

# Annual Report

Senfin Consumer Staples Fund

FY 2024





**Trustee and Custodian**  
HNB Bank PLC

**Fund Manager**  
Senfin Asset Management (Pvt) Ltd

**Senfin Consumer Staples Fund**

Is Licensed and Regulated by the Securities & Exchange  
Commission of Sri Lanka



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## Profile of the fund management company

### The Company

Senfin Asset Management (Private) Limited ((“SFAM” or “Fund Manager”)) is a Company duly incorporated in Sri Lanka under the Companies Act No. 07 of 2007 on 15th December 2010, bearing Registration No. PV75997 and having its Registered Office at No. 267, Galle Road, Colombo 03, Sri Lanka. SFAM was formerly known as Candor Asset Management (Pvt) Ltd and was acquired by Senkadagala Finance PLC in March 2020, with the former’s name was changed to Senfin Asset Management (Pvt) Ltd in August of the same year.

SFAM will also act as the Registrar to the Fund. The Registrar will maintain records of Unit holders for subscription and cancellation of units. In addition, the Registrars will prepare transaction receipts and dispatch them to the Unit holders and cancel units on receipt of redemption requests by unit holders. The Registrar shall also arrange for mailing of periodic reports and dividends to Unit holders.

## Board of Directors

### **Dr. Prathap Ramanujam | Chairman (Non-Executive / Independent Director)**

Dr. Prathap Ramanujam was the former Chairman of Panasian Power PLC and has extensive experience in the public sector. During the last 14 years in the Public Sector, he was the Permanent Secretary to several Ministries and was responsible for the establishment of the Secretariat for Infrastructure Development & Investments (SIDI), which was instrumental in initiating the first mini hydro project as a Public Private sector project as far back as 1993. Dr. Ramanujam has previously served on the Boards of several financial services institutions including the National Savings Bank, the State Mortgage and Investment Bank and Senkadagala Finance PLC. during his career.

He currently serves as director of Ceylon Grain Elevators PLC, Three Acre Farm PLC and Iconic Development Pvt. Ltd. He also served as a Director in Panasian Power PLC, Manelwela Hydro Power Pvt. Ltd, Panasian Investment Pvt. Ltd, Paddiyapallela Hydropower Pvt. Ltd, and associated companies.

Dr. Ramanujam has a First Class B.Sc. (Hons.) degree from the University of Peradeniya Sri Lanka, a M.Sc. degree in Economics from the University of Bristol, U.K and a Ph.D. in Economics from the Australian National University, Canberra, Australia. He worked as a Post-Doctoral Fellow at the Faculty of Economics at the University of Glasgow U.K.

### **Mr. Sanath Divale Bandaranayake – Director | Non-Executive / Non-Independent Director**

Mr. Bandaranayake currently serves as an Executive Director / Additional CEO of Senkadagala Finance PLC. Mr. Bandaranayake served at Commercial Bank of Ceylon PLC, the largest and the most awarded bank in Sri Lanka, for 36 years. He has served Commercial Bank in various capacities such as Branch Manager (Kandy, City Office), Chief Manager, Assistant General Manager and Deputy General Manager (Operations) and was a core member of the Management teams which led the Bank to important milestones such as introducing Banking Software to improve the bank's operations (which is very successfully used even today), Holiday Banking and Supermarket Banking.

During his career at the Commercial Bank, he was appointed as Director at LankaClear and also served as Director of Commex Sri Lanka S R L (subsidiary of Commercial Bank based in Italy) and ONEzero Company Ltd., (subsidiary of Commercial Bank engaged in the business of Information Technology). He is also a director of Senfin Securities Ltd, Senkadagala Insurance Brokers (Pvt) Ltd, Sobhadanavi (Pvt) Ltd & Lakdhanavi (Pvt) Ltd. Mr. Bandaranayake holds a Bachelor's Degree in Physical Sciences from the University of Sri Lanka, Vidyodaya Campus.

**Mr. Sonal Balasuriya | Non-Executive / Independent Director**

Mr. Sonal Balasuriya has gained 3 years of work experience in both the United Kingdom and Sri Lanka before starting his own practice Sonal Balasuriya Architects in 2016. He is the principal architect at Sonal Balasuriya Architects and Design Studio. Mr. Sonal Balasuriya holds a First-Class B.Sc. (Hons) degree from the University of Westminster and a Distinction in MA. Architecture from the Bartlett School of Architecture, University College London. He is also a SLIA qualified Chartered Architect.

**Mr. Don Tilak Padmanabha Collure | Non-Executive / Independent Director**

Mr. Tilak Collure is a former public officer from the Sri Lanka Administrative Service Special Grade who has held a number of senior positions during 35 years in Government service mainly in the areas of trade, commerce, and logistics. He has served as the Secretary to the following ministries: Ministry of Industry and Commerce, Ministry of Transport, Ministry of Shipping, Ports and Aviation. During his career, Mr. Collure has also headed several major public sector corporate institutions as their CEO/ Chairman. He has served as an Independent Non-Executive Director at Senkadagala Finance PLC.

Mr. Collure holds a BSc in Natural Sciences (Colombo) and a Master's in Public Administration with a Merit Award (PIM/University of Sri Jayewardenepura).

**Mr. Krishanth Jeevan Sukumaran | Executive /Non-Independent Director**

Mr. Jeevan Sukumaran has in total 17 years' experience spanning Finance, Asset Management, Accounting and Operations. His core experience is in Capital Markets covering Mutual Funds/Unit Trusts, Portfolio Management, Equity Analysis and Research, Corporate Finance, Investment Banking and Financial Advisory.

Prior to joining Senfin Asset Management as the Chief Executive Officer, Jeevan was the General Manager/Head of Operations at CT CLSA Asset Management (Pvt) Ltd (CAM) (formerly known as Comtrust Asset Management and CT Fund Management). During which time he also acted as the fund manager for all of CAM's Fixed Income Funds. Prior to which, he worked at CT CLSA Capital (Pvt) Ltd, a leading Investment Banking and Corporate Financial Advisory firm.

In addition to being an Associate member (ACMA CGMA) of the Chartered Institute of Management Accounting (CIMA – UK), Jeevan is also a Certified Practising Accountant holding the CPA (Aus) designation from CPA Australia. He also holds a Professional Diploma in Marketing and is an Associate member (ACIM) of the Chartered Institute of Marketing (CIM – UK).

## Key Personnel

### Mr. Murugiah Rajendran | Head of Compliance

Mr. Murugiah Rajendran has in total over 41 years of experience in banking. He has acquired a skill sets in Risk Management (including Credit Approval, Credit Monitoring, Remedial Management etc.), Client Coverage, Operational Risk Management, Business Compliance Management and Internal Audit. Mr. Rajendran started banking career with Commercial Bank of Ceylon Ltd, the largest and most awarded bank in SL and served the bank for 16 years mainly in Corporate Banking. He then moved to overseas and worked as Marketing Manager, National Bank of Oman, Abu Dhabi (for 2 years), Director, Standard Chartered Bank, Dubai (12 years) and Vice President Mashreq bank plc, Dubai (11 years).

Mr. Rajendran has completed 'The Credit Skills Component' of the Standard Chartered Bank Credit Programme conducted by the external agency and designated a 'Credit Professional'. Mr. Rajendran is an Associate Member of the Chartered Institute of Management Accountants – UK (ACMA), Chartered Global Management Accountant (CGMA) and an Associate Member in the Institute of Bankers, Sri Lanka (AIB).

### Mr. Nilanka Gamaethige | Head of Client Services & Marketing

Mr. Nilanka Gamaethige has over fifteen years of experience in both international banks and a local bank. While working at both HSBC and Standard Chartered Banks he covered aspects mainly such as Portfolio Management, Proposition Management, PFS Lending, Brand Marketing, Operations, recoveries, branch management, strategic planning. While at Standard Chartered Bank he also worked as a Teller Service Manager and thereafter as the acting Branch Manager at the Negombo branch and a Relationship Manager at the Lipton Circle Branch, Colombo.

