

Company	No. of shares	Market value	Percentage of total net assets
Banks			
Commercial Bank of Ceylon PLC	189,696	16,219	1.59%
Commercial Bank of Ceylon PLC - Non Voting	209,242	16,446	1.61%
Hatton National Bank PLC	108,337	13,650	1.34%
Hatton National Bank PLC - Non Voting	268,884	26,136	2.56%
Nations Trust Bank PLC	37,230	2,059	0.20%
Pan Asia Banking Corporation	230,605	3,228	0.32%
Sampath Bank PLC	1,168,215	62,850	6.16%
	2,212,209	140,589	13.78%
Diversified Financials			
Peoples Leasing and Finance PLC	690,620	8,149	0.80%
	690,620	8,149	0.80%
Food Beverages and Tobacco			
Ceylon Grain Elevators PLC	156,250	18,438	1.81%
Kelani Valley Plantations PLC	966,600	36,248	3.55%
Sunshine Holdings PLC	79,212	2,099	0.21%
Lucky Lanka Milk Processing Company PLC	200,000	160	0.02%
	1,402,062	56,944	5.58%
Insurance			
HNB Assurance PLC	297,000	17,612	1.73%
	297,000	17,612	1.73%
Capital Goods			
John Keells Holdings PLC	346,001	51,381	5.04%
Softlogic Holdings PLC	23,200	274	0.03%
Lanka Walltiles PLC	224,983	42,409	4.16%
Access Engineering PLC	2,560,753	56,593	5.55%
	3,154,937	150,657	14.77%
Consumer Durables & Apparel			
Teejay Lanka PLC	141,245	5,650	0.55%
	141,245	5,650	0.55%
Health Care			
The Lanka Hospitals Corporation	857,616	37,306	3.66%
	857,616	37,306	3.66%
Energy			
Lanka IOC PLC	1,767,951	33,591	3.29%
	1,767,951	33,591	3.29%



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

a) Investment in equity shares as at 31 March 2021 - (Contd.)

Company	No. of shares	Market value	Percentage of total net assets
Consumer Services			
Asian Hotels & Properties PLC	1,260,052	47,126	4.62%
Aitken Spence Hotel Holdings PLC	1,078,973	32,585	3.19%
Amaya Leisure PLC	316,448	5,633	0.55%
Trans Asia Hotel PLC	569,596	31,840	3.12%
	3,225,069	117,184	11.48%
Real Estate			
Colombo Land & Development Company PLC	580,218	13,925	1.36%
Seylan Development PLC	388,303	5,941	0.58%
C T Land Development PLC	188,354	5,086	0.50%
Millennium Housing Developers PLC	95,440	563	0.06%
	1,252,315	25,515	2.50%
Automobiles and Components			
Kelani Tyres PLC	1,307,516	101,986	10.00%
	1,307,516	101,986	10.00%
Materials			
Tokyo Cement Company(Lanka) PLC - Non Votings	1,120,695	67,914	6.66%
	1,120,695	67,914	6.66%
Utilities			
LVL Energy Fund PLC	595,415	5,776	0.57%
	595,415	5,776	0.57%
Telecommunication Services			
Dialog Axiata PLC	4,782,054	62,167	6.09%
Sri Lanka Telecom PLC	1,620,369	52,986	5.19%
	6,402,423	115,153	11.29%
		884,026	86.64%

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss are included in note 3.

b) Investment in Treasury Bills

	Yield	Investment date	Maturity date	Cost	Market value
NSB Fund Management	10.86%	21-Jan-22	22-Apr-22	24,479	24,837
					24,837

c) Net change in unrealised loss/(gain) on financial assets held at fair value through profit or loss.

	31.03.2022	31.03.2021
Cost of investment in equity shares	816,202	878,424
Market value of investment in equity shares	705,574	884,026
Gain/(loss)	110,629	5,601
Net change in unrealised loss/(gain) - B/F	4,088	(322,333)
Net change in unrealised loss on investment in treasury bills	43	-
Net change in unrealised loss/ (gain) on investment in equity shares	114,760	(327,935)



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

	31.03.2022	31.03.2021
9. Financial assets measured at amortised cost		
Repurchase agreements (Note 9 (a))	27,724	119,073
Fixed deposits (Note 9 (b))	-	10,477
	27,724	129,550

Carrying value of the investments at the year end are approximate to fair value of the investments.

a) Investment in repurchase agreements

As at 31.03.2022

	Yield	Investment date	Maturity date	Cost	Carrying value
Bank of Ceylon	6.50%	31-Mar-22	04-Apr-22	2,200	2,200
NSB Fund Management	8.25%	28-Mar-22	04-Apr-22	25,500	25,523
				27,700	27,724

As at 31.03.2021

	Yield	Investment date	Maturity date	Cost	Carrying value
Bank of Ceylon	3.80%	31-Mar-21	01-Apr-21	56,000	56,006
Wealth Trust Securities Ltd	4.55%	31-Mar-21	01-Apr-21	63,060	63,067
				119,060	119,073

b) Investment in fixed deposits

As at 31.03.2021

	Yield	Investment date	Maturity date	Cost	Carrying value
Singer Finance PLC	8.53%	09-Sep-20	09-Sep-21	10,000	10,477
				10,000	10,477



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

	31.03.2022	31.03.2021
10. Income tax receivable		
Tax receivable	9,013	9,013
Provision for income tax receivable	(9,013)	(9,013)
	<u>-</u>	<u>-</u>

	31.03.2022	31.03.2021
11. Payables		
Audit fee payable	235	244
Other payables to management company	4,152	4,476
	<u>4,387</u>	<u>4,720</u>

