
INTERIM REPORT 2015

For the six months ended 30th June 2015



GUARDIAN ACUITY ASSET MANAGEMENT LTD
UNIT TRUST FUNDS



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FUND INFORMATION

		Guardian Acuity Equity Fund	Guardian Acuity Fixed Income Fund	Guardian Acuity Money Market Gilt Fund
Fund Objective		To achieve medium to long term capital appreciation	To provide annual income for a low level of risk	To provide a secure annual income by investing in a portfolio of government securities
Fund Strategy		The Fund will invest in a diversified portfolio of stocks on the Colombo Stock Exchange with an exposure to growth sectors of the economy	The fund will strategically invest in a portfolio of fixed income securities in order to maximize the fund yield for a low level of risk	The fund will invest in a portfolio of government securities to provide a secure annual income
Fund Fee Structure	Front End	Nil	Nil	Nil
	Management Fee	2.25% p.a	0.60% p.a	Maximum 0.3% of NAV per annum
	Trustee Fee	0.25% p.a+Rs.15,000 p.m	0.15% p.a	Maximum 0.2% p.a based on the fund size + Rs.25,000/- p.m
	Exit Fee	2% p.a in 1st year; 0% thereafter	Nil	Nil
Fund Structure	Minimum Subscription	Rs.1,000/-	Rs.1,000/-	Rs.1,000/-
	Fund Structure	Open Ended	Open Ended	Open Ended
	Switching	Allowed	Allowed	Allowed
	Dividend	-	Annual	Annual

SERVICE PROVIDERS

Fund Manager

Guardian Acuity Asset Management Limited
No.6 I, Janadhipathi Mawatha,
Colombo 01



Promoters

Acuity Partners (Pvt) Ltd
53, Dharmapala Mawatha, Colombo 03



Ceylon Guardian Investment Trust PLC

(A Carson Cumberbatch company)
6 I, Janadhipathi Mawatha, Colombo 01



Trustee & Custodian

Deutsche Bank AG, Filiale Colombo
86, Galle Road, Colombo 03

Banker

Deutsche Bank AG, Filiale Colombo

Auditors

Ernst & Young
201, De Saram Place, Colombo 10

Registrar

Guardian Acuity Asset Management Ltd
No.6 I, Janadhipathi Mawatha,
Colombo 01

Distributors

Selected Branches of Hatton National Bank
479, T.B Jaya Mawatha, Colombo 10



BUSINESS GROWTH

The subscription and redemption details of our 3 funds up to the period 30th June 2015 are as follows.

Rupees millions

Fund	Guardian Acuity Equity Fund	Guardian Acuity Fixed Income Fund	Guardian Acuity Money Market Gilt Fund*	Total
Subscriptions	203.91	1,528.77	810.45	2,543.13
Redemptions	10.26	134.38	75.13	219.77
Net in/(out) flow	193.65	1,394.39	753.31	2,323.36
Total AUM as at 30th Jun 2015	352.54	3,220.33	741.67	4,314.54
Fund growth in terms of net inflows 2015-30 Jun 2015	↑ 190 %	↑ 5 %	↑ 59 %	↑ 25 %
Fund growth in terms of AUM 2015-30 Jun 2015	↑ 195 %	↑ 81 %	↑ 45 %	↑ 79 %
No. of unit holders	198	215	92	
Fund growth in terms of investors 2015-30 Jun 2015	↑ 39 %	↑ 11 %	↑ 14 %	

*Guardian Acuity Money Market Gilt Fund was launched on 24th March 2015

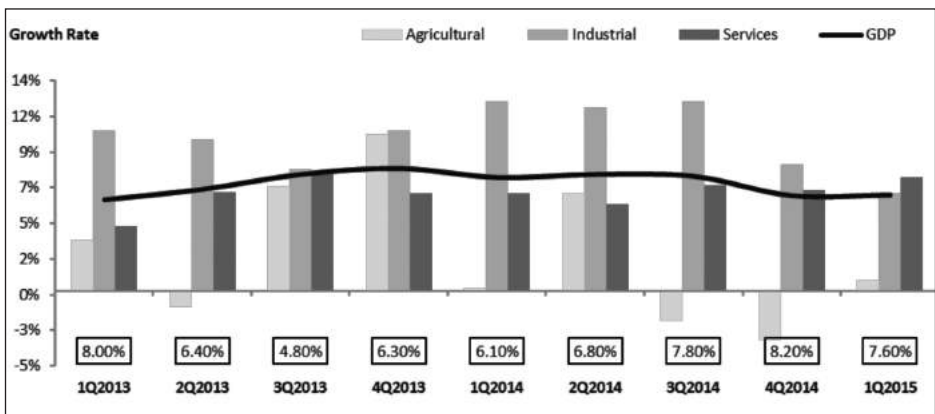
ECONOMY & MARKETS

Economic Review

The economy in 1Q2015 grew by 6.4% with the Industry sector contributing 6.5% and services sector 7.5%. Growth from agriculture was only 0.7% due to issues arising from rubber and paddy cultivation. The largest sub-sector of the Industry segment, being manufacturing (comprised of Textile, Apparel and Leather) contributing 17.7% of GDP, grew by 6.6%. The constructions sector which in prior years had grown by 20% levels gave a more subdued growth of 4.1% due to reduction in public spending.