In 2016 he moved to DFCC Bank PLC and worked for 5 plus years at retail banking handling the affluent client segment. He was assigned the task of setting up and operating the Negombo Premier center and acquiring affluent clients, which he successfully achieved within a short period of time. He also well contributed to the growth of SME and Corporate sector of the Negombo branch. He also got the opportunity to complete a SME Workshop at JNIBF Hyderabad India.

Mr. Gamaethige is in the process of completing Degree in Business Management from the Manchester metropolitan university.

**Mr. Surath Perera | Chief Investment Officer / Fund Manager**

Mr. Surath Perera is a Senior Fund Manager who has been in the unit trust industry for over eleven (11) years, of which, eight (8) years have been as a Fund Manager. He joined Senfin in January 2021 and was previously employed at CT CLSA Asset Management (Pvt) Ltd. (CAM), a pioneer asset management company during which time he managed the Comtrust Equity Fund, the flagship fund and one of the first mutual funds launched in Sri Lanka. In addition to managing equity mutual funds, he is also experienced in managing high net worth client portfolios and fixed income portfolios etc.

Mr. Perera has a Second-Class Upper Bachelor of Business Administration (Hons) degree specializing in Accounting from the University of Colombo, Sri Lanka. He is an Associate Member (ACMA) of the Chartered Institute of Management Accountants (CIMA-UK) and Chartered Global Management Accountant (CGMA). He also has Dip.M (CIM) from the Chartered Institute of Marketing (CIM-UK) and has completed Level 1 of Chartered Financial Analyst (CFA) Programme.

**Mr. Rajitha Elapata | Senior Fund Manager**

Mr. Rajitha Elapata has over 14 years of experience in the financial services sector in the areas of Fund Management, Equity Research and Banking. Prior to joining Senfin, Mr. Elapata worked at Namal Asset Management as the Fund Manager for Equity, Fixed Income & Private Portfolio's. He also worked as an Assistant Fund Manager at Ceybank Asset Management Ltd, managing Equity, Private portfolios & Gilt-Edge funds. He also worked at Capital Trust Securities as an Investment Analyst. Mr. Elapata commenced his career at HSBC Sri Lanka corporate banking division.

Mr. Elapata holds a Bachelor of Business Administration with Economics Degree from the University of Greenwich UK London. He is currently reading for a Master of Financial Economics at the University of Colombo, Sri Lanka.



## Investment Committee

SFAM's investment philosophy is based on fundamental research, long-term focus and strong price discipline. The principle of intelligent investing, through quality decisions based on thorough research and knowledge means that the investment approach is simple and based on understanding fundamentals. SFAM also utilizes the expertise of the investment committee to make industry and entity investment decisions. The Investment Committee consists of experts in the field of asset management and includes the following external members:

### Mr. Mahendra Jayasekera

Mr. Mahendra Jayasekera is a Director of Lanka Walltiles PLC, Lanka Tiles PLC, Swisstek (Ceylon) PLC, Lanka Ceramic PLC and Swisstek Aluminium Limited. He is also a Director of Uni Dil Packaging Limited and Uni Dil Packaging Solutions Limited. Mr. Jayasekera holds a BSc Special (Hons) degree in Business Administration from the University of Sri Jayawardenapura and is a Fellow of the Institute of Chartered Accountants of Sri Lanka.

### Mr. Alastair Corera, CFA

Mr. Alastair Corera is an Executive Director of Orion Fund Management (Pvt) Ltd., a position he has held since 2006. Previously, he was at Fitch Ratings Lanka Ltd. where he headed the Financial Institutions team and was its Country Head from 2004 to 2006. Prior to that he was General Manager at Forbes ABN AMRO Securities (Pvt) Ltd. Mr. Corera is a Chartered Financial Analyst, USA and a Fellow of the Chartered Institute of Management Accountants, UK. He is the Chairman/Independent Non-Executive Director at Citizens Development Business Finance PLC and an Independent Non-Executive Director in Citizens Development Business Finance PLC

## **Risk Management Committee**

1. Mr. Sanath Divale Bandaranayake – Chairman of the Risk Management Committee
2. Mr. Murugiah Rajendran
3. Mr. Keshav Balasuriya
4. Mr. Jeevan Sukumaran

## FUND MANAGER'S REPORT

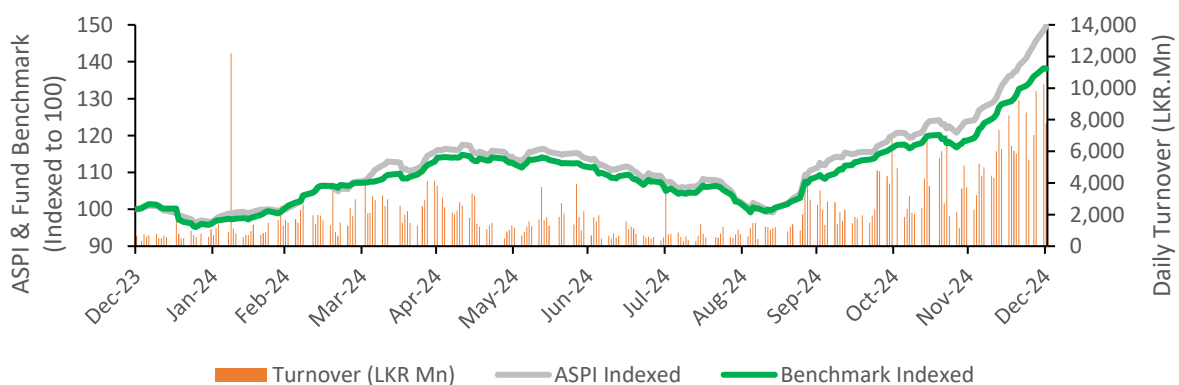
Dear Valued Investors,

I am pleased to present the Integrated Annual Report and the Financial Statements for the financial year ended 31 December 2024 (FY 2024) for the Senfin Consumer Staples Fund.

The FY2024 marked a historic milestone for the Colombo Stock Exchange (CSE), with both the All Share Price Index (ASPI) and S&P SL20 Index reaching record highs, posting gains of 49.7% and 58.5%, respectively. The Fund's benchmark also delivered an impressive 38.1% increase. During the initial part of FY2024, indices displayed a positive momentum due to the sharp drop in fixed income yields possibly shifting some fund inflows to equity from fixed income, better than anticipated quarterly earnings, positive expectations on External Debt Restructuring and largely improved macro-economic fundamentals. During the mid part of the year under review, indices witnessed some weakness mainly due to profit taking and uncertainty over the outcome of presidential elections. In addition, a substantial number of equity and debt issuances, including rights issues, bank debentures and large Government Security issuances absorbed a significant portion of market liquidity. However, the result of the highly anticipated Presidential Election in September 2024 had a substantial positive impact on the market. The rally was further boosted by the subsequent 2/3 majority victory by the ruling party in General Elections 2024 and significantly improved economic indicators, sustaining strong market performance through year-end. Additionally, Sri Lanka's Long-Term Foreign-Currency Issuer Default Rating received a notable upgrade, moving from Restricted Default (RD) to CCC+ by Fitch and from "Ca" to "Caa1" by Moody's.

The market capitalization of the CSE reached an all-time high, increasing from LKR 4,248.9 billion to LKR 5,695.6 billion during FY 2024. Meanwhile, the PER stood at 8.9x at year-end, lower than the 11.1x recorded at the end of FY 2023. Despite market prices moving up, aforesaid PER decline was primarily driven by the growth in corporate earnings. Overall, FY 2024 was a landmark year for the CSE, supported by robust economic recovery, improved investor sentiment, and a strengthened fiscal outlook.

