

SBM GROWTH FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2020

SBM GROWTH FUND

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Manager's Statement

Dear Unitholders,

Following the outbreak of the coronavirus in China in January 2020 and rising cases globally, the World Health Organization announced COVID-19 as a pandemic on 11 March 2020. The world has been confronted with unprecedented challenges from an economic, medical and human perspective. At the time of writing this message, the global number of cases has crossed 25 million.

Global equities markets were subject to high volatility during the financial year June 2020; market sentiment was dented by geopolitical tensions and global economic slowdown in the first half of FY20 while in the second half, the outbreak of the COVID-19 pandemic resulted in significant market sell-offs. In the fourth quarter of FY20, markets rebounded following unprecedented monetary and fiscal stimuli along with easing of lockdowns; global equities finished FY20 with a marginal gain of 1.1% in USD terms. Domestic equities continued to underperform their global counterparts as the SEMDEX recorded -21.9% over the period.

The Fund's Net Asset Value (NAV) per unit fell from MUR 11.50 in June 2019 to MUR 10.72 in June 2020. This corresponds to a total return of -6.7% for the financial year 2020. As an indication of equity market performance, the SEMTRI and MSCI World index registered MUR performances of -19.4% and 12.9%, respectively.

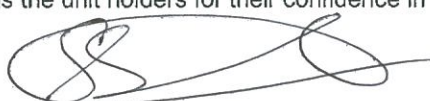
The record levels of fiscal stimulus along with the ongoing low inflation and low interest rates environment are supportive to global equities yet economic conditions remain challenging. In Mauritius, international frontiers are yet to be reopened and this may impact sentiment and outlook of certain dependent sectors. To manage risks, the Fund will continue to hold a diversified portfolio of equities consisting of "quality" exposures. Cash levels are expected to remain relatively high so as to take advantage of price movements and enhance risk-adjusted performance.

We would like to thank the management team and all the stakeholders for their contribution towards enhancing the value of the Fund as well as the unit holders for their confidence in us.



SBM Mauritius Asset Managers Ltd

August 2020



FUND MANAGER	SBM Mauritius Asset Managers Ltd 12th floor,Hennessy Tower Pope Hennessy ,Street Port Louis Mauritius
FUND ADMINISTRATOR	SBM Fund Services Ltd 10th floor,Hennessy Tower Pope Hennessy ,Street Port Louis Mauritius
REGISTRY & TRANSFER AGENT	SBM Fund Services Ltd 10th floor,Hennessy Tower Pope Hennessy ,Street Port Louis Mauritius
BANKER	SBM Bank (Mauritius) Ltd SBM Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius
REGISTERED OFFICE	SBM Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius
TRUSTEE	DTOS Trustees Ltd 10th Floor Standard Chartered Tower 19 Cybercity Ebene Mauritius
CUSTODIAN	SBM Bank (Mauritius) Ltd SBM Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius
AUDITOR	Deloitte 7th Floor, Standard Chartered Tower 19-21 Bank street ,Cybercity Ebene Mauritius

SBM GROWTH FUND MANAGER'S REPORT

1. Performance

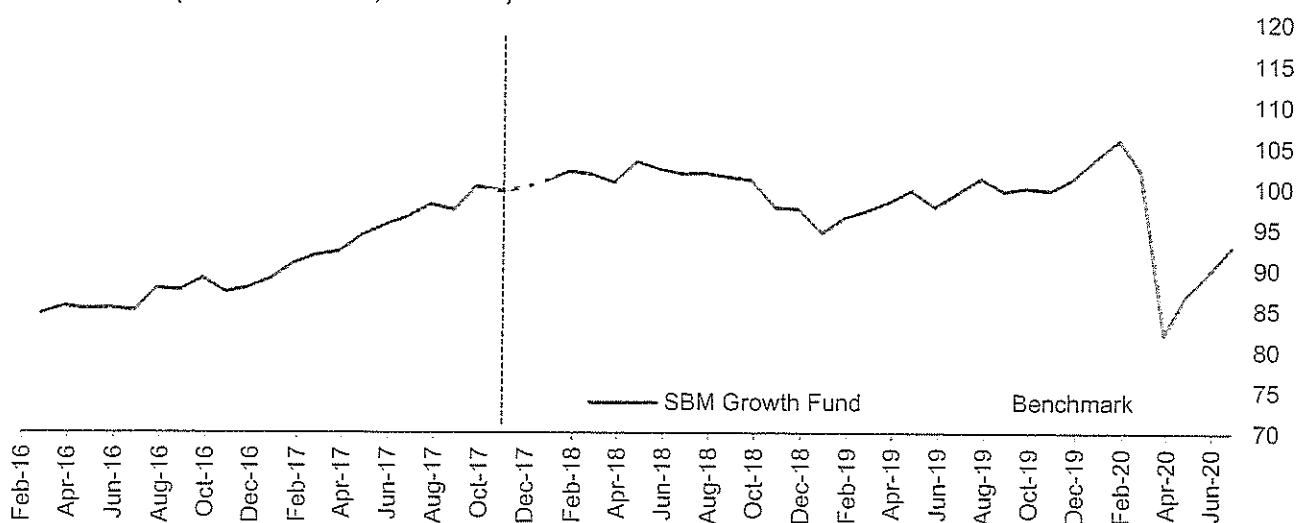
1.1 Performance review

For the financial year ended 30 June 2020, SBM Growth Fund (the "Fund") registered a return of -6.7% against a benchmark performance of -7.0%. The Fund's negative performance can be mainly attributed to the underperformance of the domestic equity market compared to global markets which have rebounded after the sharp equity sell-offs in March. As a result, the net assets of the Fund fell from MUR 115.9M to MUR 109.2M over the year.

The main portfolio laggards over FY20 were MCBG (-14.7%), SBMH (-28.2%), NMH (-56.7%), LUX (-51.7%) and SUN (-56.8%) while the main leaders were Innodis (+6.0%) and PBL (+8.2%). On the upside, the portfolio benefitted from its strategic sector allocations including Technology Select Sector Fund (+53.0%), Invesco Dynamic Software ETF (+35.1%) and iShares U.S. Medical Devices ETF (+24.3%).

As an indication of equity market performances, the SEMDEX and SEMTRI closed at 1,662.61 points and 6,390.70 points, equivalent to 1-year performances of -21.9% and -19.4%, respectively. On the global markets, the MSCI All Country World index registered a performance of 0.3% in USD terms, equivalent to 12.9% in MUR terms after the MUR depreciated by 12.6% against the USD over FY20.

Performance (indexed on 100, Nov 2017)



* Composite benchmark made up of 60% SEMTRI and 40% MSCI World All Countries (MUR)

** Rebased on 100 as at Nov-17 due to merger of SBM Global Fund and SBM Growth Fund

Cumulative return

	1M	3M	YTD	1Y	5Y	Inception	Annualized
SBM Growth Fund	3.4%	13.1%	-10.5%	-6.7%	-3.8%	7.2%	1.6%
Benchmark	3.0%	12.2%	-13.1%	-7.0%	2.5%	23.3%	4.9%

Financial year return (June)

	2016	2017	2018	2019	2020
SBM Growth Fund	-1.9%	13.6%	5.5%	-2.2%	-6.7%
Benchmark	0.1%	20.2%	8.7%	1.3%	-7.0%

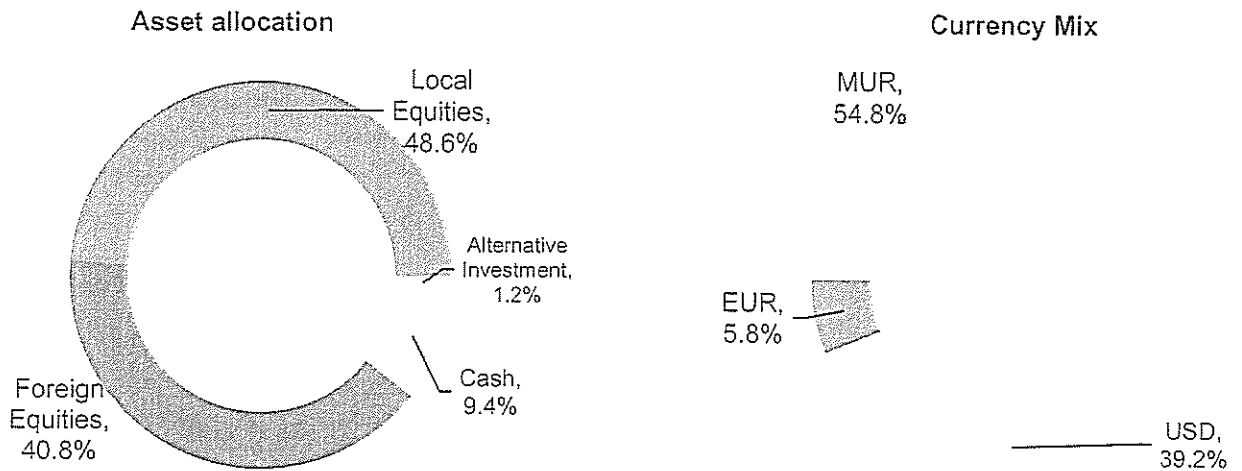
For FY16, performance from launch in Feb16

