

## NIT GOF Trust Constitution

The NIT GLOBAL OPPORTUNITIES FUND is constituted under the NIT UNIT TRUST which is authorized under the Unit Trust Act 1989 and established by a Trust Deed dated 19th & 26th October 2007 between the National Investment Trust Ltd (“The Manager”) and the State Commercial Bank Ltd (“The Trustee”).

## NIT GOF Trust Objective

The investment objective of the NIT GLOBAL OPPORTUNITIES FUND is to produce both income and capital growth from a diversified portfolio of international securities. Investment can be made in overseas equities, fixed-interest securities and other financial assets.



## Independent auditor's report to the unitholders of the NIT Global Opportunities Fund constituted under the NIT Unit Trust

This report is made solely to the Fund's unitholders, as a body. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Report on the Financial Statements

We have audited the financial statements of NIT Global Opportunities Fund on pages 55 to 70 which comprise the statement of assets and liabilities as at 30 June 2013 and the statement of movements in net assets, income and distribution statement and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Responsibilities of manager and trustee*

The manager and trustee are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Trust Deed. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements on pages 55 to 70 give a true and fair view of the financial position of NIT Global Opportunities Fund as at 30 June 2013, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Trust Deed.

**Deloitte**  
Chartered Accountants  
7<sup>th</sup> Floor, Raffles Tower  
19, Cybercity, Ebène

## Statement of Assets and Liabilities at 30 June 2013

	Notes	2013		2012	
		Rs	% of Fund	Rs	% of Fund
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Portfolio of International Securities	5	384,573,769	109.42	360,333,847	108.16
<b>Current Assets</b>					
Accounts receivable		294,335	0.08	-	-
Cash at bank		575,293	0.17	269,899	0.01
		869,628	0.25	269,899	0.01
<b>TOTAL ASSETS</b>		<b>385,443,397</b>	<b>109.67</b>	<b>360,603,746</b>	<b>108.17</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable	7	33,992,633	9.67	27,221,763	8.17
<b>TOTAL LIABILITIES</b> (excluding net assets attributable to unitholders)		<b>33,992,633</b>	<b>9.67</b>	<b>27,221,763</b>	<b>8.17</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<b>351,450,764</b>	<b>100.00</b>	<b>333,381,983</b>	<b>100.00</b>

Approved by the Manager of the NIT Global Opportunities Fund and authorised for issue on 13 August 2013.

The Manager



## Statement of Movements in Net Assets

for the year ended 30 June 2013

	Investments Rs	Other net assets Rs	Total Rs
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 1 JULY 2011</b>	<b>349,576,765</b>	<b>(8,308,728)</b>	<b>341,268,037</b>
Cash received for units created	-	359,054	359,054
Cash paid for units liquidated	-	(13,635,496)	(13,635,496)
<b>NET CASH MOVEMENT FROM UNITS</b>	<b>-</b>	<b>(13,276,442)</b>	<b>(13,276,442)</b>
Cost of investments purchased	104,112,886	(104,112,886)	-
Proceeds from sale of investments	(103,017,355)	103,017,355	-
<b>NET CASH MOVEMENT FROM INVESTMENTS</b>	<b>1,095,531</b>	<b>(1,095,531)</b>	<b>-</b>
Surplus for the year	-	5,390,388	5,390,388
Transfer of profit on investments items	9,661,551	(9,661,551)	-
	<b>9,661,551</b>	<b>(4,271,163)</b>	<b>5,390,388</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 30 JUNE 2012</b>	<b>360,333,847</b>	<b>(26,951,864)</b>	<b>333,381,983</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 1 JULY 2012</b>	<b>360,333,847</b>	<b>(26,951,864)</b>	<b>333,381,983</b>
Cash received for units created	-	427,389	427,389
Cash paid for units liquidated	-	(9,883,092)	(9,883,092)
<b>NET CASH MOVEMENT FROM UNITS</b>	<b>-</b>	<b>(9,455,703)</b>	<b>(9,455,703)</b>
Cost of investments purchased	213,493,933	(213,493,933)	-
Proceeds from sale of investments	(220,510,384)	220,510,384	-
<b>NET CASH MOVEMENT FROM INVESTMENTS</b>	<b>(7,016,451)</b>	<b>7,016,451</b>	<b>-</b>
Surplus for the year	-	27,524,484	27,524,484
Transfer of profit on investments items	31,256,373	(31,256,373)	-
	31,256,373	(3,731,889)	27,524,484
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 30 JUNE 2013</b>	<b>384,573,769</b>	<b>(33,123,005)</b>	<b>351,450,764</b>

