



CIS Manager

NIT Unit Trust

**ANNUAL  
REPORT**

---

2022

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# General Information

## Manager

National Investment Trust Ltd  
Level 8, Newton Tower  
Sir William Newton Street  
Port Louis

## Trustee

SBM Fund Services Ltd  
State Bank Tower  
1, Queen Elizabeth II Avenue  
Port Louis

## Custodian

SBM Custody Securities Services Ltd  
SBM Bank (Mauritius) Ltd  
State Bank Tower  
1, Queen Elizabeth II Avenue  
Port Louis

## Registered Office

C/o National Investment Trust Ltd  
Level 8 Newton Tower  
Sir William Newton Street  
Port Louis

## Auditor

Deloitte  
7<sup>th</sup>-8<sup>th</sup> Floor  
Standard Chartered Tower  
19-21 Bank Street  
Cybercity  
Ebène

## Bankers

SBM Bank (Mauritius) Ltd  
State Bank Tower  
1, Queen Elizabeth II Avenue  
Port Louis

Absa Bank (Mauritius) Limited  
(previously known as Barclays Bank  
Mauritius Limited)  
Barclays House  
68/68 A Cybercity  
Ebène

## Manager's Report 2022

As the old adage says, 'the best time to panic is before everyone else does'!

### Extract from our 2021 Annual Report

#### Overseas Markets

*To cut the story short, bulls are betting for a smooth return to normality on the back of massive fiscal & monetary stimulus while, bears are warning against global supply-chain constraints and inflation as potential catalysts to derail the recovery.*

*With such uncertainty ahead, the current house view is that the upside potential in global equity markets is limited while, the downside risk could be quite significant. As such, we've been more focus on the risk management side of our business to ensure a smooth return for our investors. Against such a backdrop, tactically, we've crystalized the bulk of our gains and, drastically reduced our exposure to equities. Going forward, we intend to continue monitor the situation closely and to adjust our cash reserves once a clearer picture emerges.*

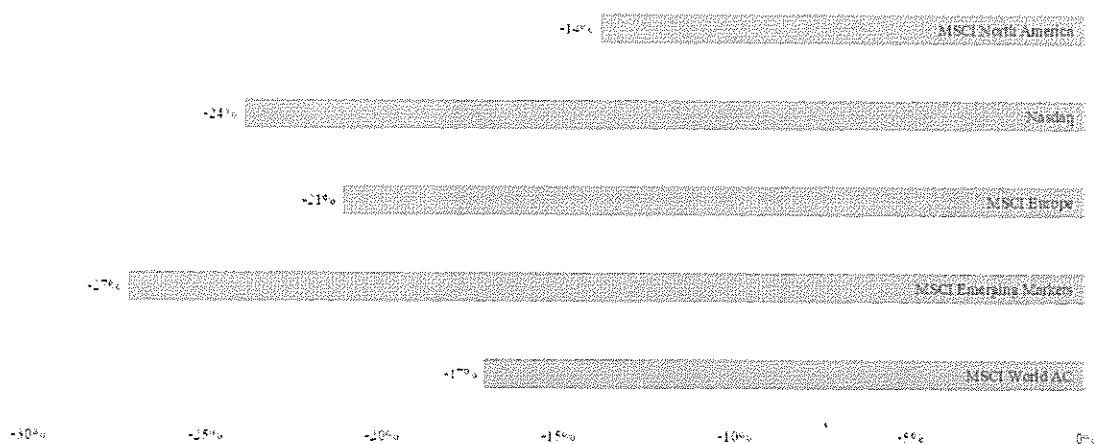
#### Local Market

*.....the domestic economy remains constrained because of excessive debt levels, suboptimal policies, an absence of reforms and, question marks about the long term stability of the local currency.*

*Against such a background, we are of the opinion that even though local equities still look cheap, a cautious approach is vindicated as the growing divergence between the benchmark's performance in local currency and, USD terms continues to be a cause for concern.*

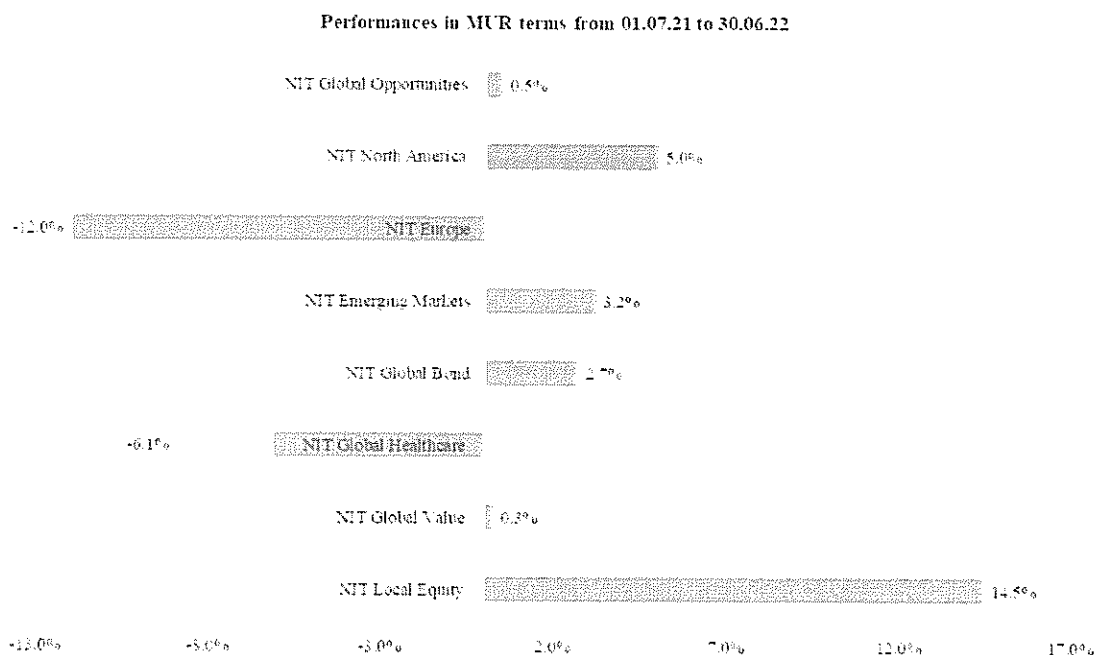
With hindsight, it seems that we were well-advised to hit the panic button in 2021 and move all the portfolios under our management mostly into cash as, 2022 will be remembered as the year where monetary policy was tightened in a synchronised manner around the world (with the US Federal Reserve (Fed) leading the charge) to fight multi-decade-high inflation. Add to that, external economic headwinds, such as the war in Ukraine, Covid lockdowns in China and, the euro and the US dollar reaching parity for the first time in 20 years and, we have a toxic cocktail that created havoc in global financial markets during the financial year under review.

Performances in USD terms from 01.07.21 to 30.06.22



	From 01.07.21 to 30.06.22	%
MUR vs	USD	6.3
	EURO	(6.0)
	GBP	(6.5)

Against such a backdrop and, given their relatively high weighting in cash, the NIT funds were able to post the following performances during the corresponding period:



## Looking Ahead

At the date of writing of this report, a new bullish narrative seems to be gathering steam in mainstream financial media whereby, the inflation fight in the U.S. has been won and is over and that such a success has been achieved without taking a toll on the economy. And so the thinking goes that the Fed will soon pivot and, start decreasing interest rates and also, revert back to quantitative easing mode.

From our perspective, in the present case, thinking in terms of single, V-shaped selloffs followed by advances to fresh highs is not appropriate. In fact, we believe that it's important to know the water we're swimming in. At the current juncture, we believe that although U.S. inflation has peaked and clearly started to decline, it will stay uncomfortably high and is not going to fall fast as inflationary pressures still subsist in the services sector and show no sign of abating.

As for the U.S. economy, we are of the opinion that it is currently in the midst of a marked economic slowdown and probably, on the cusp of a recession. For us, a recession is defined as a vicious circle with falling output, sales, income, and employment. So far, although the first three variables have been clearly moving to the downside, employment remains tight in the U.S., possibly because of certain post-COVID related factors. Here, history shows that employment can hold up longer than expected in a recessionary scenario.

One common feature of recession is the diffusion of economic weakness from industry to industry and region to region. This is exactly what we've been seeing as the current earnings season unfolds.

On the global front, all other major international economies have been decelerating markedly and, contrary to 2008 when China did take up the growth baton, this time around there's no clear locomotive of growth out there. As such, we believe that the odds of a global recession are quite high and that, this is not reflected in current markets valuations. As for the local stock market, although Mauritius is an island, it is certainly not immune from developments overseas.

Against such a backdrop, from an investment perspective, we continue to believe that surviving a bear market remains the name of the game. In such an environment, cash as an asset class remains appealing at least until the risk/reward payoff becomes more attractive.

Independent auditor's report to the Unitholders' of the sub-funds of the NIT Unit Trust

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Report on the audit of the financial statements

Opinion

We have audited the financial statements of the sub-funds of NIT Unit Trust (the "sub-funds" or the "Trust") set out on pages 6 to 67, which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to unitholders 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 sub-funds as at 30 June 2022, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Trust Deed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Manager and Trustee are responsible for the other information. The other information comprises the Trust information and the Manager's and Trustee's 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 or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Manager and Trustee for the financial statements

The Manager and Trustee are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the Trust Deed and they are also responsible for such internal control as the 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, the Manager and Trustee are responsible for assessing the Trust's and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and Trustee either intend to liquidate the Trust and its sub-funds or to cease operations, or have no realistic alternative but to do so.

The Manager and Trustee are responsible for overseeing the Trust's and its sub-funds' 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 ISAs 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.

Independent auditor's report to the Unitholders' of the sub-funds of the  
NIT Unit Trust (Cont'd)

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**Auditor's responsibilities for the audit of the financial statements (Cont'd)**

As part of an audit in accordance with ISAs, we exercise professional judgement 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 Trust's and its sub-funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Trustee's and Manager'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 Trust's and its sub-funds' 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 Trust and its sub-funds 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 the Manager and Trustee 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.

**Use of this report**

This report is made solely to the sub-funds' unitholders, as a body. Our audit work has been undertaken so that we might state to the sub-funds' 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 Trust and the sub-funds' unitholders as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte

Chartered Accountants

06 January 2023



LLK Ah Hee, FCCA

Licensed by FRC



Statement of Financial Position | for the year ended 30 June 2022 for the  
NIT Local Equity Fund and the NIT Global Opportunities Fund

	Notes	NIT Local Equity Fund		NIT Global Opportunities Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Assets</b>					
<b>Non-Current Assets</b>					
Financial assets at FVTPL	5	209,705,249	408,625,951	8,343,350	187,370,864
<b>Current Assets</b>					
Other receivables	7	2,428,599	3,312,007	-	-
Tax receivables	11	75,581	85,023	-	-
Cash and cash equivalents	8	45,721,206	43,770,884	340,530,495	376,211,213
		48,225,386	47,167,914	340,530,495	376,211,213
<b>Total Assets</b>		<b>257,930,635</b>	<b>455,793,865</b>	<b>348,873,845</b>	<b>563,582,077</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Other payables	9	741,510	670,637	760,662	966,778
<b>Total Liabilities</b>		<b>741,510</b>	<b>670,637</b>	<b>760,662</b>	<b>966,778</b>
<b>Net Assets attributable to Unitholders</b>					
Redeemable units		471,677,508	757,324,468	85,008,028	298,929,748
Retained earnings		(214,488,383)	(302,201,240)	263,105,155	263,685,551
		257,189,125	455,123,228	348,113,183	562,615,299
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>257,930,635</b>	<b>455,793,865</b>	<b>348,873,845</b>	<b>563,582,077</b>

Approved by the Manager of the NIT Local Equity Fund & NIT Global  
Opportunities Fund and authorised for issue on

28 December 2022

Manager  
National Investment  
Trust Ltd

Represented by

T Blackburn



Statement of Financial Position | for the year ended 30 June 2022 for the  
NIT North America Fund and the NIT Europe Fund

	Notes	NIT North America Fund		NIT Europe Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Assets</b>					
Non-Current Assets					
Financial assets at FVTPL	5	-	9,255,118	-	7,704,545
Current Assets					
Cash and cash equivalents	8	2,499,917	45,077,519	982,857	21,661,688
<b>Total Assets</b>		<b>2,499,917</b>	<b>54,332,637</b>	<b>982,857</b>	<b>29,366,233</b>
<b>Liabilities</b>					
Current Liabilities					
Other payables	9	490,221	215,188	390,584	207,533
<b>Total Liabilities</b>		<b>490,221</b>	<b>215,188</b>	<b>390,584</b>	<b>207,533</b>
Net Assets attributable to Unitholders					
Redeemable units		(27,707,170)	24,994,748	(8,816,705)	18,802,179
Retained earnings		29,716,866	29,122,701	9,408,978	10,355,521
		2,009,696	54,117,449	592,273	29,158,700
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,499,917</b>	<b>54,332,637</b>	<b>982,857</b>	<b>29,366,233</b>

Approved by the Manager of the NIT North America Fund & NIT  
Europe Fund  
and authorised for issue on