### CSE Performance and Turnover



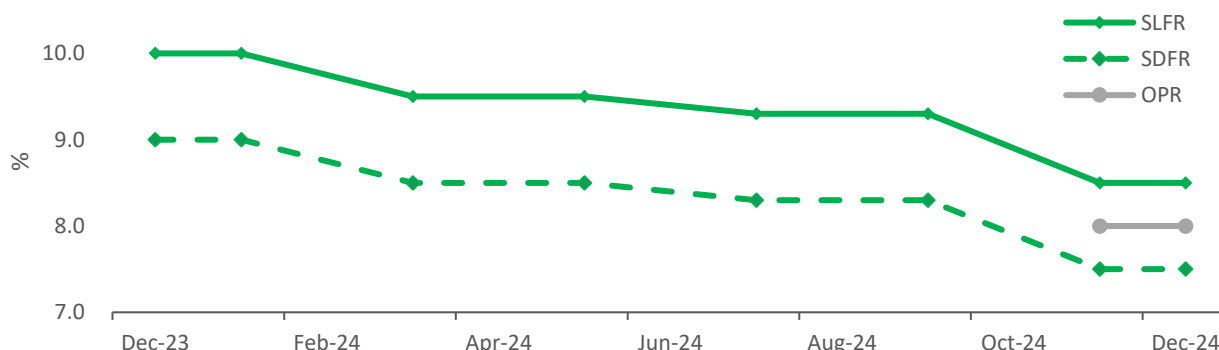
Source: Colombo Stock Exchange

In 2024, Sri Lanka's economy exhibited a significant recovery, achieving a real GDP growth rate of 5.0%, a notable improvement from the -2.3% contraction in 2023. This growth was primarily driven by expansions in the industrial and services sectors, which grew by 11.0% and 2.4% respectively, while the agriculture sector experienced a modest growth of 1.2%. The fourth quarter of 2024 saw a GDP growth of 5.4%, further underscoring the positive economic trajectory.

Throughout 2024, the Central Bank of Sri Lanka (CBSL) implemented a series of monetary policy adjustments to stabilize inflation and support economic growth. In March 2024, the CBSL reduced the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) by 50 basis points to 8.50% and 9.50%, respectively. Further easing occurred in July 2024, with a 25 basis point reduction, bringing the SDFR to 8.25% and the SLFR to 9.25%. In November 2024, the CBSL introduced a single policy rate, setting the Overnight Policy Rate (OPR) at 8.00% with implied Standing Deposit Facility Rate (SDFR) and Standing Lending Facility Rate (SLFR) tied to the OPR with a margin of  $\pm 50$  basis points, effectively simplifying the monetary policy framework. Consequently, the SDFR stood at 7.5% as at 31 Dec 2024 vs 9.0% as at 31 Dec 2023 and the SLFR stood at 8.5% vs 10.0% as at 31 Dec 2023.

Additionally, the Statutory Reserve Ratio (SRR) was maintained at 2.0% throughout 2024, following its reduction in the latter half of 2023, ensuring sufficient liquidity in the banking system to support lending and investment activities.

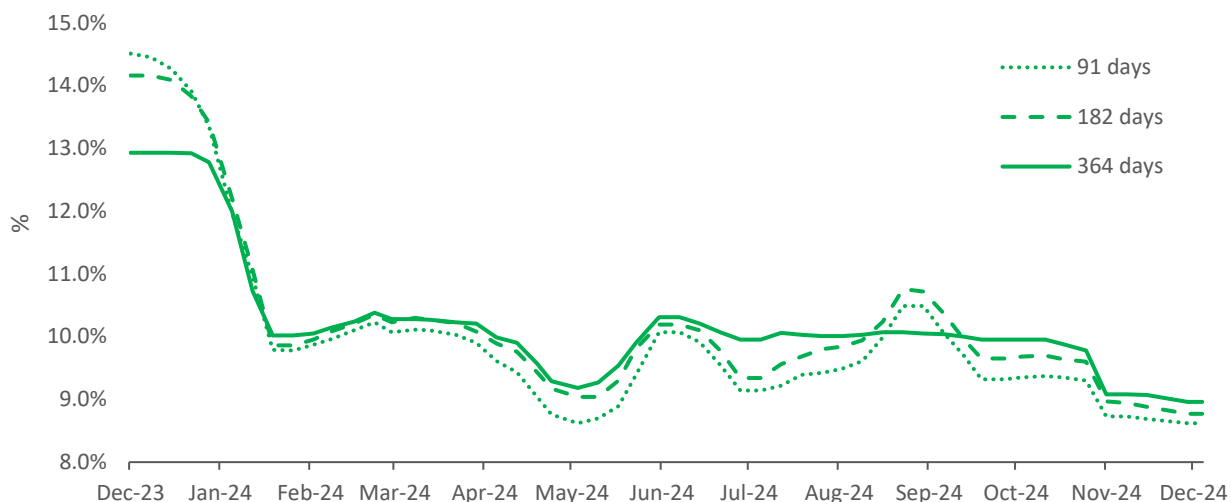
#### Movement in Policy Rates



Source: Central Bank of Sri Lanka

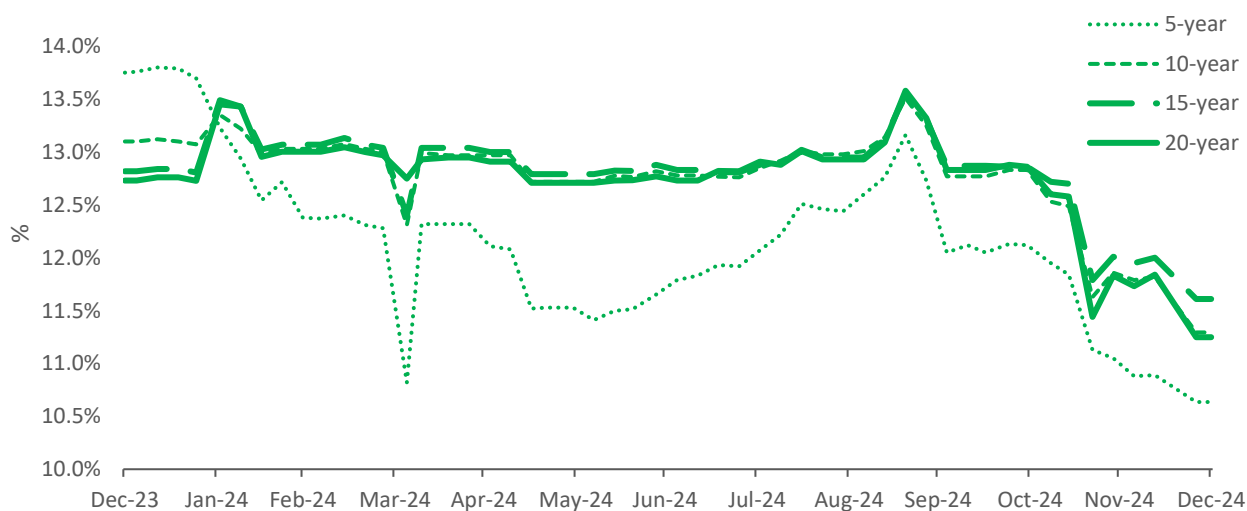
The period under review saw Treasury bill yields gradually easing. The benchmark 03, 06 and 12-month yields decreased from 14.51%, 14.16% and 12.93% respectively as at the end of Dec 2023 to 8.62%, 8.77% and 8.96% respectively as at the end of Dec 2024. During this period, the yield curve witnessed a correction and switched to a more upward sloping yield curve with the 3M and 6M yields dropping below 12M yield. Similarly, Treasury Bond yields too witnessed a gradual declining trend.

### Treasury Bill Rate Movement



Source: Central Bank of Sri Lanka

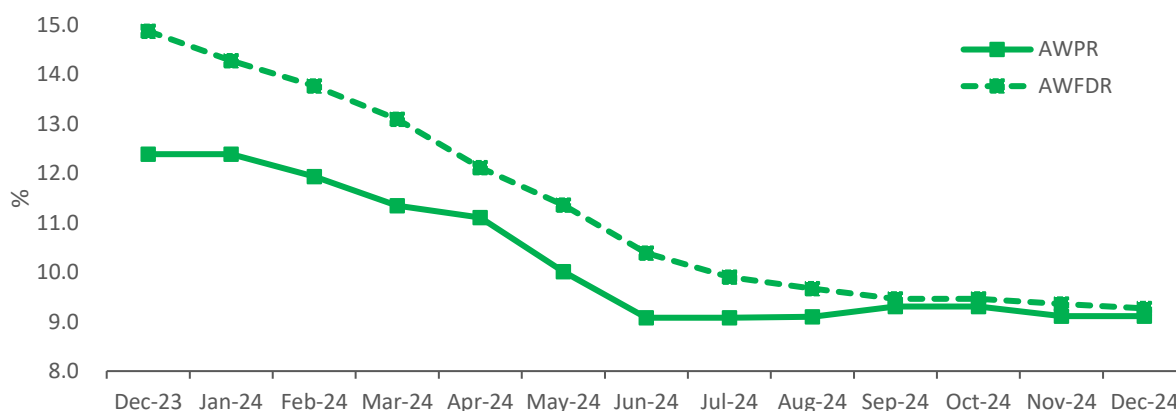
### Treasury Bond Rate Movement – Secondary Market



Source: Central Bank of Sri Lanka

In line with the Monetary Policy changes by CBSL, all deposit and lending rates witnessed a gradual decreasing trend, with Average Weighted Prime Lending Rate (AWPR) decreased to 9.1% and Average Fixed Deposit Rate (AWFDR) decreased to 9.3% by the end of December 2024 vs. 12.4% and 14.9% respectively by the end of December 2023.

