

**FIRST CAPITAL MONEY MARKET FUND
INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 30 SEPTEMBER 2016**

REPORT OF THE MANAGER

We have pleasure in presenting the unaudited Interim Financial Statements of First Capital Money Market Fund for six months ended 30 September 2016.

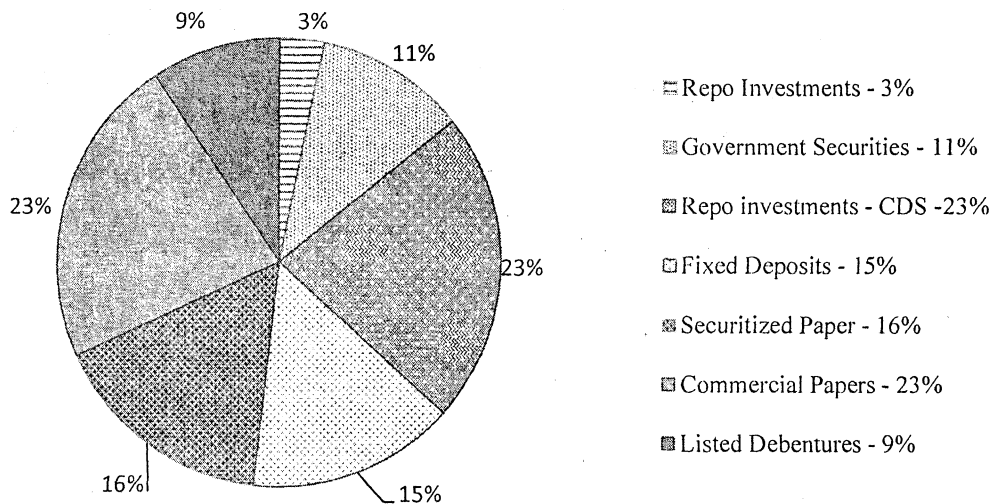
Fund Performance

First Capital Money Market Fund reported net profit after tax of Rs. 52 Mn for the first half of the financial year 2016/17 compared to Rs. 36 Mn in the corresponding period in the last year. The fund reported a return of 9.69% (annualised) for six months ended 30 September 2016 compared to 6.51% (annualised) return for the similar corresponding period of 2015/16. The funds under management decreased to Rs. 690 Mn compared to Rs. 1,257 Mn at the beginning of the year.

Net Capital redeemed by the Unitholders for the period under review is Rs. 620 Mn. Unitholders' funds represent 596,730 units as at 30 September 2016.

Asset Allocation as at 30 September 2016 (%)

The asset allocation of the Fund as at the reporting date is as follows.



Appreciations

We would like to extend our sincere gratitude to our valued unit holders for the confidence placed in us. We also place on record our appreciation for the unstinted support and cooperation extended by the Trustee, Bank of Ceylon and Securities and Exchange Commission of Sri Lanka.

FIRST CAPITAL MONEY MARKET FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For Six months ended 30 September	2016 Unaudited Rs.	2015 Unaudited Rs.
Income	58,125,739	43,297,910
Direct expenses	(412,500)	(46,618)
Net trading income	57,713,239	43,251,292
Other income	133,143	-
Gain/ (Loss) on fair valuation of financial investments - held for trading	2,560,316	(70,183)
	60,406,698	43,181,109
Administration and other operating expenses	(3,875,056)	(3,547,449)
Profit before taxation	56,531,642	39,633,660
Income tax expenses	(4,210,307)	(3,677,944)
Profit for the period	52,321,335	35,955,716
Other comprehensive income	-	-
Total comprehensive income	52,321,335	35,955,716
Increase in net assets attributable to unit holders	52,321,335	35,955,716

Figures in brackets indicate deductions.
The notes form an integral part of these financial statements.

**FIRST CAPITAL MONEY MARKET FUND
STATEMENT OF FINANCIAL POSITION**

As at	30.09.2016 Unaudited Rs.	31.03.2016 Audited Rs.
Assets		
Cash at banks	5,152,350	71,339
Financial investments - held for trading	406,625,231	598,384,680
Financial investments - loans and receivables	279,662,989	785,072,345
Tax receivables	1,181,703	997,183
Total assets	692,622,273	1,384,525,547
Liabilities		
Payables under repurchase agreements - government securities	2,001,041	80,018,630
Creditors and accruals	758,801	1,120,208
Bank overdrafts	-	46,345,583
Total liabilities	2,759,842	127,484,421
Unit holders' funds		
Net assets attributable to unit holders	689,862,431	1,257,041,126
Total unit holders' funds and liabilities	692,622,273	1,384,525,547
Net asset per unit	1,156.07	1,099.41

The notes form an integral part of these financial statements.