28 December 2022

Manager  
National  
Investment Trust  
Ltd

Represented by

*T. Blackburn*

Statement of Financial Position | for the year ended 30 June 2022 for the  
NIT Emerging Market Fund and the NIT Global Bond Fund

	Notes	NIT Emerging Markets Fund		NIT Global Bond Fund	
		2022 RS	2021 RS	2022 RS	2021 RS
<b>Assets</b>					
<b>Non-Current Assets</b>					
Financial assets at FVTPL	5	-	14,695,099	-	4,151,696
<b>Current Assets</b>					
Cash and cash equivalents	8	4,131,513	37,025,153	1,544,141	16,831,848
		4,131,513	37,025,153	1,544,141	16,831,848
<b>Total Assets</b>		<b>4,131,513</b>	<b>51,720,252</b>	<b>1,544,141</b>	<b>20,983,544</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Other payables	9	500,418	235,927	185,848	185,298
<b>Total Liabilities</b>		<b>500,418</b>	<b>235,927</b>	<b>185,848</b>	<b>185,298</b>
<b>Net Assets attributable to Unitholders</b>					
Redeemable units		(18,294,215)	29,369,540	(2,970,597)	16,579,911
Retained earnings		21,925,310	22,114,785	4,328,890	4,218,335
		3,631,095	51,484,325	1,358,293	20,798,246
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,131,513</b>	<b>51,720,252</b>	<b>1,544,141</b>	<b>20,983,544</b>

Approved by the Manager of the NIT Emerging Market Funds & NIT  
Global Bond Fund and authorised for issue on

28 December 2022

Manager  
National Investment Trust Ltd

Represented by

T. Blacub

Statement of Financial Position | for the year ended 30 June 2022 for the  
NIT Global Healthcare Fund and the NIT Global Value Fund

	Notes	NIT Global Healthcare Fund		NIT Global Value Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Assets</b>					
<b>Non-Current Assets</b>					
Financial assets at FVTPL	5	-	8,388,736	-	22,274,411
<b>Current Assets</b>					
Cash and cash equivalents	8	6,178,511	31,995,135	4,690,871	32,441,696
<b>Total Assets</b>		<b>6,178,511</b>	<b>40,383,873</b>	<b>4,690,871</b>	<b>54,716,107</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Other payables	9	366,887	210,075	508,276	229,730
<b>Total Liabilities</b>		<b>366,887</b>	<b>210,075</b>	<b>508,276</b>	<b>229,730</b>
<b>Net Assets attributable to Unitholders</b>					
Redeemable units		(12,587,000)	20,643,149	(17,957,344)	30,700,895
Retained earnings		18,598,624	19,530,649	22,139,939	23,785,482
		<b>5,811,624</b>	<b>40,173,798</b>	<b>4,182,595</b>	<b>54,485,377</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,178,511</b>	<b>40,383,873</b>	<b>4,690,871</b>	<b>54,716,107</b>

Approved by the Manager of the NIT Global Healthcare Fund & NIT  
Global Value Fund and authorised for issue on

28 December 2022

Manager  
National  
Investment Trust  
Ltd

Represented by

T. Blachar

**Statement of Profit or Loss | and Other Comprehensive Income for the Year Ended 30 June 2022  
for the NIT Local Equity Fund and the NIT Global Opportunities Fund**

	Notes	NIT Local Equity Fund		NIT Global Opportunities Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Income</b>					
Dividend income		17,050,794	4,667,603	1,335,145	2,315,740
Other income		130,000	81,571	-	-
Interest income		-	46,288	-	-
		<b>17,180,794</b>	<b>4,795,462</b>	<b>1,335,145</b>	<b>2,315,740</b>
<b>Expenses</b>					
Management fees	12	(4,602,929)	(3,886,562)	(6,093,017)	(6,127,175)
Custodian fees	15	(447,659)	(356,035)	(136,048)	(353,719)
Trustee fees	13	(150,000)	(150,000)	(150,000)	(150,000)
Printing and stationeries		(130,000)	(130,000)	(130,000)	(130,000)
Audit fees		(110,500)	(115,000)	(110,500)	(97,750)
Adjustment for over provision accrued income previous period		-	(255,237)	-	-
Bank charges		(6,875)	(5,293)	(678,754)	(55,750)
General expenses		(3,286,110)	(92,962)	(43,767)	(19,392)
<b>Total operating expenses</b>		<b>(8,734,073)</b>	<b>(4,991,089)</b>	<b>(7,342,086)</b>	<b>(6,933,786)</b>
<b>Net operating income</b>		<b>8,446,721</b>	<b>(195,627)</b>	<b>(6,006,941)</b>	<b>(4,618,046)</b>
Changes in fair value on financial assets at FVTPL	5	79,288,203	47,260,443	(2,982,952)	103,653,485
Net foreign currency gains on cash and cash equivalents		-	-	8,409,497	38,428,085
		<b>79,288,203</b>	<b>47,260,443</b>	<b>5,426,545</b>	<b>142,081,570</b>
<b>Net profit/ (loss) before taxation</b>		<b>87,734,924</b>	<b>47,064,816</b>	<b>(580,396)</b>	<b>137,463,524</b>
Taxation	11	(22,067)	-	-	-
<b>Profit/ (loss) for the year, being total comprehensive income for the year</b>		<b>87,712,857</b>	<b>47,064,816</b>	<b>(580,396)</b>	<b>137,463,524</b>

**Statement of Profit or Loss | and Other Comprehensive Income for the Year Ended 30 June 2022  
for the NIT North America Fund and the NIT Europe Fund**

	Notes	NIT North America Fund		NIT Europe Fund	
		2022	2021	2022	2021
		Rs	Rs	Rs	Rs
<b>Income</b>		-	-	-	-
<b>Expenses</b>					
Management fees	12	(379,014)	(489,761)	(153,771)	(262,314)
Custodian fees	15	-	(37,418)	-	(29,724)
Trustee fees	13	(60,000)	(60,000)	(60,000)	(60,000)
Audit fees		(110,500)	(37,950)	(110,500)	(37,950)
Printing and stationeries		(10,000)	(10,000)	(10,000)	(10,000)
Bank charges		(3,495)	(3,810)	(32,156)	(3,695)
General expenses		(48,267)	(19,391)	(48,267)	(19,105)
<b>Total operating expenses</b>		<b>(611,276)</b>	<b>(658,330)</b>	<b>(414,694)</b>	<b>(422,788)</b>
Changes in fair value on financial assets at FVTPL	5	264,712	6,473,837	394,368	3,126,016
Net foreign currency gains/(loss) on cash and cash equivalents		940,729	5,257,315	(927,217)	3,332,380
		<b>1,205,441</b>	<b>11,731,152</b>	<b>(532,849)</b>	<b>6,458,396</b>
<b>Net profit/ (loss) before taxation</b>		<b>594,165</b>	<b>11,072,822</b>	<b>(947,543)</b>	<b>6,035,608</b>
Taxation	11	-	-	-	-
<b>Profit/ (loss) for the year, being total comprehensive income for the year</b>		<b>594,165</b>	<b>11,072,822</b>	<b>(947,543)</b>	<b>6,035,608</b>

**Statement of Profit or Loss | and Other Comprehensive Income for the Year Ended 30 June 2022  
for the NIT Emerging Market Fund and the NIT Global Bond Fund**

	Notes	NIT Emerging markets Fund		NIT Global Bond Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Income</b>		-	-	-	115,711
<b>Expenses</b>					
Management fees	12	(358,996)	(451,552)	(79,926)	(117,917)
Custodian fees	15	-	(45,105)	-	(14,717)
Trustee fees	13	(60,000)	(60,000)	(60,000)	(60,000)
Printing and stationeries		(10,000)	(10,000)	(10,000)	(10,000)
Audit fees		(110,500)	(37,950)	(110,500)	(37,950)
Bank charges		(29,387)	(3,810)	(3,495)	(3,810)
General expenses		(48,267)	(19,392)	(48,267)	(19,277)
<b>Total operating expenses</b>		<b>(617,150)</b>	<b>(627,809)</b>	<b>(312,188)</b>	<b>(263,671)</b>
Changes in fair value of financial assets at FVTPL	5	(95,352)	9,039,332	33,152	59,476
Net foreign currency gains on cash and cash equivalents		523,027	4,623,305	389,591	1,382,618
		<b>427,675</b>	<b>13,662,637</b>	<b>422,743</b>	<b>1,442,094</b>
<b>Net profit/ (loss) before taxation</b>		<b>(189,475)</b>	<b>13,034,828</b>	<b>110,555</b>	<b>1,294,134</b>
Taxation	11	-	-	-	-
<b>Profit/ (loss) for the year, being total comprehensive income for the year</b>		<b>(189,475)</b>	<b>13,034,828</b>	<b>110,555</b>	<b>1,294,134</b>

**Statement of Profit or Loss | and Other Comprehensive Income for the Year Ended 30 June 2022  
for the NIT Healthcare Fund and the NIT Global Value Fund**

	Notes	NIT Global Healthcare Fund		NIT Global Value Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Income</b>					
Dividend Income		-	-	1,488	9,409
<b>Expenses</b>					
Management fees	12	(267,156)	(367,156)	(376,528)	(458,807)
Custodian fees	15	-	(31,681)	-	(50,568)
Trustee fees	13	(60,000)	(60,000)	(60,000)	(60,000)
Printing and Stationeries		(10,000)	(10,000)	(10,000)	(10,000)
Audit fees		(110,500)	(37,950)	(110,500)	(37,950)
Bank charges		(97,989)	(3,810)	(41,210)	(3,810)
General expenses		(48,267)	(19,277)	(48,267)	(19,392)
<b>Total operating expenses</b>		<b>(593,912)</b>	<b>(529,874)</b>	<b>(646,505)</b>	<b>(640,527)</b>
<b>Net operating income</b>		<b>(593,912)</b>	<b>(529,874)</b>	<b>(645,017)</b>	<b>(631,118)</b>
Changes in fair value on financial assets at FVTPL	5	113,654	2,337,055	(1,387,854)	12,765,617
Net foreign currency gain/(loss) on cash and cash equivalents		(651,767)	5,456,335	387,328	4,403,424
		(538,113)	7,793,390	(1,000,526)	17,169,041
<b>Net profit/ (loss) before taxation</b>		<b>(1,132,025)</b>	<b>7,263,516</b>	<b>(1,645,543)</b>	<b>16,537,923</b>
Taxation	11	-	-	-	-
<b>Profit/ (loss) for the year, being total comprehensive income for the year</b>		<b>(1,132,025)</b>	<b>7,263,516</b>	<b>(1,645,543)</b>	<b>16,537,923</b>



**Statement of Changes in Net Assets** | attributable to the Unitholders for the year ended  
30 June 2022

		NIT Local Equity Fund	NIT Global Opportunities Fund
	Notes	Rs	Rs
At 1 July 2020		400,949,438	429,312,783
Issue of units	14	223,492	275,069
Redemption of units	14	(2,338,410)	(4,433,858)
Switch out	14	(2,367)	(2,219)
Issue of units in lieu of distribution payable	14	9,226,259	-
Total comprehensive income for the year		47,064,816	137,463,524
At 30 June 2021		455,123,228	562,615,299
<b>At 1 July 2021</b>		<b>455,123,228</b>	<b>562,615,299</b>
Issue of units	14	70,607	80,477,165
Redemption of units	14	(285,717,567)	(294,398,885)
Total comprehensive income for the year		87,712,857	(580,396)
<b>At 30 June 2022</b>		<b>257,189,125</b>	<b>348,113,183</b>

**Statement of Changes in Net Assets** | attributable to the Unitholders for the year ended  
30 June 2022

	Notes	NIT North America Fund		NIT Europe Fund	
		Rs	Rs	Rs	Rs
At 1 July 2020		43,593,698		23,204,426	
Issue of units	14	104,000		15,000	
Redemption of units	14	(653,071)		(96,334)	
Total comprehensive income for the year		11,072,822		6,035,608	
At 30 June 2021		54,117,449		29,158,700	
<b>At 1 July 2021</b>		<b>54,117,449</b>		<b>29,158,700</b>	
Issue of units	14	7,725,356		513,750	
Redemption of units	14	(60,427,274)		(28,132,634)	
Total comprehensive income for the year		594,165		(947,543)	
<b>At 30 June 2022</b>		<b>2,009,696</b>		<b>592,273</b>	

**Statement of Changes in Net Assets** | attributable to the Unitholders for the year ended  
**30 June 2022**

		<b>NIT Emerging Market Fund</b>	<b>NIT Global Bond Fund</b>
	<b>Notes</b>	<b>Rs</b>	<b>Rs</b>
At 1 July 2020		38,559,872	19,471,112
Issue of units	14	21,000	33,000
Redemption of units	14	(131,375)	-
Total comprehensive income for the year		<u>13,034,828</u>	<u>1,294,134</u>
At 30 June 2021		<u>51,484,325</u>	<u>20,798,246</u>
<b>At 1 July 2021</b>		<b>51,484,325</b>	<b>20,798,246</b>
Issue of units	14	6,159,880	31,750
Redemption of units	14	(53,823,635)	(19,582,258)
Total comprehensive income for the year		<u>(189,475)</u>	<u>110,555</u>
<b>At 30 June 2022</b>		<u><b>3,631,095</b></u>	<u><b>1,358,293</b></u>