The Sri Lankan economy is expected to slow down in 2015 compared to 2014 mainly due to a reduction in public spending resulting in large infrastructure projects being put on hold. However, retail and whole sale trade numbers should show significant growth as a result of increased consumption levels and hence curtail a general economic slowdown.

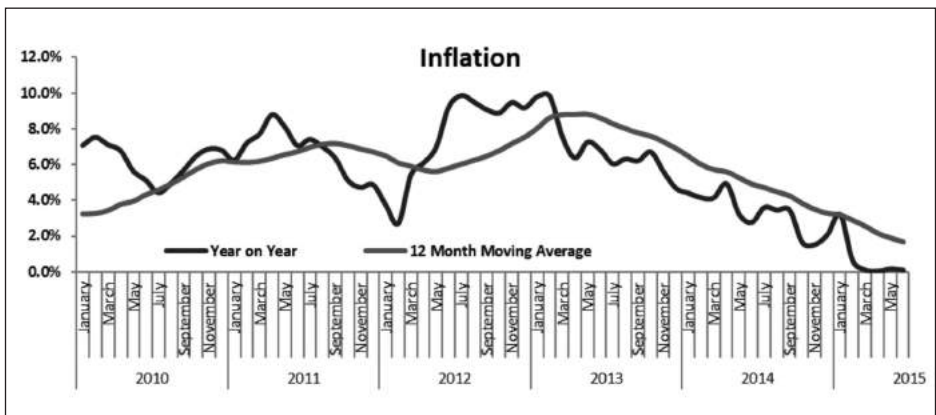
A rebasing exercise carried out in 2015 has led to a differing perspective on prior year economic growth trends with the base year of 2002 being changed to 2010. The rebasing indicates a significant drop in GDP growth for 2013 (3.4% compared to prior numbers of 7.2%) and 2014 (4.5% against 7.4%). As there is only limited preliminary data available on the rebased numbers this review will be based on the old data series where the base year is defined as 2002.



ECONOMY & MARKETS

Exports for 1H2015 had declined by 0.6% to USD 5.4 billion due to lower earnings from tea, textile & garments and agriculture. Exports as a percentage of GDP, has been on a declining trend and has been highlighted as a key issue that needs to be addressed by industry participants and policy makers. The need for diversifying the export countries and growing new export industries have been at the forefront of recent debates. Despite lower commodity prices, imports have grown by 5.7% to US\$ 9.5 billion for 1H2015. The prevailing consumption boom fuelled by low interest rates and a steady Rupee has resulted in consumption imports growing by 44% YOY.

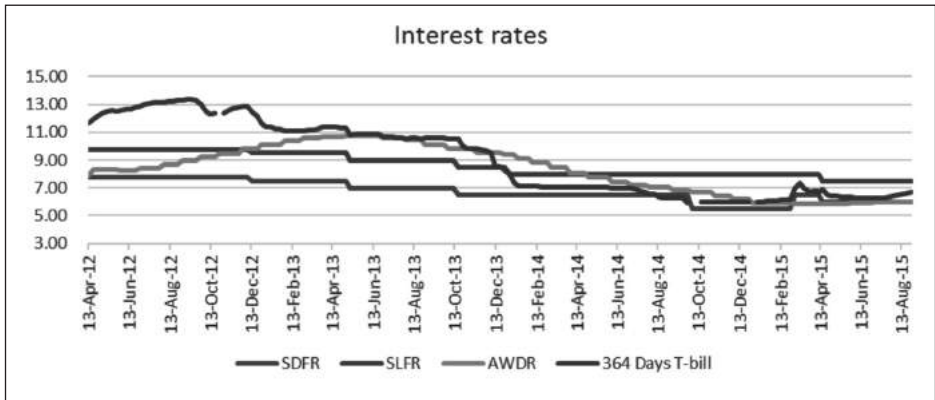
YOY inflation was recorded at -0.2% for July 2015 due to declining commodity prices and reduced fuel/energy prices. The outlook for inflation remains benign with no major movement in commodity prices as a result of global growth concerns.



Interest Rates

Interest rates have been somewhat volatile in 1H2015 with the 1 year T-bill starting the year at 6.01% increasing to 6.99% by end of February. After a policy rates cut in April by 50 basis points the 364 day Treasury bill reduced to 6.50% and maintained a downward trend until July 2015. More recently poor data from China resulted in a Yuan and general Asian currency depreciation. The resulting anticipated Rupee depreciation has led to the 364 day Treasury Bill sharply increasing to 6.97% as at August 2015. With an increase in credit growth, consumption imports and foreign exits from Government securities the upward pressure on interest rates is expected to continue to increase in the near term.