**SBM GROWTH FUND
MANAGER'S REPORT**

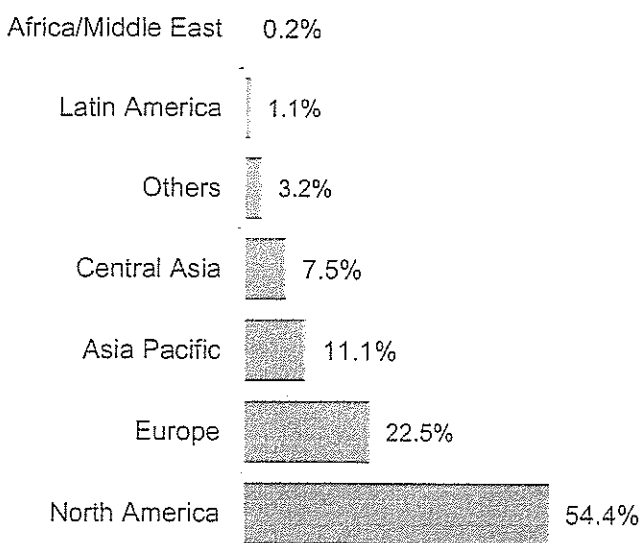
2. Breakdown of assets

2.1 Portfolio decomposition

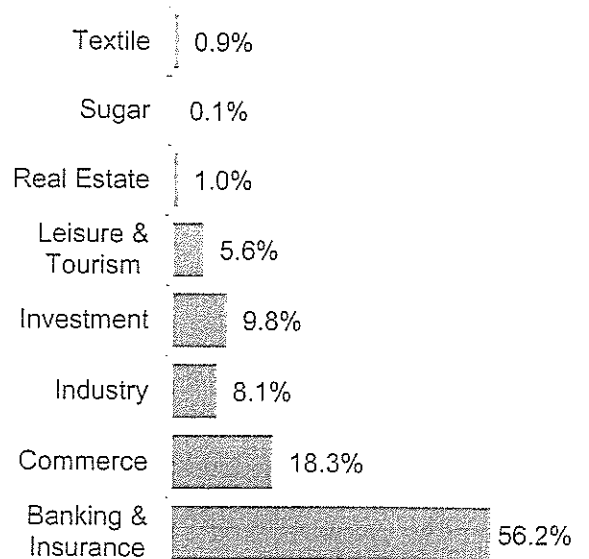
The Fund's asset allocation is based on its investment objective of long-term capital growth and tolerance to risk. As at 30 June 20, it was 48.6% invested in local equities, 40.8% in foreign equities, 1.2% in Alternative Investments and 9.4% was held as cash and cash equivalent. North America and Europe were the largest foreign equity constituents.



Foreign equity allocation by region



Domestic equity allocation by sector



SBM GROWTH FUND MANAGER'S REPORT

1. Breakdown of assets (Continued)

2.2 Top 5 holdings

The top five holdings represented 42.1% of the total portfolio as at June 2020 and was diversified across domestic equities, exchange traded funds and mutual funds.

Holdings	MUR 'M	% Net Assets
MCB Group Ltd	20.0	18.3%
iShares MSCI World ETF	6.6	6.0%
IBL Ltd	6.5	6.0%
SBM Holdings Ltd	6.5	6.0%
MSS Global Advantage "A" Acc	6.4	5.8%
Total	46.0	42.1%

2. Market review

3.1 Local review

Over the financial year, the SEMDEX and DEMEX closed at 1,662.61 points and 206.85 points, registering negative returns of -21.9% and -9.4%, respectively. The main leading movers, that is, companies which contributed to the positive performance of the SEMDEX were Vivo Energy Ltd, MUA Ltd and Phoenix Beverages Ltd while the main laggards were MCB Group Ltd, New Mauritius Hotels Ltd and SBM Holdings Ltd. The top three gainers in terms of price returns were Vivo Energy Ltd (+31.8%), National Investment Ltd (+28.1%) and MUA Ltd (+19.0%) and the top three losers were New Mauritius Hotels Ltd (-66.7%), Sun Ltd (-57.7%) and Omnicane Ltd (-52.0%). The SEMDEX's price-earnings ratio and dividend yield stood at 12.22x and 4.00%, respectively, as at 30 June 2020 compared to corresponding figures of 17.20x and 3.27% as at June 2019.

During the first half of the year, the Bank of Mauritius (BoM) cut rates by 15 basis points to 3.35% p.a. following a weakened global economic outlook from the on-going U.S.-China trade tensions. In the second half of FY20, rates were cut on two occasions with a view to cushioning against any economic downturn induced by the COVID-19 outbreak – the Key Repo Rate stood at 1.85% p.a. as at June 2020. Excess liquidity stood at MUR 57.9Bn as at 2 July 2020 with MUR cash holdings increasing from MUR 11.4Bn on 4 July 2019 to MUR 39.5Bn on 2 July 2020. Headline inflation remained moderate, albeit rising to 1.8% in June 2020 from 1.0% in June 2019.

Government bond yields on the primary market dropped further in the second half of FY20 following the COVID-19 outbreak and cut in policy rates. On the secondary market, 91D Treasury Bills traded at a weighted average yield of 0.74% in June 2020 against 2.77% in June 2019. The yield on the 182D declined by 216 basis points to reach 0.86% in June 2020 while that of the 364D Bills fell from 3.15% to 1.06% over the same period. Yields of GoM Notes and Bonds followed the same trend with the 5-year GoM notes trading at 1.89% in June 2020 against a reading of 4.20% in June 2019. The yield on 10Y GoM bonds fell by 238 basis points to reach 2.48% over the financial year 2020 while 15Y GoM bonds traded at a yield of 2.81%, 263 basis points lower than its June 2019 reading. The 20Y GoM bonds yield dropped to 3.05% in June 2020 compared to a reading of 5.98% in June 2019.

3.2 Foreign market review

Despite the high market volatility from geopolitical tensions related to US-China trade war and COVID-19 during the financial year, the MSCI World index returned 1.1% in USD terms, equivalent to 13.8% in MUR. After the large equity sell-off in March, global markets picked up in the fourth quarter of FY20 after major central banks adopted a more aggressive accommodative monetary policy stance while governments deployed fiscal measures with a view to cushioning against the adverse impact of COVID-19.

US equities outperformed developed markets with the S&P 500 index posting gains of 5.4% in USD terms and 18.7% in MUR terms. Headlines in the first half of FY20 were dominated by US-China trade negotiations and monetary policy announcements with a "Phase-one deal" reached by the end of 2019 between the two world economic giants. During the first three months of 2020, US equity markets fell significantly with surging jobless claims and deteriorating manufacturing activity.

SBM GROWTH FUND MANAGER'S REPORT

2. Breakdown of assets (Continued)

3.2 Foreign market review (continued)

Markets started rebounding towards the end of March with mounting optimism over the easing of lockdown along with monetary and fiscal support. During FY20, the Federal Reserve cut interest rates on five occasions; three times in 2019 and twice in March 2020 as an urgency response to the outbreak of the pandemic and with a view to supporting the US economy. The target range for Federal Funds rate was thus brought down to 0.00%-0.25%.

The Eurostoxx 50 registered -6.9% in EUR terms (MUR terms: 3.8%) over the period. The DAX and CAC recorded corresponding EUR returns of -0.7% and -10.9% (10.7% and -0.7% in MUR) while the FTSE MIB returned -8.8% (MUR: 1.7%). The European Central Bank (ECB) kept rates on major refinancing operations and on the marginal lending facility unchanged, respectively at 0.00% and 0.25%. A 0.10% cut in deposit interest rates was however announced in September 2019, bringing it to -0.50%. UK stocks were among the worst performers in developed markets after the FTSE 100 registered GBP returns of -16.9%, equivalent to -8.8% in MUR. The Bank of England had maintained interest rates at 0.75% since August 2018 but amidst COVID-19, it cut interest rates twice to a historical low of 0.1% in March 2020.

Japanese equities closed in positive territory with the Nikkei 225 registering JPY returns of 4.8% for FY20 (MUR: 18.0%). Even though the short-term interest rate was maintained at -0.1% over FY20, the Bank of Japan eased its monetary policy by committing to "aggressively" buying ETFs at an annual rate of about USD 112.55 billion, doubling the amount it had committed to buy so far.

Emerging markets generally lagged developed markets with the MSCI Emerging index registering 1-year USD returns of -5.7% (MUR terms: 6.2%). The Shanghai Composite index registered CNY returns of 0.2% for FY20 (MUR: 9.7%). Indian equities were among the major underperformers in emerging markets as the BSE Sensex index posted returns of -11.4% in INR terms (MUR: -8.9%).

3. Market Outlook

According to the latest International Monetary Fund (IMF) update, global growth is projected at -4.9% in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. Consumption growth has been downgraded for most economies, reflecting a larger than anticipated disruption to domestic activity. The projections of weaker private consumption reflect a combination of large adverse aggregate demand shocks from social distancing and lockdowns, as well as a rise in precautionary savings. Investment is likely to be subdued as firms defer capital expenditure amid high uncertainty. Policy support is expected to partially offset the deterioration in private domestic demand.

Global activity is expected to trough in the second quarter of 2020, recovering thereafter. In 2021, growth is estimated to strengthen to 5.4%, 0.4 percentage point lower than the April forecast. Consumption is projected to strengthen gradually next year, and investment is also expected to edge up, but to remain subdued. Global GDP for the year 2021 is forecasted to marginally exceed its 2019 level.

In the US, the rapid increase in new infection cases slowed down the process of re-opening the economy and led to renewed lockdowns in certain states, dimming its economic outlook. GDP growth has been revised downwards to -8.0%, -2.1 percentage points lower than the projected reading in April 2020 WEO. A gradual rebound of 4.5% is however projected in 2021. While the expiration of the enhanced unemployment benefits of USD 600 per week is nearing, uncertainty over a new fiscal stimulus package looms. The Federal Reserve has projected to maintain the Fed Fund target range steady at 0.00% to 0.25%, indicating that interest rates would be kept near zero until the economy recovers.

Growth in the Eurozone is estimated at -10.2% for the year 2020, the worst projection among advanced markets. It is expected that the economy will experience a deeper hit to activity in the first half of the year, with social distancing measures and other adverse impacts of the COVID-19 pandemic weighing on the Euro area. In 2021, growth in the Euro area is expected to strengthen to 6.0%, with growth projections for France and Italy at 7.3% and 6.3%, respectively. The 2021 growth rebound is projected to be driven by improved domestic demand conditions and recovery in commodity prices.

Japanese real GDP growth is projected to shrink by -5.8% in 2020, revised downwards by -0.6 percentage points compared to the April 2020 WEO projection. A rebound of 2.4% is projected in 2021 driven by fiscal and monetary support.