**Statement of Changes in Net Assets** | attributable to the Unitholders for the year ended  
30 June 2022

		NIT Global Healthcare Fund	NIT Global Value Fund
	Notes	Rs	Rs
At 1 July 2020		33,152,649	38,021,619
Issue of units	14	298,100	39,000
Switch in		-	4,586
Redemption of units	14	(540,467)	(116,751)
Total comprehensive income for the year		<u>7,263,516</u>	<u>16,537,923</u>
At 30 June 2021		<u>40,173,798</u>	<u>54,486,377</u>
<b>At 1 July 2021</b>		<b>40,173,798</b>	<b>54,486,377</b>
Issue of units	14	599,218	7,183,356
Redemption of units	14	(33,829,367)	(55,841,595)
Total comprehensive income for the year		<u>(1,132,025)</u>	<u>(1,645,543)</u>
<b>At 30 June 2022</b>		<u><b>5,811,624</b></u>	<u><b>4,182,595</b></u>

**Statement of Cash Flow** | for the year ended 30 June 2022 for the NIT Local Equity Fund and the NIT Global Opportunities Fund

Notes	NIT Local Equity Fund		NIT Global Opportunities Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Cash flow from operating activities</b>				
	87,734,924	47,064,816	(580,396)	137,463,524
<b>Adjustments for:</b>				
Interest income	-	(46,288)	-	-
Changes in fair value on financial assets at FVTPL	5 (79,288,203)	(47,260,443)	2,982,952	(103,653,485)
Net foreign currency gains on cash and cash equivalents	-	-	(8,409,497)	(38,428,085)
<b>Operating loss before working capital changes</b>				
	8,446,721	(241,915)	(6,006,941)	(4,618,046)
Decrease/(increase) in receivables	883,408	(1,929,415)	-	-
Decrease/(increase) in loan advance to related party	-	9,000,000	-	-
(Decrease)/increase in other payables	70,873	(2,862,687)	(206,116)	(955,276)
<b>Cash generated from/(used in) operating activities</b>				
	9,401,002	3,965,983	(6,213,057)	(5,573,322)
Payment for purchases of financial assets at FVTPL	5 (20,120,057)	(1,128,960)	(985,372)	-
Proceeds from sale of financial assets at FVTPL	14,900,441	2,062,368	177,029,934	206,496,290
Interest income received	-	214,274	-	-
Tax paid	11 (12,625)	(133,121)	-	-
<b>Net cash generated from operating activities</b>				
	4,168,761	4,980,544	169,831,505	200,922,968
<b>Cash flow from financing activities</b>				
Proceeds from issue of units	14 70,607	223,492	80,477,165	275,069
Payment for switch out	14 -	(2,367)	-	(2,219)
Redemption of units	14 (2,289,046)	(2,338,410)	(294,398,885)	(4,433,858)
<b>Net cash used in financing activities</b>				
	(2,218,439)	(2,117,285)	(213,921,720)	(4,161,008)
<b>Net increase in cash and cash equivalents</b>				
	1,950,322	2,863,259	(44,090,215)	196,761,960
Cash and cash equivalent at the beginning of the year	43,770,884	40,907,625	376,211,213	141,021,168
Exchange gains on cash and cash equivalents	-	-	8,409,497	38,428,085
<b>Cash and cash equivalent at end of the year</b>				
8	45,721,206	43,770,884	340,530,495	376,211,213

**Statement of Cash Flows** | For the Year Ended 30 June 2022 for the NIT North America Fund and the NIT Europe Fund

	Notes	NIT North America Fund		NIT Europe Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Cash flow from operating activities</b>					
Net profit before taxation		594,165	11,072,822	(947,543)	6,035,608
<b>Adjustments for:</b>					
Changes in fair value on financial assets at FVTPL	5	(264,712)	(6,473,837)	(394,368)	(3,126,016)
Net foreign currency gains/(loss) on cash and cash equivalents		(940,729)	(5,257,315)	927,217	(3,332,380)
<b>Operating loss before working capital changes</b>		<b>(611,276)</b>	<b>(658,330)</b>	<b>(414,694)</b>	<b>(422,788)</b>
(Decrease)/increase in other payables		275,033	(2,046)	183,051	43,216
<b>Cash used in operating activities</b>		<b>(336,243)</b>	<b>(660,376)</b>	<b>(231,643)</b>	<b>(379,572)</b>
Proceeds from sale of financial assets at FVTPL	5	9,519,830	24,464,905	8,098,913	10,462,066
Payment for purchase of financial assets at fair value through profit or loss	5	-	-	-	-
<b>Net cash generated from operating activities</b>		<b>9,183,587</b>	<b>23,804,529</b>	<b>7,867,270</b>	<b>10,082,494</b>
<b>Cash flow from financing activities</b>					
Proceeds from issue of units	14	7,725,356	104,000	513,750	15,000
Cash paid for units liquidated	14	(60,427,274)	(653,071)	(28,132,634)	(96,334)
<b>Net cash used in financing activities</b>		<b>(52,701,918)</b>	<b>(549,071)</b>	<b>(27,618,884)</b>	<b>(81,334)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(43,518,331)</b>	<b>23,255,458</b>	<b>(19,751,614)</b>	<b>10,001,160</b>
<b>Cash and cash equivalent at the beginning of the year</b>		<b>45,077,519</b>	<b>16,564,746</b>	<b>21,661,688</b>	<b>8,328,148</b>
Exchange (losses)/gains on cash and cash equivalents		940,729	5,257,315	(927,217)	3,332,380
<b>Cash and cash equivalent at end of the year</b>	8	<b>2,499,917</b>	<b>45,077,519</b>	<b>982,857</b>	<b>21,661,688</b>

**Statement of Cash Flows** | for the year ended 30 June 2022 for the NIT Emerging Market Fund  
and the NIT Global Bond Fund

	Notes	NIT Emerging Market Fund		NIT Global Bond Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Cash flow from operating activities</b>					
Net profit before taxation		(189,475)	13,034,828	110,555	1,294,134
<b>Adjustments for:</b>					
Changes in fair value of financial assets at FVTPL	5	95,352	(9,039,332)	(33,152)	(59,476)
Net foreign currency gains on cash and cash equivalents		(523,027)	(4,623,305)	(389,591)	(1,382,618)
<b>Operating loss before working capital changes</b>		<b>(617,150)</b>	<b>(627,809)</b>	<b>(312,188)</b>	<b>(147,960)</b>
Decrease in other receivables		-	-	-	-
Increase/(decrease) in other payables		264,491	19,785	550	54,936
<b>Cash used in operating activities</b>		<b>(352,659)</b>	<b>(608,024)</b>	<b>(311,638)</b>	<b>(93,024)</b>
Payment for purchases of financial assets at FVTPL	5	-	-	-	-
Proceeds from sale of financial assets at FVTPL	5	14,599,747	23,921,988	4,184,848	6,914,006
<b>Net cash generated from operating activities</b>		<b>14,247,088</b>	<b>23,313,964</b>	<b>3,873,210</b>	<b>6,820,982</b>
<b>Cash flow from financing activities:</b>					
Proceeds from issue of units	14	6,159,880	21,000	31,750	33,000
Cash paid for units liquidated	14	(53,823,635)	(131,375)	(19,582,258)	-
<b>Net cash generated from financing activities</b>		<b>(47,663,755)</b>	<b>(110,375)</b>	<b>(19,550,508)</b>	<b>33,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>(33,416,667)</b>	<b>23,203,589</b>	<b>(15,677,298)</b>	<b>6,853,982</b>
Cash and cash equivalent at the beginning of the year		37,025,153	9,198,259	16,831,848	8,595,248
Net foreign currency gains on cash and cash equivalents		523,027	4,623,305	389,591	1,382,618
<b>Cash and cash equivalent at end of the year</b>	8	<b>4,131,513</b>	<b>37,025,153</b>	<b>1,544,141</b>	<b>16,831,848</b>



**Statement of Cash Flows** | for the year ended 30 June 2022 for the NIT Global Healthcare Fund and the NIT Global Value Fund

	Notes	NIT Global Healthcare Fund		NIT Global Value Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Cash flow from operating activities</b>					
Net profit before taxation		(1,132,025)	7,263,516	(1,645,543)	16,537,923
<b>Adjustments for:</b>					
Changes in fair value of financial assets at FVTPL	5	(113,654)	(2,337,055)	1,387,854	(12,765,617)
Net foreign currency gains on cash and cash equivalents		651,767	(5,456,335)	(387,328)	(4,403,424)
<b>Operating loss before working capital changes</b>					
Increase/ (decrease) in other payables		(593,912)	(529,874)	(645,017)	(631,118)
		156,812	23,668	278,546	24,737
<b>Cash used in operating activities</b>					
		(437,100)	(506,207)	(366,471)	(606,381)
Payment for purchases of financial assets at FVTPL	5	-	-	-	-
Proceeds from sale of financial assets at FVTPL	5	8,502,392	20,060,557	20,886,557	21,756,277
<b>Net cash generated from operating activities</b>					
		8,065,292	19,554,350	20,520,086	21,149,896
<b>Cash flow from financing activities:</b>					
Proceeds from issue of units	14	599,218	298,100	7,183,356	39,000
Proceeds from switch in	14	-	-	-	4,586
Cash paid for units liquidated	14	(33,829,367)	(540,467)	(55,841,595)	(116,751)
<b>Net cash used in financing activities</b>					
		(33,230,149)	(242,367)	(48,658,239)	(73,165)
<b>Net increase in cash and cash equivalents</b>					
		(25,164,857)	19,311,983	(28,138,153)	21,076,731
Cash and cash equivalent at the beginning of the year		31,995,135	7,226,816	32,441,696	6,961,541
Exchange gain on cash and cash equivalents		(651,767)	5,456,335	387,328	4,403,424
<b>Cash and cash equivalent at end of the year</b>					
	8	6,178,511	31,995,135	4,690,871	32,441,696

# Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

## 1. General Information

NIT Unit Trust (the 'Sub-Funds') was authorized to operate as a Collective Investment Scheme under Section 97 of the Securities Act 2005 on 15 January 2013. The sub-funds comply with the Securities Act 2005 and the Securities Act (Collective Investment Scheme and Closed-End Funds) Regulations 2008. The sub-funds are managed by National Investment Trust Ltd (the 'Manager'). The Manager currently manages 8 sub-funds, established under the NIT Unit Trust namely NIT Local Equity Fund, NIT Global Opportunities Fund, NIT North America Fund, NIT Europe Fund, NIT Emerging Markets Fund, NIT Global Bond Fund, NIT Global Healthcare Fund and NIT Global Value Fund.

## 2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all year presented, unless stated otherwise.

### 2.1 Basis of presentation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued by the International Accounting Standards Board ("IASB") and its related bodies. The financial statements have been prepared under the historical cost convention, except for fair valuation of financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise their judgment in the process of applying the sub-funds' accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are described in Note 4.

### Application of new and revised International Financial Reporting Standards

In the current year, the sub-funds have 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 2021.

#### (i) *New and revised standards that are effect but 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 the current and prior periods but may affect the accounting treatment for future transactions or arrangements:

IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding replacement issues in the context of the IBOR reform
IFRS 7	Financial Instruments: Disclosures - Amendments regarding replacement issues in the context of the IBOR reform IFRS 9
IFRS 16	Leases - Amendments regarding replacement issues in the context of the IBOR reform
IFRS 16	Leases - Amendment to extend the exemption from assessing whether a COVID-19-related rent concession is a lease modification

#### (ii) *New and revised Standards and Interpretations in issue but not yet effective*

At the date of authorisation of these financial statements, the following relevant new and revised Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2. Summary of Significant Accounting Policies (Continued)

#### 2.1 Basis of presentation (Continued)

##### Application of new and revised International Financial Reporting Standards (Continued)

###### (iii) *New and revised Standards and Interpretations in issue but not yet effective (Continued)*

IAS 1	Presentation of Financial Statements – Amendments regarding the disclosure of accounting policies (effective 1 January 2023)
IAS 1	Presentation of Financial Statements – Amendments regarding the classification of liabilities as current and non-current (effective 1 January 2023)
IAS 1	Presentation of Financial Statements – Amendment to defer the effective date of the January 2020 amendments (effective 1 January 2023)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective 1 January 2023)
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective 1 January 2023)
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous or loss making (effective 1 January 2022)
IFRS 9	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities) (effective 1 January 2022)

The Manager anticipates that these Standards and Interpretation will be applied on their effective dates in future periods. The Manager has not yet had an opportunity to consider the potential impact of the application of these amendments.

#### 2.2 Foreign currency translation

##### (a) *Functional and presentation currency*

The performance of the Fund is measured and reported to the investors in Mauritian Rupee ("Rs"). The Manager and the Trustee considers the Mauritian Rupees "Rs" as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Rs, which is the Fund's functional and presentation currency.

