

**FIRST CAPITAL EQUITY FUND
INTERIM FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 30TH SEPTEMBER 2022**



REPORT OF THE MANAGER

We have pleasure in presenting the Unaudited Interim Financial Statements of First Capital Equity Fund (the Fund) for the six months ended 30th September 2022.

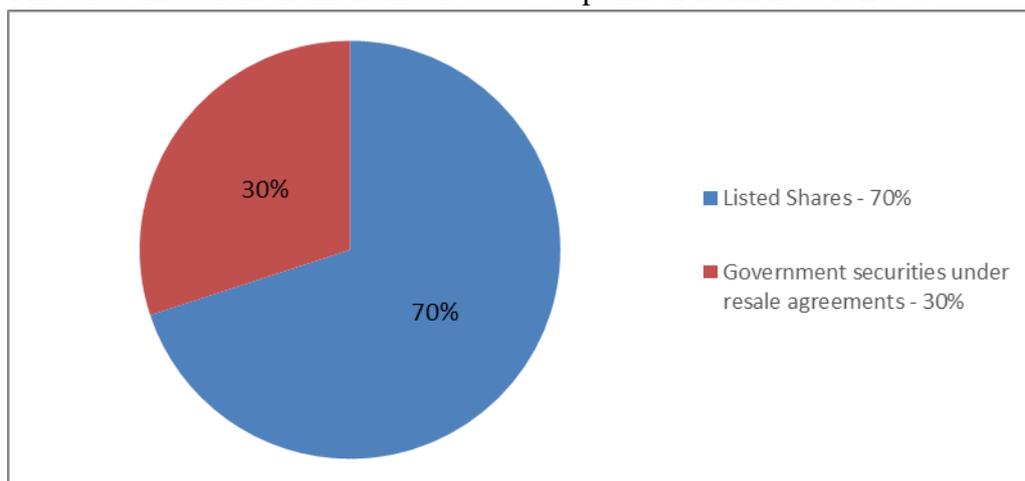
Fund Performance

First Capital Equity Fund reported a Profit after Tax of Rs. 12.3Mn for the first six months ended 30th September 2022 compared to Rs. 4.2Mn in the corresponding period of previous year. The higher Profit after Tax reported for the period under review is as a result of the increase in fair valuation gain on equity portfolios. Fair valuation gain for the first six months of 2022/23 was Rs. 6.16Mn (2021/22 – Rs. 0.5Mn).

The Fund reported a return of 13.13% for the six months ended 30th September 2022 compared to Equity Market return of 17.23% (All Share Price Index perspective). The Return reported in the corresponding period of the previous year (2021/22) was 5.24% compared to the Equity Market return of 32.84%. The Funds under Management as at 30th September 2022 was Rs. 106Mn compared to Rs. 92Mn at the beginning of the year (The Fund's yield is variable and subject to change. Past performance is not an indicator of future performance).

Asset Allocation as at 30th September 2022 (%)

The asset allocation of the Fund as at 30th September 2022 is as follows.



FIRST CAPITAL ASSET MANAGEMENT LIMITED

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Company Reg. No: PB 187

Appreciations

We take this opportunity to thank our valued unitholders for the trust and confidence placed in us. We also place on record our appreciation for the support extended by the Securities and Exchange Commission of Sri Lanka and our Trustee, Bank of Ceylon.

We express our sincere thanks to the Board of Directors, Management Team and Staff of the First Capital Asset Management Limited for their contribution towards our performance.

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

For Six Months ended 30th September	2022	2021
	Unaudited	Unaudited
	Rs.	Rs.
Income	7,575,038	5,890,864
Direct expenses	(365,090)	(1,479)
Net trading income	7,209,948	5,889,385
Unrealised gain on fair valuation of financial assets recognised through profit or loss - measured at fair value	6,161,501	510,241
	13,371,449	6,399,626
Administration and other operating expenses	(1,084,730)	(2,218,403)
Profit before taxation	12,286,719	4,181,223
Income tax expenses	-	-
Profit for the period	12,286,719	4,181,223
Increase in net assets attributable to unitholders	12,286,719	4,181,223