**SBM GROWTH FUND
MANAGER'S REPORT****3. Market Outlook (Continued)**

Although most global economies are projected to contract in 2020, emerging markets are expected to outperform advanced economies. Growth in emerging markets is forecasted at -3.0%, 2 percentage points below the April 2020 WEO forecast. While the growth rate for most of the emerging countries are marked down, China's real GDP is projected to grow by 1.0% in 2020, followed by a sharp uptick of 8.2% in 2021. For India, the IMF has revised down its growth projections to -4.5% for 2020 and a positive growth of 6.0% for 2021.

The pandemic has been contained at national level but the economic situation remains particularly challenging for open economies like Mauritius. The Government has so far implemented fiscal measures like the government wage assistance and the self-employed assistance scheme to contain unemployment and support economic activity. On the monetary side, policymakers are likely to maintain an accommodative policy stance in the short term given the economic challenge and a large expected dip in domestic economic growth. Statistics Mauritius has projected GDP growth to contract by around -13% in 2020 led by large declines in the accommodation, textile manufacturing and construction sectors of approximately -70%, -45% and -20%, respectively. Other sectors are forecasted to face major downtrends in 2020 except for Financial & Insurance activities which is forecasted to grow by +1%.

Given the looming risks to global economic activity and potential spillovers on the domestic economy, the Fund shall enhance its risk management framework when allocating assets in equities. It will continue to hold a diversified portfolio of assets, in line with its strategy, in managing unsystematic risks. The Fund is likely to maintain its current positions in "quality" equity exposures and reduce exposure to speculative stocks given the market uncertainty from COVID-19.

The Trustee and Manager of SBM Growth Fund ("the Fund") are pleased to submit their Corporate Governance Report for the year ended 30 June 2020, inclusive of other statutory disclosures.

INTRODUCTION

SBM Growth Fund is authorised by the Financial Services Commission under the Unit Trust Act, 1989 (as amended); and established as a Unit Trust by a Trust Deed of the SBM Investment Unit Trust dated 5 June 2006 between SBM Mauritius Asset Managers Ltd (The Manager) and DTOS Trustees Ltd (The Trustee) and subsequently by the Supplemental Deeds dated 20 June 2007, No. 5 dated 9 December 2015 and No. 6 dated 4 December 2017. It is an open-ended Collective Investment Scheme established under Section 3 of the Unit Trust Act, 1989, authorised and regulated under the Trust Act, 2001, Securities Act, 2005 and the Securities (Collective Investment Schemes and Closed-end Funds) Regulation, 2008 by the Financial Services Commission.

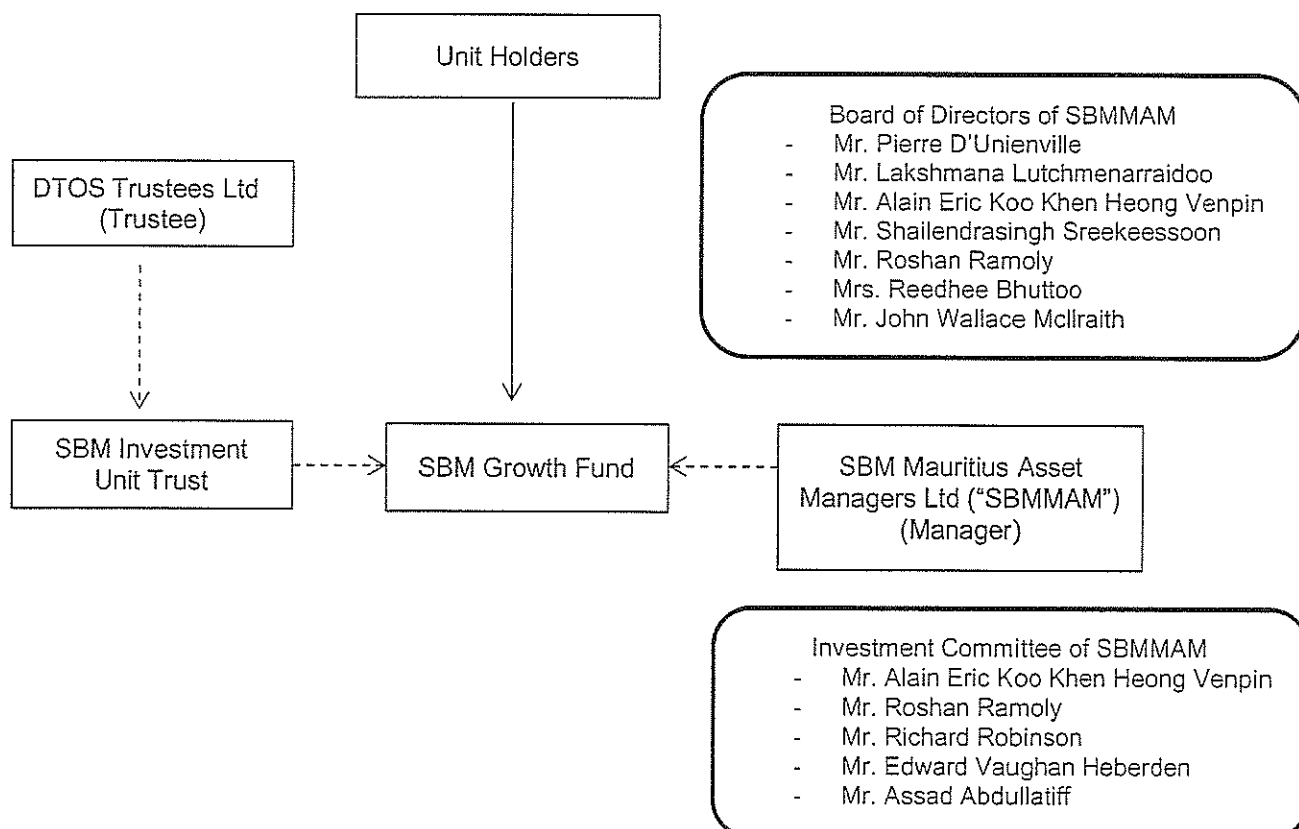
The investment objective of the Fund is to seek significant long-term capital growth by investing in a broadly diversified portfolio comprising of equity and equity related securities in both the local and foreign stock markets.

The Fund is a public interest entity.

STATEMENT OF COMPLIANCE

SBM Growth Fund's corporate governance framework includes its Trustee, Investment Committee, Manager, the Board of the Manager, Unit-holders and other stakeholders.

The organisation's structure is as follows:



The Trustee, the Manager and the Board of the Manager are fully committed to achieving and sustaining the highest standards of corporate governance with the aim of maximising long-term value creation for the unit-holders of the Fund and all the stakeholders at large. Much emphasis is on the

conduct of business practices that display characteristics of good corporate governance namely discipline, transparency, independence, integrity, accountability, fairness, professionalism and social responsibility.

In addition, the Trustee, the Manager and the Board of the Manager of the Fund continuously review the implications of corporate governance principles and practices in light of their experience, regulatory requirements and investor expectations. They hereby confirm that the Fund, as set out in this report, has strived to comply in all material aspects with the following legal and regulatory framework:

- Trust deed and subsequent Supplemental Deeds;
- Terms of reference of the Trustee and sub-committee;
- Disclosures required under the Code of Corporate Governance for Mauritius (the "Code");
- Trust Act, 2001;
- Securities Act, 2005; and
- The Securities (Collective Investment Schemes and Closed-end Funds) Regulations, 2008.

Principle 2, 3 and 4 of the Code of Corporate Governance are fulfilled by the Board of the Manager.

The Board of the Manager has attempted to create the right balance and composition to better meet the objectives of the organisation. The Board is unitary and comprises of six Directors, of which four are Independent and two are Executive Directors. The Independent Directors do not have any relationship with the majority shareholders, therefore a sufficient number of directors do not have any relationship with the organisation. The Board is led by Mr. Pierre Marrier D'Unienville and all Board members currently reside in Mauritius.

There exists a transparent procedure in place regarding the appointment of prospective Directors which is made in accordance with the skills, knowledge and expertise required on the Board. The re-election of Directors is made on an annual basis at the Annual Meeting of Shareholders. New Board members are provided with an Induction Pack to provide them with sufficient knowledge and understanding of the Company's business.

All Board members are fully apprised of their fiduciary duties as laid out in the Companies Act 2001. The independent directors are remunerated for their knowledge, experience and insight provided to the Board as well as contribution to helping and assisting the intermediaries of the Company in the performance of their duties. Fees paid to the Independent Directors amounted to MUR 1,290,000 for the year ended 31 December 2019 (2018: MUR 1,030,000). Directors' fees are not disclosed on an individual basis for confidentiality reasons.

The Trust Deed and subsequent Supplemental Deeds of the Fund comply with the provisions of the Trust Act, 2001, The Securities Act, 2005 and The Securities (Collective Investment Schemes and Closed-end Funds) Regulations, 2008. A copy is available upon written request to the Manager at the Registered Office of the Fund.

Salient features of the documents are:

- No unit-holder shall be entitled to:
 - require the transfer to him of any of the assets comprised in the Fund;
 - interfere with or question the exercise or non-exercise by the Trustee or the Manager of the rights and powers of the Trustee and the Manager in their dealings with the Fund or its assets or any part thereof;
 - attend meetings whether as unit-holders or otherwise, or to vote or to take part in or consent to any action concerning any property of any entity in which the Fund holds an interest;
- A unit-holder is entitled to any distribution as approved and declared by the Manager as per provisions of the Trust Deed.

GOVERNANCE STRUCTURE

Corporate Profile of the Trustee – DTOS TRUSTEES LTD

DTOS Trustees Ltd is a private company incorporated in Mauritius on 23rd May 2003. DTOS Trustees Ltd is a wholly owned subsidiary of DTOS Ltd and is duly licensed by the Financial Services Commission to act as a qualified trustee. It offers a complete and comprehensive range of trust services including trust formation / migration, corporate trusteeship, advice on tax, regulatory and statutory matters, accounting, administration and tax filings, where required.