ECONOMY & MARKETS



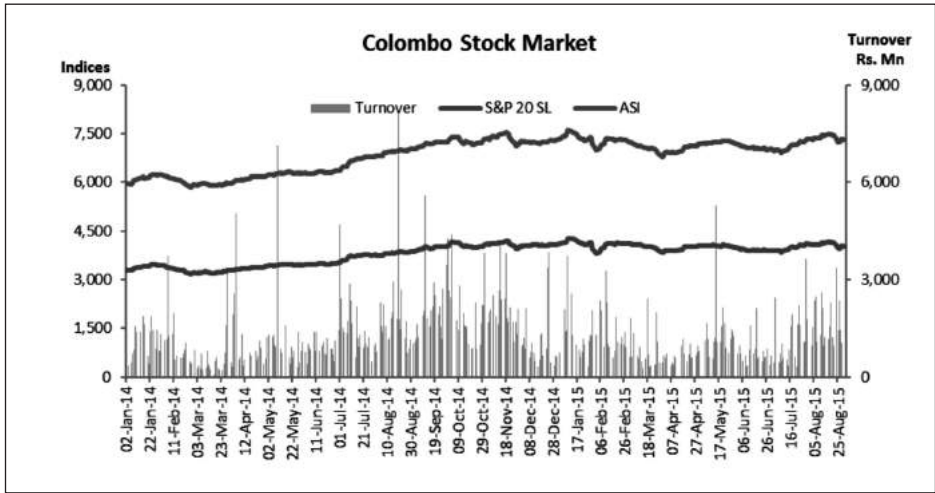
Equity Market

The first half of 2015 saw the All Share Price Index record a -2.76% performance as a result of uncertainty regarding the announcement of general elections which was eventually carried out in August. As at end of August the ASPI provided a YTD return of 2.4% with the market picking up sharply closer to election date. Daily average turnover for the YTD was Rs. 1.1 billion which was lower relative to the previous year's average of Rs. 1.4 billion.

A net foreign outflow of Rs. 1.1 billion was recorded as at August with foreign investors withdrawing from frontier and emerging market due to expected currency depreciation in these markets, weak Chinese economic data and anticipated US rate hikes.

Overall corporate earnings growth of 16% YOY for quarter ended June-2105 reveals an encouraging upward trend. The banking sector which showed signs of moderate loan growth has seen a big improvement from previous lacklustre growth levels. With stable NIMS anticipated and improving cost efficiencies the sector should see improving bottom line growth over the next year. Manufacturing and consumption related companies have produced very strong results benefitting from a consumption boom and lower input costs. The telecommunication sector is expected to grow through increased data usage levels as internet and smart phone penetration continues to increase. This sector should further benefit with cost efficiencies resulting in improved margins. However, we are watchful of the high levels of capital expenditure for this sector and have built in such scenarios in our evaluations.

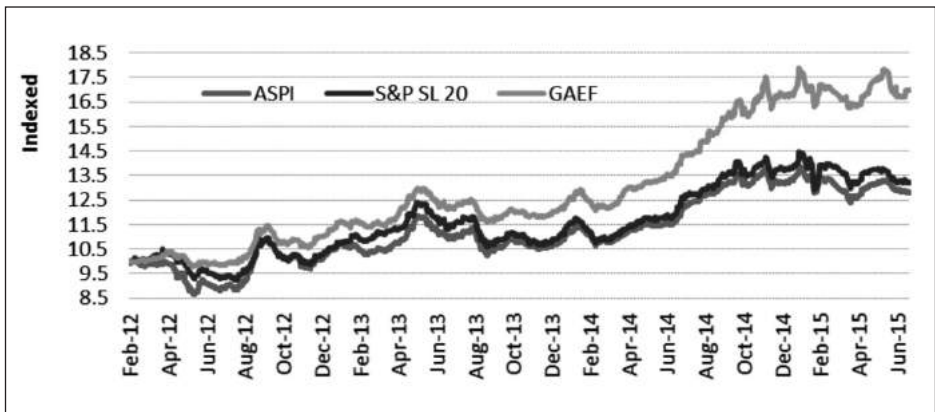
ECONOMY & MARKETS



FUND PERFORMANCE

Guardian Acuity Equity Fund

For the first half of 2015 the Guardian Acuity Equity Fund provided a return of 1.31% thereby outperforming the All Share Price Index by 5.12% and the S&P SL 20 by 5.74%. Since inception the fund has outperformed the All Share Price Index by 41.40% giving unit holders a return of 69.60%.



FUND PERFORMANCE

Period	GAAM EQ Fund	ASPI	S&P SL20
YTD-2015	1.31%	-3.81%	-4.43%
Since Inception – Normalize	69.60%	28.20%	32.23%
Since Inception - CAGR	17.14%	7.72%	8.72%

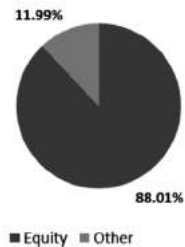
The fund was 88% invested as at 30th June 2015 with banking, finance & insurance and diversified sector being the two largest sector weights. The equity allocation has been relatively lower during the period under review due to uncertainty surrounding elections. The lower equity allocation has given the fund opportunities to buy stocks when the market weakened on investor sentiment. The fund's existing equity exposure is in selected stocks with strong fundamentals which are expected to perform well in the medium to long term. The Guardian Acuity Equity Fund is an ideal vehicle for investors who would like to benefit from the long term returns of the Colombo Stock Exchange. We encourage investors to increase exposure to the equity market upon weakness, as this strategy will provide greater potential returns in the future.

As at 30th June 2015, the highest sector exposures of the fund were to the Banks Finance & Insurance sector (36.6%), Diversified Holdings sector (15.2%) and Beverage & Food sector (7.4%). The top three holdings of the fund were Seylan Bank, Distilleries and Sampath Bank which accounted for 26.7%.