##### (b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of profit or loss and other comprehensive income. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of their fair value gain or loss. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2. Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments

Financial assets and financial liabilities are recognised in the sub-funds' statement of financial position when the sub-funds become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

##### **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification of financial assets*

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVOCI):

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

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the sub-funds may make the following irrevocable election/designation at initial recognition of a financial asset:

- the sub-funds may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the sub-funds may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

##### (i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2. Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments (Continued)

##### *Financial assets (Continued)*

##### (i) Amortised cost and effective interest method (Continued)

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the sub-funds recognise interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

##### (ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI are measured at FVTPL. Specifically:

- Investments in unquoted instruments are classified as at FVTPL, unless the sub-funds designate an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Sub-funds have not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Foreign exchange gains and losses*

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item; and
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item.

##### *Impairment of financial assets*

The sub-funds recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For these financial instruments, the Fund recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

##### (a) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Fund compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Fund's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Fund's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments (Continued)

##### **Financial assets (Continued)**

##### *Impairment of financial assets (Continued)*

##### (a) Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Fund presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Fund has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Fund assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have a low credit risk if:

1. the financial instrument has a low risk of default;
2. the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3. adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Fund regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

##### (b) Definition of default

The Fund considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Fund, in full (without taking into account any collateral held by the Fund).

Irrespective of the above analysis, the Fund considers that default has occurred when a financial asset is more than 90 days past due unless the Fund has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### (c) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or the disappearance of an active market for that financial asset because of financial difficulties.



## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Impairment of financial assets (Continued)*

##### (d) Write off

The Fund writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Fund's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

##### (e) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Fund's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Fund in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at the original effective interest rate.

If the Fund has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Fund measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Fund recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

##### *Derecognition of financial assets*

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.3 Financial instruments (Continued)

##### ***Financial liabilities and equity***

##### *Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Fund are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Fund's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Fund's own equity instruments.

##### ***Financial liabilities***

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Fund, are measured in accordance with the specific accounting policies set out below.

##### Financial liabilities measured subsequently at amortised

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

##### ***Derecognition of financial liabilities***

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Accruals and other payables

Accruals and other payables are recognised initially at fair value and subsequent stated at amortised cost. The difference between the proceeds and the amount payable is recognised over the period of payable using the effective interest method.

##### Dividend income

Dividend income is recognised when the right to receive payment is established.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.4 Interest income and interest from financial assets at fair value through profit or loss

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities held.

#### 2.5 Revenue recognition

Dividend income is recognised when the right to receive payment is established. Dividend arising from financial assets at fair value through profit or loss is recognised when the security is quoted ex-dividend.

#### 2.6 Distribution payable to unitholders

Out of the eight sub-funds only NIT Local Equity Fund distributes dividends. In this case, proposed distribution is recognised as a liability and as equalisation in the statement of profit or loss and other comprehensive income in the year to which it relates.

#### 2.7 Management fees

Management fee is payable to the Manager and is based on 1% of the net asset value of the sub-funds (NIT Global opportunities fund 1.25% & Global Bond 0.60%). Management fee is calculated weekly and are paid quarterly in arrears.

#### 2.8 Trustee's fees

Trustee's fees payable to SBM Fund Services Ltd are at a flat rate of Rs 150,000 annually for NIT Local Equity & NIT Global Opportunities. The fees are payable half yearly in arrears. As for the other sub-funds, the amount paid during the financial year amounted to Rs, 60,000 each.

#### 2.9 Other receivables

Receivables are carried at amortised cost using the effective interest method, less impairment, if any.

#### 2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash and short term deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### 2.11 Redeemable Units

##### *Classification of redeemable units*

Redeemable units are classified as equity instruments when:

The redeemable units entitle the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation.

The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.11 Redeemable Units (Continued)

##### *Classification of redeemable units (Continued)*

All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.

The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Fund's net assets.

The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

In addition to the redeemable units having all the above features, the Fund must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund; and
- The effect of substantially restricting or fixing the residual return to the holders of redeemable units.

The Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions. Upon issuance of shares, the consideration received is included in equity.

#### 2.12 Current and deferred income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

##### *Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit.

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

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 2 Summary of Significant Accounting Policies (Continued)

#### 2.13 Current and deferred income tax (Continued)

##### *Deferred tax (Continued)*

Deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the sub-funds and the Fund expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

##### *Current and deferred tax for the year*

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### 2.14 Other payables

Other payables and accruals are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

#### 2.15 Provisions

Provisions are recognised when the sub-funds have a present obligation (legal or constructive) as a result of a past event, it is probable that the sub-funds will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

#### 2.16 Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

#### 2.17 Related parties

Related parties are individuals and companies where the individual or the sub-funds 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 or is a member of the key management personnel of the reporting entity. An entity is related to a reporting entity if both of them are members of the same group or one of them is either an associate or joint venture of the other entity. Related party can also arise if the entity is a post-employment benefit plan for the employee of the reporting entity.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management

#### 3.1 Financial risk factors

The sub-funds activities expose them to a variety of financial risks. These risks include market risk (including price risk, currency risk and cash flow interest rate risk), credit risk and liquidity risk.

The sub-funds are also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the sub-funds to transfer securities might be temporarily impaired.

The sub-funds' overall risk management programme seeks to maximise the returns derived for the level of risk to which the sub-funds are exposed and seeks to minimise potential adverse effects on the sub-funds' financial performance.

All securities investments present a risk of loss of capital. The maximum loss of capital on equity and debt securities is limited to the fair value of those positions.

Risk management is carried out by National Investment Trust (Manager) under policies approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

The sub-funds use different methods to measure and manage the various types of risk to which they are exposed; these methods are explained below.

##### (a) Market risk

###### *Price risk*

The sub-funds are exposed to equity price risk. This arises from investments held by the sub-funds for which prices in the future are uncertain.

The sub-fund's policy also limits individual securities as follows:

##### **For NIT Local Equity Fund:**

- The value of the aggregate values of any investments in any sub-fund shall not exceed 25% of the total value of the Fund;
- The nominal amount of any investment in shares or stock of any Fund or body shall not exceed 10% of the total nominal amount of all issued shares or stock of that sub-fund; and
- Where in any period, the value of the aggregate values of any investments in any sub-fund exceeds 25% of the total value of the sub-fund, the Manager and the Trustee will take necessary step to reduce the percentage of investments accordingly.

The Fund's equity and debt investments are publicly traded on the Stock Exchange of Mauritius and Overseas. The Fund's policy requires that the overall market position is monitored on a regular basis by the Manager and the Trustee.

##### **For all overseas Funds:**

- The value of the aggregate values of any investments in the shares of Collective Investment Scheme shall not exceed 25% of the total value of the sub-fund;
- The value of the aggregate value of any investments in any investee Fund or body shall not exceed 10% of the total nominal amount of all issued shares or stock of that sub-fund; and
- The nominal amount of any investment in shares or stock of any investee Fund or body shall not exceed 10% of the total nominal amount of all issued shares or stock of the fund.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

The Sub-funds' equity and debt investments are publicly traded on Stock Exchanges. The Sub-funds policies require that the overall market position is monitored on a regular basis by the Manager.

At 30 June 2022, the fair value of investments exposed to price risk was as follows:

##### Financial assets at fair value through profit or loss

	2022 Rs	2021 Rs
NIT Local Equity Fund	209,705,249	408,625,951
NIT Global Opportunities Fund	8,343,350	187,370,864
NIT North America Fund	-	9,255,118
NIT Europe Fund	-	7,704,545
NIT Emerging Markets Fund	-	14,695,099
NIT Global Bond Fund	-	4,151,696
NIT Global Healthcare Fund	-	8,388,738
NIT Global Value Fund	-	22,274,411

The Sub-funds also manage their exposure to price risk by analysing the investment portfolio by industrial sector. The Sub-funds' policy are to concentrate the investment portfolio in sectors where the Manager and the Trustee believe the Sub-funds can maximise the returns derived for the level of risk to which the Sub-funds are exposed.

##### Sensitivity analysis

The Manager's and the Trustee's best estimate of the effect on statements of profit or loss and other comprehensive income for the year due to a possible change in securities price, with all variables held constant is indicated on the table below.

If the security prices had been 5% higher/lower, net assets attributable to unitholders would increase/decrease as follows:

##### Financial assets at fair value through profit or loss

	2022 Rs	2021 Rs
NIT Local Equity Fund	10,485,262	20,431,298
NIT Global Opportunities Fund	417,168	9,368,543
NIT North America Fund	-	462,756
NIT Europe Fund	-	385,227
NIT Emerging Markets Fund	-	734,755
NIT Global Bond Fund	-	207,585
NIT Global Healthcare Fund	-	419,437
NIT Global Value Fund	-	1,113,721

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

###### *Interest rate risk*

Interest rate risk is the risk that fair values of financial assets and liabilities, as reported in the Sub-funds' statements of financial position could change due to fluctuations in prevailing levels of market interest rates. All of the Sub-funds' financial assets and liabilities are non-interest bearing except of cash and cash equivalents which are placed at short term interest rates.

The Manager and the Trustee consider that the Sub-funds are not subject to significant amount of risk arising from changes in interest rates on cash and cash equivalents as these are short term in nature and changes in their values or interest cash flows in the event of a change in interest rates will not be material. Therefore, no interest rate risk sensitivity analysis on cash and cash equivalents has been performed. However, changes in interest rates could impact on earnings of entities in which the Sub-funds have invested.

###### *Foreign currency risk*

When the Sub-funds holds assets and liabilities denominated in currencies other than the Mauritian Rupees ("Rs"), they are exposed to currency risk, as the value of the assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Sub-funds' policies are not to enter into any currency hedging transactions.

	NIT Global Opportunities Fund			
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	3,264,569	760,662	1,918,822	966,778
United States Dollar	247,519,546	-	381,893,136	-
Japanese Yen	-	-	7,198	-
Euro	79,425,635	-	153,359,689	-
Pound Sterling	18,664,095	-	26,403,232	-
	<b>348,873,845</b>	<b>760,662</b>	<b>563,582,077</b>	<b>966,778</b>

	NIT North America Fund			
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	463,026	490,221	111,882	215,188
United States Dollar	2,036,891	-	54,220,755	-
	<b>2,499,917</b>	<b>490,221</b>	<b>54,332,637</b>	<b>215,188</b>



## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

<b>NIT Europe Fund</b>				
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	27,501	390,584	1,543,583	207,533
Euro	952,698	-	27,820,157	-
United States Dollar	2,658	-	2,493	-
	<b>982,857</b>	<b>390,584</b>	<b>29,366,233</b>	<b>207,533</b>

<b>NIT Emerging Market Fund</b>				
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	19,833	500,418	78,625	235,927
United States Dollar	3,428,251	-	42,531,377	-
Euro	683,429	-	9,110,250	-
	<b>4,131,513</b>	<b>500,418</b>	<b>51,720,252</b>	<b>235,927</b>

<b>NIT Global Bond Fund</b>				
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	6,855	185,848	316,957	185,298
United States Dollar	1,537,286	-	20,666,587	-
	<b>1,544,141</b>	<b>185,848</b>	<b>20,983,544</b>	<b>185,298</b>

<b>NIT Global Healthcare Fund</b>				
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Currency				
Mauritian Rupee	472,655	366,887	441,029	210,075
United States Dollar	1,277,978	-	7,479,306	-
Euro	4,427,878	-	32,463,538	-
	<b>6,178,511</b>	<b>366,887</b>	<b>40,383,873</b>	<b>210,075</b>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

Foreign currency risk (Continued)

Currency	NIT Global Value Fund			
	2022		2021	
	Financial assets Rs	Financial liabilities Rs	Financial assets Rs	Financial liabilities Rs
Mauritian Rupee	133,778	508,276	152,281	229,730
United States Dollar	3,709,747	-	43,025,626	-
Euro	847,346	-	11,538,200	-
	<b>4,690,871</b>	<b>508,276</b>	<b>54,716,107</b>	<b>229,730</b>

The exchange rate risk arises mainly out of the Sub-funds' investment in the securities which are denominated in currencies other than "Rs". The currency risk between the foreign currency of the investments and the functional currency of the Fund is not actively managed and fluctuates with market movements.

The following table details the Sub-funds' sensitivity to a 5% and 10% change in the Mauritian Rupee against the relevant foreign currencies. A 5% and 10% represents the Manager's and the Trustee's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit and net assets attributable to unitholders, where the Mauritian Rupee weakens 5% and 10% against the relevant foreign currencies. For a 5% and 10% strengthening of the Mauritian Rupee against the relevant foreign currencies, there would be an equal and opposite impact on the profit and net assets attributable to unitholders and the balances below would be negative.