Role of the Trustee

The Trustee has been appointed in order to ensure that the affairs of the Fund are being managed and administered for the benefit of the unit-holders and to their best interests along the following principles:

- **International best standards and regulatory compliance**

Overseeing the conduct of the Fund's business and monitoring whether the business is being properly managed at all levels according to international best standards and in accordance to provisions of its regulatory regime.

- **Accounts and risk management**

Reviewing and, where appropriate, approving risk policy, financial statements, annual budgets, business plans and internal reports.

- **Supervision of fund intermediaries**

Supervising the fund intermediaries in their delivery of services to the Fund and ensure that such delivery is done diligently and creates most value for the unit-holders of the Fund.

Corporate Profile of the Manager – SBM MAM

SBM Mauritius Asset Managers Ltd ("SBM MAM") is the fund management arm of the SBM Group. The SBM Group, that is, SBM Holdings Ltd is a public company listed on the Stock Exchange of Mauritius. The company specializes in conducting asset management services for mutual funds and institutional investors. It additionally distributes a wide range of financial products including foreign funds and fixed income securities. SBM MAM is licensed by the Financial Services Commission to act as CIS Manager. It currently has a total asset under management close to MUR 9.2 billion.

The Investment Committee

The Trust Deed provides for the establishment of an Investment Committee composed of at least 3 persons and not more than 6 persons. The main purpose of the committee is to issue guidelines and advise the Manager on investments.

Currently, the committee is composed of 5 members and meets on a quarterly basis. It reviews the performance of the Fund, ensures that the investment strategy complies with the provisions of the Trust Deed and Prospectus.

THE TRUSTEE AND THE MANAGER

Role of the Manager and its obligations

The Manager is appointed by the Trustee and under the supervision of the Trustee, manages and administers the Fund for the benefit of the unit-holders of the Fund in accordance of the Trust Deed and Prospectus of the Fund.

Its obligations cover but are not restricted to the following:

Conduct of Business

It shall conduct its business in a proper and efficient manner to ensure that any undertaking in the affairs of the Fund is carried out in a proper, ethical and efficient manner.

Supervision of assets

The Manager shall manage and supervise all assets of the Fund to the best interest of the unit-holders.

Trade in units of the Fund

It shall sell and issue units of the Fund in accordance to the provisions of the Trust Deed and Prospectus and in so doing shall ensure that the interests of unit-holders are protected at all times.

Managing Conflict of Interest and Related Party Transactions

The Fund adheres to the Group Conflict of Interest and Related Party Transactions policy to assist the Board of the Trustee and Manager in identifying and disclosing actual and potential conflicts and help ensure the avoidance of conflicts of interest, where necessary.

For the related party transaction, please refer to Note 18 of the Financial Statements.

Information, information technology and information security policy

The Trustee and Manager confirm that information, information technology and information security policy exists within the Group.

RISK GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

The Manager is responsible for the risk management practice and procedures in place within the operating structure of the Fund for risk management. The Manager also defines the overall strategy for risk tolerance and is responsible for the design, implementation and review of a risk management framework, processes and management of risk as performed by the intermediaries and service providers of the Fund. Part of the responsibility to monitor the framework and processes has been delegated to the Investment Committee which conducts reviews on a quarterly basis.

The Fund's policy on risk management encompasses all business risks including operational, technology, business continuity, financial, compliance and reputational risks which could influence the achievement of the Fund's objectives. In context, a due diligence exercise is undertaken in

collaboration with nominated intermediaries to ensure that they have the capability to commit on the implementation of appropriate customised procedures and controls for the purpose of the Fund.

The risk management mechanisms in place include:

- : A system for the on-going identification and assessment of risk;
- : Development of strategies in respect of risk and definition of acceptable and non-acceptable levels of risk;
- : The communication of risk management policies across the multiple parties and functionaries involved in the processes;

RISK MANAGEMENT (CONTINUED)

- The implementation of a documented system of processes with appropriate controls and approval mechanism that closely align the control effort to the nature and importance of the risk;
- Processes to reduce or mitigate identified risks and contain them within the levels of tolerance defined and agreed by the Board of the Manager;
- Compliance reports are prepared and presented to the Board of the Manager on a quarterly basis; and
- Internal audit functions exist at the level of the Manager and Fund Administrator whereby the processes pertaining to the affairs of the Fund are scrutinised and undergo audit reviews. Quarterly reports are prepared and presented to the Boards of the Manager and Fund Administrator.

Risk exposure of the Fund falls within the following areas or risk:

Operational risks

Operational risk is defined as risk of direct or indirect loss resulting from inadequate or failed internal process, people and systems or from external events. Assets of the Fund are properly safeguarded and reporting infrastructures are adequate and effective for timely and accurate data collection.

Compliance risks

Compliance risk is defined as risk of loss from failure to comply with regulations governing the conduct of an organisation's business. It is a composite risk made up of risk of legal or regulatory sanctions, financial loss, or loss of reputation.

Technology risks

Technology risks include hardware and software failures, system development and infrastructure issues. To varying degrees, the Fund is reliant upon certain technologies and systems for the smooth and efficient running of its operations. Disruption to these technologies could adversely affect its efficiency.

Business continuity risks

This relates to losses from failed transaction processing and process management.

Reputational risks

This relates to losses due to unintentional or negligent failure to meet a professional obligation to specific clients or from the nature or design of a product.

Financial risks

The primary sources of financial risks faced by the Fund are risks inherent to its investment activities. Investment values and returns are dependent on the performance of financial markets and may adversely affect the Fund's financial results. The financial risks faced by the Fund and management of these risks are further discussed in the notes to the financial statements.

INTERNAL CONTROL

The Manager and the Board of the Manager acknowledge their responsibility for internal control and work closely together and with the Fund Administrator to put in place a system of internal controls which is designed to provide the Trustee with reasonable assurance that the assets are safeguarded; that operations are carried out effectively and efficiently; that the financial controls are reliable and in compliance with applicable laws and regulations and that material frauds and other irregularities are either prevented or detected within a reasonable time.

The Manager and Fund Administrator prepare compliance and risk monitoring reports that are submitted to the Investment Committee and Board of the Manager on a quarterly basis for their review, following which recommendations are made to the Manager on an on-going basis. Preventive and corrective actions are then duly implemented to address internal control deficiencies and opportunities for improving the systems.

WHISTLEBLOWING POLICY

In order to enhance good governance and transparency, the Group has a Whistleblowing policy. The main aims of the policy are to provide an avenue for raising concerns related to fraud, corruption and any other misconduct. The policy addresses the following:

- Protection of and Remedies for Whistleblowers and Complainants;
- Channels and Procedures;
- Hotline, Email and PO Box facilities

Reports can be made through the following channels:

- Hotline (Toll free numbers)

Territory	International Dial Number
Kenya	0800221832
India	0008000402246
Mauritius	8002111
Madagascar	336545559

- E-mail: whistleblowing@sbmgroup.mu
- PO Box: 11, Caudan, Port Louis, Mauritius

REPORTING WITH INTEGRITY

The Manager is required to ensure that adequate accounting records are maintained so as to disclose at any time, and with reasonable adequacy, the financial position of the Fund. The Manager is also responsible for taking reasonable steps to safeguard the assets of the Fund to prevent and detect fraud and other irregularities.

The Manager must present financial statements for each financial year, which give a true and fair view of the affairs of the Fund, and the results for that period. In preparing such financial statements, the Manager is required to:

- select suitable accounting policies and apply them on a consistent basis using reasonable and prudent judgment
- state whether or not the Trust Act, 1989, the Trust Act, 2001 and International Financial Reporting Standards (IFRS) have been adhered to and explain material departures thereto
- use the going concern basis unless it is inappropriate.

REPORTING WITH INTEGRITY (CONTINUED)

The Manager acknowledges their responsibility for ensuring the preparation of the financial statements in accordance with IFRS and the responsibility of external auditors to report on these financial statements. The Manager is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management and the selection of appropriate accounting policies.

Nothing has come to the Manager's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of

consistent use of appropriate accounting records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Fund.

The financial statements have been prepared on a going concern basis and there is no reason to believe that the Fund will not continue as a going concern in the next financial year.

The Manager confirms that in preparing the financial statements, it has:

- selected suitable accounting policies and applied them consistently
- made judgments and estimates that are reasonable and prudent
- followed the International Financial Reporting Standards
- prepared the financial statements on the going concern basis
- adhered to the Code of Corporate Governance in all material aspects and reasons have been provided for non-compliance.

The Manager is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the financial statements comply with the Trust Act 1989, the Trust Act 2001, the Securities Act 2005, the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 and have been prepared in accordance with the International Reporting Standards. The Manager is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Annual report is published in full on the website of the Manager of the Fund.

AUDIT

Internal Audit

The Non-Banking Financial cluster ('NBFC') has its own permanent Internal Audit function reporting to the Audit and Risk Committee of the cluster. The internal audit team comprises of three fully qualified accountants. The internal auditors provide assurance about the effectiveness of the risk management

and control processes in place and they maintain their independence by reporting to the Audit and Risk Committee. The Head of Internal Audit has regular access to the Trustee and Manager and the chairperson of the Audit and Risk Committee. There were no restrictions on access by the internal auditors to records or members of the management team.

The Audit and Risk Committee of NBFC is chaired by a Chartered Accountant and the Committee comprises of independent members with more than 30 years' experience in the Financial Services industry. The Audit and Risk Committee reviews and approves Internal Audit's plan and resources and evaluates the effectiveness of the function. The Audit and Risk Committee ensures that a consistent risk-based audit methodology is applied. The audit reports are thereafter tabled at the Committee and the findings and methodologies are reviewed and discussed by the Audit and Risk Committee.

As the third line of defense, the role of internal audit is to provide independent, objective assurance services designed to add value and improve NBFC entities' operations. Audits are carried out to review the adequacy and effectiveness of the group's system of internal controls, as per the Board approved risk-based audit plan. In conducting reviews, the Internal Auditors are alert to indicators of fraud and opportunities that could allow fraud, such as control weaknesses.

