



softlogic  
**INVEST**

SOFTLOGIC MONEY MARKET FUND  
**FINANCIAL STATEMENTS**

FOR THE PERIOD ENDED 30TH  
SEPTEMBER 2022

# SOFTLOGIC MONEY MARKET FUND – SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER 2022

Dear Investor,

We are delighted to present the fund's interim report for the first six months ending 30<sup>th</sup> September FY2022/23. During this period fund AUM dropped to Rs.890.9 MN from Rs.2.96 BN. However, the number of unit holders increased to 6223 from 5018.

## Performance Review

During the first six months ending 30<sup>th</sup> September 2022, Softlogic Money Market Fund (SMMF) delivered a yield of 9.19%. The benchmark NDB Crisil 90-day T-bill Index reported a yield of 15.16%.

## Market Review

Sri Lanka's gross official reserves depleted to USD 1,917 Mn in March 2022 from 3,139 Mn in December 2021 sending Sri Lanka to a dollar crisis.

In order to encourage dollar inflows to the country in early March Central Bank free floated the currency and as a result the rupee depreciated by 80.1% to Rs. 364.76 as at end May 2022. On 12<sup>th</sup> April 2022 for the first time Sri Lanka announced a soft default on coupon payment of ISBs before the due date. Due to the dollar crisis in the country Central Bank decided to increase the policy rates (Standing Facility Deposit rate and Standing Facility Lending Rate) by 800 basis points to 14.5%-15.5% from 6.5%-7.5% during the reporting period in an effort to dampen the demand pressure of the economy. In response to the policy rate increase the 3 months treasury bill rate increased to 31.94% from 14.12% on 6<sup>th</sup> April 2022. The 5-year bond rate increased to 31.25% from 15.38% during the same period. Market liquidity position was Rs. 432 MN negative/short posing liquidity crunch.

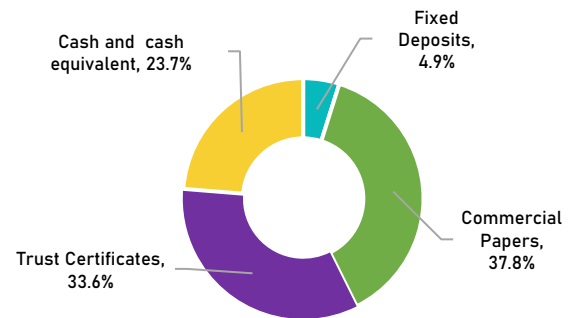
## Portfolio Allocation

Due to low liquidity economy slowed down and NPLs of the financial institutions increased. Hence, we invested in high quality instruments while maintaining our credit rating -ICRA A (under mutual fund category). We will continue to keep our maturities short as we expect rates to remain until the IMF board level agreement concludes.

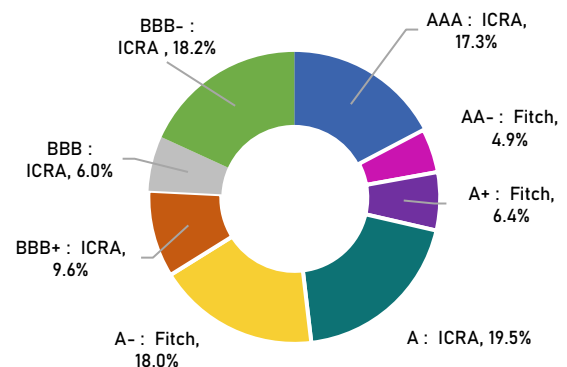
Fund Management Team  
29<sup>th</sup> December 2022

Fund Performance	6 Month Performance	YTD returns (From 1/1/2022)
Portfolio Return, Annualized for the period	9.19%	8.73%
NDB Crisil 90-day -bill Index, Annualized for the period	15.16%	11.78%

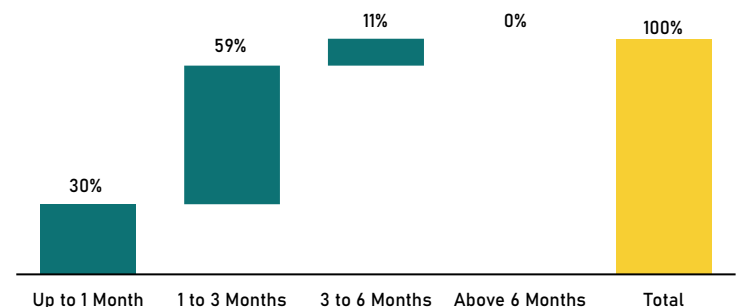
## Instrument Mix



## Rating Profile



## Maturity Profile



**SOFTLOGIC MONEY MARKET FUND  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**FOR THE SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER**