12. Net assets attributable to unitholders

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

	31.03.2022		31.03.2021	
	Units	LKR	Units	LKR
Opening capital balance	14,333,830	1,020,325	13,102,406	585,778
Applications	8,183,498	648,104	11,055,919	797,285
Redemptions	(11,390,746)	(929,961)	(9,824,495)	(730,262)
Distributions to unitholders		-	-	-
Increase in net assets attributable to unitholders		27,387	-	367,524
Closing balance	11,126,582	765,855	14,333,830	1,020,325

	31.03.2022	31.03.2021
Net assets attributable to unitholders	765,855	1,020,325
	<u>765,855</u>	<u>1,020,325</u>

Distributions to unitholders

Distributions during the year,

	2021/2022		2020/2021	
	No of Units	Rs '000	No of Units	Rs '000
Distributions	-	-	-	-

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

The creation price was at LKR 71.42 per unit (31 March 2021 - LKR 74.31) and the redemption price was at LKR 68.31 per unit (31 March 2021 - LKR 71.14) as at 31 March 2022.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

12.1 Reconciliation between the net asset value as per financial statements and the published net asset value.

	31.03.2022	31.03.2021
Published net asset value	765,855	1,026,994
Audit fee adjustment for the year	-	(244)
Error correction in dividend income	-	(6,425)
Net asset value as per financial statements	765,855	1,020,325

13. Related party transactions

The following have been identified as related parties to Ceybank Century Growth Fund in accordance with LKAS 24 for the reasons stated below.

a) Management entity

The management entity of Ceybank Century Growth Fund is Ceybank Asset Management Limited.

b) Key management personnel**i) Directors**

Key management personnel includes persons who are directors of Ceybank Asset Management Limited at any time during the financial year.

- Mr. G. Wickramage (Chairman appointed with effective from 13 January 2022)
- Mr. N.A. Fernando (Chairman, resigned on 13 January 2022)
- Mr. I.C.C. Ferdinands - (CEO/Executive Director)
- Mr. G.A. Jayashantha
- Mr. R.M.N. Jeewantha
- Mr. A.D. Perera
- Ms. Vasantha Govindan
- Ms. W.S. Kulasinghe

ii) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the fund, directly or indirectly during the financial year.

c) Key management personnel unit holdings

None of the key management personnel of Ceybank Asset Management Limited held units in the fund during the year.

d) Key management personnel compensation

Key management personnel are paid by Ceybank Asset Management Limited. Payments made from the fund to Ceybank Asset Management Limited do not include any amounts directly attributable to the compensation of key management personnel.



Notes to the financial statements

For the year ended 31 March 2022

(In the notes all amounts are shown in Sri Lanka Rupee thousands unless otherwise stated)

e) Other transactions within the Fund

Apart from those details 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 of Ceybank Asset Management Limited did not hold any units in the fund.

g) Transactions with and amounts due to related parties

The fees 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:

	Charge for the year		Balance outstanding	
	2022	2021	2022	2021
Management fees	19,171	14,132	1,256	1,331
Trustee fees and custodian fees	3,892	2,869	414	431
	23,063	17,001	1,670	1,762

14. Contingent assets and liabilities and commitments

There were no material capital commitments, contingent liabilities and contingent assets as at the reporting date.

15. Events after the reporting period

There were no significant events after the reporting period that would require adjustments to or disclosures in the financial statements.



CEYBANK CENTURY GROWTH FUND

Annual Report & Accounts 2021/22

MANAGEMENT TEAM

(As at 31st March 2022)

CEYBANK ASSET MANAGEMENT LTD

MANAGEMENT TEAM

CEO / EXECUTIVE DIRECTOR

Ian Ferdinands
Chartered Marketer
Certified e Marketer
MBA (Finance)

General Manager

Ravindra Hettiarachchi
Chartered Finalist (ICASL)
B.Sc (Mgt) Sp. Hons
MBA

Accountant

Rohan Kumara Ekanayaka
ACA (ICASL), B.Sc. Accounting (Sp.)

Fund Manager

Kanchana Karannagoda
B.Sc. B. Admin. Sp. (Finance) Hons
CIMA, CGMA

Marketing Manager

Kumudu Kekirideniya
Dip.in Marketing (UK),
MICM (UK)

Registrar

Pamudi Kariyawasam

IT Manager

Sameera Fernanndo

CEYBANK CENTURY GROWTH FUND

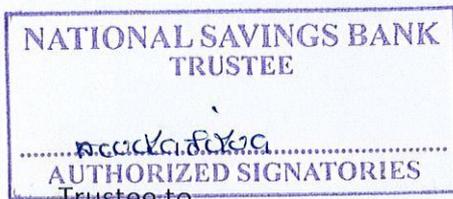
Annual Report & Accounts 2021/22

DECLARATION BY TRUSTEES AND MANAGING COMPANY

Declaration by Trustees and Management Company as per SEC circular No 02/2009 on Guidelines for Trustees and Management Companies of Unit Trust Funds.

National Savings Bank the Trustee and Ceybank Asset Management Ltd the Managers of Ceybank Unit Trust Funds 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 year.
2. The transactions were and will be carried out at 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.



Ceybank Unit Trust Funds

General Manager/Compliance Officer
Ceybank Asset Management Ltd





Managers of the Ceybank Unit Trust Funds

No 85, York Street, Colombo -1

Tel: 011- 760 2000-2, Fax: 011- 2327203 Email: info@ceybank.com Web: www.ceybank.com