Internal Audit (Continued)

In doing so, the Internal Auditors obtain reasonable assurance that business objectives for the process under review are being achieved and material control deficiencies are detected. Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations are issued to the chairperson of audit committee and the Chief Executive Officer. Any deviation in policies and non-performance of internal controls are duly reported and discussed at Audit Committee levels. Corrective actions are promptly taken and regular follow ups as well as reporting performed by Internal Audit until complete resolution.

External Audit

Deloitte was appointed as statutory auditors of the Fund for the financial year ended 30 June 2020. The Trustee and Manager assess and review on a regular basis the independence of the external auditor.

The fees paid to the external auditors for audit services were Rs. 125,622 (2019: Rs. 104,595).

RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

Holding Structure – 30 June 2020

As at 30 June 2020, the Fund had issued 10,180,681.74 units for a total fund size of Rs.109,099,759. The NAV per unit of the Fund as at 30 June 2020 was Rs.10.7164.

The NAV per unit since launch are as follows:

Year	NAV per unit
Launch (4 th February 2016)	10.00
June 2016	9.81
June 2017	11.15
June 2018	11.76
June 2019	11.50
June 2020	10.72

Analysis of ownership

The Fund had 226 unit-holders as at 30 June 2020. There was a decrease in unit-holders by 9 units as compare to financial year 30 June 2019.

Analysis of ownership

A breakdown of the category of unit-holders and the unit ownership as at 30 June 2020 are set out below:

Market Value (Rs)	Number of shareholders	Number of shares owned	% Holdings
0-59,999	142	347,267.68	3.41%
60,000 - 99,999	6	40,844.45	0.40%
100,000 - 124,999	32	314,235.55	3.09%
125,000 - 199,999	9	127,555.88	1.25%
200,000 - 499,999	27	776,641.47	7.63%
500,000 - 999,999	3	186,526.07	1.83%
1M - 1,499,999	2	196,952.12	1.93%
1.5M - 1,999,999	2	332,610.76	3.27%
2M - 2,999,999	1	272,198.32	2.67%
Above 20 M	2	7,585,849.44	74.52%
Total	226	10,180,681.74	100.00%

Unit-holder's Agreement

To the best knowledge of the Manager and Trustee, there has been no such agreement with any of its unit-holders for the year under review.

Unit-holders' Relations and Communication

Unit-holders are strongly encouraged to visit the website of the Manager to remain updated on the Fund's initiatives/projects, goals and prices.

Unit-holders' Calendar

The Fund has planned the following forthcoming events:

Reporting date	30 June 2020
Publication of year end results	Within 90 days from end of 30 June 2020
Declaration of dividend	Within 2 months from end of 30 June 2020

SHAREHOLDING

Dividend Policy

The objective of the Fund is to pay out all income available for distribution on a yearly basis. In that respect, income excludes capital gains, both realised and unrealised. While fixing the dividend rate, the Trustee and Manager also take into account other considerations that might affect the economic interests and proper long term running of the Fund.

For financial year 2019/2020, SBM Growth Fund did not pay any dividend.

Employee Share Option Scheme

The Fund has no share option plans.

The following agreements have been approved by the Trustee and Manager and are still effective as at end of the financial year 2019/20:

- Custody Agreement with the SBM Bank (Mauritius) Limited.
- Administration Agreement with SBM Fund Services Ltd.
- Fund Management Agreement with SBM Mauritius Asset Managers Ltd.

Directors and Officers Liability Insurance

The Fund has subscribed to a Directors and Officers Liability Insurance policy in respect of legal actions or liability which may arise against its Trustee, Manager and officers. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

Ethics and Business Conduct

Under regulatory supervision of the Financial Services Commission, all officers and agents of the Fund are expected to maintain a high level of ethics in their behaviour and business transactions. The

transactions of the Fund are carried out as per its Manager's and Fund Administrator's Code of Business Conduct and Ethics, applicable to all direct and indirect employees who deal with the matters of the Fund.

The Fund is involved in the provision of services and its operations do not materially impact on the environment. Investing strategies include investment in sound, ethical and environmental friendly entities.

Flora
 *Subenany*
On behalf of the Trustee


On behalf of the Manager

Date: 23 SEP 2020

STATEMENT OF COMPLIANCE

(Section 75 (3) of the Financial Reporting Act)

Name of PIE: The SBM Growth Fund

Reporting Period: Year ended 30 June 2020

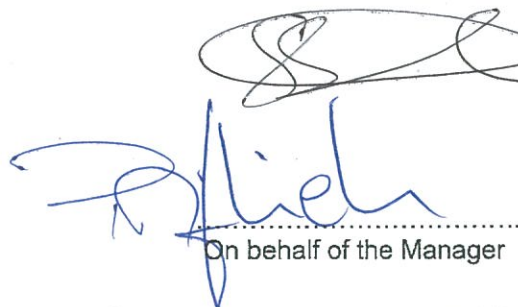
We, the Trustee and Manager of the SBM Growth Fund (the "Fund") confirm that to the best of our knowledge, the Fund has complied with most of its obligation and requirements under the Code of Corporate Governance except for Principle 2, 3 and 4 of the Code of Corporate Governance.

The reason for non-compliance is that the Fund is set-up as a Trust and not a company. In this context, it does not have any directors, no board of directors, no board committees and no company secretary.

However, the main roles as described under Principle 2, 3 and 4 of the Code of Corporate Governance are fulfilled by the Board of the Manager as described above.

On behalf of the Trustee and Manager


.....
On behalf of the Trustee
Date: 23 *SEP 2020


.....
On behalf of the Manager



Independent auditor's report to the Members of SBM Growth Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **SBM Growth Fund** (the "Fund") set out on pages 6 to 34, which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Financial Reporting Act 2004.

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 Fund in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants* (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 matter

The financial statements of SBM Growth Fund for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 23 September 2019.

Other information

The trustee and the manager are responsible for the other information. The other information comprises the Corporate Information, the Manager's Report and the Corporate Governance 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 (other than the Corporate Governance Report) 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.

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Responsibilities of trustee and the manager for the financial statements

The trustee and the manager are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Financial Reporting Act 2004 and they are also responsible for such internal control as the trustee and the manager 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 trustee and the manager are 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 the trustee and the manager either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The trustee and the manager are responsible for overseeing the Fund's financial reporting process.

Independent auditor's report to the Members of SBM Growth Fund (Continued)

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.

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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the trustee and the 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 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 the trustee and the manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Deloitte

Chartered Accountants

23 September 2020



R. Srinivasa Sankar, FCA

Licensed by FRC

SBM GROWTH FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

6.

	Notes	2020 MUR	2019 MUR <i>Restated</i>	2018 MUR <i>Restated</i>
ASSETS				
Cash and cash equivalents		9,742,307	7,261,343	3,640,179
Other receivables and prepayments	6	924,683	295,635	245,250
Financial assets at fair value through profit or loss		-	-	112,304,969
Financial assets at fair value through other comprehensive income	7	98,845,672	110,293,679	-
TOTAL ASSETS		109,512,662	117,850,657	116,190,398
LIABILITIES				
Other payables	9	339,275	1,966,174	740,959
Income tax liability	10	73,628	809	-
		412,903	1,966,983	740,959
EQUITY AND RESERVES				
Redeemable units		105,143,610	103,801,284	100,853,667
Retained earnings		(2,654,504)	(2,853,892)	(3,328,219)
Fair value reserve		257,909	9,855,338	13,613,869
Other reserve		6,352,744	5,080,944	4,310,122
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5	109,099,759	115,883,674	115,449,439
TOTAL EQUITY AND LIABILITIES		109,512,662	117,850,657	116,190,398

Approved by the Trustee and the Manager and authorised for issue on **23 SEP 2020**

W. B. M. A. M. J.

 Signed on behalf of the Trustee:


 Signed on behalf of the Manager:

The notes on pages 10 to 34 form part of these financial statements.

SBM GROWTH FUND
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2020

7.

	Notes	2020 MUR	2019 MUR
INCOME			
Dividend income	11	1,986,551	2,457,973
Other income		17,650	-
Foreign exchange gain		1,271,800	770,822
		3,276,001	3,228,795
FUND EXPENSES			
Manager's fees	12	1,149,583	1,139,908
Trustee's fees	13	112,269	111,427
Auditor's fees		125,622	104,595
Registry fees	14	143,679	142,489
Custodian fees	15	61,414	109,275
Administrator's fees	16	143,679	142,111
Provision no longer required written back	9	(332,645)	-
Transaction charges		264,504	-
Sundry expenses		59,247	233,032
		1,727,352	1,982,837
PROFIT BEFORE TAXATION			
		1,548,649	1,245,958
Income tax expense	10	(77,461)	(809)
PROFIT AFTER TAXATION			
		1,471,188	1,245,149
Other Comprehensive income			
<i>Other comprehensive gain that will not be reclassified to profit or loss</i>			
Net Fair value loss on Financial assets held at FVOCI	7	(9,597,429)	(3,758,531)
CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS			
		(8,126,241)	(2,513,382)

The notes on pages 10 to 34 form part of these financial statements.

**SBM GROWTH FUND
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

8.