# Income and Distribution Statement

for the year ended 30 June 2013

	Notes	2013 Rs	2012 Rs
<b>INVESTMENT INCOME</b>			
Dividend income		2,578,383	1,511,744
Interest income		18,499	47,223
		<b>2,596,882</b>	<b>1,558,967</b>
<b>FUND EXPENSES</b>			
Management fees	9	4,209,135	4,149,309
Custody fees		194,647	238,203
Audit fees		155,250	169,050
Trustee fees	10	150,000	150,000
Interest expense		1,510,310	1,026,851
Printing		130,000	130,000
Bank charges		7,449	5,891
General Expenses		10,575	505
		<b>6,367,366</b>	<b>5,869,809</b>
<b>LOSS FROM OPERATING ACTIVITIES</b>		<b>(3,770,484)</b>	<b>(4,310,842)</b>
<b>EQUALISATION</b>			
Amount paid on units created		(3,445)	(3,033)
Income received on units liquidated		42,040	42,712
		<b>38,595</b>	<b>39,679</b>
<b>LOSS BEFORE INVESTMENTS ITEMS</b>		<b>(3,731,889)</b>	<b>(4,271,163)</b>
Net increase in fair value of FVTPL investments		22,689,425	11,904,613
Profit/Loss on disposals of FVTPL investments		8,566,948	(2,243,062)
		<b>31,256,373</b>	<b>9,661,551</b>
<b>SURPLUS FOR THE YEAR ATTRIBUTABLE TO UNITHOLDERS</b>		<b>Rs 27,524,484</b>	<b>5,390,388</b>



## Statement of Cash Flows for the year ended 30 June 2013

	2013 Rs	2012 Rs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus before investment items (adjusted for net loss on investments)	27,524,484	5,390,388
Adjustments for:		
Interest payable	1,510,310	1,026,851
Interest income	(18,499)	(47,223)
Net increase in fair value of FVTPL investments	(22,689,425)	(11,904,613)
Loss/gain on disposal of investments	(8,566,948)	2,243,062
Operating loss before taxation	(2,240,078)	(3,291,535)
<b>Movement in working capital</b>		
Increase in accounts receivable	(294,335)	-
Increase in accounts payable	6,770,870	13,471,995
	6,476,535	13,471,995
<b>NET CASH GENERATED FROM OPERATIONS</b>	4,236,457	10,180,460
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	18,499	47,223
Additions to investments	(213,493,933)	(104,112,886)
Proceeds from sale of investments	220,510,384	103,017,355
<b>NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES</b>	7,034,950	(1,048,308)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash movement from units	(9,455,703)	(13,276,442)
Interest paid	(1,510,310)	(1,026,851)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(10,966,013)	(14,303,293)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	305,394	(5,171,141)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	269,899	5,441,040
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	575,293	269,899

# Notes to the Financial Statements

## for the NIT Global Opportunities Fund for the year ended 30 June 2013

### 1. GENERAL INFORMATION

The NIT Global Opportunities Fund is a public open-ended collective investment scheme which is constituted under NIT Unit Trust. The Fund's registered office is Level 8, Newton Tower, Sir William Newton Street, Port Louis. It was established by a Trust Deed dated 19th and 26th October 2007 made between National Investment Trust Ltd ("The Manager") and State Bank of Mauritius Ltd ("The Trustee").

The investment objective of the NIT Global Opportunities Fund is to produce both income and capital growth from a diversified portfolio of assets. Investments are mostly in equities and fixed interest securities in the international stock market.

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS's)

In the current year, the company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 July 2012.

#### 2.1 Revised Standards applied with no material effect on the financial statements

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transactions or arrangements.

- IAS 1 Presentation of Financial Statements – Amendments to revise the way other comprehensive income is presented
- IAS 12 Income Taxes - Limited scope amendment (recovery of underlying assets).

#### 2.2 New and revised Standards in issue but not yet effective

At the date of authorisation of these financial statements, the following standards and Interpretations were in issue but effective on annual periods beginning on or after the respective dates as indicated.

