

**FIRST CAPITAL EQUITY FUND  
INTERIM FINANCIAL STATEMENTS  
FOR SIX MONTHS ENDED 30 SEPTEMBER 2017**



First Capital

## REPORT OF THE MANAGER

We have pleasure in presenting the unaudited Interim Financial Statements of First Capital Equity Fund for six months ended 30 September 2017.

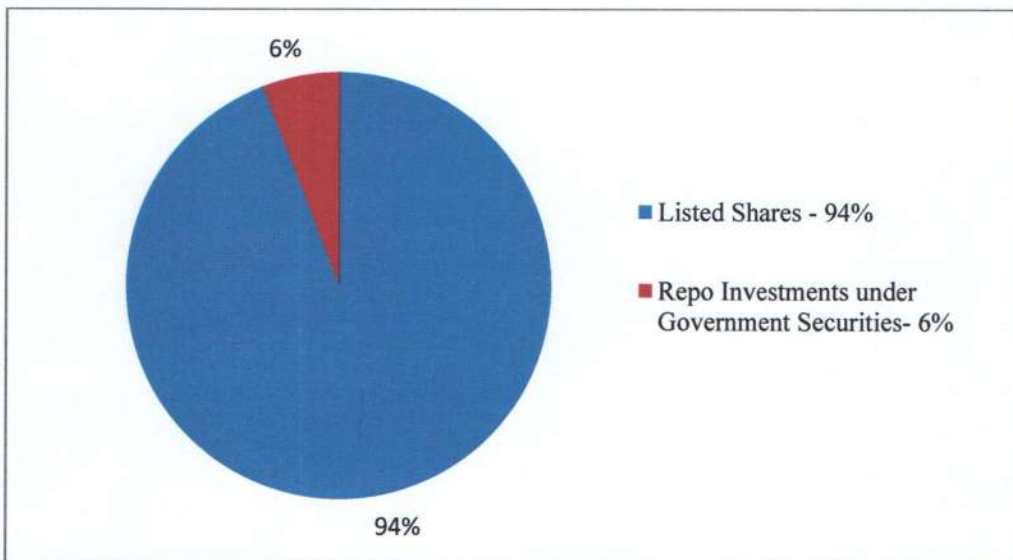
### Fund Performance

First Capital Equity Fund reported net profit after tax of Rs. 5.45Mn for the first half of financial year 2017/18 compared to a net profit after tax of Rs. 6.8 Mn in the corresponding period of last year.

The fund reported a return of 8.11% for six months ended 30 September 2017 compared to 10.61% return for the similar corresponding period of 2016/17. The funds under management decreased to Rs. 69Mn compared to Rs. 71Mn at the beginning of the year. Capital redeemed by the Unit holders for the period under review is Rs. 7.23Mn. Unit holders' funds represent 65,169 units as at 30 September 2017.

### Asset Allocation as at 30 September 2017 (%)

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 ASSET MANAGEMENT LIMITED

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Company Reg. No : PB 187

**FIRST CAPITAL EQUITY FUND**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For Six months ended 30 September	2017 Unaudited Rs.	2016 Unaudited Rs.
<b>Income</b>	1,837,831	3,339,968
Direct expenses	(2,287)	(121,316)
<b>Net trading income</b>	<u>1,835,544</u>	<u>3,218,652</u>
Gain on fair valuation of financial investments - held for trading	4,565,256	4,195,857
	<u>6,400,800</u>	<u>7,414,509</u>
Administration and other operating expenses	(948,925)	(455,566)
<b>Profit before taxation</b>	<u>5,451,875</u>	<u>6,958,943</u>
Income tax expenses	-	(150,588)
<b>Profit for the period</b>	<u>5,451,875</u>	<u>6,808,355</u>
<b>Increase in net assets attributable to unit holders</b>	<u>5,451,875</u>	<u>6,808,355</u>

Figures in brackets indicate deductions.

The notes form an integral part of these financial statements.