As at 30th June 2015, the total net asset value of the fund was Rs. 352.5 million with 198 unit holders in the fund. The Guardian Acuity Equity Fund redemption price as at 30th June 2015 was Rs. 17.30 and the subscription price was Rs. 16.96.

SECTOR ALLOCATION	Portfolio Weight (%)
Banks, Finance & Insurance	36.6
Diversified Holdings	15.2
Beverage, Food & Tobacco	11.9
Hotels & Travels	6.2
Healthcare	5.6
Footwear & Textiles	3.68
Manufacturing	3.57
Power and Energy	3.57
Trading	1.67

FUND ASSET ALLOCATION



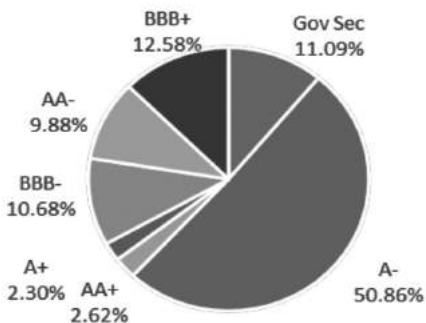
Guardian Acuity Fixed Income Fund

For the first half of 2015 the Guardian Acuity Fixed Income Fund provided a return of 3.29% which works out to an annualized return of 6.63%. The NDBIB-CRISIL 91 Day T-bill Index gave a return of 2.97% for the same time period. The fund had a focus on fixed deposits, government securities, commercial papers and other money market instruments with issuers of investment grade rating and above.

Period	GAFIF	NDBIB-CRISIL 91 Day T-Bill Index	GAFIF- Annualised
YTD-2015	3.29%	2.97%	6.63%
Since Inception	38.42%	32.47%	11.50%

The average maturity of the fund was 5.03 months as at 30th June 2015. The fund had an exposure of 72.5% to fixed deposits and 16.3% to commercial papers. Despite prevailing high excess liquidity levels, business segments such as leasing were showing significant growth providing the fund with opportunities to get attractive deposit rates from such institutions.

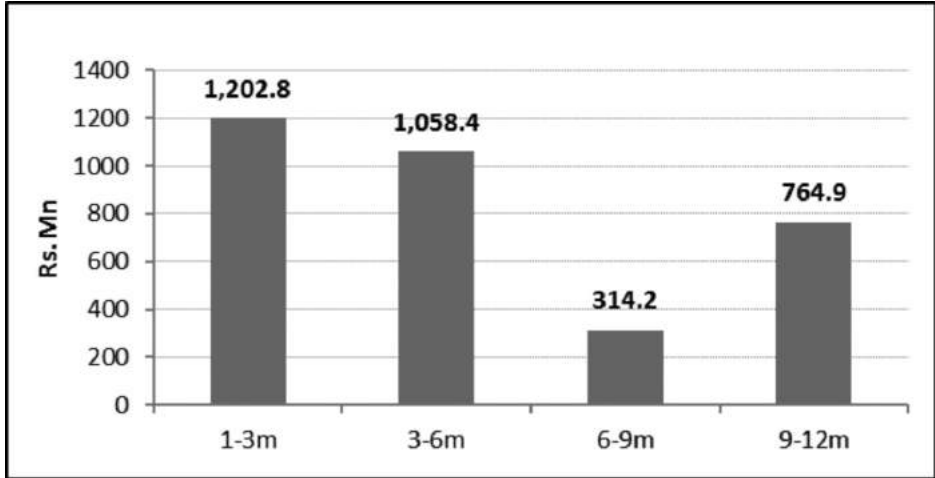
FUND CREDIT QUALITY



ASSET ALLOCATION	Portfolio Weight (%)
Fixed Deposits	72.5
Commercial Papers	16.3
Government Securities	11.1
Securitization	0.2

Guardian Acuity Fixed Income Fund

MATURITY PROFILE



The Fund has an emphasis of investing in high credit quality companies of minimum investment grade to ensure capital protection for its investors. Returns earned from unit trusts are tax free and therefore corporate investors enjoy a substantial saving when considering corporate tax.

As at 30th June 2015, the total net asset value of the fund was Rs. 3,220 million with 215 unit holders in the fund. The subscription and redemption price for the fund on this date was Rs. 12.02.

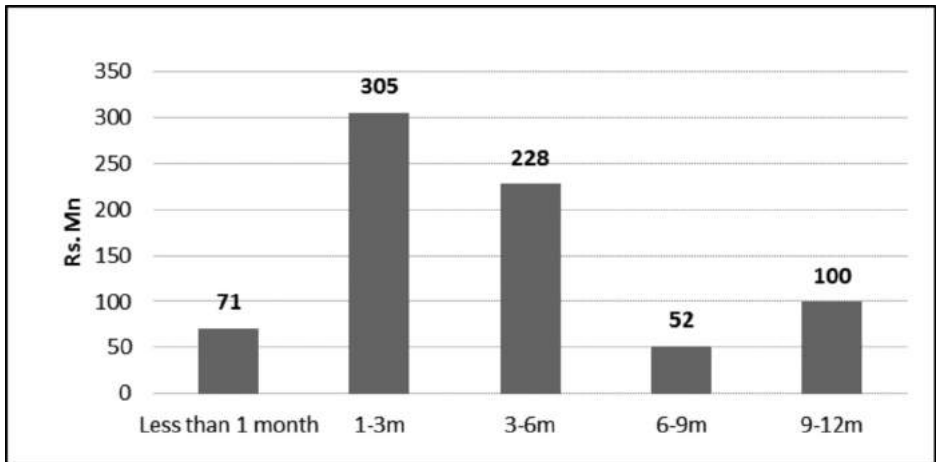
Guardian Acuity Money Market Gilt Fund

Period	Fund	NDBIB-CRISIL 91 Day T-Bill Index	GAMMGF-Annualized
June 2015	0.52%	0.53%	6.17%
3 Months	1.51%	1.67%	6.05%
Since Inception	1.64%	1.82%	6.11%