- IAS 1 Presentation of Financial Statements - Amendments resulting from Annual Improvements 2009-2011 Cycle (comparative information) (effective 1 January 2013)
- IAS 32 Financial Instruments: Presentation - Amendments resulting from Annual Improvements 2009-2011 Cycle (tax effect of equity distributions) (effective 1 January 2013)
- IAS 32 Financial Instruments: Presentation - Amendments relating to the offsetting of assets and liabilities (effective 1 January 2014)
- IAS 36 Impairment of Assets - Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets (effective 1 January 2014)
- IAS 39 Financial Instruments: Recognition and Measurement - Amendments for novations of derivatives (effective 1 January 2014)
- IFRS 7 Financial Instruments: Disclosures - Amendments relating to the offsetting of assets and liabilities (effective 1 January 2013)
- IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2015)
- IFRS 9 Financial Instruments - Original Issue (Classification and measurement of financial assets) (effective 1 January 2013)
- IFRS 9 Financial Instruments - Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements (effective 1 January 2013)
- IFRS 9 Financial Instruments - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2015)



- IFRS 12 Disclosure of Interests in Other Entities - Original Issue (effective 1 January 2013)  
 IFRS 12 Disclosure of Interests in Other Entities - Amendments to transitional guidance (effective 1 January 2013)  
 IFRS 13 Fair Value Measurement (effective 1 January 2013).

The directors anticipate that these IFRSs will be applied on their effective dates in future periods. The directors have not yet had an opportunity to consider the potential impact of the application of these amendments.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied by the Fund are as follows:

#### (a) Basis of preparation

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with International Financial Reporting Standards ("IFRS").

#### (b) Dividend and interest income

- (i) Dividend income is accounted for when shareholder's right to receive the dividend is established.
- (ii) Interest receivable from bank and short term deposits is credited to the Income and Distribution Statement on a time basis under the effective interest method.

#### (c) Deferred taxation

Deferred taxation is provided on the comprehensive basis using the liability method.

Deferred tax liabilities are recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

#### (d) Cash and cash equivalents

Cash comprises cash at bank and in hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk to change in value.

#### (e) Investment Valuation

Fair value is determined as follows:

The Fund classifies its investments as fair value through profit or loss ("FVTPL"). Purchases and sales of investments are recognised on the trade-date basis – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value for all financial assets. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Unrealised gains or losses arising from changes in fair value of FVTPL assets are included in the Income and Distribution Statement and held as assets attributable to unitholders.

The gains and losses on disposal of FVTPL assets are recognised in the Income and Distribution Statement and held as assets attributable to unitholders.

Management determines the appropriate classification of the Fund's investments and re-evaluates such classification on a regular basis.



The fair values of the overseas investments are determined by reference to the available bid price or market price prevailing at end of reporting period or according to the trading session immediately preceding the end of the reporting period.

**(f) Financial instruments**

Financial assets and liabilities are recognised on the statement of Assets and Liabilities when the Fund has become party to the contractual provisions of the financial instruments.

The carrying amounts of the Fund's financial instruments approximate their fair values due to the short term nature of the balances involved. These instruments are measured as follows:

**(i) Investments**

Investments in equity securities are stated at fair value. The accounting policy for investment securities is disclosed in note 3(e).

**(ii) Accounts receivable**

Accounts receivable originated by the Fund is stated at amortised cost less provision for doubtful debts. An estimate of doubtful debts is made based on a review of all outstanding amounts at statement of assets and liabilities date. Bad debts are written off during the period in which they are identified.

**(iii) Cash and cash equivalents**

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the year end.

**(iv) Accounts payable**

Accounts payable are stated at their amortised cost.

**(v) Units**

Units of the Fund, which are redeemable at any time at the option of the unitholder for cash, do not have a par value and an unlimited number of units may be issued. The units are financial liabilities and therefore the net assets attributable to unitholders are classified within liabilities in the statement of Assets and Liabilities and distributions to unitholders are included as finance costs in the Income and Distribution Statement.

**(g) Impairment**

The carrying amounts of assets are assessed at each end of reporting date to determine whether there is any indication of impairment. If such indication exists, the Fund estimates the recoverable amount of the assets, being the higher of assets' net selling price and their value in use, and reduces the carrying amount of the assets to their recoverable amounts.

**(h) Provisions**

A provision is recognised when and only when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each year end and adjusted to reflect the current best estimate.