			Non-distributable reserves		
	Redeemable units	Retained earnings	Fair value reserve	Other reserve	Total
	MUR <i>Restated</i>	MUR <i>Restated</i>	MUR <i>Restated</i>	MUR <i>Restated</i>	MUR <i>Restated</i>
As at 1 July 2017	56,156,949	(743,784)	7,028,285	-	62,441,450
Issue of units	4,922,207	-	-	-	4,922,207
Redemption of units	(8,208,052)	-	-	-	(8,208,052)
Total comprehensive income for the year	-	4,242,964	-	-	4,242,964
Foreign exchange gain transfer from retained earnings to other reserve*	-	(4,310,122)	-	4,310,122	-
Transfer from SBM Global Fund	47,982,563	(2,517,277)	6,585,584	-	52,050,870
As at 30 June 2018	100,853,667	(3,328,219)	13,613,869	4,310,122	115,449,439
As at 1 July 2018	100,853,667	(3,328,219)	13,613,869	4,310,122	115,449,439
Issue of units	7,014,181	-	-	-	7,014,181
Redemption of units	(4,066,564)	-	-	-	(4,066,564)
Total comprehensive income for the year	-	1,245,149	(3,758,531)	-	(2,513,382)
Foreign exchange gain transfer from retained earnings to other reserve*	-	(770,822)	-	770,822	-
As at 30 June 2019	103,801,284	(2,853,892)	9,855,338	5,080,944	115,883,674
As at 1 July 2019	103,801,284	(2,853,892)	9,855,338	5,080,944	115,883,674
Issue of units	11,490,679	-	-	-	11,490,679
Redemption of units	(10,148,353)	-	-	-	(10,148,353)
Total comprehensive income for the year	-	1,471,188	(9,597,429)	-	(8,126,241)
Foreign exchange gain transfer from retained earnings to other reserve*	-	(1,271,800)	-	1,271,800	-
As at 30 June 2020	105,143,610	(2,654,504)	257,909	6,352,744	109,099,759

***Note:**

As per the Fund's prospectus, capital gains arising from the changes in the value of investments, both realised and unrealised are credited to non-distributable reserves and shall not be available for distribution as dividends. Capital losses arising from changes in the value of investments will be debited to fair value reserve and shall not be offset against income received. All other undistributable income and expenses are transferred to other reserve.

The notes on pages 10 to 34 form part of these financial statements.

SBM GROWTH FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

9.

	Notes	2020	2019
		MUR	MUR
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,548,649	1,245,958
Adjustments for:			
Dividend Income		(1,986,551)	(2,457,973)
Foreign exchange gain		(1,271,800)	(770,822)
Operating loss before working capital changes		(1,709,702)	(1,982,837)
Increase in other receivables and prepayments		(734,808)	(2,393)
(Decrease) /increase in other payables		(1,626,899)	1,225,215
Addition of Financial assets at fair value through other comprehensive income	7	(60,879,336)	(11,366,889)
Proceeds from disposal of Financial assets at fair value through other comprehensive income	7	62,729,914	9,619,580
Dividend received		2,092,311	2,410,049
		(128,520)	(97,275)
Tax paid	10	(4,642)	-
NET CASH USED IN OPERATING ACTIVITIES		(133,162)	(97,275)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of units		11,490,679	7,014,181
Redemption of units		(10,148,353)	(4,066,564)
NET CASH FLOW FROM FINANCING ACTIVITIES		1,342,326	2,947,617
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,209,164	2,850,342
Foreign exchange gain		1,271,800	770,822
CASH AND CASH EQUIVALENTS AT START OF YEAR		7,261,343	3,640,179
CASH AND CASH EQUIVALENTS AT END OF YEAR		9,742,307	7,261,343

The notes on pages 10 to 34 form part of these financial statements.

1. LEGAL FORM AND PRINCIPAL ACTIVITY

The SBM Growth Fund ("the Fund") was constituted under the SBM Investment unit Trust on 9 December 2015 in accordance with the terms of the Trust deed and the Supplemental deed 5 and the Securities Act of Mauritius. The SBM Growth Fund is a Collective investment scheme constituted as a Trust which will invest primarily in local and foreign equity linked securities, unit trusts, mutual funds and other collective investment schemes, fixed income securities, money market instruments and cash.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year, the Fund has applied all of the new and revised standard 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 2019.

2.1. New and revised IFRSs applied with no material effect on the financial statements

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

IAS 12	Income Taxes - Amendments resulting from Annual Improvements 2015-2017 cycle (income tax consequences of dividends)
IFRS 9	Financial Instruments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities
IFRIC 23	Uncertainty over Income Tax Treatments

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

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

IAS 1	Presentation of Financial Statements - Amendments regarding the definition of material (effective 1 January 2020)
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities (effective 1 January 2023)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of material (effective 1 January 2020)
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (effective 1 January 2022)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of IBOR reform (effective 1 January 2020)
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of IBOR reform (effective 1 January 2020)
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 Fund anticipates that these amendments will be applied where applicable in the financial statements at the above effective dates in future periods. The trustee and manager have not yet assessed the potential impact of the adoption of these amendments.

3. ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income, which are measured at fair value.

The financial statements are presented in Mauritian Rupee ("MUR") and all values are rounded to the nearest rupee, except when otherwise indicated.

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency translation

The financial statements are presented in MUR (presentation currency) which is also the currency of the primary economic environment in which the Fund operates (functional currency). The Fund determines its own functional currency and items included in the financial statements of the Fund are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Fund at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences arising on settlement or retranslation of monetary items are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

(b) Dividend income

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

(c) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Taxes (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Taxes (Continued)

Deferred tax (Continued)

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

(d) Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost or fair value through other comprehensive income (OCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Fund's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Fund initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments (Continued)

Financial assets (Continued)

Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (equity instruments)

Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Fund has elected to classify irrevocably its listed and non-listed equity investments under this category.

Financial assets at amortised cost

The Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Fund's financial assets at amortised cost include cash and cash equivalents and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Fund of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments (Continued)

Financial assets (Continued)

Derecognition (Continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Fund could be required to repay.

Impairment of financial assets

The Fund recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are, measured at 12-months ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Fund considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realising security (if any is held); or
- The financial assets is more than 30 days past due

The Fund considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Fund considers this to be Baa3 for Moody's rating or BBB- as per Standard and Poor's rating.

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 the default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating the ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the entity in accordance with the contract and cash flows that the Fund expects to receive).

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (continued)

Credit-impaired financial assets

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

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

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as default or being more than 30 days past due; or
- It is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowances for ECLs in the statement of financial position.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include other payables and net assets attributable to redeemable participating shareholders.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments (Continued)

Financial liabilities (Continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Determination of fair value

The fair value for financial instruments traded in active markets at reporting date is based on their quoted price or binding dealer price quotations.

For all other financial assets not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis making as much use of available and supportable market data as possible.

An analysis of fair value instruments and further details as to how they are measured are provided in Note 8.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank.

(f) Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Fund expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(g) 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.
- 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.
- The effect of substantially restricting or fixing the residual return to the holders of redeemable units.

3. ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Redeemable units (Continued)

Classification of redeemable units (Continued)

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.

Transaction costs incurred by the Fund in issuing or acquiring its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments which are acquired (treasury shares) are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs. The Fund's policy is not to keep units in treasury, but rather to cancel them once repurchased.

No gain or loss is recognised in profit or loss on the purchase, sale, issuance or cancellation of the Fund's own equity instruments.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Fund's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements:

a) Determination of functional currency

The primary objective of the Fund is to generate returns in MUR, its capital-raising currency. The liquidity of the Fund is managed on a day-to-day basis in MUR. The Fund's performance is evaluated in MUR. Therefore management considers MUR as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

b) Going concern

The Manager of the Fund has made an assessment of its ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Manager is not aware of any material uncertainty that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Estimate and Assumption

At the reporting date, there are no key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Business model assumption

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (see financial assets sections of note 3). The Fund determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Fund monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Fund's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the year presented.

5. CAPITAL MANAGEMENT

The investment objective of the Fund is to seek significant long-term capital growth by investing in a broadly diversified portfolio comprising of equity shares and equity related securities in both the local and foreign stock markets.

The Manager will:

1. Ensure that investments are in all respects reasonable and proper.
2. Exercise high standard of diligence and act prudently with utmost good faith.
3. Seek proper and competent advice wherever deemed necessary.
4. Use appropriate risk management and risk controlled techniques to mitigate inherent risks.

The financial instruments in which the Fund may invest will include inter alia local or foreign equities, equity linked securities, unit trusts, mutual funds and other collective investment schemes, fixed income securities, money market instruments and cash.

The capital of the Fund consists of units denominated in Mauritian Ruppee and are redeemable at the option of the Unit holder based on the net asset value.

<u>(a) Movement in units during the year</u>	<u>2020</u>	<u>2019</u>
	No of units	No of units
At 01 July	10,078,829	9,819,261
Units created	996,731	614,126
Units liquidated	(894,878)	(354,558)
At end of year	<u>10,180,682</u>	<u>10,078,829</u>

<u>(b) Net asset value per unit</u>	<u>2020</u>	<u>2019</u>
<u>Before distribution</u>		
Net Asset Value (MUR)	109,099,759	115,883,674
Net units created	10,180,682	10,078,829
Net asset value per unit	<u>10.72</u>	<u>11.50</u>

<u>(c) Prices per unit</u>	<u>2020</u>	<u>2019</u>
Issue price	<u>10.83</u>	<u>11.61</u>
Redemption price	<u>10.62</u>	<u>11.38</u>

Unitholders have the rights to receive an equal share of dividends and to an equal share in the distribution of the surplus assets of the Fund on winding up.