	Notes	Unaudited 2022 Rs.	Unaudited 2021 Rs.
Investment income	1	81,085,020	89,092,410
Operating expenses	2	(5,854,409)	(7,762,052)
<b>Profit before tax</b>		<u>75,230,611</u>	<u>81,330,358</u>
Income tax expense	3	-	-
<b>Profit for the period</b>		<u>75,230,611</u>	<u>81,330,358</u>
Other comprehensive income		-	-
<b>Total comprehensive profit for the period</b>		<u>75,230,611</u>	<u>81,330,358</u>
<b>Increase in net assets attributable to unitholders</b>		<u>75,230,611</u>	<u>81,330,358</u>

*Figures in brackets indicate deductions.*

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 9.

**SOFTLOGIC MONEY MARKET FUND  
STATEMENT OF FINANCIAL POSITION**

<b>AS AT</b>	<b>Note</b>	<b>Unaudited 30.09.2022 Rs.</b>	<b>Audited 31.03.2022 Rs.</b>
<b>ASSETS</b>			
Cash at bank	4	25,000	25,000
Other receivables	5	1,898,953	5,251,887
Financial assets measured at amortised cost	6	<u>889,664,008</u>	<u>2,965,480,254</u>
<b>Total assets</b>		<u><b>891,587,961</b></u>	<u><b>2,970,757,141</b></u>
<b>LIABILITIES</b>			
Accrued expenses	7	588,047	1,944,433
Other payable	8	<u>9,275</u>	<u>1,059,199</u>
<b>Total liabilities</b>		<u><b>597,322</b></u>	<u><b>3,003,632</b></u>
<b>Net assets attributable to unitholders</b>		<u><u><b>890,990,639</b></u></u>	<u><u><b>2,967,753,509</b></u></u>
<b>UNITHOLDER'S FUND</b>			
Unit capital		563,939,011	2,715,932,492
Retained earnings		<u>327,051,628</u>	<u>251,821,017</u>
<b>Net assets attributable to unitholders</b>		<u><u><b>890,990,639</b></u></u>	<u><u><b>2,967,753,509</b></u></u>

*Figures in brackets indicate deductions.*

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 9.



.....  
**Ms. Niloo Jayatilake**  
**Director**

**Softlogic Asset Management (Pvt) Ltd**  
Fund Management Company



.....  
**Mr. Iftikar Ahamed**  
**Director**

**Softlogic Asset Management (Pvt) Ltd**  
Fund Management Company




.....  
**Trustee**  
**Hatton National Bank PLC**

29<sup>th</sup> December 2022  
Colombo

**SOFTLOGIC MONEY MARKET FUND  
STATEMENT OF CHANGES IN UNITHOLDERS' FUND**

**FOR THE SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER**

	<b>Unit Capital Rs.</b>	<b>Retained Earnings Rs.</b>	<b>Total  Rs.</b>
<b>Balance as at 1<sup>st</sup> April 2022</b>	2,715,932,492	251,821,017	2,967,753,509
Net increase due to creation of units	123,834,320	-	123,834,320
Net decrease due to redemption of units	(2,275,827,802)	-	(2,275,827,802)
Increase in net assets attributable to unitholders	-	75,230,611	75,230,611
<b>Balance as at 30<sup>th</sup> September 2022</b>	<b>563,939,011</b>	<b>327,051,628</b>	<b>890,990,639</b>

*Figures in brackets indicate deductions.*

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 9.