**(i) Equalisation**

Accrued income included in the issue and repurchase of prices of units are dealt with in the Income and Distribution Statement.

**(j) Related parties**

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.



#### 4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 5. PORTFOLIO OF INTERNATIONAL SECURITIES

##### Fair-value-through profit and loss

	2013 Rs	2012 Rs
<b>At fair value</b>		
At 1 July	360,333,847	349,576,765
Additions	213,493,933	104,112,886
Disposals	(211,943,436)	(105,260,417)
Surplus on revaluation	22,689,425	11,904,613
At 30 June	384,573,769	360,333,847
Sales proceeds	220,514,384	103,017,355

#### 5.1. PORTFOLIO OF INTERNATIONAL SECURITIES

EQUITIES	HOLDINGS 2013	MARKET VALUE	MARKET VALUE	% OVERSEAS PORTFOLIO
		2013 USD	2013 Rs	2013
<b>EMERGING MARKETS</b>				
Aberdeen Global Asia Pacific	6,076	421,957	12,852,810	3.3%
Franklin Templeton Emerging Markets	11,284	382,194	11,641,629	3.0%
BL Fund Selection Asia	110	235,258	7,165,959	1.9%
Sony Corp	3,000	63,570	1,936,342	0.5%
Magellan Emerging Markets	98	196,517	5,985,908	1.6%
Vale SA-SP ADR	2,103	27,654	842,341	0.2%
		<b>1,327,150</b>	<b>40,424,989</b>	<b>10.5%</b>
<b>EUROPE (inc. UK)</b>				
Fidelity European	5,979	87,403	2,662,295	0.7%
Oyster European Opportunities	198	84,536	2,574,967	0.7%
Franklin Templeton European	7,820	195,696	5,960,900	1.6%
BL Equities Dividend	1,562	249,115	7,588,042	2.0%
BL Equities Europe	41	251,281	7,654,019	2.0%
Vanguard Investment Euro Stock Index	14,680	251,678	7,666,112	2.0%
Royal Bank of Scotland Group Plc	5,865	49,325	1,502,440	0.4%
Banco Santander SA ADR	6,520	42,184	1,284,925	0.3%

EQUITIES	HOLDINGS	MARKET	MARKET	% OVERSEAS
	2013	VALUE 2013 USD	VALUE 2013 Rs	PORTFOLIO 2013
Vodafone Group Plc ADR	1,805	51,894	1,580,691	0.4%
GlaxoSmithKline Plc ADS	955	47,721	1,453,582	0.4%
Bristol-Myers Squibb Co	1,500	67,035	2,041,886	0.5%
Glencore International Plc	11,521	47,659	1,451,693	0.4%
BHP Billiton Plc	618	35,634	1,085,412	0.3%
BP Plc ADR	1,650	68,871	2,097,811	0.5%
EADS ADR	850	45,559	1,387,727	0.4%
SIEMENS R*	754	76,388	2,326,778	0.6%
		<b>1,651,979</b>	<b>50,319,280</b>	<b>13.2%</b>
<b>AMERICA</b>				
Vontobel U.S. Value Equity	592	407,762	12,420,431	3.2%
Alger American Asset Growth	5,596	197,203	6,006,803	1.6%
Morgan Stanley Investment U.S. Property	1,878	104,631	3,187,060	0.8%
Fidelity Global Health Care	10,881	203,649	6,203,149	1.6%
Blackrock Global U.S. Flexible	10,702	208,362	6,346,707	1.7%
Blackrock World Energy	10,909	244,044	7,433,580	1.9%
JP Morgan U.S. Dynamic	14,875	218,485	6,655,053	1.7%
EMC	2,403	56,759	1,728,879	0.4%
Microsoft	2,042	70,551	2,148,983	0.6%
Intel	3,859	93,504	2,848,132	0.7%
Cisco Systems Inc	2,120	51,601	1,571,766	0.4%
Apple	131	51,945	1,582,245	0.4%
Goldman Sachs	428	64,735	1,971,828	0.5%
Mastercard	118	67,791	2,064,914	0.5%
Blackstone Group	3,921	82,576	2,515,265	0.7%
American international Group	1,783	79,700	2,427,662	0.6%
JP Morgan Chase	1,295	68,363	2,082,337	0.5%
General Electric	3,923	90,974	2,771,068	0.7%
Boeing	1,030	105,513	3,213,926	0.8%
McDonald's	499	49,401	1,504,754	0.4%
Ford	4,795	74,179	2,259,492	0.6%
Johnson & Johnson	508	43,617	1,328,574	0.3%
Eli Lilly & Company	842	41,359	1,259,795	0.3%
Abbvie Inc	1,023	42,291	1,288,184	0.3%
Barrick Gold Corp	3,075	48,401	1,474,294	0.4%
Halliburton	1,026	42,805	1,303,840	0.3%
		<b>2,810,201</b>	<b>85,598,721</b>	<b>21.9%</b>
<b>BONDS</b>				
Franklin Templeton Global Bond Fund	21,450	488,850	14,890,371	3.9%
Pimco Emerging Local Bond	88,797	893,300	27,209,918	7.1%
Julius Baer Multibond Local Emerging Bond	990	300,214	9,144,518	2.4%
AllianceBernstein Global High Yield Portfolio	62,623	286,186	8,717,226	2.3%
		<b>1,968,550</b>	<b>59,962,033</b>	<b>15.7%</b>
<b>COMMODITIES AND PRECIOUS METALS</b>				
Parvest Agriculture	<b>1,049</b>	<b>118,880</b>	<b>3,621,085</b>	<b>0.9%</b>
DWS Invest Commodity Plus	<b>799</b>	<b>83,753</b>	<b>2,551,116</b>	<b>0.7%</b>
		<b>202,633</b>	<b>6,172,201</b>	<b>1.6%</b>