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	30.09.2022	31.03.2022
	Unaudited	Audited
	Rs.	Rs.
Assets		
Cash at bank	1,360,194	1,876,745
Financial assets recognised through profit or loss - measured at fair value	73,679,052	57,684,404
Financial assets at amortised cost	31,656,803	30,519,052
Dividend receivables	77,429	2,055,367
Total Assets	106,773,478	92,135,568
Unitholders' funds and liabilities		
Liabilities		
Accrued expenses and other liabilities	750,606	546,901
Total Liabilities	750,606	546,901
Unitholders' funds		
Net assets attributable to unitholders	106,022,872	91,588,667
	106,022,872	91,588,667
Total unitholders' funds and liabilities	106,773,478	92,135,568
Net assets per unit (Rs.)	1,757.84	1,553.81

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 on 22nd December 2022.



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



Chandana de Silva
Director
First Capital Asset Management Limited
Fund Management Company

**FIRST CAPITAL EQUITY FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS**

For Six Months ended 30th September 2022

	Unitholders' Funds
	Rs.
Balance as at 1st April 2021 (Audited)	78,944,964
Capital infused during the period	865,000
Capital withdrawals made during the period	-
Increase in net assets attributable to unitholders	4,181,223
Balance as at 30th September 2021 (Unaudited)	<u>83,991,187</u>
Balance as at 1st April 2022 (Audited)	91,588,667
Capital infused during the period	2,393,194
Capital withdrawals made during the period	(245,708)
Increase in net assets attributable to unitholders	12,286,719
Balance as at 30th September 2022 (Unaudited)	<u>106,022,872</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 30th September

	2022 Unaudited Rs.	2021 Unaudited Rs.
Cash flows from operating activities		
Profit before taxation	12,286,719	4,181,223
Adjustment for :		
Unrealised gain on fair valuation of financial assets - at fair value through profit and loss	(6,161,501)	(510,241)
Operating profit before working capital changes	6,125,218	3,670,982
(Increase)/ Decrease in financial assets -at fair value through profit or loss	(9,833,147)	9,937,384
Increase in financial assets -at amortised cost	(1,137,751)	(16,373,873)
Decrease in dividend receivables	1,977,938	2,845,999
Increase/ (Decrease) in accruals and other payables	203,705	(563,179)
Cash flows generated from/ (used in) operations	(2,664,037)	482,687
Net cash flows from/ (used in) operating activities	(2,664,037)	482,687
Net cash flows from investing activities	-	-
Cash flows from/ (used in) financing activities		
Capital infused during the period	2,393,194	865,000
Capital redeemed during the period	(245,708)	-
Net cash flows from financing activities	2,147,486	865,000
Net increase in cash and cash equivalents during the period	(516,551)	382,313
Cash and cash equivalents at the beginning of the period	1,876,745	895,544
Cash and cash equivalents at the end of the period	1,360,194	1,277,857

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 30th September 2022 is 60,314.
2. The above figures are subject to audit. The same accounting policies as in the Audited Financial Statements for the year ended 31st March 2022 have been followed in the preparation of the above interim financial statements.
3. There have been no material capital commitment and contingent liabilities as at the reporting date which require disclosures in the financial statements (No commitment and contingent liabilities as at 31st March 2022).
4. There have been no material events after the reporting period which require adjustments/disclosures in the following interim financial statements.

FIRST CAPITAL EQUITY FUND
INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30TH SEPTEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

5 Financial instruments- Fair Value Measurement

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements in accordance with SLFRS 13.

Level - 1

Financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level - 2

Financial instruments that are measured at fair value on a recurring basis. As market quotes generally are not readily available or accessible for these securities, their fair value measures are determined using relevant information generated by market transactions involving comparable securities.

Level - 3

Financial Instruments that are not supported by observable market prices information.

Due to the nature of the short term maturity, Carrying value of the financial asset at amortised cost are approximated to their fair value.