Guardian Acuity Money Market Gilt Fund provided a return of 1.64% to investors since its inception date of 24th March 2015 which works out to an annualized return of 6.11%. The NDBIB-CRISIL 91 Day T-bill Index gave a return of 1.82% for the same time period. The average maturity of the fund was 3.64 months as at 30th June 2015. The fund followed the strategy of maintaining a short maturity profile as interest rates were expected to gradually increase in the last quarter of 2015.

The fund had an exposure of 54% to repurchase agreements with underlying government securities and 46% directly to Treasury bills. Returns earned from unit trusts are tax free and therefore corporate investors enjoy a substantial saving when considering corporate tax.

MATURITY PROFILE



As at 30th June 2015, the total net asset value of the fund was Rs.741 million with 92 unit holders in the fund. The subscription and redemption price for the fund on this date was Rs. 101.64.

Guardian Acuity Equity Fund
INTERIM FINANCIAL STATEMENTS
Period ended 30 June 2015

STATEMENT OF COMPREHENSIVE INCOME

For the six months ended	Notes	30-Jun-15 Rs.	30-Jun-14 Rs.
INCOME			
Interest Income	I	1,427,810	257,643
Dividend Income		3,106,480	825,748
Net Realised Gain / Loss on Sale of Investments		(4,411,734)	1,508,548
Net Change in Unrealized Gains on Financial Assets held at Fair Value through Profit and Loss		10,608,460	5,489,857
		10,731,016	8,081,796
EXPENSES			
Management Fees		(2,771,650)	(617,687)
Trustee and Custodian Fees		(440,935)	(176,844)
Audit Fees		(113,414)	(141,424)
Bank Charges		(18,150)	(1,889)
Transaction Cost		(2,503,036)	(399,408)
Other Expenses		(129,978)	-
		(5,977,163)	(1,337,252)
PROFIT BEFORE TAX		4,753,853	6,744,544
Income Tax Expense		-	-
NET PROFIT AFTER TAX FOR THE PERIOD		4,753,853	6,744,544
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		4,753,853	6,744,544

The accounting policies and notes form an integral part of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at	Notes	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
ASSETS				
Cash and Cash Equivalents	2	232,208	1,914,867	291,817
Financial Assets Held for Trading	3	310,262,011	50,763,173	110,271,380
Financial Assets - Loans and Receivables	4	42,440,047	11,020,901	5,817,025
Other Receivables	5	406,301	128,716	3,711,273
Income Tax Receivable		406,328	213,743	264,549
Total Assets		353,746,895	64,041,400	120,356,044
UNIT HOLDERS' FUNDS & LIABILITIES				
LIABILITIES				
Accrued Expenses	6	(854,564)	(468,995)	(526,570)
Amount Payable on Redemption of Units		(55,844)	(10,876)	-
Total Liabilities (Excluding net assets attributable to Unit Holders)		(910,408)	(479,871)	(526,570)
UNIT HOLDERS' FUNDS (Net Assets Attributable to Unit Holders)		(352,836,487)	(63,561,529)	(119,829,474)
Total Unit Holders' Funds and Liabilities		(353,746,895)	(64,041,400)	(120,356,044)

These Financial Statements were approved by the Management Company, and adopted by the Trustee.

The accounting policies and notes form an integral part of the Financial Statements.

23 September 2015
Colombo

Sgd.
Management Company

Sgd.
Management Company

Sgd.
Trustee

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the six months ended	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
UNIT HOLDERS' FUNDS AS AT 01 JANUARY	119,829,474	53,836,435	54,024,415
Total Comprehensive Income for the Period	4,753,853	6,744,544	23,427,797
Received on Creation of Units	238,369,766	9,340,550	78,801,401
Paid on Redemption of Units	(10,116,606)	(6,360,000)	(36,424,139)
Net Increase due to Unitholders' Transactions	228,253,160	2,980,550	42,377,262
UNIT HOLDERS' FUNDS AS AT 30 JUNE	352,836,487	63,561,529	119,829,474

The accounting policies and notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended		30-Jun-15 Rs.	30-Jun-14 Rs.	
1	INTEREST INCOME			
	Interest income on			
	Treasury Bill Reverse Repurchase Agreement	1,427,810	257,643	
		1,427,810	257,643	
	Interest on Treasury Bill Reverse Repurchase Agreements has been accounted for Gross of Notional Tax.			
As at		30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
2	CASH AND CASH EQUIVALENTS			
	Cash at Bank	232,208	1,914,867	291,817
		232,208	1,914,867	291,817