**FIRST CAPITAL EQUITY FUND  
STATEMENT OF FINANCIAL POSITION**

As at	30.09.2017 Unaudited Rs.	31.03.2017 Audited Rs.
<b>Assets</b>		
Cash at bank	655,049	710,052
Financial investments - held for trading	64,498,908	66,376,343
Financial investments - loans and receivables	4,036,106	3,618,978
Taxes receivable	297,510	287,352
Other receivable - Dividend		339,858
<b>Total Assets</b>	<u>69,487,573</u>	<u>71,332,583</u>
<b>Liabilities</b>		
Creditors and accruals	442,845	509,390
<b>Total Liabilities</b>	<u>442,845</u>	<u>509,390</u>
<b>Unit holder's funds</b>		
Net assets attributable to unit holders	69,044,728	70,823,193
	<u>69,044,728</u>	<u>70,823,193</u>
<b>Total unit holders' funds and liabilities</b>	<u>69,487,573</u>	<u>71,332,583</u>
<b>Net assets per unit (Rs.)</b>	1,059.47	979.99

The notes form an integral part of these financial statements.

The Managing Company of First Capital Equity 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 8 December 2017.



**Mangala Jayashantha**  
Chief Financial Officer  
First Capital Asset Management Limited  
Fund Management Company



**Dilshan Wirasekara**  
Director / Chief Executive Officer  
First Capital Asset Management Limited  
Fund Management Company



**Dinesh Schaffter**  
Managing Director  
First Capital Asset Management Limited  
Fund Management Company

Bank of Ceylon  
Trustee





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

**For Six months ended 30 September 2017**

	Unit holders' Capital Rs.	Retained Earnings Rs.	Unit holders' Funds Rs.
<b>Balance as at 01 April 2016 (Audited)</b>	55,850,708	(2,224,021)	53,626,687
Capital infused during the period	16,315,081	-	16,315,081
Capital withdrawals made during the period	(50,000)	-	(50,000)
Increase in net assets attributable to unit holders	-	6,808,355	6,808,355
<b>Balance as at 30 September 2016 (Unaudited)</b>	<u>72,115,789</u>	<u>4,584,334</u>	<u>76,700,123</u>
<b>Balance as at 01 April 2017 (Audited)</b>	72,120,789	(1,297,596)	70,823,193
Capital infused during the period	-	-	-
Capital withdrawals made during the period	(7,230,340)	-	(7,230,340)
Increase in net assets attributable to unit holders	-	5,451,875	5,451,875
<b>Balance as at 30 September 2017 (Unaudited)</b>	<u>64,890,449</u>	<u>4,154,279</u>	<u>69,044,728</u>

Figures in brackets indicate deduction.

The notes form an integral part of these financial statements.

**FIRST CAPITAL EQUITY FUND  
STATEMENT OF CASH FLOWS**

For Six months ended 30 September

	2017 Unaudited Rs.	2016 Unaudited Rs.
<b>Cash flows from operating activities</b>		
Profit before taxation	5,451,875	6,958,943
Adjustment for :		
Gain on fair value of financial investments - held for trading	(4,565,256)	(4,195,857)
<b>Operating profit before working capital changes</b>	<u>886,620</u>	<u>2,763,086</u>
Decrease/ (increase) in financial investments - held for trading	6,442,691	(58,992,226)
Increase/ (decrease) in financial investments - loans and receivables	(417,129)	30,753,004
Decrease in receivables	339,858	-
Decrease payable under repurchase agreements	-	7,309,185
Decrease in creditors and accruals	(66,545)	(25,583)
<b>Cash generated flows from/ (used in) operations</b>	<u>7,185,495</u>	<u>(18,192,534)</u>
Tax paid	(10,158)	(196,148)
<b>Net cash flows from/ (used in) operating activities</b>	<u>7,175,337</u>	<u>(18,388,682)</u>
<b>Net cash flows from/ (used in) investing activities</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Capital infused by unit holders (Net)	(7,230,340)	16,265,081
<b>Net cash flows from/ (used in) financing activities</b>	<u>(7,230,340)</u>	<u>16,265,081</u>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<u>(55,003)</u>	<u>(2,123,601)</u>
Cash and cash equivalents at the beginning of the period	710,052	2,604,030
<b>Cash and cash equivalents at the end of the period</b>	<u>655,049</u>	<u>480,429</u>

Figures in brackets indicate deductions.

The notes form an integral part of these financial statements.

**FIRST CAPITAL EQUITY FUND  
NOTES TO THE FINANCIAL STATEMENTS**

1. The number of Units represented by unitholders' funds as at 30 September 2017 is 65,169.
2. The above figures are subject to audit. The same accounting policies as in the Audited Financial Statements for the year ended 31 March 2017 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 2017).
4. There have been no material events after the reporting period which require adjustments/disclosures in the financial statements.