6. OTHER RECEIVABLES AND PREPAYMENTS

	<u>2020</u>	<u>2019</u>
	MUR	MUR
Dividend receivable	140,008	245,768
Disposal proceeds receivable	136,804	-
Subscription receivable	619,752	-
Prepayments	28,119	49,867
	<u>924,683</u>	<u>295,635</u>

The carrying value of other receivables approximates its fair value and is receivable within 3 months.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Local	Foreign	Total
	MUR	MUR	MUR
At 01 July 2018	-	-	-
Reclassified from financial assets at fair value through profit or loss as IFRS 9	65,177,066	47,127,903	112,304,969
Additions	8,318,401	3,048,488	11,366,889
Disposals	-	(9,619,580)	(9,619,580)
Loss in fair value	(6,500,636)	2,742,037	(3,758,599)
At 30 June 2019	<u>66,994,831</u>	<u>43,298,848</u>	<u>110,293,679</u>
At 01 July 2019	66,994,831	43,298,848	110,293,679
Additions	20,006,313	40,873,023	60,879,336
Disposals	(12,496,881)	(50,233,033)	(62,729,914)
Loss in fair value	(17,485,671)	7,888,242	(9,597,429)
At 30 June 2020	<u>57,018,592</u>	<u>41,827,080</u>	<u>98,845,672</u>

7(a). Financial assets at fair value through other comprehensive income are further analysed as follows:

<u>Local Equities</u>	Fair Values	Fair Values
	2020	2019
	MUR	MUR
ABC Banking Corporation Limited	511,440	688,500
Alteo Limited	-	1,220,120
Semaris Ltd	247,280	-
Ascencia Ltd	3,726,450	203,175
CIEL Limited	491,665	1,656,480
CIM Financial Services Ltd	1,134,048	1,376,200
ENL LIMITED	-	954,841
MUA Ltd	1,692,600	-
Gamma Civic Ltd	1,860,176	2,231,100
IBL Ltd	6,529,152	5,791,392
INNODIS Ltd	3,091,313	2,330,505
Lavastone Ltd	279,172	570,140
Lux Island Resorts Ltd	865,200	1,792,200
MAURITIUS COMMERCIAL BANK LTD	19,989,200	16,617,500
Mauritius Oil Refineries Ltd	709,500	1,075,585
New Mauritius Hotels Ltd	1,182,448	3,799,120
Omnican Ltd	61,920	129,000
Rogers And Co Ltd	1,480,254	2,461,900
SBM Bank (Mauritius) Ltd	6,498,055	6,221,700
Sun Resorts Ltd/Mauritius	879,490	2,079,875
Terra Mauricia Ltd	-	207,900
The Lux Collective Ltd	62,109	62,109
United Basalt Product	1,734,750	2,848,125
Grii Real Estate Income Group	-	3,431,644
SBM Capital Protected Note	1,280,000	1,180,000
SBM Africa Value Fund Class A	41,970	3,951,170
SBM India Fund Class A	2,670,400	4,114,650
	<u>57,018,592</u>	<u>66,994,931</u>

7(a). FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME are further analysed as follows: (CONTINUED)

<u>Foreign Equities</u>	Fair Values	Fair Values
	2020	2019
	MUR	MUR
FIRST TRUST CLOUD COMPUTING ETF-SKYY US EQUITY	-	2,891,715
ISHARES CORE S&P 500 ETF-IVV US EQUITY	-	4,717,916
ISHARES GLOBAL INFRASTRUCTURE (USD)-IGF US Equity	-	1,957,211
SPDR S&P 500 ETF Trust - SPY US Equity	-	6,597,132
TECHNOLOGY SELECT SECT SPDR - XLK US EQUITY	-	2,967,419
iShares MSCI World ETF	6,553,807	-
Vanguard S&P 500 ETF	6,231,903	6,596,255
Amundi Equity Japan Taegat "AHE" (EUR) ACC	-	659,275
FF - ASIA PACIFIC OPPORTUNITIES "A" (USD) ACC	4,670,110	-
iShares MSCI ACWI Index Fund (US)	5,659,915	1,853,658
iShares U.S. Medical Devices	1,166,444	2,311,851
MSS Global Advantage "A" Acc	6,386,216	-
MSS US Advantage "A" ACC	5,707,391	-
VANGUARD UTILITIES ETF(U.S)	1,139,186	1,040,230
FIDELITY FDS - EUROPEAN SM-A	-	2,257,590
Fidelity Funds - European Larger Companies Fund A-ACC-Euro	4,312,108	2,540,007
KESTREL GLOBAL PORTFOLIO CLASS A USD	-	1,857,352
Templeton Euroland Fund Class A(Acc)	-	5,051,237
	<u>41,827,080</u>	<u>43,298,848</u>
TOTAL	<u>98,845,672</u>	<u>110,293,779</u>

8. FAIR VALUE MEASUREMENT HIERARCHY

IFRS 13 requires disclosures relating to fair value measurement using a three level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table provides an analysis of local and foreign investments grouped into level 1 to 2 based on the degree to which the fair value is observable.

	Level 1	Level 2	Level 3	Total
	MUR	MUR	MUR	MUR
<i>Financial assets at fair value through other comprehensive income:</i>				
Local investments	52,964,113	3,992,370	62,109	57,018,592
Foreign investments	41,827,080	-	-	41,827,080
At 30 June 2020	<u>94,791,193</u>	<u>3,992,370</u>	<u>62,109</u>	<u>98,845,672</u>

8. FAIR VALUE MEASUREMENT HIERARCHY (CONTINUED)

	Level 1 MUR	Level 2 MUR	Level 3 MUR	Total MUR
<i>Financial assets at fair value through other comprehensive income:</i>				
Local investments	57,686,902	9,245,820	62,109	66,994,831
Foreign investments	43,298,848	-	-	43,298,848
At 30 June 2019	<u>100,985,750</u>	<u>9,245,820</u>	<u>62,109</u>	<u>110,293,679</u>

The investment classified as level 3 has been stated at cost.

The following table analyses the Fund's concentration of equity price in the Fund's equity portfolio by geographical distribution:

Local and foreign investments	FVOCI		FVOCI	
	2020 MUR	2020 %	2019 MUR	2019 %
Mauritius	57,018,592	57.68%	55,497,367	50.32%
United States of America	37,514,972	37.96%	44,288,203	40.15%
Luxembourg	4,312,108	4.36%	10,508,109	9.53%
	<u>98,845,672</u>	<u>100.00%</u>	<u>110,293,679</u>	<u>100.00%</u>

9. OTHER PAYABLES

	2020 MUR	2019 MUR
Manager's fees	95,008	95,673
Trustee's fees	54,988	19,790
Auditors' fees	123,625	83,793
Administrator's fees	11,876	11,959
Registry's fees	11,876	11,959
Custodian's fees	17,812	5,289
Redemption payable	-	1,353,249
Other payables*	24,090	384,462
	<u>339,275</u>	<u>1,966,174</u>

The carrying amount of other payables approximate their fair value.

Other payables are unsecured, interest free and payable within 3 months.

* Other payables for 2019 include provisions made during prior years relating to design and publication fees are no longer to be incurred, therefore written back in financial year ended 30 June 2020.

10. TAXATION

Income tax is calculated at the rate of 15% (2019:15%) on profit for the period as adjusted for income tax

(a) Income tax liability

	<u>2020</u>	<u>2019</u>
	MUR	MUR
At 01 July	809	-
Charge for the year	52,640	809
Tax paid	(4,643)	-
Over/(Under) provision in previous year	24,822	-
At 30 June	<u>73,628</u>	<u>809</u>

(a) Reconciliation between tax expense and tax on accounting profit

	<u>2020</u>	<u>2019</u>
	MUR	MUR
Profit before tax	<u>1,548,649</u>	<u>1,245,958</u>
Tax on accounting profit at the tax rate of 15%	232,297	186,894
Tax effect of:		
Exempt income	(288,283)	(248,914)
Non-taxable income	(190,770)	(115,623)
Non deductible expenses	299,395	200,797
Deferred tax asset not recognised	-	(11,794)
Over/(Under) provision in previous year	<u>24,822</u>	<u>(10,551)</u>
Tax expense	<u>77,461</u>	<u>809</u>

11. Dividend income

Dividend income is analysed into :

	<u>2020</u>	<u>2019</u>
	MUR	MUR
Local	1,663,225	1,659,429
Foreign	<u>323,326</u>	<u>798,544</u>
Total	<u>1,986,551</u>	<u>2,457,973</u>

12. MANAGER'S FEES

Manager's fees are computed daily based on 1% p.a of net asset value of the Fund and are payable monthly in arrears.

13. TRUSTEE'S FEES

Trustee's fees are computed daily based on 0.09775% p.a of net asset value of the Fund plus VAT and the fees are payable monthly in arrears.

14. REGISTRY FEES

Registry's fees are computed daily based on 0.125% p.a of net asset value of the Fund and the fees are payable monthly in arrears.

15. CUSTODIAN FEES

Custodian's fees are computed daily based on 0.06% p.a of investment value of the Fund and are payable monthly in arrears.

16. ADMINISTRATOR'S FEES

Administrator's fees are computed daily based on 0.125% p.a of net asset value of the Fund and the fees are payable monthly in arrears.

17. ENTRY FEE AND EXIT FEE

On the issue of units, an entry fee of 1% of the net assets value of the Fund per unit is paid by the unitholder to the Fund and, on the repurchase of units, an exit fee of 1% of the net asset value of the Fund per unit is paid by the unitholder to the Fund. The sums collected are then remitted to the Manager.

18. RELATED PARTY DISCLOSURES

During the year ended 30 June 2020 the Fund transacted with related entities. Details of the nature, volume of transactions and balances with the entities are shown below.

	<u>2020</u>	<u>2019</u>
	MUR	MUR
DTOS Trustees Ltd		
Trustee fees payable	54,988	19,790
Trustee's fees expense	112,269	111,427
SBM Mauritius Asset Managers Ltd		
Manager's fees payable	95,008	95,673
Manager's fees expense	1,149,583	1,139,908
SBM Fund Services Ltd		
Administrator fees payable	11,876	11,959
Administrator's fees expense	143,679	142,111
Registry fees payable	11,876	11,959
Registry fees expense	143,679	142,489
SBM Bank (Mauritius) Ltd		
Custodian fees payable	17,812	5,289
Custodian fees expense	61,414	109,275

No compensation was paid to key management personnel during the year.

Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.

19. FINANCIAL INSTRUMENTS

19.1 Financial risk management

Risk is inherent in the Fund's activities and is managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls put in place at the investment manager company level. The Fund is exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds. The Fund has investment guidelines that set out its overall business strategies and its tolerance for risk.

19.2 Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses), for each class of financial asset, financial liability and equity instrument are disclosed in notes to the financial statements.

19.3 Fair value

The carrying amount of the other receivables and other payables approximate their fair value because of their short term nature.

19.4 Categories of financial instruments

	<u>2020</u>	<u>2019</u>
	MUR	MUR
Financial assets		
Financial Assets through other comprehensive income	98,845,672	110,293,679
Cash and cash equivalents	9,742,307	7,261,343
Other receivables	896,564	245,768
	<u>109,484,543</u>	<u>117,800,790</u>
Financial liabilities		
Other payables	<u>339,275</u>	<u>1,966,174</u>

19.5 Risk management

The Fund's credit risk is managed by the Manager subject to the Fund's established policy, procedures and controls. The credit exposure is monitored by the investment team and reported to the Fund's board and Investment Committee on a quarterly basis. There are internal limits with respect to single issuer exposure, maximum sector exposure and the Fund will hold a diversified portfolio of securities in mitigating overall portfolio credit risk. Investment-grade securities are mostly targeted in managing credit risk but credit migration is monitored.