EQUITIES	HOLDINGS 2013	MARKET VALUE 2013 USD	MARKET VALUE 2013 Rs	% OVERSEAS PORTFOLIO 2013
<b>PROPERTY</b>				
UBSWM GLOB PTY US	22,127	140,631	4,283,620	1.1%
<b>CASH INVESTMENTS</b>				
BDL – USD		3,114,756	94,875,468	24.7%
BNP IPB - USD A/C		6,476	197,252	0.1%
SBM – USD		1,319,614	40,195,442	10.5%
SBM – EURO		75,313	2,294,043	0.6%
SBM – GBP		7,848	239,036	0.1%
UBP Current A/C – USD		383	11,684	0.0%
		<b>4,524,390</b>	<b>137,812,925</b>	<b>36.0%</b>
<b>TOTAL INTERNATIONAL INVESTMENTS</b>		<b>12,625,534</b>	<b>384,573,769</b>	<b>100%</b>

#### 6. ACCOUNTS RECEIVABLE

	2013 Rs	2012 Rs
Trade receivable	294 335	-

Trade receivables represent dividend receivable which is accrued on the basis of receipt of dividend declaration by the investee companies. There are no past due dividend receivable.

#### 7. ACCOUNTS PAYABLE

	2013 Rs	2012 Rs
Other payables	33,785,383	26,760,340
Accruals	207,250	461,423
<b>Rs</b>	<b>33,992,633</b>	<b>27,221,763</b>

The Fund has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Included in other payables is an amount of Rs 33,785,383 (2012: Rs 26,760,340) due to National Investment Trust Ltd which is unsecured, repayable at call and bears an interest rate of 5 % p.a. (2012: 5 % p.a.).

#### 8. TAXATION

##### (i) Income tax

Net income of the Fund, as adjusted for tax purposes is subject to income tax at the rate of 15 % (2012: 15 %). At 30 June 2013, the fund has a tax loss of Rs 27,109,117 (2012: Rs 25,439,982), which can be carried forward for set off against taxable income derived in five succeeding years.

Accumulated tax losses	Available for set off up to year ending
Rs	
5,588,772	2014
6,884,855	2015
6,554,164	2016
4,310,842	2017
3,770,484	2018

(ii) **Deferred tax**

The Fund has deferred tax assets of Rs 4,066,367 (2012: Rs 3,815,997) arising from accumulated losses and equalisation and which have not been recognised in these financial statements due to uncertainty of their recoverability.

9. **MANAGEMENT FEES**

Management fees payable to the fund's Investment manager, National Investment Trust Ltd is based on 1 % of the Net Asset Value of the fund. The fees which are calculated on a weekly basis are payable monthly in arrears.

Management fees payable to UBS is based on 1.2 % of the Net Asset Value of the investments held with them. The fees are calculated on a daily basis and are payable quarterly in arrears.