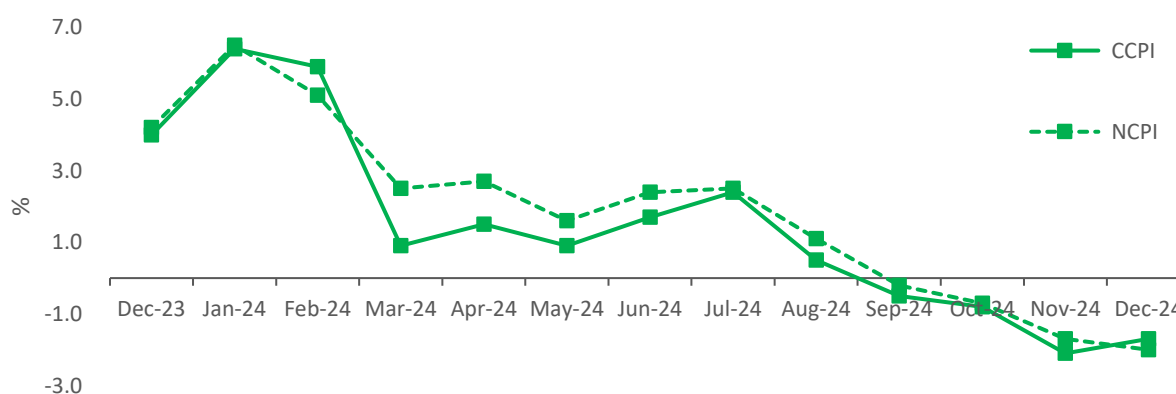
### Movement of AWFDR and AWPR of Commercial Banks (% p.a.) at month-end



Source: Central Bank of Sri Lanka

Another key factor in this economic resurgence was the stabilization of inflation. After peaking in 2022, inflation measured by Colombo Consumer Price Index (CCPI) dropped significantly to 0.5% YoY by August 2024, creating a more favourable environment for economic activities. Subsequent to that, the inflation was in the negative territory for the remainder of the subject year and recorded -1.7% YoY by the end of December 2024. The reduction in inflation has been attributed to factors such as reductions in power tariffs, fuel prices, and an appreciating rupee.

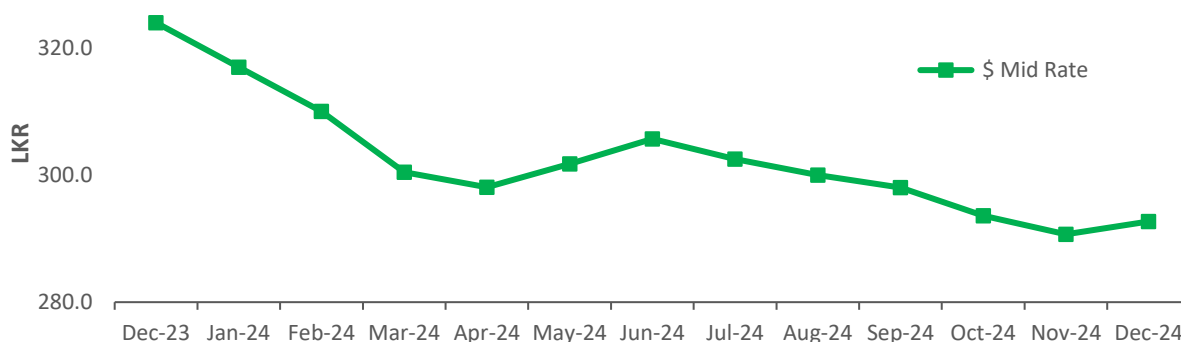
### Movement in the CCPI and NCPI



Source: Department of Census & Statistics

### Movement in the USD/LKR Rate

In 2024, Sri Lanka's Gross Official Reserves (GOR) experienced a significant increase, reaching approximately US\$6.1 billion by the end of December 2024 vs US\$ 4.4 billion by the end of December 2023. Enhanced tourism earnings and increased worker remittances were key contributors for reserve accumulation. Consequently, the Sri Lankan rupee appreciated by 9.7% against the US dollar during the year up to December 31, 2024.



Source: Central Bank of Sri Lanka

### Fund Performance

#### Fund Performance as at 31st Dec 2024

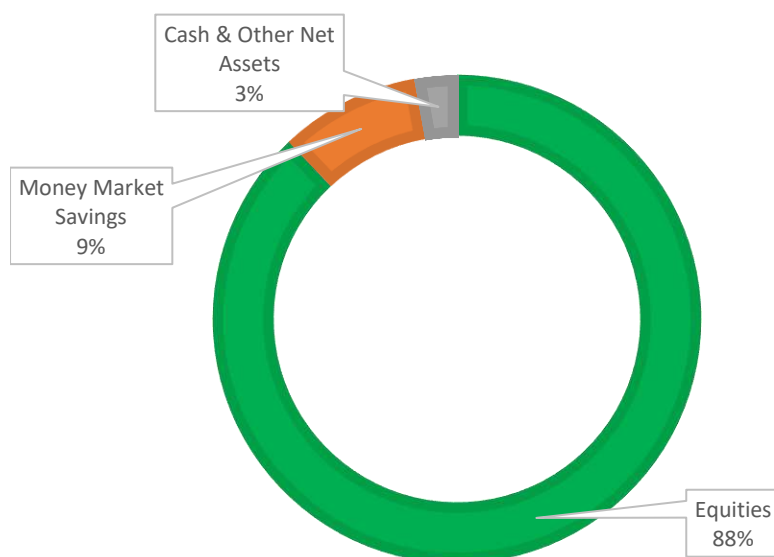
	Six Months Performance	One Year Performance	Cumulative Return since fund inception	Annualized Return since inception (CAGR)
Senfin Consumer Staples Fund	16.72%	37.91%	37.50%	34.52%
Benchmark Return	23.73%	38.14%	36.87%	33.95%

Source: Senfin Asset Management (Pvt) Ltd

Note:

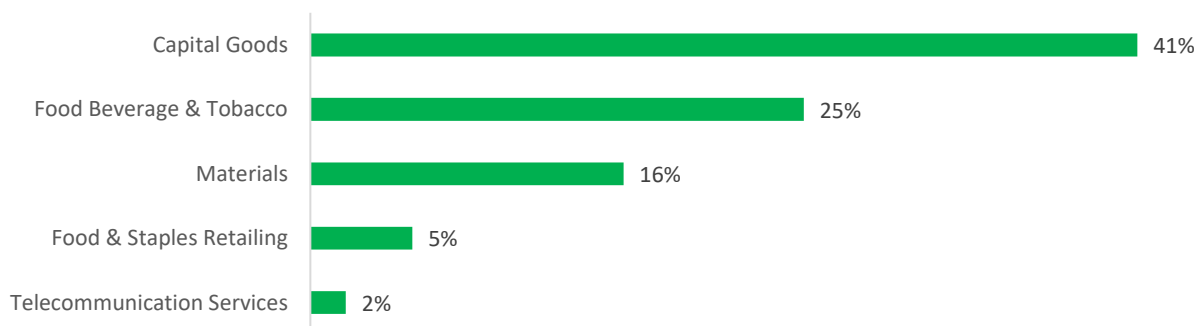
1. All returns in the table are non-annualized, except for the last column which shows the annualized return since inception.
2. Performance data is net of management fees and taxes.