Foreign currency impact	NIT Global Opportunities Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
United States Dollar	12,375,977	24,751,955	19,094,657	38,189,314
Euro	3,971,282	7,942,564	7,667,984	15,335,969
Pound Sterling	933,205	1,866,410	1,320,162	1,628,016
Japanese Yen	-	-	-	-
Total (Rs)	<b>17,280,464</b>	<b>34,560,929</b>	<b>28,082,803</b>	<b>55,153,299</b>

Foreign currency impact	NIT North America Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
United States Dollar	101,845	203,689	2,711,038	5,422,076

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

Foreign currency risk (Continued)

	NIT Europe Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
Foreign currency impact				
Euro	47,635	95,270	1,391,008	2,782,016
United States Dollar	133	266	125	249
	<b>47,768</b>	<b>95,536</b>	<b>1,391,133</b>	<b>2,782,265</b>

	NIT Emerging Markets Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
Foreign currency impact				
United States Dollar	171,413	342,825	2,126,569	4,253,138
Euro	34,171	68,343	455,513	911,025
	<b>205,584</b>	<b>411,168</b>	<b>2,582,082</b>	<b>5,164,163</b>

	NIT Global Bond Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
Foreign currency impact				
United States Dollar	76,864	153,729	1,033,329	2,066,659

	NIT Global Healthcare Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
Foreign currency impact				
United States Dollar	63,899	127,798	1,623,177	3,246,354
Euro	221,394	442,788	373,965	747,931
	<b>285,293</b>	<b>570,586</b>	<b>1,997,142</b>	<b>3,994,285</b>

	NIT Global Value Fund			
	2022		2021	
	5% Rs	10% Rs	5% Rs	10% Rs
Foreign currency impact				
United States Dollar	185,487	370,975	2,151,281	4,302,563
Euro	42,367	84,735	576,910	1,153,820
	<b>227,854</b>	<b>455,710</b>	<b>2,728,191</b>	<b>5,456,383</b>

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

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk

The Sub-funds take on exposure to credit risk, which is the risk that a counter party will be unable to pay amounts in full when due. Impairment provisions are made for losses that have been incurred at the end of the reporting period, if any.

The Sub-funds' main credit risk concentration is associated with bank balances and other receivables.

All transactions in listed securities are settled / paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The transaction will fail if either party fails to meet its obligation.

The bank balances are held with reputable financial institutions.

Accordingly, the Sub-funds have no significant concentration of credit risk. None of the Sub-funds financial assets are impaired nor past due but not impaired.

##### (c) Liquidity risk

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

The Sub-funds are exposed to weekly cash redemptions of redeemable units. They therefore invest the majority of their assets in financial assets that are traded in an active market and can be readily disposed of. The Sub-funds listed financial assets are considered readily realisable, as they are listed on Stock Exchanges.

The tables below analyse the Sub-funds' financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as impact of discounting is not significant.

Financial liabilities	NIT Local Equity Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	741,510	741,510	-	670,637	670,637
Distribution payable	-	-	-	-	-	-
	-	741,510	741,510	-	670,637	670,637

Financial liabilities	NIT Global Opportunities Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	760,662	760,662	-	966,778	966,778

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Financial liabilities	NIT North America Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	490,221	490,221	-	215,188	215,188

Financial liabilities	NIT Europe Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	390,584	390,584	-	207,533	207,533

Financial liabilities	NIT Emerging Markets Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	500,418	500,418	-	235,927	235,927

Financial liabilities	NIT Global Bond Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	185,848	185,848	-	185,298	185,298

Financial liabilities	NIT Global Healthcare Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	366,887	366,887	-	210,075	210,075

Financial liabilities	NIT Global Value Fund					
	2022			2021		
	At call Rs	Less than one year Rs	Total Rs	At call Rs	Less than one year Rs	Total Rs
Other payables	-	508,276	508,276	-	229,730	229,730

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 3. Financial Risk Management (Continued)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

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

In case of NIT Local Equity Fund, distributions to holder of units are made by way of re-investment to purchase additional units as no entry fee on the next valuation day following the payment of distribution.

#### 3.2 Capital risk management

The capital of the Sub-funds is represented by the net assets attributable to the unitholders. The amount of net assets attributable to the unitholders can change significantly on a weekly basis as the Sub-funds are subject to weekly subscriptions and redemptions at the discretion of the unitholders. The Sub-funds main purpose is to make portfolio investments in listed securities on overseas markets. The investment portfolios are very well diversified to mitigate investment risk.

The Sub-funds' objective when managing capital is to provide an adequate return to the unitholder by achieving and preserving above average long-term real capital returns through a policy of investing primarily in quoted securities. The Sub-funds seek to achieve this through participating in rising markets whilst following a strategy more suitable for capital preservation when quoted securities prices are falling.

#### 3.3 Fair value estimation

The carrying amounts of financial assets at fair value through profit or loss, other receivables, cash and cash equivalents and other payables approximate their fair values.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The fair value of financial assets traded in active markets is based on quoted market prices at the close of trading on the year end date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value hierarchy has the following levels: At 30 June 2022 and 2021 all financial assets at fair value through profit or loss were classified as Level 1. There were no transfers between level 1, 2 and 3 during the year.

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.4 Category of Financial Instruments

Financial instruments by category are as follows:

		<b>NIT Local Equity Fund</b>			
<b>Financial assets</b>	Financial assets	Financial assets	Financial assets	Financial assets	
	at amortised cost	at FVTPL	at amortised cost	at FVTPL	
	2022	2022	2021	2021	
	Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	209,705,249	-	408,625,951	
Other receivables	2,428,599	-	3,312,007	-	
Loan receivables	-	-	-	-	
Cash and cash equivalents	45,721,206	-	43,770,884	-	
	<b>48,149,805</b>	<b>209,705,249</b>	<b>47,082,891</b>	<b>408,625,951</b>	
<b>Financial liabilities</b>	Financial liabilities	Other liabilities	Financial liabilities	Other liabilities	
	at FVTPL	at amortised cost	at FVTPL	at amortised cost	
	2022	2022	2021	2021	
	Rs	Rs	Rs	Rs	
Other payables	-	741,510	-	670,637	
Distribution to unitholders	-	-	-	-	
	-	<b>741,510</b>	-	<b>670,637</b>	
		<b>NIT Global Opportunities Fund</b>			
<b>Financial assets</b>	Financial assets	Financial assets	Financial assets	Financial assets	
	at amortised cost	at FVTPL	at amortised cost	at FVTPL	
	2022	2022	2021	2021	
	Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	8,343,350	-	187,370,864	
Cash and cash equivalents	340,530,495	-	376,211,213	-	
	<b>340,530,495</b>	<b>8,343,350</b>	<b>376,211,213</b>	<b>187,370,864</b>	
<b>Financial liabilities</b>	Financial liabilities	Other liabilities	Financial liabilities	Other liabilities	
	at FVTPL	at amortised cost	at FVTPL	at amortised cost	
	2022	2022	2021	2021	
	Rs	Rs	Rs	Rs	
Other payables	-	760,662	-	966,778	
		<b>NIT North America Fund</b>			
<b>Financial assets</b>	Financial assets	Financial assets	Financial assets	Financial assets	
	at amortised cost	at FVTPL	at amortised cost	at FVTPL	
	2022	2022	2021	2021	
	Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	-	-	9,255,118	
Cash and cash equivalents	2,499,917	-	45,077,519	-	
	<b>2,499,917</b>	-	<b>45,077,519</b>	<b>9,255,118</b>	



Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.4 Category of Financial Instruments (Continued)

Financial liabilities	NIT North America Fund			
	Financial liabilities at FVTPL	Other liabilities at amortised cost	Financial liabilities at FVTPL	Other liabilities at amortised cost
	2022	2022	2021	2021
	Rs	Rs	Rs	Rs
Other payables	-	490,221	-	215,188

Financial assets	NIT Europe Fund			
	Financial assets at amortised cost	Financial assets at FVTPL	Financial assets at amortised cost	Financial assets at FVTPL
	2022	2022	2021	2021
	Rs	Rs	Rs	Rs
Financial assets at FVTPL	-	-	-	7,704,545
Cash and cash equivalents	982,857	-	21,661,688	-
	982,857	-	21,661,688	7,704,545

Financial liabilities	Financial liabilities at FVTPL	Other liabilities at amortised cost	Financial liabilities at FVTPL	Other liabilities at amortised cost
	2022	2022	2021	2021
	Rs	Rs	Rs	Rs
	Other payables	-	390,584	-

Financial assets	NIT Emerging Markets Fund			
	Financial assets at amortised cost	Financial assets at FVTPL	Financial assets at amortised cost	Financial assets at FVTPL
	2022	2022	2021	2021
	Rs	Rs	Rs	Rs
Financial assets at FVTPL	-	-	-	14,695,099
Cash and cash equivalents	4,131,513	-	37,025,153	-
	4,131,513	-	37,025,153	14,695,099

Financial liabilities	Financial liabilities at FVTPL	Other liabilities at amortised cost	Financial liabilities at FVTPL	Other liabilities at amortised cost
	2022	2022	2021	2021
	Rs	Rs	Rs	Rs
	Other payables	-	500,418	-



Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

3. Financial Risk Management (Continued)

3.4 Category of Financial Instruments (Continued)

Financial assets	NIT Global Bond Fund			
	Financial assets	Financial assets	Financial assets	Financial assets
	at amortised	at FVTPL	at amortised	at FVTPL
	cost	cost	cost	cost
2022	2022	2021	2021	
Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	-	-	4,151,696
Cash and cash equivalents	1,544,141	-	16,831,848	-
	<b>1,544,141</b>	<b>-</b>	<b>16,831,848</b>	<b>4,151,696</b>
Financial liabilities	Financial	Other	Financial	Other
	liabilities	liabilities at	liabilities	liabilities at
	at FVTPL	amortised cost	at FVTPL	amortised cost
	2022	2022	2021	2021
Rs	Rs	Rs	Rs	
Other payables	-	185,848	-	185,298

Financial assets	NIT Global Healthcare Fund			
	Financial assets	Financial assets	Financial assets	Financial assets
	at amortised	at FVTPL	at amortised	at FVTPL
	cost	cost	cost	cost
2022	2022	2021	2021	
Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	-	-	8,388,738
Cash and cash equivalents	6,178,511	-	31,995,135	-
	<b>6,178,511</b>	<b>-</b>	<b>31,995,135</b>	<b>8,388,738</b>
Financial liabilities	Financial	Other	Financial	Other
	liabilities	liabilities at	liabilities	liabilities at
	at FVTPL	amortised cost	at FVTPL	amortised cost
	2022	2022	2021	2021
Rs	Rs	Rs	Rs	
Other payables	-	366,887	-	210,075

Financial assets	NIT Global Value Fund			
	Financial assets	Financial assets	Financial assets	Financial assets
	at amortised	at FVTPL	at amortised	at FVTPL
	cost	cost	cost	cost
2022	2022	2021	2021	
Rs	Rs	Rs	Rs	
Financial assets at FVTPL	-	-	-	22,274,411
Cash and cash equivalents	4,690,871	-	32,441,696	-
	<b>4,690,871</b>	<b>-</b>	<b>32,441,696</b>	<b>22,274,411</b>
Financial liabilities	Financial	Other	Financial	Other
	liabilities	liabilities at	liabilities	liabilities at
	at FVTPL	amortised cost	at FVTPL	amortised cost
	2022	2022	2021	2021
Rs	Rs	Rs	Rs	
Other payables	-	508,276	-	279,730

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 4. Critical Accounting Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the Manager and the Trustee to exercise their 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 therefore, by definition, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where the Manager and the Trustee have applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimates 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 are discussed below:

#### *Determination of functional currency*

The determination of the functional currency of the Sub-funds are critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2.2, the Manager and the Trustee have considered those factors therein and have determined that the functional currency of the Fund is the "Rs". The Manager and the Trustee considers "Rs" as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

### 5. Financial Assets at Fair Value Through Profit or Loss ("FVTPL")

#### At fair value

#### At 1 July 2020

Additions  
Disposals  
Fair value (loss) / gain on revaluation

#### At 30 June 2021

Additions  
Disposals\*  
Fair value gain / (loss) on revaluation

#### At 30 June 2022

NIT Local Equity Fund		
Official Market Rs	Development & Enterprises Market Rs	Total Rs
348,380,918	13,917,998	362,298,916
1,128,960	-	1,128,960
(2,062,368)	-	(2,062,368)
41,950,694	5,309,749	47,260,443
<b>389,398,204</b>	<b>19,227,747</b>	<b>408,625,951</b>
20,120,057	-	20,120,057
(290,178,419)	(8,150,543)	(298,328,962)
87,841,264	(8,553,061)	79,288,203
<b>207,181,106</b>	<b>2,524,143</b>	<b>209,705,249</b>

\*The redemption of units held in NIT Local Equity Fund by National Savings Fund and National Pension Fund (unit holders) amounting to Rs 283,428,521 was settled through the transfer of investment shares held by the NIT Local Equity Fund to the unit holders.