10. **TRUSTEE'S FEES**

Trustee's fees payable to State Bank of Mauritius Ltd are determined on the basis of a scale determined by the trustee in consultation with the manager. The trustee fees amounted to Rs 150,000 per year and are payable half yearly in arrears.

11. **UNITS**

## (a) Movements in units during the period:

	2013	
	Units	Rs
Net assets attributable to unitholders at 1 July 2012	387,209,180	333,381,983
Units created	451,237	427,389
Units liquidated	(10,810,816)	(9,883,092)
Surplus for the year	-	27,524,484
Net assets attributable to unitholders at 30 June 2013	<b>376,849,601</b>	<b>351,450,764</b>

Net assets value per unit

Ex-div

	2013	2012
Rs	Rs	Rs
Rs	0.93	0.86

## (b) Prices per unit at valuation date

	2013		2012	
	Rs	Rs	Rs	Rs
Issue price	Rs	0.93	0.87	
Repurchase price	Rs	0.91	0.84	



## 12. ENTRY AND EXIT FEE

On the issue of units, no entry fee (2012:1%) is paid by the unitholder to the Fund and on the repurchase of units an exit fee of 2% (2012: 2.5%) of the capital and income values of the units is paid by the unitholder to the Fund. The sums collected are then remitted to the manager

## 13. RELATED PARTY TRANSACTIONS

The Fund is making the following disclosures in respect of related party transactions:

	2013 Rs	2012 Rs
<i>Outstanding balances</i>		
(i) <i>Payable to related parties</i>		
National Investment Trust Ltd	Rs 33,785,383	26,760,340
<i>Bank balances and short term deposits with</i>		
State Bank of Mauritius Ltd	Rs 575,293	269,899
The above loan due to National Investment Trust Ltd is unsecured, repayable at call and bears an interest rate of 5% p.a. (2012: 5%p.a.).		
<b>Transactions</b>		
(ii) Management fees to National Investment Trust Ltd	Rs 3,520,888	3,264,835
(iii) Trustee's fees to State Bank of Mauritius Ltd	Rs 150,000	150,000
(iv) Interest income from State Bank of Mauritius Ltd	Rs 18,499	47,223
(v) Bank charges payable to State Bank of Mauritius Ltd	Rs 7,449	5,891
(vi) Interest payable to National Investment Trust Ltd	Rs 1,510,310	1,026,851

### Compensation to key management personnel

There was no compensation to key management personnel for the period ended 30 June 2013. (2012: Nil)

## 14. FINANCIAL INSTRUMENTS

### Capital risk management

The Fund manages its capital to ensure that the Fund will be able to continue as a going concern. The capital structure of the Fund consists of amount due to related party (as disclosed in note 13) and net assets attributable to unitholders offset by cash at bank.

### Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

### Fair values

The carrying amounts of financial assets and liabilities approximate to their fair values due to the short term nature of the balances involved.

### Categories of financial instruments

	2013 Rs	2012 Rs
<i>Financial assets</i>		
Investments at fair value through profit or loss (FVTPL)	384,573,769	360,333,847
Cash and cash equivalents	575,293	269,899
Accounts receivable	294,335	-
	<b>385,443,397</b>	<b>360,603,746</b>
<i>Financial liabilities</i>		
Accounts payable, amortised cost	33,992,633	27,221,763
Net assets attributable to unitholders	351,450,764	333,381,983
	<b>385,443,397</b>	<b>360,603,746</b>

### Financial risk management objectives

The Fund deals with international securities only and manages the financial risks relating to its operations by monitoring the risks and implementing policies to mitigate these risk exposures. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk

### Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Fund's exposure to market risk is determined by a number of factors, including interest rates and market volatility.

### Foreign currency risk management

The Fund undertakes certain transactions denominated in foreign currencies. Consequently, the Fund is exposed to the risk that the carrying amounts of assets and liabilities denominated in foreign currency may change due to fluctuations in foreign exchange rates.

The currency profile of the Fund's financial assets and financial liabilities at 30 June is summarised as follows:

Currency	2013		2012	
	Financial assets Rs	Financial liabilities Rs	Financial Assets Rs	Financial liabilities Rs
MUR	575,293	385,443,397	269,899	360,603,746
USD	326,918,214	-	357,624,256	-
EURO	56,259,170	-	2,281,420	-
CHF	-	-	42,099	-
GBP	1,690,720	-	386,072	-
Rs	<b>385,443,397</b>	<b>385,443,397</b>	<b>360,603,746</b>	<b>360,603,746</b>

The Fund is mainly exposed to the USD, EURO and GBP.