**SOFTLOGIC MONEY MARKET FUND  
STATEMENT OF CASH FLOWS**

**FOR THE SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER**

	Notes	Unaudited 2022 Rs.	Unaudited 2021 Rs.
<b>Cash flows from operating activities</b>			
Interest and other income received		152,034,691	69,009,851
Management, trustee and custodian fees paid		(7,074,148)	(6,867,115)
Other income received		1,054,174	-
Other expenses paid		-	(495,291)
Placement fee received		1,192,267	-
<b>Net cash generated from operating activities</b>		<u>147,206,984</u>	<u>61,647,445</u>
<b>Cash flows from investing activities</b>			
Net investment in repurchase agreements		(151,808,237)	(88,612,856)
Net maturities from / investment in fixed deposits		913,647,674	(531,077,960)
Net maturities from / investment in commercial papers		1,014,377,516	(763,429,795)
Net maturities from / investment in trust certificates		123,532,574	(46,950,146)
<b>Net cash generated from investing activities</b>		<u>1,899,749,527</u>	<u>(1,430,070,757)</u>
<b>Cash flows from financing activities</b>			
Cash received on creation of units		123,834,320	2,580,746,915
Cash paid on redemption of units		(2,275,827,802)	(1,033,731,987)
<b>Net cash generated from financing activities</b>		<u>(2,151,993,481)</u>	<u>1,547,014,928</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(105,036,974)</b>	178,591,615
<b>Cash and cash equivalents at the beginning of the year</b>		<u>160,544,750</u>	33,228,550
<b>Cash and cash equivalents at the end of the year</b>		<u>55,507,776</u>	<u>211,820,165</u>
<b>Cash and cash equivalents at the end of the period comprise of:</b>			
Cash at bank	4	25,000	25,000
Money market savings	6.5	55,482,776	211,795,165
		<u>55,507,776</u>	<u>211,820,165</u>

*Figures in brackets indicate deductions.*

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 9.



**SOFTLOGIC MONEY MARKET FUND  
NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER**

<b>1</b>	<b>Investment Income</b>	<b>2022</b>	<b>2021</b>
		<b>Rs.</b>	<b>Rs.</b>
	Interest on fixed deposits	<b>8,626,857</b>	50,131,140
	Interest on money market saving accounts ( <b>Note 1.1</b> )	<b>1,098,753</b>	730,729
	Interest on treasury bills	<b>14,246,203</b>	3,784,630
	Interest on commercial papers	<b>36,683,026</b>	31,253,437
	Interest on trust certificates	<b>20,430,181</b>	1,006,996
	Placement fee income	<b>-</b>	2,185,478
		<b><u>81,085,020</u></b>	<b><u>89,092,410</u></b>
<b>1.1</b>	Interest on money market saving accounts		
	National Development Bank PLC	<b>523,782</b>	296,784
	Hatton National Bank PLC	<b>574,971</b>	433,945
		<b><u>1,098,753</u></b>	<b><u>730,729</u></b>
<b>2</b>	<b>Operating Expenses</b>	<b>2022</b>	<b>2021</b>
		<b>Rs.</b>	<b>Rs.</b>
	Management fee	<b>3,983,589</b>	5,578,974
	Custodian fee	<b>100,317</b>	97,466
	Trustee fee	<b>1,466,161</b>	1,965,113
	Auditor's remuneration	<b>47,364</b>	77,154
	Bank charges	<b>59,080</b>	43,346
	Registrar fee	<b>120,328</b>	-
	Other	<b>77,570</b>	-
		<b><u>5,854,409</u></b>	<b><u>7,762,052</u></b>
<b>3</b>	<b>Income tax expense</b>		
	Tax expense for the year ( <b>Note 3.1</b> )	<b><u>-</u></b>	<b><u>-</u></b>
<b>3.1</b>	Following the enactment of the new Inland Revenue Act No. 24 of 2017 effective from 1 <sup>st</sup> April 2018, the Fund is deemed as conducting an eligible investment business and is treated as a tax pass through vehicle. Hence, no provision for income tax was made in the financial statements for the period ended 30 <sup>th</sup> September 2022.		