#### At fair value

#### At 1 July 2020

Additions  
Disposals  
Fair value gain on revaluation

#### At 30 June 2021

Additions  
Disposals  
Fair value gain on revaluation

#### At 30 June 2022

NIT Global Opportunities Fund	
Total Rs	
290,213,669	
-	
(206,496,290)	
103,653,485	
<b>187,370,864</b>	
985,372	
(177,029,934)	
(2,982,952)	
<b>8,343,350</b>	

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

5. Financial Assets at Fair Value Through Profit or Loss ("FVTPL") (Continued)

		<b>NIT North America Fund</b>
		<b>Total</b>
		<b>Rs</b>
<b>At fair value</b>		
<b>At 1 July 2020</b>		27,246,186
Additions		-
Disposals		(24,464,905)
Fair value gain on revaluation		6,473,837
<b>At 30 June 2021</b>		<b>9,255,118</b>
Additions		-
Disposals		(9,519,830)
Fair value gain on revaluation		264,712
<b>At 30 June 2022</b>		<b>-</b>
		<b>NIT Europe Fund</b>
		<b>Total</b>
		<b>Rs</b>
<b>At fair value</b>		
<b>At 1 July 2020</b>		15,040,595
Additions		-
Disposals		(10,462,066)
Fair value gain on revaluation		3,126,016
<b>At 30 June 2021</b>		<b>7,704,545</b>
Additions		-
Disposals		(8,098,913)
Fair value gain on revaluation		394,368
<b>At 30 June 2022</b>		<b>-</b>
		<b>NIT Emerging Markets Fund</b>
		<b>Total</b>
		<b>Rs</b>
<b>At fair value</b>		
<b>At 1 July 2020</b>		29,577,755
Additions		-
Disposals		(23,921,988)
Fair value gain on revaluation		9,039,332
<b>At 30 June 2021</b>		<b>14,695,099</b>
Additions		-
Disposals		(14,599,747)
Fair value gain on revaluation		(95,352)
<b>At 30 June 2022</b>		<b>-</b>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

5. Financial Assets at Fair Value Through Profit or Loss ("FVTPL") (Continued)

		<b>NIT Global Bond Fund</b>
<b>At fair value</b>		<b>Total Rs</b>
<b>At 1 July 2020</b>		11,006,226
Additions		-
Disposals		(6,914,006)
Fair value gain on revaluation		59,476
<b>At 30 June 2021</b>		<b>4,151,696</b>
Additions		-
Disposals		(4,184,848)
Fair value gain on revaluation		33,152
<b>At 30 June 2022</b>		<b>-</b>
		<b>NIT Global Healthcare Fund</b>
<b>At fair value</b>		<b>Total Rs</b>
<b>At 1 July 2020</b>		26,112,240
Additions		-
Disposals		(20,060,557)
Fair value gain on revaluation		2,337,055
<b>At 30 June 2021</b>		<b>8,388,738</b>
Additions		-
Disposals		(8,502,392)
Fair value gain on revaluation		113,654
<b>At 30 June 2022</b>		<b>-</b>
		<b>NIT Global Value Fund</b>
<b>At fair value</b>		<b>Total Rs</b>
<b>At 1 July 2020</b>		31,265,071
Additions		-
Disposals		(21,756,277)
Fair value gain on revaluation		12,765,617
<b>At 30 June 2021</b>		<b>22,274,411</b>
Additions		-
Disposals		(20,886,557)
Fair value gain on revaluation		(1,387,854)
<b>At 30 June 2022</b>		<b>-</b>

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 6. Loan Receivable from Related Party

	NIT Local Equity Fund	
	2022 Rs	2021 Rs
<b>Loan to National Investment Trust Ltd</b>		
At 01 July	-	9,167,986
Advanced during the year	-	-
Accrued interest	-	46,288
Amount paid	-	(9,214,274)
At 30 June	-	-

On 16 October 2019 and 16 December 2019, the Fund advanced a loan of Rs 7,000,000 and Rs 2,000,000 respectively to National Investment Trust Ltd, bearing interest at the rate of 2.75%. The loan receivable from NIT was unsecured and repayable within one year. The loan was fully repaid during the year ended 30 June 2021.

### 7. Other Receivables

	NIT Local Equity Fund	
	2022 Rs	2021 Rs
Dividend receivable	2,428,599	2,913,893
Amount due from related party (Note 15)	-	398,114
	<b>2,428,599</b>	<b>3,312,007</b>

### 8. Cash and Cash Equivalents

	NIT Local Equity Fund		NIT Global Opportunities Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
Cash at bank	45,721,206	43,770,884	340,530,495	376,211,213

	NIT North America Fund		NIT Europe Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
Cash at bank	2,499,917	45,077,519	982,857	21,661,688

	NIT Emerging Markets Fund		NIT Global Bond Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
Cash at bank	4,131,513	37,025,153	1,544,141	16,831,848

	NIT Global Healthcare Fund		NIT Global Value Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
Cash at bank	6,178,511	31,995,135	4,690,871	32,441,696

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

9. Other Payables

	NIT Local Equity Fund		NIT Global Opportunities Fund	
	2022	2021	2022	2021
	Rs	Rs	Rs	Rs
Payables to related parties (Note 15)	321,210	-	349,215	30,703
Accruals	420,300	670,637	411,447	936,075
	<b>741,510</b>	<b>670,637</b>	<b>760,662</b>	<b>966,778</b>

	NIT North America Fund		NIT Europe Fund	
	2022	2021	2022	2021
	Rs	Rs	Rs	Rs
Payables to related parties (Note 15)	399,406	20,392	164,795	5,871
Accruals	90,815	194,796	225,789	201,662
	<b>490,221</b>	<b>215,188</b>	<b>390,584</b>	<b>207,533</b>

	NIT Emerging Markets Fund		NIT Global Bond Fund	
	2022	2021	2022	2021
	Rs	Rs	Rs	Rs
Payable to related parties (Note 15)	378,416	17,615	84,636	4,710
Accruals	122,002	218,312	101,212	180,588
	<b>500,418</b>	<b>235,927</b>	<b>185,848</b>	<b>185,298</b>

	NIT Global Healthcare Fund		NIT Global Value Fund	
	2022	2021	2022	2021
	Rs	Rs	Rs	Rs
Payable to related parties (Note 15)	282,249	15,093	397,098	4,735
Accruals	84,638	194,982	111,178	224,995
	<b>366,887</b>	<b>210,075</b>	<b>508,276</b>	<b>229,730</b>

10. Non-cash transaction

The redemption of units held in NIT Local Equity Fund by National Savings Fund and National Pension Fund (unit holders) amounting to Rs 283,428,521 was settled through the transfer of investment shares held by the Company to the unit holders.

11. Taxation

*Income tax*

Income tax has been charged on the net income of the Sub-funds, as adjusted for tax purposes, at the rate of 15% (2021: 15%). The Sub-funds are also subject to Corporate Social Responsibility Tax ("CSR") on their chargeable income of the preceding year.

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

12. Taxation (continued)

Amounts recognised in the statement of financial position

	NIT Local Equity Fund	
	2022	2021
	Rs	Rs
<b>Balance at 1 July</b>	<b>(85,023)</b>	48,098
Charge for the year	9,619	-
Under-provision of CSR	12,448	-
Net payment	(12,625)	(133,121)
<b>Tax liability/(refund) at 30 June</b>	<b>(75,581)</b>	(85,023)
<u>Tax reconciliation</u>		
	2022	2021
	Rs	Rs
<b>Net income before taxation</b>	<b>87,734,924</b>	47,064,816
Tax at 17%	14,914,937	8,001,019
<b>Tax effects of:</b>		
Exempt income	(16,377,630)	(8,827,768)
Expenses attributable to exempt income	1,473,587	783,629
Income not subject to tax	-	29,350
Under-provision of CSR	12,448	-
Corporate Social Responsibility Tax differential	(1,275)	13,770
<b>Tax charge</b>	<b>22,067</b>	-
<u>Tax reconciliation</u>		
	2022	2021
	Rs	Rs
<b>Net income before taxation</b>	<b>(580,396)</b>	137,463,524
Tax at 17%	(98,667)	23,368,800
<b>Tax effects of:</b>		
Income not subject to tax	(922,513)	(24,153,778)
Deferred tax asset not recognised	1,021,180	784,978
<b>Tax charge</b>	<b>-</b>	-
<u>Tax reconciliation</u>		
	2022	2021
	Rs	Rs
<b>Net income before taxation</b>	<b>594,165</b>	11,072,822
Tax at 17%	101,008	1,882,380
<b>Tax effects of:</b>		
Income not subject to tax	(204,925)	(1,994,296)
Deferred tax asset not recognised	103,917	111,916
<b>Tax charge</b>	<b>-</b>	-

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

11. Taxation (Continued)

Tax reconciliation

	<b>NIT Europe Fund</b>	
	<b>2022</b>	<b>2021</b>
	<b>Rs</b>	<b>Rs</b>
<b>Net income before taxation</b>	<b>(947,543)</b>	<b>6,035,608</b>
Tax at 17%	<b>(161,082)</b>	<b>1,026,053</b>
<b>Tax effects of:</b>		
Exempt income	<b>(67,042)</b>	<b>(1,097,927)</b>
Expenses attributable to exempt income	<b>157,627</b>	<b>-</b>
Deferred tax asset not recognised	<b>70,497</b>	<b>71,874</b>
<b>Tax charge</b>	<b>-</b>	<b>-</b>

Tax reconciliation

	<b>NIT Emerging Markets</b>	
	<b>2022</b>	<b>2021</b>
	<b>Rs</b>	<b>Rs</b>
<b>Net income before taxation</b>	<b>(189,475)</b>	<b>13,034,828</b>
Tax at 17%	<b>(32,211)</b>	<b>2,215,921</b>
<b>Tax effects of:</b>		
Exempt income	<b>(88,915)</b>	<b>(2,322,649)</b>
Expenses attributable to exempt income	<b>16,210</b>	<b>-</b>
Deferred tax asset not recognised	<b>104,916</b>	<b>106,728</b>
<b>Tax charge</b>	<b>-</b>	<b>-</b>

Tax reconciliation

	<b>NIT Global Bond Fund</b>	
	<b>2022</b>	<b>2021</b>
	<b>Rs</b>	<b>Rs</b>
<b>Net income before taxation</b>	<b>110,555</b>	<b>1,294,134</b>
Tax at 17%	<b>18,794</b>	<b>220,003</b>
<b>Tax effects of:</b>		
Exempt income	<b>(334,538)</b>	<b>(245,156)</b>
Expenses attributable to exempt income	<b>262,672</b>	<b>-</b>
Deferred tax asset not recognised	<b>53,072</b>	<b>25,153</b>
<b>Tax charge</b>	<b>-</b>	<b>-</b>



Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

11. Taxation (Continued)

Tax reconciliation

	NIT Global Healthcare	
	2022 Rs	2021 Rs
<b>Net income before taxation</b>	<b>(1,132,025)</b>	<b>7,263,516</b>
Tax at 17%	(192,444)	1,234,798
<b>Tax effects of:</b>		
Exempt income	(19,321)	(1,324,878)
Expenses attributable to exempt income	110,800	-
Deferred tax asset not recognised	100,965	90,080
<b>Tax charge</b>	<b>-</b>	<b>-</b>

Tax reconciliation

	NIT Global Value	
	2022 Rs	2021 Rs
<b>Net income before taxation</b>	<b>(1,645,543)</b>	<b>16,537,923</b>
Tax at 17%	(279,742)	2,811,447
<b>Tax effects of:</b>		
Exempt income	(571,304)	(2,918,737)
Expenses attributable to exempt income	741,394	-
Deferred tax asset not recognised	109,652	107,290
<b>Tax charge</b>	<b>-</b>	<b>-</b>

(ii) Deferred tax

The Fund has unused tax losses for which no deferred tax asset is recognised in the statement of financial position as it is not probable that the Fund will have sufficient taxable profits against which the unused tax loss could be utilised in the foreseeable future (2021: Nil).

	<b>Tax losses*</b>
NIT Global Opportunities Fund	6,006,941
NIT North America	2,771,576
NIT Europe	1,864,822
NIT Emerging Markets	2,793,495
NIT Global Bond	806,064
NIT Global Healthcare	2,399,919
NIT Global Value	2,445,950

\*Tax losses available to set-off up to year ending 30 June 2027

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

13. Management fees

	NIT Local Equity Fund		NIT Global Opportunities Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Management Fees</b>				
National Investment Trust Ltd (Note 15)	<b>4,602,929</b>	3,886,562	<b>6,093,017</b>	6,127,175
	NIT North America Fund		NIT Europe Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Management Fees:</b>				
National Investment Trust Ltd (Note 15)	<b>379,014</b>	489,761	<b>153,771</b>	262,314
	NIT Emerging Markets Fund		NIT Global Bond Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Management Fees:</b>				
National Investment Trust Ltd (Note 15)	<b>358,996</b>	451,552	<b>79,926</b>	117,917
	NIT Global Healthcare Fund		NIT Global Value Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Management Fees:</b>				
National Investment Trust Ltd (Note 15)	<b>267,156</b>	367,156	<b>376,528</b>	458,807

13. Trustee fees

Trustee's fees payable to SBM Fund Services Ltd are at a flat rate of Rs 150,000 annually for NIT Local Equity Fund & NIT Global Opportunities Fund. The fees are payable half yearly in arrears.

As for the other sub-sub-funds, the amount paid during the financial year amounted to Rs 60,000 each.

