

Settlement Guarantee Fund of the Securities and Exchange Commission of Sri Lanka -2012

1. Financial Statements

1.1 Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Settlement Guarantee Fund of the Securities and Exchange Commission of Sri Lanka as at 31 December 2012, and its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2. Financial and Operating Review

2.1 Financial Results

According to the financial statement presented, the activities of the Fund for the year ended 31 December 2012 had resulted in a surplus of Rs.42,095,856 as compared with the corresponding surplus of Rs. 24,823,597 for the preceding year thus indicating an increase in the surplus by Rs. 17,272,259.

2.2 Position of the Fund

The Colombo Stock Exchange had transferred a sum of Rs 100 million to the Fund in January 2012 as per the amended Deed of Trust No. 2008 dated 13 July 2011 with a view to strengthen the Fund.

2.3 Functions of the Fund

Disputes between the Clearing Members of the Central Depository System had not been reported as per Paragraph 5 (a) of the Deed of Trust No.1376 dated 21/22 May 1998 and as such no any compensation payments had been made during the year under review.