**SOFTLOGIC MONEY MARKET FUND**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

<b>4</b>	<b>Cash at Bank</b>	<b>30.09.2022</b>	<b>31.03.2022</b>
		<b>Rs.</b>	<b>Rs.</b>
	Hatton National Bank	<u>25,000</u>	<u>25,000</u>
		<u><b>25,000</b></u>	<u><b>25,000</b></u>
<b>5</b>	<b>Other Receivables</b>	<b>30.09.2022</b>	<b>31.03.2022</b>
		<b>Rs.</b>	<b>Rs.</b>
	Interest on money market saving account	<b>84,838</b>	4,759
	Payable on unit creation cancel & other receivable	<b>178</b>	1,698,274
	Placement fee receivable	<u><b>1,813,937</b></u>	<u>3,548,854</u>
		<u><b>1,898,953</b></u>	<u><b>5,251,887</b></u>
<b>6</b>	<b>Financial assets measured at amortised cost</b>	<b>30.09.2022</b>	<b>31.03.2022</b>
		<b>Rs.</b>	<b>Rs.</b>
	Fixed deposit (Note 6.1)	<b>43,401,343</b>	993,290,216
	Commercial papers (Note 6.2)	<b>336,988,296</b>	1,397,374,245
	Repurchase agreement (Note 6.3)	<b>154,033,701</b>	1,902,787
	Trust Certificates (Note 6.4)	<b>299,757,892</b>	411,467,239
	Savings account (Note 6.5)	<u><b>55,482,776</b></u>	<u>161,445,767</u>
		<u><b>889,664,008</b></u>	<u><b>2,965,480,254</b></u>
<b>6.1</b>	<b>Fixed deposit</b>	<b>30.09.2022</b>	<b>31.03.2022</b>
		<b>Rs.</b>	<b>Rs.</b>
	Abans Finance PLC	-	13,582,925
	Commercial Credit & Finance PLC	-	199,057,156
	Commercial Leasing Co.Ltd	-	239,107,686
	LOLC Development Finance PLC	-	200,370,428
	Merchant Bank of Sri Lanka PLC	-	75,667,445
	Richard Peiris Finance Limited	<b>43,401,343</b>	203,068,411
	Siyapatha Finance PLC	-	62,436,165
		<u><b>43,401,343</b></u>	<u><b>993,290,216</b></u>



**SOFTLOGIC MONEY MARKET FUND**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

<b>6.2 Commercial papers</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
Abans Finance PLC	<b>54,106,382</b>	83,051,050
First Capital Holdings PLC	-	550,105,761
Janashakthi PLC	-	153,917,467
LOLC Holdings PLC	<b>120,379,507</b>	455,882,157
Nawaloka Hospital PLC	<b>162,502,402</b>	154,417,810
	<b><u>336,988,296</u></b>	<u>1,397,374,245</u>
<b>6.3 Repurchase agreement</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
Commercial Bank of Ceylon PLC	-	1,902,787
First Capital Treasuries PLC	<b>154,033,701</b>	-
	<b><u>154,033,701</u></b>	<u>1,902,787</u>
<b>6.4 Trust Certificates</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
Abans Finance PLC	<b>106,275,276</b>	100,608,568.00
Asia Asset Finance PLC	<b>85,948,301</b>	81,174,007.00
Commercial Credit & Finance PLC	<b>53,861,370</b>	127,239,733.00
Commercial Leasing Company Limited	<b>53,672,944</b>	102,444,931.00
	<b><u>299,757,892</u></b>	<u>411,467,239.00</u>
<b>6.5 Savings Account</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
National Development Bank PLC	<b>99,500</b>	161,075,617
Hatton National Bank PLC	<b>55,383,276</b>	370,150
	<b><u>55,482,776</u></b>	<u>161,445,767</u>
<b>7 Accrued Expenses</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
Management fee	<b>364,294</b>	1,254,367
Registrar fee	<b>19,726</b>	20,383
Trustee fee	<b>139,646</b>	451,572
Auditor's remuneration	<b>47,367</b>	201,600
Custodian fee	<b>17,014</b>	16,511
	<b><u>588,047</u></b>	<u>1,944,433</u>
<b>8 Other Payables</b>	<b>30.09.2022</b>	31.03.2022
	<b>Rs.</b>	Rs.
Placemnet fee received in advance	<b>2,549</b>	545,199
Payable on Unit Cancelled	<b>6,728</b>	514,000
	<b><u>9,277</u></b>	<u>1,059,199</u>

**SOFTLOGIC MONEY MARKET FUND**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

**9 Net asset attributable to Unitholders**

The movement in the number of units and the net assets attributable to unitholders during the period were as follows:

	As at 30 <sup>th</sup> September 2022		As at 31 <sup>st</sup> March 2022	
	Units	Rs.	Units	Rs.
Opening capital balance	26,194,287	2,967,753,509	15,047,213	1,590,842,477
Units issued during the year	1,076,984	123,609,634	41,096,986	4,641,223,634
Units redeemed during the year	(19,753,620)	(2,274,471,278)	(29,949,912)	(3,465,121,360)
Increase in net assets attributable to unitholders	-	75,230,611	-	200,808,758
<b>Closing balance</b>	<b>7,517,651</b>	<b>892,122,475</b>	<b>26,194,287</b>	<b>2,967,753,509</b>

The creation price was at Rs. 118.5198 per unit and the redemption price was at Rs. 118.5198 per unit as at 30<sup>th</sup> September 2022.