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 14. Redeemable Units

#### NIT Local Equity Fund

##### (a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	660,525,547	649,077,663
Units created	92,480	455,268
Units redeemed * (Refer to note 10)	(336,436,257)	(4,128,171)
Issue of shares in lieu of distribution payable		15,125,014
Payment for switch out	-	(4,227)
	<u>324,181,770</u>	<u>660,525,547</u>

#### NIT Local Equity Fund

##### (b) *Net asset value per unit*

2022 Rs	2021 Rs
<u>0.80</u>	<u>0.71</u>

##### (c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	<u>0.83</u>	<u>0.69</u>
Repurchase price	<u>0.83</u>	<u>0.69</u>

#### NIT Global Opportunities Fund

##### (a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	284,157,543	286,702,414
Units created	40,237,537	151,080
Units redeemed	(149,672,879)	(2,694,529)
Payment received from switch out	-	(1,422)
	<u>174,722,201</u>	<u>284,157,543</u>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

14. Redeemable Units (Continued)

**NIT Global Opportunities Fund (Continued)**

(b) *Net asset value per unit*

Ex-div

2022 Rs	2021 Rs
1.99	1.98

(c) *Prices per unit at valuation date*

Issue price

2022 Rs	2021 Rs
2.04	2.02

Repurchase price

1.99	1.98
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**NIT North America Fund**

(a) *Movements in units during*

At 1 July

Units created

Units redeemed

At 30 June

2022 Units	2021 Units
2,592,240	2,620,581
362,743	5,656
(2,858,720)	(33,997)
96,263	2,592,240

(b) *Net asset value per unit*

Ex-div

2022 Rs	2021 Rs
20.88	20.88

(c) *Prices per unit at valuation date*

Issue price

2022 Rs	2021 Rs
22.20	21.32

Repurchase price

20.88	20.88
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**NIT Europe Fund**

(a) *Movements in units during*

At 1 July

Units created

Units redeemed

At 30 June

2022 Units	2021 Units
1,886,469	1,892,702
33,238	1,049
(1,866,647)	(7,282)
53,060	1,886,469

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

14. Redeemable Units (Continued)

**NIT Europe Fund (Continued)**

(b) *Net asset value per unit*

	2022 Rs	2021 Rs
Ex-div	11.16	15.46

(c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	13.37	15.85
Repurchase price	11.16	15.46

**NIT Emerging Market Fund**

(a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	2,923,607	2,931,769
Units created	346,837	1,324
Units redeemed	(3,064,142)	(9,486)
At 30 June	206,302	2,923,607

(b) *Net asset value per unit*

	2022 Rs	2021 Rs
Ex-div	17.60	17.61

(c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	18.45	18.01
Repurchase price	17.60	17.61

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

14. Redeemable Units (Continued)

**NIT Global Bond Fund**

(a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	1,741,598	1,738,751
Units created	2,598	2,847
Units redeemed	(1,625,132)	-
At 30 June	<u>119,064</u>	<u>1,741,598</u>

(b) *Net asset value per unit*

	2022 Rs	2021 Rs
Ex-div	<u>11.41</u>	<u>11.94</u>

(c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	<u>12.40</u>	<u>12.19</u>
Repurchase price	<u>11.41</u>	<u>11.94</u>

**NIT Global Healthcare Fund**

(a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	2,135,090	2,150,359
Units created	31,912	15,709
Units redeemed	(1,832,363)	(30,978)
At 30 June	<u>334,639</u>	<u>2,135,090</u>

(b) *Net asset value per unit*

	2022 Rs	2021 Rs
Ex-div	<u>17.37</u>	<u>18.82</u>

(c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	<u>18.08</u>	<u>19.29</u>
Repurchase price	<u>17.37</u>	<u>18.82</u>

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 14. Redeemable Units (Continued)

#### NIT Global Value Fund

##### (a) *Movements in units during*

	2022 Units	2021 Units
At 1 July	2,826,963	2,832,629
Units created	379,004	2,355
Switch in	-	325
Units redeemed	(2,983,765)	(8,346)
At 30 June	<u>222,202</u>	<u>2,826,963</u>

##### (b) *Net asset value per unit*

	2022 Rs	2021 Rs
Ex-div	<u>18.82</u>	<u>19.27</u>

##### (c) *Prices per unit at valuation date*

	2022 Rs	2021 Rs
Issue price	<u>19.66</u>	<u>19.71</u>
Repurchase price	<u>18.82</u>	<u>19.27</u>

IAS 32 – Financial instruments requires that, as an exception to the definition of a financial liability, a puttable instrument is classified as an equity instrument if it has all the following features:

- the puttable instruments must entitle the holder to a pro-rata share of net assets;
- the puttable instruments must be the most subordinated class and class features must be identical;
- there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and
- the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer.

The redeemable units of the sub-funds have all the above features and are therefore required to be classified as equity.

### 15. Related Party Balances & Transactions

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

## Notes to the Financial Statements for the NIT Unit Trust | for the year ended 30 June 2022

### 15. Related Party Balances & Transactions (Continued)

During the year ended 30 June 2022 and 2021, the Sub-sub-funds transacted with related parties. Details of the nature, volume of transactions and balances with the entities are shown below:

	NIT Local Equity Fund	
	2022 Rs	2021 Rs
<b>Outstanding balances</b>		
<i>National Investment Trust Ltd (Manager)</i>		
(i) Amount receivable (Note 7)	-	398,114
(ii) Amount payable	(321,210)	-
<b>Transactions</b>		
<i>National Investment Trust Ltd</i>		
(iii) Management fees (Note 12)	4,602,929	3,886,562
<b>SBM Fund Services Ltd</b>		
(iv) Trustee fees (Note 13)	150,000	150,000
<b>SBM Custody Securities Services Ltd</b>		
(v) Custodian fees	447,659	356,035

The amount due to and from related parties are unsecured, interest free and with no fixed term of repayment.

	NIT Global Opportunities Fund		NIT North America Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Outstanding balances</b>				
(i) National Investment Trust Ltd (Manager) (Payable) to / receivable from related party	(349,215)	(30,703)	(399,406)	(20,392)
<b>Transactions</b>				
<i>National Investment Trust Ltd (The Manager)</i>				
(iii) Management fees	6,093,017	6,127,175	379,014	489,761
<b>SBM Custody Securities Services Ltd</b>				
(iv) Custodian fees	136,048	353,719	-	37,418
<b>SBM Fund Services Ltd</b>				
(v) Trustee fees	150,000	150,000	60,000	60,000

#### Notes:

- (i) The amount due to and from National Investment Trust Ltd are unsecured, repayable on call and interest free.
- (ii) The amount due to and from the sub-funds incorporated under NIT UNIT TRUST are unsecured, interest free and with no fixed form of repayment.
- (iii) The amount due to and from related parties are unsecured, interest free and with no fixed term of repayment.



Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

15. Related Party Balances & Transactions (Continued)

	NIT Europe Fund		NIT Emerging Markets Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Outstanding balances</b>				
National Investment Trust Ltd (Manager)				
(i) (Payable) to / receivable from related party	<b>(164,795)</b>	(5,871)	<b>(378,416)</b>	(17,615)
<b>Transactions</b>				
National Investment Trust Ltd				
(iii) Management fees	<b>153,771</b>	262,314	<b>358,996</b>	451,552
<b>SBM Custody Securities Services Ltd</b>				
(iv) Custodian fees	-	29,724	-	45,105
<b>SBM Fund Services Ltd</b>				
(v) Trustee fees	<b>60,000</b>	60,000	<b>60,000</b>	60,000

**Note:**

(ii) The amount due to and from related parties are unsecured, interest free and with no fixed term of repayment.

	NIT Global Bond Fund	
	2022 Rs	2021 Rs
<b>Outstanding balances</b>		
National Investment Trust Ltd (Manager)		
(i) (Payable) to / receivable from related party	<b>(84,636)</b>	(4,710)
<b>Transactions</b>		
National Investment Trust Ltd		
(iii) Management fees	<b>79,926</b>	117,917
<b>SBM Custody Securities Services Ltd</b>		
(iv) Custodian fees	-	14,717
<b>SBM Fund Services Ltd</b>		
(v) Trustee fees	<b>60,000</b>	60,000

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

15. Related Party Balances & Transactions (Continued)

	NIT Global Healthcare Fund		NIT Global Value Fund	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Outstanding balances</b>				
(i) National Investment Trust Ltd (Manager) (Payable to)/ receivable related parties	<b>(282,249)</b>	<b>(15,093)</b>	<b>(397,098)</b>	<b>(4,735)</b>
<b>Transactions</b>				
National Investment Trust Ltd (iii) Management fees	<b>267,156</b>	<b>367,156</b>	<b>376,528</b>	<b>458,807</b>
<b>SBM Custody Securities Services Ltd</b>				
(iv) Custodian fees	<b>-</b>	<b>31,681</b>	<b>-</b>	<b>50,568</b>
<b>SBM Fund Services Ltd</b>				
(v) Trustee fees	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>

Notes:

- (i) The amount due to and from the National Investment Trust Ltd are unsecured, interest free and with no fixed term of repayment.
- The amount due to related parties for NIT Global Value Fund are unsecured, interest free and with no fixed term of repayment.
- (ii) The amount due to the sub-funds incorporated under NIT UNIT TRUST are unsecured, interest free and with no fixed term of repayment.

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

16. Schedules of Investments

NIT Local Equity Fund

	Fair value 2022 Rs	Portfolio 2022 %	Fair value 2021 Rs	Portfolio 2021 %
<b>Bank, Insurance &amp; Finance</b>				
<i>Official List</i>				
The Mauritius Commercial Bank Ltd	49,570,230	23.67	104,174,070	25.49
State Bank of Mauritius Ltd	38,557,598	18.43	84,613,769	20.71
CIM Financial Services Ltd	446,424	0.23	12,278,160	3.00
	<b>88,574,252</b>	<b>42.33</b>	<b>201,065,999</b>	<b>49.2</b>
<b>Leisure &amp; Tourism</b>				
<i>Official List</i>				
New Mauritius Hotels Limited (Equity)	5,470,709	2.63	14,854,296	3.64
New Mauritius Hotels Limited (Debt)	3,661,162	1.77	7,925,978	1.94
Sun Resorts Limited	6,777,812	3.25	15,270,529	3.74
Lux Island Ltd	5,195,981	2.50	7,919,472	1.94
Lottotech Ltd	-	-	905,798	0.22
	<b>21,105,664</b>	<b>10.15</b>	<b>46,876,073</b>	<b>11.48</b>
<b>Conglomerate</b>				
<i>Official List</i>				
Ireland Blyth Ltd	22,614,696	10.81	48,898,115	11.97
Rogers and Fund Ltd	7,373,719	3.54	13,520,760	3.31
	<b>29,988,415</b>	<b>14.38</b>	<b>62,418,875</b>	<b>15.28</b>
<b>Sugar Industry</b>				
<i>Official List</i>				
Omnicanne Limited	2,305,725	1.12	5,714,812	1.40
ENL Land Ltd	4,704,399	2.26	8,557,985	2.09
Alteo Ltd	3,786,894	1.20	7,272,522	1.78
Terra Ltd (Harel Freres Ltd)	1,467,727	0.72	3,224,115	0.79
<b>Development &amp; Enterprises Market</b>				
Société de Développement Industriel et Agricole Ltée	12,368	0.03	12,367	0.00
	<b>12,277,113</b>	<b>5.33</b>	<b>24,781,801</b>	<b>6.06</b>
<b>Manufacturing &amp; Industrial</b>				
<i>Official List</i>				
United Basalt Products Limited	6,512,289	3.13	16,052,775	3.93
Mauritius Oil Refineries Limited	1,742,837	0.85	4,085,507	1.00
	<b>8,255,126</b>	<b>3.98</b>	<b>20,138,282</b>	<b>4.93</b>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

16. Schedules of Investments (Continued)

	NIT Local Equity Fund			
	Fair value	Portfolio	Fair value	Portfolio
	2022	2022	2021	2021
	Rs	%	Rs	%
<b>Food &amp; Beverages</b>				
<i>Official List</i>				
Innodis Limited	1,655,346	0.81	4,198,050	1.03
<b>Development &amp; Enterprises Market</b>				
Les Moulins de la Concorde Ltée	120,967	0.08	290,700	0.07
	<b>1,776,313</b>	<b>0.89</b>	<b>4,488,750</b>	<b>1.10</b>
<b>Investments</b>				
<i>Official List</i>				
National Investment Trust Limited	11,923,200	5.71	13,041,000	3.19
Ciel Ltd	361,900	0.19	1,515,210	0.37
<b>Development &amp; Enterprises Market</b>				
Phoenix Investment	-	-	1,342,908	0.33
SEMARIS	1,403,767	0.69	2,745,953	0.67
Excelsior United Development Companies	-	-	365	0.00
	<b>13,688,867</b>	<b>6.59</b>	<b>18,645,436</b>	<b>4.56</b>
<b>Commerce</b>				
<i>Official List</i>				
Vivo Energy Mauritius Limited (Shell Mauritius Limited)	2,639,334	1.28	6,095,040	1.49
<b>Property and Construction</b>				
<i>Official List</i>				
Gamma Civic Ltd	4,097,900	1.97	9,193,500	2.25
Bluelife Ltd	-	-	86,741	0.02
Ascencia Property Fund (Equity)	25,375,169	12.14	9,888,483	2.42
<b>Development &amp; Enterprises Market</b>				
Covifra Ltée	-	-	391,140	0.10
Ascencia Property Fund (Debt)	-	-	-	-
Ascencia Property Fund (Bonds)	940,055	0.47	1,099,513	0.27
Lavastone Ltd	987,041	0.49	3,456,318	0.84
	<b>31,400,165</b>	<b>15.07</b>	<b>24,115,695</b>	<b>5.90</b>
<b>Total</b>	<b>209,705,249</b>	<b>100.00</b>	<b>408,625,951</b>	<b>100.00</b>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