NOTES TO THE FINANCIAL STATEMENTS

As at	30-Jun-15		Holding as a % of Net Asset Value		30-Jun-14		Holding as a % of Net Asset Value		31-Dec-14		Holding as a % of Net Asset Value
	No of shares	Fair value	No of shares	Fair value	No of shares	Fair value	No of shares	Fair value	No of shares	Fair value	
3	FINANCIAL ASSETS - HELD FOR TRADING										
3 a)	Investment in Equity shares										
	Banks, Finance and Insurance										
	Commercial Bank Of Ceylon PLC	47,883	7,685,159	2%	25,707	3,614,404	6%	25,707	4,395,897	4%	
	Janashakthi Insurance Company PLC	-	-	-	125,000	1,887,500	3%	-	-	0%	
	Nations Trust Bank PLC	172,824	16,798,493	5%	66,502	4,728,292	7%	87,824	8,518,928	7%	
	People's Leasing and Finance PLC	361,866	8,431,479	2%	237,617	3,801,872	6%	219,217	5,370,817	4%	
	Sampath Bank PLC	102,746	26,642,154	8%	13,550	2,712,710	4%	30,150	7,124,445	6%	
	Seylan Bank	512,540	43,517,904	12%	-	-	-	120,000	6,900,000	6%	
	Union Bank	475,959	11,280,228	3%	-	-	-	-	-	0%	
	Ceyfinc Insurance PLC	22,000	14,740,000	4%	-	-	-	-	-	0%	
			129,095,416	36%		16,744,778	26%		32,310,087	27%	
	Beverage, Food and Tobacco										
	Distilleries Company of Sri Lanka PLC	128,347	34,653,690	10%	14,279	2,955,753	5%	29,279	6,148,590	5%	
	Renuka Foods PLC	283,820	7,237,410	2%	-	-	-	-	-	0%	
			41,891,100	12%		2,955,753	5%		6,148,590	5%	
	Construction & Engineering										
	Access Engineering PLC	800	19,040	0.01%	162,800	4,070,000	6%	264,800	8,500,080	7%	

NOTES TO THE FINANCIAL STATEMENTS

	19,040	0.01%	4,070,000	6%	8,500,080	7%			
Diversified Holdings									
Aitken Spence PLC	203,326	19,925,948	6%	32,500	3,347,500	5%	71,925	7,444,238	6%
Hemas Holdings PLC	181,091	14,849,462	4%	84,482	3,700,312	6%	72,982	5,422,562	5%
John Keells Holdings PLC	32,996	6,727,884	2%	18,396	4,045,280	6%	32,996	82,49,000	7%
John Keells Holdings PLC - Warrants	-	-	-	-	-	-	58,000	4,205,000	3%
Softlogic Holdings PLC	786,603	12,192,347	3%	-	-	-	-	-	0%
Vaillbel One PLC	-	-	-	30,000	624,000	1%	-	-	0%
	53,695,641	15%	11,717,092	18%	25,320,800	21%			
Footwear & Textiles									
Hayleys MGT Knitting Mills PLC	733,320	12,979,764	4%	2,60,000	3,172,000	5%	232,290	4,041,846	3%
Textured Jersey Lanka PLC	450,000	12,600,000	4%	-	-	-	-	-	0%
	25,579,764	8%	3,172,000	5%	4,041,846	3%			
Health Care									
Asini Hospital Holdings PLC	982,399	19,549,740	6%	-	-	-	-	-	-
	19,549,740	6%	-	-	-	-	-	-	-
Hotels and Travels									
Aitken Spence Hotel Holdings PLC	290,875	21,931,975	6%	53,845	4,124,527	6%	87,117	6,838,685	6%
	21,931,975	6%	4,124,527	6%	6,838,685	6%			
Land & Property									
Colombo Land & Development Company PLC	-	-	35,000	1,288,000	2%	-	-	-	-
	-	-	1,288,000	2%	-	-	-	-	-
Manufacturing									
Kelani Tyres PLC	-	-	29,600	2,042,400	3%	-	-	-	-
	-	-	2,042,400	3%	-	-	-	-	-
Telecommunications									
Dialog Axiata PLC	-	-	442,726	4,648,623	7%	803,926	10,692,216	9%	9%
	-	-	4,648,623	7%	10,692,216	9%			

NOTES TO THE FINANCIAL STATEMENTS

Power & Energy								
Vaillbel Power Erathna PLC	700,000	6,650,000	2%	-	-	700,000	5,040,000	4%
Pan Asian Power PLC	1,100,000	3,630,000	1%	-	-	1,100,000	3,520,000	3%
Laugfs Gas Ltd	59,654	2,314,575	1%	-	-	59,654	2,415,987	2%
		12,594,575	4%	-	-	-	10,975,987	9%
Trading								
Singer Sri Lanka PLC	46,167	5,904,759	2%	-	-	46,167	5,443,089	5%
		5,904,759	2%	-	-	-	5,443,089	5%
		310,262,011	89%	-	50,763,173	78%	110,271,380	92%