The Managing Company of First Capital Money Market Fund is responsible for the preparation and presentation of these Financial Statements in accordance with the Sri Lanka Accounting Standards.

Approved by the Managing Company and the trustee on 16 December 2016.



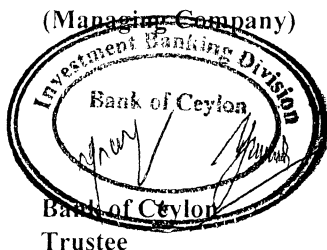
Mangala Jayashantha
Chief Financial Officer
First Capital Asset management Limited
(Managing Company)



Dinesh Schaffter
Managing Director
First Capital Asset management Limited
(Managing Company)



Manjula Mathews (Ms.)
Chairperson
First Capital Asset management Limited
(Managing Company)



**FIRST CAPITAL MONEY MARKET FUND
STATEMENT OF CHANGES IN UNIT HOLDERS' FUNDS**

For Six months ended 30 September 2016	Unit holders' Capital Rs.	Retained Earnings Rs.	Unit holders' Funds Rs.
Balance as at 01 April 2015 (Audited)	615,934,508	1,932,732	617,867,240
Capital infused	2,141,718,809	-	2,141,718,809
Capital redeemed	(1,187,766,075)	-	(1,187,766,075)
Increase in net assets attributable to unit holders	-	35,955,716	35,955,716
Balance as at 30 September 2015 (Unaudited)	<u>1,569,887,242</u>	<u>37,888,448</u>	<u>1,607,775,690</u>
Balance as at 01 April 2016 (Audited)	1,156,129,733	100,911,393	1,257,041,126
Capital infused	986,272,718	-	986,272,718
Capital redeemed	(1,605,772,748)	-	(1,605,772,748)
Increase in net assets attributable to unit holders	-	52,321,335	52,321,335
Balance as at 30 September 2016 (Unaudited)	<u>536,629,703</u>	<u>153,232,728</u>	<u>689,862,431</u>

Figures in brackets indicate deduction

The notes form an integral part of these financial statements.

**FIRST CAPITAL MONEY MARKET FUND
STATEMENT OF CASH FLOWS**

For Six months ended 30 September	2016 Unaudited Rs.	2015 Unaudited Rs.
Cash flows from operating activities		
Profit before taxation	56,531,642	39,633,660
Adjustment for :		
(Gain)/ loss on fair value of financial investments - held for trading	(2,560,316)	70,183
Operating profit before working capital changes	<u>53,971,326</u>	<u>39,703,843</u>
(Increase)/ decrease in financial investments - held for trading	194,319,765	(313,305,747)
(Increase)/ decrease in financial investments - loans and receivables	505,409,356	(660,752,784)
(Decrease) in creditors and accruals	(361,407)	(438,880)
Increase/ (decrease) in payables under repurchase agreements	(78,017,589)	(4,251,287)
Cash generated flows from/ (used in) operations	<u>675,321,451</u>	<u>(939,044,855)</u>
Tax paid	(4,394,827)	(4,039,707)
Net cash flows from/ (used in) operating activities	<u>670,926,624</u>	<u>(943,084,562)</u>
Net cash flows from/(used in) investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Capital infused/ (Redeemed) by unit holders	(619,500,030)	953,952,734
Dividends paid	-	(7,626,551)
Net cash flows from/ (used in) financing activities	<u>(619,500,030)</u>	<u>946,326,183</u>
Net cash inflows/ (outflows) for the period	<u>51,426,594</u>	<u>3,241,621</u>
Cash and cash equivalents at the beginning of the period	(46,274,244)	1,446,878
Cash and cash equivalents at the end of the period	<u>5,152,350</u>	<u>4,688,499</u>

Figures in brackets indicate deductions.

The notes form an integral part of these financial statements.

**FIRST CAPITAL MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS**

1. The number of Units represented by unitholders' funds as at 30 September 2016 is 596,730.
2. The above figures are subject to audit. The same accounting policies as in the Audited Financial Statements for the year ended 31 March 2016 have been followed in the preparation of the above financial statements.
3. There have been no material commitment and contingent liabilities as at the reporting date which require disclosures in the financial statements (No commitment and contingent liabilities as at 31 March 2016).
4. There have been no material events after the reporting period which require adjustments/ disclosures in the financial statements.