16. Schedules of Investments (Continued)

NIT Global Opportunities Fund

Equities	Holdings 2022	Fair Value 2022 USD	Fair Value 2022 Rs	% of Fund 2022
<b>Equities: Europe</b>				
Auris Europe	615	185,202	8,343,350	100%
<b>Total</b>		<b>185,202</b>	<b>8,343,350</b>	<b>100%</b>

NIT Global Opportunities Fund

Equities- America	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Blackrock Global World Energy	37,680	576,881	24,373,220	13.01
Vontobel U.S. Value Equity	182	361,801	15,286,090	8.16
Alger American Asset Growth	2,699	359,201	15,176,242	8.10
Fidelity Global Health Care	4,801	226,145	9,554,625	5.10
Henderson Technology	1,000	167,588	7,080,593	3.78
Merck	1,020	79,325	3,351,498	1.79
Microsoft	160	43,344	1,831,284	0.98
Netflix	70	36,967	1,561,856	0.83
Boeing	275	65,890	2,783,853	1.47
The Walt Disney Fund	200	35,172	1,486,017	0.79
PJT Partners Inc	47	3,355	141,743	0.08
		1,955,669	82,627,021	44.09

NIT Global Opportunities Fund

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
General Electric	5,070	68,242	2,883,233	1.54
General Motors	1,500	88,755	3,749,899	2.00
Facebook	140	48,689	2,057,119	1.10
Nokia Corporation	13,000	69,160	2,922,010	1.56
Qualcom Inc	300	42,891	1,812,145	0.97
VISA Inc	200	46,814	1,977,892	1.04
Delta Airlines INC	1,000	43,240	1,826,890	0.98
Carnival Corp	1,800	47,934	2,025,212	1.08
Expedia Group INC	330	54,021	2,282,387	1.22
Spirit Airlines INC	1,200	36,528	1,543,308	0.82
Equinor ASA-SPON ADR	2,500	53,000	2,239,250	1.20
		599,274	25,319,345	13.51

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

16. Schedules of Investments (Continued)

NIT Global Opportunities Fund

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
<b>Equities: Europe</b>				
BL Equities Europe	1,640	227,729	9,621,550	5.14
Deutsche Bank	6,000	78,480	3,315,780	1.77
Airbus Group SE	2,000	64,400	2,720,900	1.45
Auris Europe	550	218,094	9,214,481	4.92
Ryanair	3,000	56,656	2,393,712	1.28
Genel Energy	30,000	63,756	2,693,691	1.44
AstraZeneca	800	95,860	4,050,099	2.16
Schroder Europe Special	1,000	313,163	13,231,123	7.06
		<u>1,118,138</u>	<u>47,241,336</u>	<u>25.22</u>

NIT Global Opportunities Fund

Equities - Europe	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Rolls Royce Group	20,000	27,302	1,153,506	0.62
FCP OP Biohealth	300	251,707	10,634,621	5.68
		<u>279,009</u>	<u>11,788,127</u>	<u>6.30</u>

NIT Global Opportunities Fund

Emerging Markets & Asia	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
GAM Japan	1	169	7,140	-
International Consolidated Airlines Group	20,000	55,752	2,355,522	1.26
JP Morgan Brazil	35,000	278,951	11,785,664	6.29
Goldman Sachs India	5,000	147,851	6,246,709	3.33
		<u>482,723</u>	<u>20,395,035</u>	<u>10.88</u>
<b>Total</b>		<u>4,434,813</u>	<u>187,370,864</u>	<u>100.00</u>

Notes to the Financial Statements for the  
NIT Unit Trust | for the year ended 30 June 2022

16. Schedules of Investments (Continued)

**NIT North America Fund**

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Vontobel U.S.	110	219,056	9,255,118	100
		219,056	9,255,118	100

**NIT Europe Fund**

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Schroder Europe Special	500	156,581	6,615,561	85.87
Auris Europe	65	25,775	1,088,984	14.13
		182,356	7,704,545	100

**NIT Emerging Markets Fund**

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
BGF Latin American Fund	2,000	135,215	5,712,834	38.88
JP Morgan Brazil	11,834	94,317	3,984,893	27.12
Goldman Sachs India	4,000	118,281	4,997,372	34
		347,813	14,695,099	100

**NIT Global Bond Fund**

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Blackrock Fixed Income	6,243	98,265	4,151,696	100
		98,265	4,151,696	100

**NIT Global Healthcare Fund**

Equities	Holdings 2021	Fair Value 2021 USD	Fair Value 2021 Rs	% of Fund 2021
Fidelity Health Care	4,215	198,550	8,388,738	100
		198,550	8,388,738	100

Notes to the Financial Statements for the  
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16. Schedules of Investments (Continued)

NIT Global Value Fund				
Equities	Holdings	Fair Value	Fair Value	% of Fund
	2021	2021	2021	2021
		USD	₹	
Blackrock World Energy	5,250	80,377	3,395,932	15.25
Guinness Global Energy	11,425	67,029	2,831,976	12.72
General Motors	1,500	88,755	3,749,899	16.83
General Electric	5,000	67,300	2,843,427	12.76
Deutsche Bank	3,650	47,554	2,009,157	9.02
BGF Latin American Fund	1,211	81,872	3,459,115	15.53
JP Morgan Brazil	11,834	94,317	3,984,905	17.89
		527,204	22,274,411	100

17. Events after reporting date

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended June 30, 2022.

18. Impact of COVID-19

The recent global outbreak of Coronavirus ("COVID-19") has caused significant volatility within the economic markets, for which the duration and spread of the outbreak, and the resultant economic impact is uncertain and cannot be predicted. This may directly or indirectly impact the sub-funds' activities in material respects by interrupting and disrupting business and transactional activities. The effect of the impact of COVID-19 has not been reflected in these financial statements; such impact may affect the future results and affairs of the sub-funds.



**NIT Unit Trust**  
**Appendix A**  
**Statement of Profit or Loss**

This appendix does not form part of the financial statements

	Notes	NIT Local Equity Fund		NIT Global Opportunities Fund	
		2022	2021	2022	2021
		Rs	Rs	Rs	Rs
<b>Income</b>					
Dividend income		17,050,794	4,667,603	1,335,145	2,315,740
Other income		130,000	81,571	-	-
Interest income		-	46,288	-	-
		<b>17,180,794</b>	<b>4,795,462</b>	<b>1,335,145</b>	<b>2,315,740</b>
<b>Expenses</b>					
Management fees	12	(4,602,929)	(3,886,562)	(6,093,017)	(6,127,175)
Custodian fees	15	(447,659)	(356,035)	(136,048)	(353,719)
Trustee fees	13	(150,000)	(150,000)	(150,000)	(150,000)
Printing and stationeries		(130,000)	(130,000)	(130,000)	(130,000)
Audit fees		(110,500)	(115,000)	(110,500)	(97,750)
Adjustment for over provision accrued income previous period		-	(255,237)	-	-
Bank charges		(6,875)	(5,293)	(678,754)	(55,750)
General expenses		(3,286,110)	(92,962)	(43,767)	(19,392)
		<b>(8,734,073)</b>	<b>(4,991,089)</b>	<b>(7,342,086)</b>	<b>(6,933,786)</b>
<b>Net income/(loss) before taxation</b>		<b>8,446,721</b>	<b>(195,627)</b>	<b>(6,006,941)</b>	<b>(4,618,046)</b>
Taxation	11	(22,067)	-	-	-
<b>Net income/(loss) after taxation available for distribution</b>		<b>8,424,654</b>	<b>(195,627)</b>	<b>(6,006,941)</b>	<b>(4,618,046)</b>
Changes in fair value on financial assets at FVTPL	5	79,288,203	47,260,443	(2,982,952)	103,653,485
Net foreign currency gains on cash and cash equivalents		-	-	8,409,497	38,428,085
<b>Increase/ (Decrease) in net assets attributable to unitholders</b>		<b>87,712,857</b>	<b>47,064,816</b>	<b>(580,396)</b>	<b>137,463,524</b>

**NIT Unit Trust**  
**Appendix A**  
**Statement of Profit or Loss**

The appendix does not form part of the financial statements

	Notes	NIT North America Fund		NIT Europe Fund	
		2022	2021	2022	2021
		Rs	Rs	Rs	Rs
<b>Income</b>		-	-	-	-
<b>Expenses</b>					
Management fees	12	(379,014)	(489,761)	(153,771)	(262,314)
Custodian fees	15	-	(37,418)	-	(29,724)
Trustee fees	13	(60,000)	(60,000)	(60,000)	(60,000)
Audit fees		(110,500)	(37,950)	(110,500)	(37,950)
Printing and stationeries		(10,000)	(10,000)	(10,000)	(10,000)
Bank charges		(3,495)	(3,810)	(32,156)	(3,695)
General expenses		(48,267)	(19,391)	(48,267)	(19,105)
<b>Total operating expenses</b>		<b>(611,276)</b>	<b>(658,330)</b>	<b>(414,694)</b>	<b>(422,788)</b>
<b>Net (Loss) before taxation</b>		<b>(611,276)</b>	<b>(658,330)</b>	<b>(414,694)</b>	<b>(422,788)</b>
Taxation	11	-	-	-	-
<b>Net (Loss) after taxation available for distribution</b>		<b>(611,276)</b>	<b>(658,330)</b>	<b>(414,694)</b>	<b>(422,788)</b>
Changes in fair value on financial assets at FVTPL	5	264,712	6,473,837	394,368	3,126,016
Net foreign currency gains/(loss) on cash and cash equivalents		940,729	5,257,315	(927,217)	3,332,380
<b>Increase/ (Decrease) in net assets attributable to unitholders</b>		<b>594,165</b>	<b>11,072,822</b>	<b>(947,543)</b>	<b>6,035,608</b>

**NIT Unit Trust**  
**Appendix A**  
**Statement of Profit or Loss**

This appendix does not form part of the financial statements

	Notes	NIT Emerging markets Fund		NIT Global Bond Fund	
		2022 Rs	2021 Rs	2022 Rs	2021 Rs
<b>Income</b>		-	-	-	115,711
<b>Expenses</b>					
Management fees	12	(358,996)	(451,552)	(79,926)	(117,917)
Custodian fees	15	-	(45,105)	-	(14,717)
Trustee fees	13	(60,000)	(60,000)	(60,000)	(60,000)
Printing and stationeries		(10,000)	(10,000)	(10,000)	(10,000)
Audit fees		(110,500)	(37,950)	(110,500)	(37,950)
Bank charges		(29,387)	(3,810)	(3,495)	(3,810)
General expenses		(48,267)	(19,392)	(48,267)	(19,277)
<b>Total operating expenses</b>		<b>(617,150)</b>	<b>(627,809)</b>	<b>(312,188)</b>	<b>(263,671)</b>
Net Loss before taxation		(617,150)	(627,809)	(312,188)	(147,960)
Taxation		-	-	-	-
<b>Net loss after taxation available for distribution</b>		<b>(617,150)</b>	<b>(627,809)</b>	<b>(312,188)</b>	<b>(147,960)</b>
Changes in fair value of financial assets at FVTPL	5	(95,352)	9,039,332	33,152	59,476
Net foreign currency gains on cash and cash equivalents		523,027	4,623,305	389,591	1,382,618
<b>(Decrease)/ Increase in net assets attributable to unitholders</b>		<b>(189,475)</b>	<b>13,034,828</b>	<b>110,555</b>	<b>1,294,134</b>

NIT Unit Trust  
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Statement of Profit or Loss

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		<b>NIT Global Healthcare Fund</b>			
		<b>2022</b>	<b>2021</b>		
		<b>Rs</b>	<b>Rs</b>		
<b>Income</b>					
Dividend Income		-	-	<b>1,488</b>	9,409
<b>Expenses</b>					
Management fees	12	<b>(267,156)</b>	(367,156)	<b>(376,528)</b>	(458,807)
Custodian fees	15	-	(31,681)	-	(50,568)
Trustee fees	13	<b>(60,000)</b>	(60,000)	<b>(60,000)</b>	(60,000)
Printing and Stationeries		<b>(10,000)</b>	(10,000)	<b>(10,000)</b>	(10,000)
Audit fees		<b>(110,500)</b>	(37,950)	<b>(110,500)</b>	(37,950)
Bank charges		<b>(97,989)</b>	(3,810)	<b>(41,210)</b>	(3,810)
General expenses		<b>(48,267)</b>	(19,277)	<b>(48,267)</b>	(19,392)
<b>Total operating expenses</b>		<b>(593,912)</b>	(529,874)	<b>(646,505)</b>	(640,527)
Net (Loss) before taxation		<b>(593,912)</b>	(529,874)	<b>(645,017)</b>	(631,118)
Taxation	11	-	-	-	-
<b>Net Loss after taxation available for distribution</b>		<b>(593,912)</b>	(529,874)	<b>(645,017)</b>	(631,118)
Changes in fair value on financial assets at FVTPL	5	<b>113,654</b>	2,337,055	<b>(1,387,854)</b>	12,765,617
Net foreign currency gain/(loss) on cash and cash equivalents		<b>(651,767)</b>	5,456,335	<b>387,328</b>	4,403,424
<b>(Decrease)/ Increase in net assets attributable to unitholders</b>		<b>(1,132,025)</b>	7,263,516	<b>(1,645,543)</b>	16,537,923