5.1 Fair values versus the Carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position are as follows;

	As at 30.09.2022		As at 31.03.2022	
	Carrying		Carrying	
	Amount	Fair Value	Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets recognised through profit or loss - measured at fair value	73,679,052	73,679,052	57,684,404	57,684,404
	73,679,052	73,679,052	57,684,404	57,684,404
Financial assets not measured at fair value				
Cash at banks	1,360,194	1,360,194	1,876,745	1,876,745
Financial assets at amortised cost	31,656,803	31,656,803	30,519,052	30,519,052
Dividend receivable	77,429	77,429	2,055,367	2,055,367
	33,094,426	33,094,426	34,451,164	34,451,164
Total financial assets	106,773,478	106,773,478	92,135,568	92,135,568
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other liabilities	750,606	750,606	546,901	546,901
Total financial liabilities	750,606	750,606	546,901	546,901

FIRST CAPITAL EQUITY FUND
INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30TH SEPTEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS

5.2 Financial instruments- Fair Value

The following tables show an analysis of financial instruments at fair value and by level of fair value hierarchy.

As at 30th September 2022

Financial assets measured at fair value

Financial assets recognised through profit or loss - measured at fair value

Investment in listed shares

Financial assets not measured at fair value

Cash at Bank

Financial assets - at amortised cost

Dividend receivable

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accrued expenses and other liabilities

Total financial liabilities

As at 31st March 2022

Financial assets measured at fair value

Financial assets - at fair value through profit or loss

Investment in listed shares

Financial assets not measured at fair value

Cash at bank

Financial assets at amortised cost

Dividend receivables

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accrued expenses and other liabilities

Total financial liabilities

	Level 1	Level 2	Level 3	Total Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets recognised through profit or loss - measured at fair value				
Investment in listed shares	73,679,052	-	-	73,679,052
	73,679,052	-	-	73,679,052
Financial assets not measured at fair value				
Cash at Bank	-	-	1,360,194	1,360,194
Financial assets - at amortised cost	-	-	31,656,803	31,656,803
Dividend receivable	-	-	77,429	77,429
	-	-	33,094,426	33,094,426
Total financial assets	73,679,052	-	33,094,426	106,773,478
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other liabilities	-	-	750,606	750,606
Total financial liabilities	-	-	750,606	750,606
As at 31st March 2022				
	Level 1	Level 2	Level 3	Total Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets - at fair value through profit or loss				
Investment in listed shares	57,684,404	-	-	57,684,404
	57,684,404	-	-	57,684,404
Financial assets not measured at fair value				
Cash at bank	-	-	1,876,745	1,876,745
Financial assets at amortised cost	-	-	30,519,052	30,519,052
Dividend receivables	-	-	2,055,367	2,055,367
	-	-	34,451,164	34,451,164
Total financial assets	57,684,404	-	34,451,164	92,135,568
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other liabilities	-	-	546,901	546,901
Total financial liabilities	-	-	546,901	546,901

5.3 Financial instruments - Accounting classifications

As at 30th September 2022

	Financial assets - FVTPL	Financial assets/ liabilities at amortised cost	Total carrying amount	Fair value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets - FVTPL	73,679,052	-	73,679,052	73,679,052
	73,679,052	-	73,679,052	73,679,052
Financial assets not measured at fair value				
Cash at banks	-	1,360,194	1,360,194	1,360,194
Financial assets - at amortised cost	-	31,656,803	31,656,803	31,656,803
Dividend receivable	-	77,429	77,429	77,429
	-	33,094,426	33,094,426	33,094,426
Total financial assets	73,679,052	33,094,426	106,773,478	106,773,478
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other liabilities	-	750,606	750,606	750,606
Total financial liabilities	-	750,606	750,606	750,606

As at 31st March 2022

	Financial assets - FVTPL	Financial assets/ liabilities at amortised cost	Total carrying amount	Fair value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets - FVTPL	57,684,404	-	57,684,404	57,684,404
	57,684,404	-	57,684,404	57,684,404
Financial assets not measured at fair value				
Cash at banks	-	1,876,745	1,876,745	1,876,745
Financial assets at amortised cost	-	30,519,052	30,519,052	30,519,052
Dividend receivable	-	2,055,367	2,055,367	2,055,367
	-	34,451,164	34,451,164	34,451,164
Total financial assets	57,684,404	34,451,164	92,135,568	92,135,568
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other liabilities	-	546,901	546,901	546,901
Total Financial Liabilities	-	546,901	546,901	546,901