

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



First Capital

REPORT OF THE MANAGER

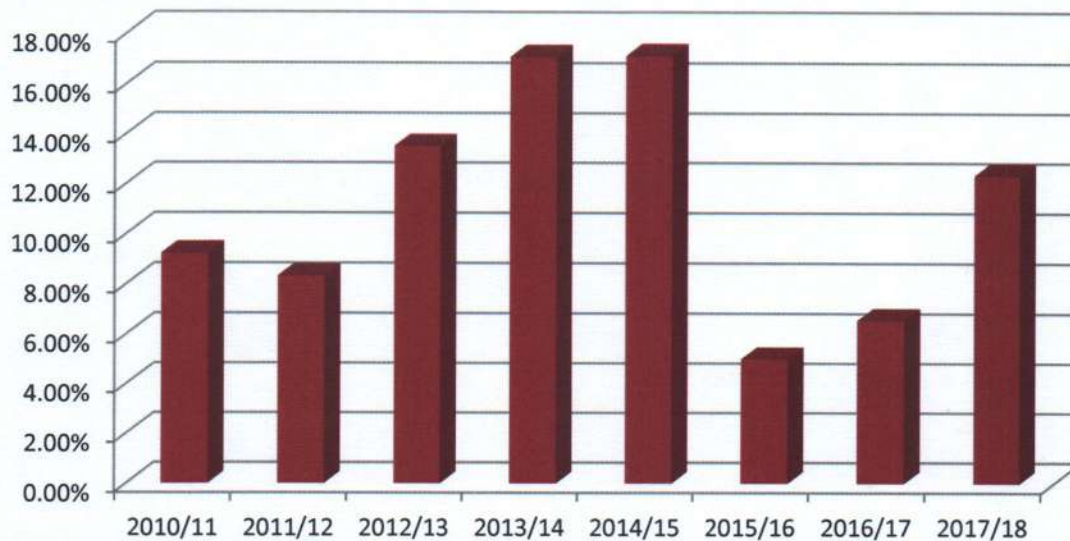
We have pleasure in presenting the unaudited Interim Financial Statements of First Capital Wealth Fund for six months ended 30 September 2017.

Fund Performance

First Capital Wealth Fund reported a net profit after tax of Rs. 68Mn for the first half of financial year 2017/18 compared to Rs. 85Mn in the correspondence period of last year. The fund reported a return of 12.34% (annualised) for six months ended 30 September 2017 compared to 6.57% (annualised) return for the similar corresponding period of 2016/17.

The funds under management decreased to Rs. 729.9Mn as at 30 September 2017 compared to Rs. 1.4Bn at the commencement of the year. Net Capital redeemed by the unit holders for the period under review is Rs. 0.59Bn. Number of units represent by the unit holders' funds as at 30 September 2017 is 636,872.

Fund Performance 2010/11 - 2017/18



* Annualised 6 months' return

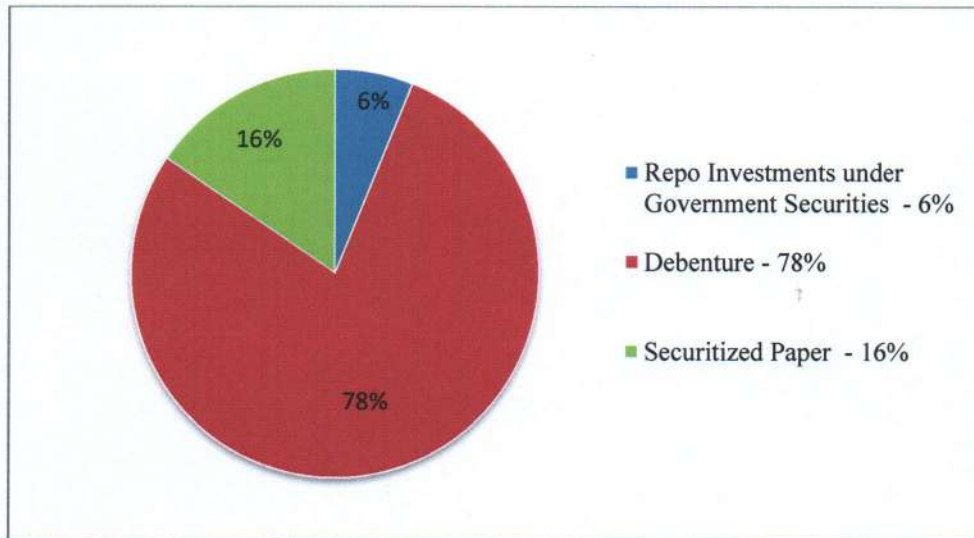
FIRST CAPITAL ASSET MANAGEMENT LIMITED

No. 2, Deal Place, Colombo 3, Sri Lanka.

Tel : +94-11-2639898, 2576878 Fax : +94-11-2576866, 2639899 E-mail : info@firstcapital.lk Web : www.firstcapital.lk
Company Reg. No : PB 187

Asset Allocation as at 30 September 2017 (%)

The Fund maintained majority of its investments in Debentures (78%) and Securitized Papers (16%) and Repo Investments comprising the remainder.