**10 Distribution for the year**

There were no distributions for the year ended 30<sup>th</sup> September 2022.

**11 Contingent Liabilities**

There were no significant contingencies existing at the end of the reporting date that require adjustments to or disclosures in the financial statements.

**12 Events Occurring after the Reporting Period**

No significant events have taken place since the date of the statement of financial position that require adjustments to or disclosures in these financial statements.

**13 Capital Commitments**

There were no capital commitments at the end of the reporting date.

**14 Related Party Disclosures**

The Fund Management Company, Softlogic Asset Management (Pvt) Ltd is a subsidiary of Softlogic Capital PLC. The Company's Ultimate Parent entity and controlling party is Softlogic Holding PLC, which is incorporated and domiciled in Sri Lanka.

Mr. Iftikar Ahamed, Mrs. Niloo Jayatilake and Mr. Charith Gunathilaka are Directors of the Softlogic Asset Management (Pvt) Ltd.

The Fund carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24), "Related Party Disclosure", in the ordinary course of its business. The details of such transactions are reported below. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Company and is comparable with what is applied to transactions between the Company and its unrelated customers.

**SOFTLOGIC MONEY MARKET FUND  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

**14.1 Details of the Fund management fees trustee fees and custodian fees paid/payable**

Name of the related party	Nature of interest	Particulars of financial dealing	As at 30.09.2022		As at 31.03.2022	
			Transaction Value (Rs.)	Outstanding Value (Rs.)	Transaction Value (Rs.)	Outstanding Value (Rs.)
Soflogic Asset Management (Pvt) Ltd	Managing Company	Management fee	3,983,589	364,294	13,012,814	1,254,367
Hatton National Bank PLC	Trustee	Trustee fees	1,466,161	139,646	4,684,613	451,572
		Custodian fees	100,317	17,014	194,399	16,511
		Cash at bank	-	25,000	-	25,000

The Fund maintains a current account with the Trustee, Hatton National Bank PLC through which all settlement transactions of the Fund were made.

**14.2 Details of the Unit held by the key management personnel**

Name of the related party	Relationship	As at 30.09.2022		As at 31.03.2022	
		No of Units	Unit Value (Rs.)	No of Units	Unit Value (Rs.)
Mr. Asoka Pathirage	Chairman-Ultimate Parent Company	20,207	2,393,914	20,207	2,289,420
Mr. Iftikar Ahamed	Director	5,012	593,727	4,400	498,512
Asiri AOI Cancer Centre (PVT) Ltd	Affiliate Company	971	115,083	100	12,537
Soflogic Asset Management (PVT) Ltd	Managing Company	4,124	488,614	146,675	16,618,396

**15 Maturity Analysis of the Financial Assets**

As at 30<sup>th</sup> September 2022

	Carrying Amount Rs.	Less than one month Rs.	1 to 3 Months Rs.	3 to 6 Months Rs.	6 to 9 Months Rs.	9 Months to 1 Year Rs.
Fixed Deposits	43,401,343	-	43,401,343	-	-	-
Commercial Papers	336,988,296	-	336,988,296	-	-	-
Trust Certificates	299,757,892	53,861,370	144,614,159	101,282,363	-	-
Cash at Bank	25,000	25,000	-	-	-	-
Savings Account	55,482,776	55,482,776	-	-	-	-
Repurchase agreements	154,033,701	154,033,701	-	-	-	-
<b>Total</b>	<b>889,689,008</b>	<b>263,402,847</b>	<b>525,003,798</b>	<b>101,282,363</b>	<b>-</b>	<b>-</b>

**16 Reconciliation between the Net Asset Value as per Financial Statement and the Published Net Asset Value**

	30.09.2022 Rs.	31.03.2022 Rs.
Net Asset Value as per Financial Statements	890,990,639	2,967,753,509
Adjustment to auditors remuneration	-	77,537
<b>Published Net Asset Value</b>	<b>890,990,639</b>	<b>2,967,831,046</b>
Number of units outstanding	7,517,651	26,194,287
Adjusted net asset value per Unit	118.5198	113.3007



# softlogic INVEST

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