NOTES TO THE FINANCIAL STATEMENTS

As at	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
4 FINANCIAL INVESTMENTS - LOANS AND RECEIVABLES			
Treasury Bill Reverse Repurchase Agreement (Less than 3 months)	42,440,047	11,020,901	5,817,025
	42,440,047	11,020,901	5,817,025
5 ACCRUED INCOME AND OTHER RECEIVABLES			
Amount Receivable on creation of units	166,000	8,000	13,000
Accrued Dividend Income	233,305	118,809	397,603
Receivable from Securities Sold	-	-	3,300,670
Interest Receivable	6,996	1,907	-
	406,301	128,716	3,711,273
6 ACCRUED EXPENSES			
Fund Manager Payable	(632,615)	(323,611)	(228,355)
Trustee Fee and Custodian Fee Payable	(94,445)	(90,536)	(45,541)
Audit Fee	(127,504)	(54,848)	(215,000)
Other Payables	-	-	(37,674)
	(854,564)	(468,995)	(526,570)
7 UNITS IN ISSUE AND UNIT PRICE			

Units in issue and deemed to be in issue as at 30 June 2015 is 20,581,022.25 (2014 :4,602,514) and the creation and redemption Unit price as at this date is Rs.17.30(2014: Rs.13.89) and Rs.16.96(2014:Rs.13.64) respectively.

Guardian Acuity Fixed Income Fund
INTERIM FINANCIAL STATEMENTS
Period ended 30 June 2015

STATEMENT OF COMPREHENSIVE INCOME

For the six months ended	Notes	30-Jun-15 Rs.	30-Jun-14 Rs.
INCOME			
Interest Income	I	90,176,790	30,877,299
		90,176,790	30,877,299
EXPENSES			
Management Fees		(6,643,681)	(1,678,749)
Trustee and Custodian Fees		(1,843,644)	(470,056)
Audit Fees		(75,327)	(115,692)
Bank Charges		(149,112)	(53,298)
Other Expenses		(129,978)	-
		(8,841,742)	(2,317,795)
PROFIT BEFORE TAX		81,335,048	28,559,504
Income Tax Expense		(8,133,505)	(2,855,950)
NET PROFIT AFTER TAX FOR THE PERIOD		73,201,543	25,703,554
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		73,201,543	25,703,554

The accounting policies and notes form an integral part of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at	Notes	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
ASSETS				
Cash and Cash Equivalents	2	248,901	118,870	39,838
Financial Assets Held for Trading	3	77,067,175	19,559,795	28,527,513
Financial Assets - Loans and Receivables	4	3,145,052,964	665,550,174	1,754,580,067
Other Receivables		35,448	10,501,591	87,500
Income Tax Receivable		1,835,057	40,924	610,814
Total Assets		3,224,239,545	695,771,354	1,783,845,732
UNIT HOLDERS' FUNDS & LIABILITIES				
LIABILITIES				
Bank Overdraft		(138,944)	-	-
Accrued Expenses	5	(2,005,856)	(1,294,455)	(1,479,892)
Total Liabilities (Excluding net assets attributable to Unit Holders)		(2,144,800)	(1,294,455)	(1,479,892)
UNIT HOLDERS' FUNDS (Net Assets Attributable to Unit Holders)		(3,222,094,745)	(694,476,899)	(1,782,365,840)
Total Unit Holders' Funds and Liabilities		(3,224,239,545)	(695,771,354)	(1,783,845,732)

These Financial Statements were approved by the Management Company, and adopted by the Trustee.

The accounting policies and notes form an integral part of the Financial Statements.

23 September 2015
Colombo

Sgd.
Management Company

Sgd.
Management Company

Sgd.
Trustee

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the six months ended	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
UNIT HOLDERS' FUNDS AS AT 01 JANUARY	1,782,365,841	475,890,438	475,890,438
Total Comprehensive Income for the Period	73,201,543	25,703,554	73,377,040
Dividend Payment for the Period	(63,682,711)	(34,336,910)	(34,336,911)
Received on Creation of Units	1,612,200,252	339,218,109	1,493,528,880
Paid on Redemption of Units	(181,990,180)	(111,998,292)	(226,093,607)
Net Increase due to Unit Holders' Transactions	1,430,210,072	227,219,817	1,267,435,273
UNIT HOLDERS' FUNDS AS AT 30 JUNE	3,222,094,745	694,476,899	1,782,365,840

The accounting policies and notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended		30-Jun-15 Rs.	30-Jun-14 Rs.
I	INTEREST INCOME		
	Interest income on		
	Fixed Deposits	62,166,334	25,356,769
	Treasury Bill Reverse Repurchase Agreements	9,267,414	1,237,408
	Treasury Bills	1,464,124	240,549
	Unquoted Debentures	794,794	991,233
	Commercial Paper	15,526,821	1,740,699
	Commercial Paper Repos	-	1,310,641
	Securitization	957,303	-
		90,176,790	30,877,299

Interest on fixed income securities has been accounted for Gross of Notional Tax & With Holding Tax.