### Asset Allocation as a percentage of Net Asset Value as at 31<sup>st</sup> Dec 2024



Source: Senfin Asset Management (Pvt) Ltd

### Equity Holding by Sector as at 31 Dec 2024 (as a percentage of Net Asset Value)



Source: Senfin Asset Management (Pvt) Ltd

We anticipate continued positive sentiment toward equities. FY 2024 highlighted the true potential of the CSE, and moving forward, with key macroeconomic indicators showing sustained improvement; including single-digit inflation, a stable currency, rising tourism earnings, strong remittance inflows, low-interest rate environment and expected growth in corporate earnings, we expect stable and organic growth in equities in FY2025E. We remain committed to analyzing and investing in fundamentally strong counters with the potential for sustained performance in the medium to long term.

### Investment Team





Kreston MNS & Co  
Chartered Accountants  
Level 1 & 2, Advantage Building  
74A, Dharmapala Mawatha  
Colombo 07

Tel: + 94 (0) 11 2323571-3  
+ 94 (0) 11 2301396-7  
Email: audit@kreston.lk  
Web: www.kreston.lk

## INDEPENDENT AUDITOR'S REPORT

### TO THE UNIT HOLDERS OF SENFIN CONSUMER STAPLES FUND

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of **SENFIN CONSUMER STAPLES FUND** (the Fund) which comprise the Statement of Financial Position as at 31<sup>st</sup> December 2024, and the Statement of Comprehensive Income, Statement of Movement in unit holders Fund and Statement of Cash Flows for the period from 5<sup>th</sup> December 2023 to 31<sup>st</sup> December 2024, and notes to the Financial Statements, including a summary of significant accounting policies exhibited on pages 3 to 21.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Fund as at 31<sup>st</sup> December 2024, and of its financial performance and its cash flows for the period then ended 31<sup>st</sup> December 2024 in accordance with Sri Lanka Accounting Standards.

#### Basis for Opinion

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

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.



#### Member of Kreston Global UK

#### Correspondent firm within Grant Thornton International Ltd. (Grant Thornton International)

Grant Thornton International and the member and correspondent firms are not a worldwide partnership.

#### Partners

S Rajanathan FCA, FCMA (UK) | N K Atukorala FCA, ACMA | Ms. H D S C A Tillekeratne FCA, ACCA (UK), ACMA | K I Skandadasan B.Sc. (Madras), FCA, ACMA | R L R Balasingham FCA, ACCA (UK), ACMA | N K G V Bandara B.Sc (Acc) Sp, FCA, ACCA (UK), ACMA | Ms.S. Sawumiya BBA (Acc) Sp, FCA, ACCA (UK) | P. Dharshan ACA, ACCA (UK) | M.F.M. Mujahid BBA (Col), MBA (PIM-SJP), FCA, CISA, ACCA (UK)

#### Branches

Anuradhapura, Badulla, Batticaloa, Hatton, Jaffna, Kandy, Negombo, Nuwara Eliya, Trincomalee

### 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 Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an Audit in accordance with Sri Lanka Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the Audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### Report on Other Legal and Regulatory Requirements

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

Kreston MNS & Co  
CHARTERED ACCOUNTANTS  
COLOMBO  
28<sup>TH</sup> MARCH 2025  
ST/UA/sk

ST-Senfin Consumer Staples Fund (31.12.2024)-c9





## SENFIN CONSUMER STAPLES FUND

## STATEMENT OF FINANCIAL POSITION AS AT

31.12.2024  
Rs.

	Notes	
<b>ASSETS</b>		
Cash & Cash Equivalents	4	6,154,898
Financial Assets		
- Fair Value through Profit or Loss	5	58,379,614
Other Receivables	6	3,939,915
<b>TOTAL ASSETS</b>		<b>68,474,427</b>
<b>UNIT HOLDERS' FUNDS &amp; LIABILITIES</b>		
<b>LIABILITIES</b>		
Accrued and Other Payable	8	2,094,399
<b>Total Liabilities (Excluding net assets attributable to Unit Holders)</b>		<b>2,094,399</b>
<b>UNIT HOLDERS FUNDS</b>		
Net Assets Attributable to Unit holders		66,380,028
		<b>68,474,427</b>

The Accounting Policies and the Notes on Pages 7 to 21 form an integral part of these Financial Statements.

The Fund Management Company and the Trustee are responsible for the preparation and presentation of these financial statements in accordance with Sri Lanka Accounting Standards. These Financial Statements were approved by the Management Company, and adopted by the Trustee.

  
 Director  
 Senfin Asset Management (Private) Limited  
 Fund Management Company

  
 Hatton National Bank PLC  
 Trustee

  
 Director  
 Senfin Asset Management (Private) Limited  
 Fund Management Company

28th March 2025





## SENFIN CONSUMER STAPLES FUND

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD

From  
05.12.2023  
to  
31.12.2024  
Rs.

	Note	
<b>Investment Income</b>		
Dividend Income	9.1	1,958,215
Interest Income	9.2	534,580
Realised Gains / (Losses) on financial assets held at fair value through profit or loss	10.1	4,297,884
Unrealised (Loss) / Gain on financial assets held at fair value through profit or loss	10.2	11,284,322
<b>Total Investment Income</b>		<u>18,075,001</u>
<b>Less : Expenses</b>		
Management Fees		572,621
Trustee Fees		114,711
Custody Fees		314,051
Audit Fees		127,075
Professional Fee		78,668
Brokerage Fee		1,621,422
Other Expenses		9,403
Withholding Tax		26,730
		<u>2,864,681</u>
<b>Net Profit / (Loss) Before Tax</b>		<u>15,210,320</u>
Less : Income Tax Expense	11	-
<b>Net Profit / (Loss) after Tax for the Year</b>		<u>15,210,320</u>
Other Comprehensive Income		-
<b>Total Comprehensive Income for the Year</b>		<u>15,210,320</u>
<b>Increase / (Decrease) in Net Assets Attributable to Unit Holders</b>		<u>15,210,320</u>

The Accounting Policies and the Notes on Pages 7 to 21 form an integral part of these Financial Statements.





## SENFIN CONSUMER STAPLES FUND

## STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS

## FOR THE PERIOD ENDED

	From 05.12.2023 to 31.12.2024 Rs.
Unit Holders Fund as at 05.12.2023	-
Received on Creation of Units	55,077,520
Paid on Redemption of Units	(3,907,812)
Increase / (Decrease) in net assets attributable to Unit Holders	15,210,320
Net Increase / (Decrease) due to Unit holders' Transactions	66,380,028
Income Distribution for the year	-
Unit Holders Funds as at 31.12.2024	66,380,028

The Accounting Policies and the Notes on Pages 7 to 21 form an integral part of these Financial Statements.



## SENFIN CONSUMER STAPLES FUND

## STATEMENT OF CASH FLOW

FOR THE PERIOD

From  
05.12.2023  
to  
31.12.2024  
Rs.

	Note	
<b>Cash Flow from Operating Activities</b>		
Dividend Received	9.1	1,958,215
Interest Received	9.2	534,580
Management fees Trustee fees and Custodian fees paid		(900,246)
Other Expenses paid		(1,657,555)
Purchase of Equity Securities		(92,581,346)
Sale proceeds from Sale of Equity Securities		47,626,276
Net investment in Unit Trust		5,266
<b>Net Cash used in Operating Activities</b>		<u>(45,014,810)</u>
<b>Cash Flows from Financing Activities</b>		
Cash received on Creation of Units		55,077,520
Cash paid on redemption of Units		(3,907,812)
<b>Net Cash Generated from Financing Activities</b>		<u>51,169,708</u>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<u>6,154,898</u>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<u>-</u>
<b>Cash and Cash Equivalents at the end of the year</b>	4	<u><u>6,154,898</u></u>
<b>Analysis of Cash and Cash Equivalents at the end of the year</b>		
Cash & Bank Balances		<u><u>6,154,898</u></u>

The Accounting Policies and the Notes on Pages 7 to 21 form an integral part of these Financial Statements.