19.6 Market risk

Market risk is the risk of loss resulting from adverse movement in market rates or prices such as interest rates, foreign exchange rates and equity prices.

Foreign currency risk

The Fund invests in securities, including maintenance of cash that are denominated in such currencies other than in Mauritian Rupee ("MUR"). Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates. Therefore, the Fund will necessarily be subject to foreign exchange risk.

19. FINANCIAL INSTRUMENTS (CONTINUED)

19.6 Market risk (Continued)

Foreign currency risk (Continued)

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

	Financial assets 2020 MUR	Financial liabilities 2020 MUR	Financial assets 2019 MUR	Financial liabilities 2019 MUR
Mauritius Rupee	63,004,331	339,275	58,877,781	1,966,174
United States Dollar	39,920,334	-	48,134,684	0
Euro	6,291,882	-	10,545,858	-
British Pounds	15,246	-	13,848	-
Australian Dollar	252,750	-	228,619	-
	<u>109,484,543</u>	<u>339,275</u>	<u>117,800,790</u>	<u>1,966,174</u>

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rate, with all other variables held constant, on the Fund's profit before tax and equity.

	Increase /decrease percentage 2020 MUR	Effect on profit before tax and equity 2020 MUR	Increase /decrease percentage 2019 MUR	Effect on profit before tax and equity 2019 MUR
United States Dollar	10%	(3,992,033)	10%	(4,813,468)
	-10%	3,992,033	-10%	4,813,468
Euro	10%	(629,188)	10%	(1,054,586)
	-10%	629,188	-10%	1,054,586
British Pounds	10%	(1,525)	10%	(1,385)
	-10%	1,525	-10%	1,385
Australian Dollar	10%	(25,275)	10%	(22,862)
	-10%	25,275	-10%	22,862

19. FINANCIAL INSTRUMENTS (CONTINUED)

19.6 Market risk (Continued)

Equity price risk

The Fund is exposed to the risk that the value of its investment securities will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or factors affecting all securities traded in the market. Market risk is managed through diversification of the investment portfolio.

Price sensitivity analysis

The sensitivity analysis has been determined based on the exposure to equity price risks at the reporting date and assesses the impact of a 5% change in the price of local and foreign investment.

	Change in price by	2020	2019
	%	MUR	MUR
Profit before tax	+ 5	4,942,284	5,514,684

A fall in equity prices by 5% would have resulted in an equal but opposite impact on net assets.

19.7 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within debt instruments, short-term trade receivables, and cash and cash equivalents.

The Manager's policy is to closely monitor the creditworthiness of the Fund's counterparties by reviewing their credit ratings, financial statements and press releases on a regular basis.

Credit risk disclosures are segmented based on whether the underlying financial instrument is subject to IFRS 9's impairment disclosures or not.

Credit risk on cash and cash equivalents

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of exposures. The Fund considers that these exposures have low credit risk based on the external credit rating of the counterparties.

Financial assets not subject to IFRS 9's impairment requirements

The Fund is not exposed to credit risk on its equity instruments. These classes of Financial assets are not subject to IFRS 9's requirements as they are measured at FVOCI. The carrying amount of these assets as at 30 June 2020 are MUR 98,845,672 (30 June 2019 :MUR 110,293,679).

19. FINANCIAL INSTRUMENTS (CONTINUED)

19.8 Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holder's option based on the Fund's NAV per unit at the time of redemption, calculated in accordance with the Fund's prospectus.

The Manager may limit the total number of the units in the Fund that may be redeemed on any business day to 10% of the outstanding units in the Fund.

The Fund's policy is to satisfy redemption requests by the following means (in decreasing order of priority):

- Searching for new investors
- Withdrawal of cash deposits
- Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)
- Disposal of other assets

The Fund invests primarily in marketable securities and other financial instruments which, under normal market conditions, are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

Financial assets

Analysis of equity securities into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

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19. FINANCIAL INSTRUMENTS (CONTINUED)

19.8 Liquidity risk (Continued)

The following table summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Fund's contractual commitments and liquidity.

<u>2020</u>	<u>Less than 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>	<u>No stated maturity</u>	<u>Total</u>
	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>
Cash and cash equivalents	9,742,307	-	-	-	-	9,742,307
Other receivables	896,564	-	-	-	-	896,564
Financial assets at fair value through Other comprehensive income	-	-	-	-	98,845,672	98,845,672
Total financial assets	10,638,871	-	-	-	98,845,672	109,484,543
Other payables	339,275	-	-	-	-	339,275
Total financial liabilities	339,275	-	-	-	-	339,275
Liquidity gap	10,299,596	-	-	-	98,845,672	109,145,268
<u>2019</u>	<u>Less than 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>	<u>No stated maturity</u>	<u>Total</u>
	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>
Cash and cash equivalents	7,261,343	-	-	-	-	7,261,343
Other receivables	245,768	-	-	-	-	245,768
Financial assets at fair value through Other comprehensive income	-	-	-	-	110,293,679	110,293,679
Total financial assets	7,507,111	-	-	-	110,293,679	117,800,790
Other payables	1,966,174	-	-	-	-	1,966,174
Total financial liabilities	1,966,174	-	-	-	-	1,966,174
Liquidity gap	5,540,937	-	-	-	110,293,679	115,834,616

19. FINANCIAL INSTRUMENTS (CONTINUED)

19.9 Excessive risk concentration

Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentration of risks arises when a number of financial instruments or contracts are entered into with the same counterparty or when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic political or other conditions. Concentrations of liquidity risk may arise from repayment terms of financial liabilities. Concentrations of foreign exchange risk may arise if the Fund has a significant net open position in a single foreign currency. In order to avoid excessive concentration of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The investment manager is instructed to reduce exposure to excessive risk concentrations.

The Fund shall not invest more than 20% of its Net Asset Value in securities issued by a single issuer (a company or other corporate entity including the subsidiaries there of) at the time of purchase.

The Fund shall not hold more than 20% of any class of security listed or unlisted, issued by a single issuer.

20. COVID-19 IMPACT ASSESSMENT

The recent outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared as a pandemic, has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions/restrictions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity, and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries.

Mauritius has not been spared by COVID-19. On 19 March 2020, the Government announced a lock-down of all economic activities in Mauritius except for essential services. Although the spread of the virus in the country is being contained, the adverse impact on the economy has been and will continue to be significant. The Government's decision to close international passenger access, together with the travelling ban in force in many of our key markets, are expected to result in a slow-down in the local economy, especially tourism.

The impact of COVID-19 has led to significant volatility and declines in the global markets and it is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. Any public health emergency, including any outbreak of COVID-19 or other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on the Fund including the fair value of its investments.

Equity markets have tended to be mostly impacted by the turmoil although technology and related companies have tended to be less impacted. After reaching lows in March 2020, equity markets generally rebounded following the measures announced by monetary and fiscal policymakers. Such external factors remain beyond the Investment Manager's control and cannot be forecasted but they have adverse impacts on the value of investments. With respect to SBM Growth Fund, its strategy is 60% domestic equities and 40% foreign equities.

20. COVID-19 IMPACT ASSESSMENT (CONTINUED)

Listed equities and equity-related securities are valued at fair value using prices quoted on the stock exchange and/ or Bloomberg. The impact of COVID-19 is captured through changes in market price of those securities. Depending on the sector and geography in which the companies, the COVID-19 had different magnitude on stock prices. Given the strategy of diversification when investing in equities, the risk is not concentrated and the portfolio impact is relatively lower compared to concentrated strategies. The Manager has performed an assessment of the impact of COVID-19 on the Fund's equity investments as at 30 June 2020 and noted a fall in the value of local as well as foreign equity securities. As part of its on-going monitoring, the prices of those securities are closely monitored. Any deviation from target allocations will result in rebalancing of the positions subject to market conditions, liquidity and outlook.

21. RESTATEMENT

The units issued by the Fund are redeemable at the option of the unit holders and were classified as financial liabilities in prior years. An assessment on the classification of the instrument was performed in the current year and the units issued have been recharacterised as an equity instrument as the instrument met all the criteria under paragraph 16A and 16B of *IFRS 9- Financial instruments* to be classified as an equity instrument.

As a result of this reclassification the current and prior year presentation of the statement of financial position and statement of changes in equity were amended in line with paragraph 49 of *IAS 8- Accounting policies, changes in estimates and errors*.

The results of the restatements are as follows:

Statement of financial position:

	As previously reported 30-Jun-18 MUR	Adjustment MUR	Restated 30-Jun-18 MUR
Liabilities			
Net asset attributable to unit holders	115,449,439	(115,449,439)	-
Equity and reserves			
Redeemable units	-	100,853,667	100,853,667
Retained earnings	-	(3,328,219)	(3,328,219)
Fair value reserve	-	13,613,869	13,613,869
Other reserve	-	4,310,122	4,310,122
	<u>115,449,439</u>	<u>-</u>	<u>115,449,439</u>
	As previously reported 30-Jun-19 MUR	Adjustment MUR	Restated 30-Jun-19 MUR
Liabilities			
Net asset attributable to unit holders	115,883,674	(115,883,674)	-
Equity and reserves			
Redeemable units	-	103,801,284	103,801,284
Retained earnings	-	(2,853,892)	(2,853,892)
Fair value reserve	-	9,855,338	9,855,338
Other reserve	-	5,080,944	5,080,944
	<u>115,883,674</u>	<u>-</u>	<u>115,883,674</u>

21. RESTATEMENT (CONTINUED)

The reclassification of the units from financial liabilities to an equity instrument had no impact on the notes to the financial statements in the prior year financial statements except for financial liabilities and liquidity gap as disclosed in note 19.

22. EVENTS AFTER REPORTING DATE

There has been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 30 June 2020.

