



First Capital
A Janashakthi Group Company

PROVISIONAL FINANCIAL STATEMENTS

Six Months ended
30 September 2024

FIRST CAPITAL GILT EDGED FUND

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REPORT OF THE MANAGER

We have pleasure in presenting the Unaudited Interim Financial Statements of First Capital Gilt - Edged Fund (the Fund) for the six months ended 30 September 2024.

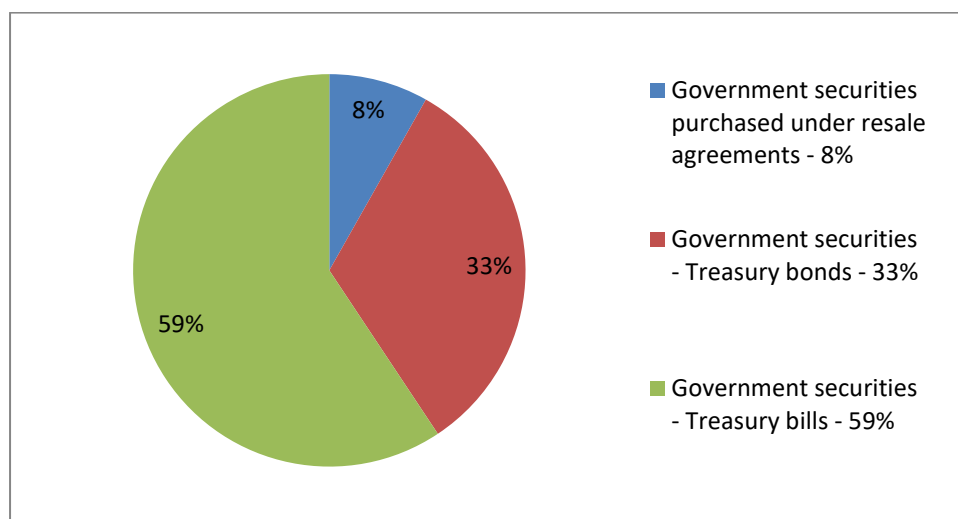
Fund Performance

First Capital Gilt - Edged Fund reported a Profit after Tax of Rs. 9.2Mn for the six months ended 30 September 2024 compared to Rs. 89.7Mn in the corresponding period of the previous year. The decrease in Profit after Tax for the period under review is as a result of the decline in Funds under Management and due to the interest rate regime, which prevailed during the period under review.

The Fund reported an Annualised return of 8.77% (inclusive of the marked to market loss) for the six months ended 30 September 2024 compared to the benchmark one-year average treasury bill yield of 9.95% published by the Central Bank of Sri Lanka. The Annualised Return reported in the corresponding period of the previous year (2023/24) was 23.53% compared to the benchmark one-year average treasury bill yield of 17.22% published by the Central Bank of Sri Lanka. The Funds under Management as at 30 September 2024 was Rs. 204Mn compared to Rs. 229.3Mn 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 30 September 2024

The Asset Allocation of the Fund as at 30 September 2024 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 First Capital Asset Management Limited for their contribution towards our performance.

FIRST CAPITAL GILT-EDGED FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For six months ended 30 September

	2024	2023
	Unaudited	Unaudited
	Rs.	Rs.
Income	10,549,540	95,675,184
Direct expenses	(115,002)	(364,894)
Net trading income	10,434,538	95,310,290
Loss on fair valuation of financial assets recognised through profit or loss - measured at fair value	(136,055)	(2,578,900)
	10,298,483	92,731,390
Administration and other operating expenses	(1,062,533)	(3,051,985)
Profit before tax	9,235,950	89,679,405
Income tax expenses	-	-
Profit for the period	9,235,950	89,679,405
Other comprehensive income	-	-
Total comprehensive income for the period	9,235,950	89,679,405

Figures in brackets indicate deductions.

The notes form an integral part of these provisional financial statements.

**FIRST CAPITAL GILT-EDGED FUND
STATEMENT OF FINANCIAL POSITION**

As at		30.09.2024	31.03.2024
	Note	Unaudited Rs.	Audited Rs.
Assets			
Cash at bank		1,646,813	280,987
Financial assets recognised through profit or loss - measured at fair value	5	186,071,250	164,796,375
Financial assets at amortised cost	6	16,604,116	64,793,948
Total assets		204,322,179	229,871,310
Unitholders' funds and liabilities			
Liabilities			
Accruals and other payables		323,569	581,516
Total liabilities		323,569	581,516
Unitholders' funds			
Net assets attributable to unitholders		203,998,610	229,289,794
Total unitholders' funds		203,998,610	229,289,794
Total unitholders' funds and liabilities		204,322,179	229,871,310
Net assets value per unit		2,417.03	2,317.28

The notes form an integral part of these provisional financial statements.

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

Approved by the Managing Company on 19 December 2024.