**NOTES TO THE FINANCIAL STATEMENTS****NOTE 1 - GENERAL INFORMATION****NOTE 1.1 - GENERAL**

Senfin Consumer Staples Fund (the “fund”) is an open-ended unit trust fund approved by the Securities and Exchange Commission of Sri Lanka. The fund was launched on 5<sup>th</sup> December 2023.

The fund is managed by Senfin Asset Management (Private) Limited which is incorporated and domiciled in Sri Lanka. The registered office of the management company is located at 267, Galle Road, Colombo 3. The trustee and custodian of the Fund is Hatton National Bank (HNB) having its place of business at No 481, T .B. Jayah Mawatha, Colombo 10.

The investment objective of the fund is to achieve a balance between long term capital appreciation and income by investing in listed shares that have exposure to the retail and consumer sectors as well in Fixed Income Securities.

**NOTE 1.2 - DATE OF AUTHORIZATION FOR ISSUE**

The financial statements of the fund for the period of 5<sup>th</sup> December 2023 to 31<sup>st</sup> December 2024 were authorized for issue by the fund management company and the trustee on 28<sup>th</sup> March 2025.

**NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS****NOTE 2.1 - BASIS OF PREPARATION**

The financial statements are prepared and presented in accordance with and comply with the relevant Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka. The statement of financial position is presented on a liquidity basis and assets and liabilities are presented in decreasing order of liquidity and are not distinguished between the current and non-current. The financial statements have been prepared on the historical cost basis unless otherwise indicated. The financial statements are presented in Sri Lankan rupees (LKR).

**NOTE 2.1.1 - STATEMENT OF COMPLIANCE**

The financial statements which comprise the statement of financial position as at 31 December 2024, statement of profit or loss and other comprehensive income, statement of movement in unitholders' Funds and statement of cash flows for the period from 5 December 2023 to 31 December 2024, and a summary of significant accounting policies and other explanatory information have been prepared and presented in accordance with Sri Lanka Accounting Standards.

**NOTE 2.2 - SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATED AND ASSUMPTIONS**

The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires management to make judgements, estimates and assumptions that affects the application of policies and reported amounts of assets and liabilities, income and expenses.

In the selection and application of the fund's accounting policies, which are described below, the fund management company is required to make judgements and assumptions and use assumptions in measuring items reported in the financial statements. These estimates are based on management's knowledge of current facts and circumstances, and assumptions based on such knowledge and expectations of future events. Actual results may differ from such estimates.

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)****NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS (CONTD.)**

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

There were no significant accounting estimates, judgments and assumptions made during the period in preparing the financial statements.

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

Fair value of the quoted equity investments are determined by quoted prices (Level 1)





## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS (CONTD.)

## NOTE 2.3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

## NOTE 2.3.1 - FINANCIAL ASSETS

(i) **Recognition and initial measurement**

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the fund becomes a party to the contractual provisions of the instrument.

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

(ii) **Classification**

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

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

*All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes derivative financial assets if any.*

(iii) **Subsequent measurement and gains and losses**

<i>Financial assets at amortised cost</i>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
<i>Financial assets at FVTPL</i>	These assets are subsequently measured at their fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. Net change in unrealised gains/losses on equity investments includes the accumulated gains/losses on realised equity investments as well, since the realised gain/losses are computed on the difference between weighted average cost of purchase and the selling price.



**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)****NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS (CONTD.)****NOTE 2.3.2 - FINANCIAL LIABILITIES – CLASSIFICATION, SUBSEQUENT MEASUREMENT AND GAINS AND LOSSES**

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities include accrued expenses and other payables.

**NOTE 2.3.3 - DERECOGNITION****Financial Assets**

The fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The fund enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

**Financial Liabilities**

The fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The fund also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognised in profit or loss.

**NOTE 2.3.4 - OFFSETTING OF FINANCIAL INSTRUMENTS**

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

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)****NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS (CONTD.)****NOTE 2.3.5 - IMPAIRMENT**

The fund recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

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

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

**Presentation of allowance for ECL in the statement of financial position**

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

**Write-offs**

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

**NOTE 2.4 - RECOGNITION OF INCOME**

Income is recognized to the extent that it is probable that the economic benefits will flow to the fund and the income can be reliably measured. The following specific criteria must also be met before income is recognized.

**(i) Interest income**

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

**(ii) Dividend income**

Dividend income is recognized when the fund's right to receive payment is established.

**(iii) Unrealised gains/(losses) on financial assets at FVTPL**

Unrealised gains/(losses) on financial assets at FVTPL includes all gains and losses that arise from changes in fair value of the financial assets at FVTPL as at the reporting date.

**(iv) Realised gains/(losses) on financial assets at FVTPL**

Realised gains/(losses) on financial assets at FVTPL includes results of buying and selling of quoted equity securities.



**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)****NOTE 2 - PREPARATION OF FINANCIAL STATEMENTS (CONTD.)****NOTE 2.5 - CASH AND CASH EQUIVALENTS**

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

The cash flow statement has been prepared using the direct method.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

**NOTE 2.6 - INCOME TAX**

The fund is not liable to pay income tax as at the reporting date in accordance with Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021.. The fund's income generated through investment business are treated as "pass through vehicles" under the provisions of Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021.

**NOTE 2.7 - EXPENSES**

The management, trustee and custodian fees of the fund as per the trust deed is as follows,

Management Fee	-	1.00% p.a of net asset value of the fund calculated on daily basis
Trustee Fee	-	0.20% p.a of net asset value of the fund calculated on daily basis
Custodian Fee	-	Flat fee of Rs. 20,000 per month

**NOTE 2.8 - UNITHOLDERS' FUNDS**

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

**NOTE 3 - FINANCIAL RISK MANAGEMENT**

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

Financial instruments of the fund comprise investments in quoted equity securities and short term fixed income securities for the purpose of generating a return on the investment made by unitholders, in addition to cash at bank and other financial instruments such as receivables and payables, which arise directly from its operations.

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)****NOTE 3 - FINANCIAL RISK MANAGEMENT (CONTD.)**

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

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

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

**a) Credit risk**

Credit risk is the risk that the counterparty to the financial instruments will fail to discharge an obligation and cause the fund to incur a financial loss of interest and/or principal.

The fund's exposure to credit risk from its financial assets arises from default of the counterparty, with the current exposure equal to the carrying amount of financial assets as at the reporting date. It is the fund's policy to enter into contracts with reputable counterparties.

<b>2024 Counterparty</b>	<b>Credit rating</b>	<b>Rating agency</b>
Hatton National Bank PLC	A	Fitch

The fund is also subject to credit risk on its bank balance and bank money market balances. The credit risk exposure on these instruments is not deemed to be significant.

**b) Market risk**

Market risk represents the risk that the value of the fund's investments portfolios will fluctuate as a result of changes in market prices. While market risk cannot be eliminated the fund manager will attempt to reduce this risk by diversifying the fund's investment portfolio in line with investment objectives of the fund.



## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 3 - FINANCIAL RISK MANAGEMENT (CONTD.)

## c) Price risk

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

The table below shows the impact on the statement of profit or loss and other comprehensive income and statement of financial position due to a reasonably possible change in the price of the fund's investment in financial assets held at fair value through profit or loss in note 7, with all other variables held constant:

	2024
	Increase/ (decrease) on profit before tax and amounts attributable to Unitholders Rs.
Change in price of the fund's investments in financial assets - at fair value through profit or loss	
+10%	5,837,961
-10%	(5,837,961)



## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 3 - FINANCIAL RISK MANAGEMENT (CONTD.)

**d) Interest rate risk**

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

The fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. Since the fund had not held financial instruments with variable interest rates as at 31 December 2024, it was not exposed to interest rate risk. Hence, a sensitivity analysis has not been presented.

The table below summarize the fund's exposure to interest rate risks.