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 WEALTH FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For Six months ended 30 September	2017	2016
	Unaudited	Unaudited
	Rs.	Rs.
Income	46,189,682	90,144,902
Direct expenses	(551,250)	(9,639,977)
Net trading income	45,638,432	80,504,925
Other income	-	267,110
Gain on fair valuation of financial investments - held for trading	31,435,457	26,778,644
	<u>77,073,889</u>	<u>107,550,679</u>
Administration and other operating expenses	(8,064,651)	(16,776,913)
Profit before taxation	69,009,238	90,773,766
Income tax expenses	(978,154)	(6,245,134)
Profit for the period	68,031,084	84,528,632
Total comprehensive income	68,031,084	84,528,632
Increase in net assets attributable to unit holders	68,031,084	84,528,632

Figures in brackets indicate deductions.

The notes form an integral part of these financial statements.

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

As at	30.09.2017 Unaudited Rs.	31.03.2017 Audited Rs.
Assets		
Cash at bank	2,049,524	1,773,009
Financial investments - held for trading	668,263,405	1,310,359,768
Financial investments - loans and receivables	43,800,968	88,501,830
Taxes receivable	15,812,545	15,838,042
Other receivables	946,668	8,917,310
	730,873,110	1,425,389,959
Total Assets		
Unit holders' funds and liabilities		
Liabilities		
Payables under repurchase agreements - government securities	-	32,008,460
Creditors and accruals	996,735	2,299,555
	996,735	34,308,015
Total Liabilities		
Unit holders' funds		
Net assets attributable to unit holders	729,876,375	1,391,081,944
Total unit holders' funds and liabilities		
	730,873,110	1,425,389,959
Net asset per unit	1,146.03	1,202.62

The notes form an integral part of these financial statements.

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

Approved by the Management Company and the Trustee on 8 December 2017.



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

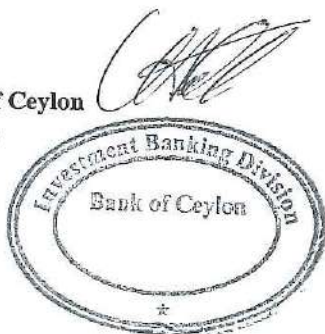


Dilshan Wirasekara
Director/ Chief Executive Officer
First Capital Asset Management Limited
Fund Management Company



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

Bank of Ceylon
Trustee



FIRST CAPITAL WEALTH FUND
STATEMENT OF CHANGES IN UNIT HOLDERS' FUNDS

	Unit holders' Capital Rs.	Retained Earnings Rs.	Unit holders' Funds Rs.
Balance as at 01 April 2016 (Audited)	2,528,423,814	253,139,625	2,781,563,439
Capital infused during the period	604,126,466	-	604,126,466
Capital redeemed during the period	(1,370,715,321)	-	(1,370,715,321)
Increase in net assets attributable to unit holders	-	84,528,632	84,528,632
Dividend paid	-	(217,981,821)	(217,981,821)
Balance as at 30 September 2016 (Unaudited)	<u>1,761,834,959</u>	<u>119,686,436</u>	<u>1,881,521,395</u>
Balance as at 01 April 2017 (Audited)	1,177,513,885	213,568,059	1,391,081,944
Capital infused during the period	71,638,581	-	71,638,581
Capital redeemed during the period	(664,984,580)	-	(664,984,580)
Increase in net assets attributable to unit holders	-	68,031,084	68,031,084
Dividend paid	-	(135,890,654)	(135,890,654)
Balance as at 30 September 2017 (Unaudited)	<u>584,167,886</u>	<u>145,708,489</u>	<u>729,876,375</u>

Figures in brackets indicate deduction.

The notes form an integral part of these financial statements.

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

For Six months ended 30 September

	2017 Unaudited Rs.	2016 Unaudited Rs.
Cash flows from operating activities		
Profit before taxation	69,009,238	90,773,766
Adjustment for :		
Gain on fair value of financial investments - held for trading	(31,435,457)	(26,778,644)
Operating profit before working capital changes	37,573,781	63,995,122
Decrease in financial investments - held for trading	673,531,818	431,034,319
Decrease in loans and receivables	44,700,862	785,317,180
Decrease in other receivables	7,970,643	-
Decrease in creditors and accruals	(1,302,820)	(1,294,830)
Decrease in payables under repurchase agreements	(32,008,460)	(290,504,431)
Cash generated flows from/ (used in) operations	730,465,824	988,547,360
Tax paid	(952,656)	(5,953,695)
Net cash flows from/ (used in) operating activities	729,513,168	982,593,665
Net cash flows from/(used in) investing activities	-	-
Cash flows from financing activities		
Capital infused by unit holders (net)	(593,345,999)	(766,588,855)
Dividend paid	(135,890,654)	(217,981,821)
Net cash flows from/ (used in) financing activities	(729,236,653)	(984,570,676)
Net cash inflows/ (outflows) for the period	276,515	(1,977,011)
Cash and cash equivalents at the beginning of the period	1,773,009	4,325,240
Cash and cash equivalents at the end of the period	2,049,524	2,348,229

Figures in brackets indicate deductions.

The notes form an integral part of these financial statements.

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

1. The number of Units represented by unitholders' funds as at 30 September 2017 is 636,872.
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.