As at	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
2	CASH AND CASH EQUIVALENTS		
	Cash at Bank	248,901	118,870
		248,901	39,838

NOTES TO THE FINANCIAL STATEMENTS

As at	30-Jun-15 Rs.	Holding as a % of Net Asset Value	30-Jun-14 Rs.	Holding as a % of Net Asset Value	31-Dec-14 Rs.	Holding as a % of Net Asset Value
3 FINANCIAL ASSETS HELD FOR TRADING						
Government Debt Securities	77,067,175	2%	19,559,795	3%	28,527,513	2%
	77,067,175	2%	19,559,795	3%	28,527,513	2%
4 FINANCIAL ASSETS-LOANS AND RECEIVABLES						
Treasury Bill Reverse Repurchase Agreement	279,377,292	8.66%	70,270,243	10%	335,805,428	19%
Commercial Papers	52,4004,189	16.25%	59,324,539	9%	200,061,632	11%
Fixed Deposits	2,334,464,553	72.40%	515,207,011	74%	1,170,457,270	66%
Unquoted Debentures	-	-	20,748,381	3%	20,704,772	1%
Securitization	72,06,930	0.22%	-	0%	27,550,965	2%
	3,145,052,964	98%	665,550,174	96%	1,754,580,067	99%

NOTES TO THE FINANCIAL STATEMENTS

As at	30-Jun-15 Rs.	30-Jun-14 Rs.	31-Dec-14 Rs.
5 ACCRUED EXPENSES			
Fund Manager Payable	(1,500,175)	(960,548)	(918,676)
Trustee Fee and Custodian Fee Payable	(416,304)	(268,957)	(257,232)
Audit Fee	(89,377)	(44,438)	(175,000)
Other Payables	-	(20,512)	(128,984)
	(2,005,856)	(1,294,455)	(1,479,892)

6 UNITS IN ISSUE AND UNIT PRICE

Units in issue and deemed to be in issue as at 30 June 2015 is 267,998,987.89 (2014: 60,104,373) and the creation and redemption Unit price as at this date is Rs.12.02 (2014: Rs.11.55).

7. DIVIDEND DISTRIBUTION

The company has distributed Rs. 63,682,711/- (2014- Rs.34,336,910/-) as dividends by declaring Rs.0.35 dividends per unit.

Guardian Acuity Money Market Gilt Fund
INTERIM FINANCIAL STATEMENTS
Period ended 30 June 2015

STATEMENT OF COMPREHENSIVE INCOME

For the six months ended	Notes	30-Jun-15 Rs.
INCOME		
Interest Income	I	13,836,247
		13,836,247
EXPENSES		
Management Fees		(474,064)
Trustee and Custodian Fees		(469,193)
Audit Fees		(65,688)
Bank Charges		(27,452)
		(1,036,397)
PROFIT BEFORE TAX		
		12,799,850
Income Tax Expense		(1,279,985)
NET PROFIT AFTER TAX FOR THE PERIOD		
		11,519,865
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		
		11,519,865

The accounting policies and notes form an integral part of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at	Notes	30-Jun-15 Rs.
ASSETS		
Cash and Cash Equivalents	2	115,861
Financial Assets Held for Trading	3	341,380,832
Financial Assets - Loans and Receivables	4	400,475,800
Other Receivables		73,518
Income Tax Receivable		103,641
Total Assets		742,149,652
UNIT HOLDERS' FUNDS & LIABILITIES		
LIABILITIES		
Accrued Expenses	5	(376,670)
Total Liabilities (Excluding net assets attributable to Unit Holders)		(376,670)
UNIT HOLDERS' FUNDS (Net Assets Attributable to Unit Holders)		(741,772,982)
Total Unit Holders' Funds and Liabilities		(742,149,652)

These Financial Statements were approved by the Management Company, and adopted by the Trustee.

The accounting policies and notes form an integral part of the Financial Statements.

23 September 2015
Colombo

Sgd.
Management Company

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Management Company

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Trustee

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the six months ended	30-Jun-15 Rs.
Total Comprehensive Income for the Period	11,519,865
Received on Creation of Units	810,448,477
Paid on Redemption of Units	(80,195,360)
Net Increase due to Unit Holders' Transactions	730,253,117
UNITHOLDERS' FUNDS AS AT 30 JUNE	741,772,982

The accounting policies and notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended		30-Jun-15 Rs.
1	INTEREST INCOME	
	Interest income on	
	Treasury Bill Reverse Repurchase Agreements	9,028,767
	Treasury Bills	4,807,480
		13,836,247
	Interest on Treasury Bill Reverse Repurchase Agreements and Treasury Bills has been accounted for Gross of Notional Tax.	

As at		30-Jun-15 Rs.
2	CASH AND CASH EQUIVALENTS	
	Cash at Bank	115,861
		115,861

As at		30-Jun-15 Rs.	Holding as a % of Net Asset Value
3	FINANCIAL ASSETS-HELD FOR TRADING		
	Government Debt Securities	341,380,832	46%
		341,380,832	46%

NOTES TO THE FINANCIAL STATEMENTS

As at	30-Jun-15 Rs.	Holding as a % of Net Asset Value
4	FINANCIAL ASSETS-LOANS AND RECEIVABLES	
	Treasury Bill Reverse Repurchase Agreement	400,475,800
	400,475,800	54%

As at	30-Jun-15 Rs.
5	ACCRUED EXPENSES
	Fund Manager Payable
	Trustee Fee and Custodian Fee Payable
	Audit Fee
	Payable on redemption of units
	(376,670)

6 UNITS IN ISSUE AND UNIT PRICE

Units in issue and deemed to be in issue as at 30 June 2015 is 7,296,699.10 and the creation and redemption Unit price as at this date is Rs.101.64.

7. COMMENCEMENT OF THE FUND

Guardian Acuity Money Market Gilt Fund was launched on 24th March 2015 with the approval of Securities & Exchange Commission of Sri Lanka. Therefore, the interim financial statements are from 24th March 2015 to 30th June 2015 (98 days).