31 December 2024	Floating Interest Rate Rs.	Fixed Interest Rate Rs.	Non-Interest bearing Rs.	Total Rs.
<b>Financial Assets</b>				
Cash and Cash Equivalents	6,129,898	-	25,000	6,154,898
Financial asset held at fair value through profit or loss	-	-	58,379,614	58,379,614
Other Receivables	-	-	3,939,915	3,939,915
Total Exposure	6,129,898	-	62,319,529	68,474,427

**e) Liquidity risk**

Liquidity risk is the risk that the fund will encounter difficulty in raising funds to meet its obligation to pay unitholders. Exposure to liquidity risk arises because of the possibility that the fund could be required to pay its liabilities or redeem its units earlier than expected. Units are redeemable at the unitholder's option based on the fund's net asset value per unit at the time of redemption.

The fund manages its obligation when required to do so and its overall liquidity risk by:

- Investing primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash
- Investing within established limits to ensure there is no concentration of risk
- Maintaining sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests. The unit trust code requires a minimum of 3% of the deposited property to be maintained in cash or near cash. (near cash means investments such as bank/call deposits, repurchase agreements with maturities of less than 3 months, commercial paper endorsed or guaranteed by a Licensed Commercial Bank or Licensed Specialized Bank with maturities of less than 3 months and government securities including government bonds with maturities of less than one year which can be readily convertible into cash.)
- Where redemption requests on any business day exceed ten per centum (10%) of the total number of units in redemption requests in excess of the ten per centum (10%) may be deferred to the next dealing day provided the SEC is notified in writing of such deferral.
- Searching for new investors





## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 3 - FINANCIAL RISK MANAGEMENT (CONTD.)

## e) Liquidity risk (Contd.)

The time frame for return of cash to investors is five business days in which time investments may be recalled for redemption payouts. In addition, as per the Unit Trust Code and the Trust Deed, if the redemption value is 3% or more of the net assets value of the fund, the unitholder is required to give a minimum of 14 days prior notice. Further, the fund is also permitted to borrow up to 15% of the deposited property for redemption payouts. No such borrowings have arisen during the period.

Other Financial liabilities have no contractual maturities. Due to the short-term nature of these financial instruments, carrying value approximates fair value.

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

31 December 2024	On Demand	Less than 30 days	31 - 90 days	91 – 180 days	181 – 365 days	More than 365 days	Total
<b>Financial Assets</b>							
Cash at Bank	6,154,898	-	-	-	-	-	6,154,898
<b>Financial Assets – Fair value through Profit or Loss</b>							
- Investment in Shares	58,379,614	-	-	-	-	-	58,379,614
Other Receivables	-	3,939,915	-	-	-	-	3,939,915
	64,534,512	3,939,915	-	-	-	-	68,474,427
<b>Financial Liabilities</b>							
	-	1,888,655	205,744	-	-	-	2,094,299

## f) Capital risk management

Unitholders' funds has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities.

Disclosures relevant to unitholders' funds are as follows;

The movement in the unitholders' funds for the period 2024

## I. In terms of value

## Unit holders' funds as at 05 December 2023

Creations during the period	55,077,520
Redemptions during the period	(3,907,812)
Increase/ (decrease) in net assets attributable to unitholders	15,210,320
<b>Unitholders' funds as at 31 December 2024</b>	<b>66,380,028</b>

2024  
Rs.

-





## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 3 - FINANCIAL RISK MANAGEMENT (CONTD.)

## II. In terms of number of units

<b>Opening number of units as at 05 December 2023</b>	-
Unit creations during the period	5,163,425
Unit redemptions during the period	(336,137)
<b>Closing number of units as at 31 December 2024</b>	<b>4,827,288</b>

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



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

31.12.2024  
Rs.

## NOTE 4 - CASH &amp; CASH EQUIVALENTS

## Cash at Bank

Hatton National Bank - Savings Account - 003020924936

6,129,898

Hatton National Bank - Current Account - 003010552644

25,000

6,154,898

## NOTE 5 - FINANCIAL ASSETS - FAIR VALUE THROUGH PROFIT OR LOSS

Quoted Equity Securities (5.1)

58,379,614

58,379,614

## NOTE 5.1 - QUOTED EQUITY SECURITIES

Cost as at 31 st December

47,095,292

Appreciation/Depreciation of market value quoted equity securities

11,284,322

Market value as at 31 st December (5.1(a))

58,379,614

## NOTE 5.2 - DETERMINATION OF FAIR VALUE AND FAIR VALUES HIERARCHY

Financial Assets at Fair Value through Profit or Loss	Level 1	Level 2	Level 3	Total
Quoted Equity Securities	58,379,614	-	-	58,379,614
Total Financial Assets at Fair Value as at 31st December 2024	58,379,614	-	-	58,379,614

## Determination of fair value and fair value hierarchy

SLFRS 7 Financial Instruments : Disclosures require fair value measurements to be disclosed by the source of inputs, using a three level hierarchy. The hierarchy for measuring fair value consists of Level 1 to 3.

Level 1 - An investment in a fund is classified in Level 1 of the hierarchy when that investment is quoted in an active market and measured at the unadjusted quoted price at the reporting date

Level 2 - An investment in a fund is classified in Level 2 of the hierarchy when that investment is measured using inputs that are directly observable at the reporting date.

Level 3 - An investment in a fund is classified in Level 3 of the hierarchy when that investment is measured using unobservable inputs at the reporting date.



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 5.1(a) - MARKET VALUE AS AT 31ST DECEMBER

Company	31.12.2024		
	No. of Shares	Market Value	Holding as a % of Net Asset value
<b>Capital Goods</b>			
Central Industries PLC	20,000	3,030,000	5%
Cable Solutions PLC	90,000	891,000	1%
Colombo Dockyard PLC	70,500	4,645,950	7%
Hayleys PLC	45,000	5,906,250	9%
Hemas Holdings PLC	80,000	8,260,000	12%
John Keells Holdings PLC	180,000	4,068,000	6%
Renuka Holdings PLC	25,000	460,000	1%
<b>Total</b>		<b>27,261,200</b>	<b>41%</b>
<b>Food &amp; Staples Retailing</b>			
Cargills (Ceylon) PLC	8,000	3,360,000	5%
<b>Total</b>		<b>3,360,000</b>	<b>5%</b>
<b>Food Beverage &amp; Tobacco</b>			
Ceylon Cold Stores PLC	53,171	4,445,096	7%
Ceylon Grain Elevators PLC	17,000	3,221,500	5%
Horana Plantations PLC	30,000	1,419,000	2%
Kelani Valley Plantations PLC	12,000	1,159,200	2%
Three Acre Farms PLC	11,000	3,280,750	5%
Bairaha Farms PLC	8,716	1,603,744	2%
Bogawantalawa Tea Estates PLC	20,073	1,134,125	2%
<b>Total</b>		<b>16,263,414</b>	<b>25%</b>
<b>Materials</b>			
CIC Holdings PLC	60,000	4,020,000	6%
Swisstek (Ceylon) PLC	50,000	2,100,000	3%
Agstar Fertilizer PLC	150,000	1,245,000	2%
Alumex PLC	200,000	2,960,000	4%
<b>Total</b>		<b>10,325,000</b>	<b>16%</b>
<b>Telecommunication Services</b>			
Dialog Axiata PLC	100,000	1,170,000	2%
<b>Total</b>		<b>1,170,000</b>	<b>2%</b>
<b>Total Value of Quoted Equity Securities</b>		<b>58,379,614</b>	



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

31.12.2024  
Rs.

## NOTE 6 - OTHER RECEIVABLES

CDS Receivable	3,939,915
	<u>3,939,915</u>

## NOTE 7 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Assets and Financial Liabilities not carried at fair value.

Assets for which fair value approximates carrying value.

For financial assets and financial liabilities that have a short term maturity (original maturities less than a year). It is assumed that the carrying amounts approximate their fair values.

Accordingly, the following is a list of financial instruments whose carrying amount is a reasonable approximation of fair value.