The following table details the Fund's sensitivity to a 10% change in the Mauritian Rupee against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit and equity where the Mauritian Rupee weakens 10% against the relevant foreign currencies. For a 10% strengthening of the Mauritian Rupee against the relevant foreign currencies, there would be an equal and opposite impact on the profit and equity and the balance below would be negative

Foreign Currency Impact	Profit and Equity	
	2013 Rs	2012 Rs
USD	32,691,821	35,762,426
EURO	5,625,917	228,142
GBP	169,072	38,607
	<b>Rs 36,486,810</b>	<b>36,029,175</b>

The above foreign currency impact is mainly attributable to the foreign currency exposure on investment balances.

#### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund.

The Fund does not have significant concentration of credit risk.

#### Interest rate risk management

The Fund is exposed to interest rate risk as the Fund has borrowings at floating interest rates. The risk is managed by the Fund by maintaining adequate cash reserves at floating interest rates

The interest rate profile of the Fund's financial assets and financial liabilities as at 30 June 2013 was:

	2013 % p.a	2012 % p.a
<b>Financial assets</b>		
Cash at bank	4.50	4.50
<b>Financial liabilities</b>		
Other payables	5.00	5.00

#### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates on financial assets and liabilities at end of reporting period. A 100 basis points increase or decrease represents management's assessment of the reasonably possible change in interest rates

Management considers the sensitivity on the interest to be minimal.

#### Other price risks

The Fund is exposed to equity price risks arising from equity investments which the company holds for trading purposes.

##### Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the reporting date.

If equity prices had been 5% higher/lower, net assets attributable to unitholders would increase/decrease by Rs 19,228,688 (Rs 18,016,692) as a result of the changes in fair value of the held-for-trading shares.



### Liquidity risk management

The Fund manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows.

#### *Liquidity and interest risk tables*

The following tables detail the Fund's remaining contractual maturity for its non-derivative financial assets and liabilities. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the Fund can be required to earn or pay.

2013	Weighted average effective interest rate % p.a	At call Rs	Less than 1 month Rs	1-3 months Rs	3 months to 1 year Rs	More than 1 year	Total Rs
<b>Financial assets</b>							
Non interest bearing	n/a	-	294,335	-	-	384,573,769	384,868,104
Variable interest rate instruments	4.50	575,293	-	-	-	-	575,293
		<b>Rs 575,293</b>	<b>294,335</b>	<b>-</b>	<b>-</b>	<b>384,573,769</b>	<b>385,443,397</b>
<b>Financial liabilities</b>							
Non interest bearing	n/a	351,450,764	207,250	-	-	-	351,658,014
Fixed interest rate instruments	5	33,785,383	-	-	-	-	33,785,383
		<b>Rs 385,236,147</b>	<b>207,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385,443,397</b>
<b>2012</b>							
<b>Financial assets</b>							
Non interest bearing	n/a	-	-	-	-	360,333,847	360,333,847
Variable interest rate instruments	4.5	269,899	-	-	-	-	269,899
		<b>Rs 269,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,333,847</b>	<b>360,603,746</b>
<b>Financial liabilities</b>							
Non interest bearing	n/a	333,381,983	461,423	-	-	-	333,843,406
Fixed interest rate instruments	5	26,760,340	-	-	-	-	26,760,340
		<b>Rs 360,142,323</b>	<b>461,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,603,746</b>



### Fair value measurements

*Valuation techniques and assumptions applied for the purposes of measuring fair value*

The fair values of quoted financial assets are determined on the basis of accounting policy 3(e).

*Fair value measurements recognised in the statement of financial position*

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	30 June 2013			
	Level 1	Level 2	Level 3	Total
Financial assets designated at FVTPL	Rs	Rs	Rs	Rs
Quoted equities	384,573,769	-	-	385,573,769

  

	30 June 2012			
	Level 1	Level 2	Level 3	Total
Financial assets designated at FVTPL	Rs	Rs	Rs	Rs
Quoted equities	360,333,847	-	-	360,333,847

Reconciliation of the level 3 is detailed in Note 5.



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