## Assets

## Liabilities

Financial Assets - At Amortised Cost  
Cash and Cash Equivalents

Accrued Expenses

## NOTE 8 - ACCRUED &amp; OTHER PAYABLES

## Accrued Expenses

Management Fees	63,779
Trustee Fees	12,756
Custody Fees	24,602
Audit Fees	127,075
Professional Fee	78,669
CDS payable	1,787,518
	<u>2,094,399</u>

## NOTE 9 - INVESTMENT INCOME

9.1	Dividend Income	1,958,215
9.2	Interest Income	
	Interest Income on Money Market Savings	534,580
	<b>Total Investment Income</b>	<u>534,580</u>

## NOTE 10.1 - REALISED GAINS / (LOSSES) ON FINANCIAL ASSETS-FAIR VALUE THROUGH PROFIT OR LOSS

10.1.1	<b>Equity Securities</b>	
	Proceeds on Sale of Equity Shares	51,566,191
	Average cost of Equity Shares Sold	(47,273,573)
		<u>4,292,618</u>
10.1.2	<b>Unit Trust Investment</b>	
	Proceeds on Sale of Unit Trust	2,005,266
	Average Cost of Units Sold	(2,000,000)
		<u>5,266</u>
	<b>Total Realised Gain</b>	<u>4,297,884</u>



## NOTE 10.2 - UNREALISED GAINS / (LOSSES) ON FINANCIAL ASSETS FAIR VALUE THROUGH PROFIT OR LOSS

Equity Securities	11,284,322
	<u>11,284,322</u>



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

From  
05.12.2023  
to  
31.12.2024

## NOTE 11 - INCOME TAX EXPENSES

Tax expense for the year

-

As per the Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021, the fund is deemed as conducting eligible investment business and is treated as a tax pass through vehicle. Hence, no provision for the income tax was made in the financial statements.

A reconciliation between the tax expense and the product of taxable profit multiplied by the statutory tax rate is as follows:

	05.12.2023 to 31.12.2024 Rs.
Net Profit / (Loss) before tax	15,210,320
Aggregate disallowable expenses / net gains	-
Income Exempt from tax	(15,210,320)
Aggregate allowable net (gains) / Losses	-

## NOTE 12 - CAPITAL COMMITMENTS

There were no material Capital Commitments as at 31st December 2024.

## NOTE 13 - EVENTS AFTER THE REPORTING DATE

No circumstance has arisen since the reporting date which would require adjustment to or disclosure in the financial statements.

## NOTE 14 - CONTINGENCIES

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



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 15 - RECONCILIATION BETWEEN THE NET ASSET VALUE AS PER FINANCIAL STATEMENTS AND THE PUBLISHED NET ASSET VALUE

	31.12.2024 Rs.
Net Asset Value as per Financial Statements	66,380,028
Other Expense over / under provision	-
Published Net Asset Value	<u>66,380,028</u>
Number of units outstanding	4,827,288
Published Net Asset Value per Unit	<u>13.75</u>

## NOTE 16 - UNITS IN ISSUE AND UNIT PRICE

Units in issue and deemed to be in issue as at 31st December 2024 is 4,827,288.30 The Net Asset Value per unit as at this date was Rs.13.75

## NOTE 17 - RELATED PARTY TRANSACTIONS

The following institutions have been identified as related parties to the Fund in accordance with Sri Lanka Accounting Standards LKAS 24 - Related Party Disclosures.

## NOTE 17.1 - THE MANAGEMENT COMPANY AND THE TRUSTEE

The Management Company of Senfin Consumer Staples Fund is Senfin Asset Management (Private) Limited.

The Trustee to the fund is Hatton National Bank (HNB) PLC.



## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 17.2 - KEY MANAGEMENT PERSONNEL

Key management personnel includes persons who were directors of Senfin Asset Management (Private) Limited during the financial year.

## i) Directors

Dr. Prathap Ramanujam  
 Mr. Don Tilak Padmanabha Collure  
 Mr. Sonal Balasuriya  
 Mr. Keshav Balasuriya (Upto October 2024)  
 Mr. Krishanth Jeevan Sukumaran (From October 2024)  
 Mr. Tilak Collure

## ii) Other key management personnel

Other persons with responsibility for planning, directing and controlling the activities of the fund, directly or indirectly during the financial period are given below:

Mr. Murugiah Rajendran - Head of Compliance  
 Mr. Nilanka Gamaethige - Head of Client Services & Marketing  
 Mr. Surath Perera - Chief Investment Officer  
 Mr. Rajitha Elapata - Senior Fund Manager

## NOTE 17.3 - KEY MANAGEMENT PERSONNEL COMPENSATION

There were no payments made to the directors of Senfin Asset Management (Private) Limited during the year by the fund.

Other key management personnel are paid by Senfin Asset Management (Private) Limited. Payments made from the Fund to Senfin Asset Management (Private) Limited do not include any amounts directly attributable to the compensation of key management personnel.

## NOTE 17.4 - OTHER TRANSACTIONS WITHIN THE FUND

Apart from those details disclosed in note 17.5 and 17.6, key management personnel have not entered any other transactions involving the fund during the financial year.







## SENFIN CONSUMER STAPLES FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## NOTE 17 - RELATED PARTY TRANSACTIONS (CONTD.)

## NOTE 17.5 - RELATED PARTY UNIT HOLDING

The following are the unit held by related parties of Senfin Consumer Staples Fund.

As at 31 st December 2024	Relationship	No. of Units	Value of units held Rs.	Total interest held as a % of NAV
Senakadagala Finance PIC	Parent Company of the Management Company	1,819,911.50	24,787,195	37.34%
Mr.Krishanth Jeeven Sukumaran	CEO Of Senfin Assest Management	1,250.00	17,025	0.03%
Mr.Nilanka Gamaethige	Head Of Client Services & Marketing	200.00	2,724	0.00%
Mr.Surath Pererra	Chief Investment Officer	750.00	10,215	0.02%
Mr.Sanath Divale Bandaranayake	Additional CEO Of Senkadagala Finance PLC	504.00	6,864	0.01%
Senfin Asset Management Pvt (Ltd)	Management Company	594,008.50	8,090,396	12.19%
Mr.Murugiah Rajendran	Head Of Compliance	650.00	8,853	0.01%
Mr. Rajitha Elapata	Senior Fund Manager	92.30	1,257	0.00%
Mrs.Amina Rehana Mohamed	Spouse Of CEO	500.00	6,810	0.01%
		<u>2,417,866</u>	<u>32,931,339</u>	

## Transactions with and amounts due to related parties

The fees were charged by the Management Company and trustee for services provided during the year and the balances outstanding from such dues as at year end are as disclosed below:

	Charge for the period 31.12.2024 Rs.	Payable as at 31.12.2024 Rs.
Management fees	572,621	63,779
Trustee Fees	114,711	12,756
Custody Fee	314,051	24,602
		<b>As at 31.12.2024 Rs.</b>
The Bank Balance held at HNB PLC		25,000
The Money Market Account balance held at HNB PLC		6,129,898





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

Hatton National Bank PLC, the Trustee and Senfin Asset Management (Private) Limited, the Managers of the **Senfin Consumer Staples Fund** hereby declare that

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

  
.....  
Director  
Management Company

  
.....  
Director  
Management Company

  
.....  
Trustee of the Fund  


## **Management Company Information**

### **Managing Company**

Senfin Asset Management (Pvt) Ltd  
267, Galle Road  
Colombo 03. Sri Lanka  
T: +94 11 2102000  
F: +94 11 231 4831  
Web: [www.senfinassetmanagement.com](http://www.senfinassetmanagement.com)

### **Bankers**

Commercial Bank Of Ceylon PLC  
Kollupitiya Branch  
285, Galle Road,  
Colombo- 03.

Hatton National Bank PLC  
Head Office Branch, HNB Towers  
No 479, T B Jayah Mawatha  
P O Box 837  
Colombo 10.

Nations Trusts Bank PLC  
No 242, Union Place  
Colombo 02.

### **Auditors**

Ernst & Young  
Chartered Accountants  
Rotunda Towers, No.109, Galle Road  
Colombo 3

### **Lawyers**

Nithya Partners  
Attorneys-at-Law  
No. 97A, Galle Road  
Colombo 03





## Senfin Asset Management (Pvt) Ltd

(A fully owned subsidiary of Senkadagala Finance PLC)

### Correspondence Address

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Colombo 04. Sri Lanka  
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F: +94 11 231 4831  
Web: [www.senfinassetmanagement.com](http://www.senfinassetmanagement.com)  
Email: [Sfam.info@senfin.com](mailto:Sfam.info@senfin.com)

### Registered Address

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