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



Dilshan Wirasekara
Director
First Capital Asset Management Limited
Fund Management Company



Nishan de Mel
Chairman
First Capital Asset management Limited
Fund Management Company

FIRST CAPITAL GILT-EDGED FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

For Six Months ended 30 September 2024

Unitholders' Funds
Rs.

Balance as at 1 April 2023 (Audited)	1,367,225,776
Increase due to unit creation during the period	2,006,660,471
Decrease due to unit redemption during the period	(3,028,298,505)
Increase in net assets attributable to unitholders	89,679,405
Balance as at 30 September 2023 (Unaudited)	435,267,147

Balance as at 1 April 2024 (Audited)	229,289,794
Increase due to unit creation during the period	59,222,937
Decrease due to unit redemption during the period	(93,750,071)
Increase in net assets attributable to unitholders	9,235,950
Balance as at 30 September 2024 (Unaudited)	203,998,610

Figures in brackets indicate deduction.

The notes form an integral part of these provisional financial statements.

FIRST CAPITAL GILT-EDGED FUND
STATEMENT OF CASH FLOWS

For Six Months ended 30 September

	2024	2023
	Unaudited	Unaudited
	Rs.	Rs.
Cash flows from operating activities		
Profit before taxation	9,235,950	89,679,405
Adjustment for :		
Loss on fair valuation of financial assets recognised through profit or loss - measured at fair value	136,055	2,578,900
Operating profit before working capital changes	9,372,005	92,258,305
(Increase) / Decrease in financial assets - at fair value through profit or loss	(21,410,930)	376,935,700
(Increase) / Decrease in financial assets - at amortised cost	48,189,832	552,972,904
Increase / (Decrease) in accruals and other payables	(257,947)	(3,877,685)
Cash flows generated from / (used in) operating activities	35,892,960	1,018,289,224
Tax paid	-	-
Net cash flows generated from / (used in) operating activities	35,892,960	1,018,289,224
Net cash flows from / (used in) investing activities	-	-
Cash flows from / (used in) financing activities		
Proceeds from units creations	59,222,937	2,006,660,471
Payments for units redemptions	(93,750,071)	(3,028,298,505)
Net cash flows generated from / (used in) financing activities	(34,527,134)	(1,021,638,034)
Net increase / (decrease) in cash and cash equivalents	1,365,826	(3,348,810)
Cash and cash equivalents at the beginning of the period	280,987	3,986,004
Cash and cash equivalents at the end of the period	1,646,813	637,194

Figures in brackets indicate deductions.

The notes form an integral part of these provisional financial statements.

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

1. The number of Units represented by unitholders' funds as at 30 September 2024 is 84,401.
2. The above figures are provisional. The same accounting policies as in the Audited Financial Statements for the year ended 31 March 2024 have been followed in the preparation of the above provisional 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 31 March 2024).
4. There have been no material events after the reporting period which require adjustments/disclosures in these provisional financial statements.

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

	30.09.2024 Rs.	31.03.2024 Rs.
5. Financial Assets Recognised through Profit or Loss-Measured at Fair Value		
Treasury bill	120,247,830	164,796,375
Treasury bond	65,823,420	-
	<u>186,071,250</u>	<u>164,796,375</u>
6. Financial Assets at Amortised Cost		
Investment in government securities purchased under resale agreement	16,604,116	64,793,948
	<u>16,604,116</u>	<u>64,793,948</u>

7. 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.

7.1 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 30.09.2024		As at 31.03.2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value				
Financial assets recognised through profit or loss - measured at fair value	186,071,250	186,071,250	164,796,375	164,796,375
Financial assets not measured at fair value				
Cash at bank	1,646,813	1,646,813	280,987	280,987
Financial assets at amortised cost	16,604,116	16,604,116	64,793,948	64,793,948
	<u>18,250,929</u>	<u>18,250,929</u>	<u>65,074,935</u>	<u>65,074,935</u>
Total financial assets	<u>204,322,179</u>	<u>204,322,179</u>	<u>229,871,310</u>	<u>229,871,310</u>
Financial liabilities measured at fair value				
	-	-	-	-
Financial liabilities not measured at fair value				
Accruals and other payables	323,569	323,569	581,516	581,516
Total financial liabilities	<u>323,569</u>	<u>323,569</u>	<u>581,516</u>	<u>581,516</u>

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

7.2 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 2024

Financial assets measured at fair value

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

- Investment in government securities - Treasury Bills
- Investment in government securities - Treasury Bonds

Financial assets not measured at fair value

- Cash at bank
- Financial assets at amortised cost

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accruals and other payables

Total financial liabilities

Total Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Rs.	Rs.	Rs.	Rs.	Rs.
120,247,830	120,247,830	-	-	120,247,830
65,823,420	65,823,420	-	-	65,823,420
186,071,250	186,071,250	-	-	186,071,250
1,646,813	-	-	1,646,813	1,646,813
16,604,116	-	-	16,604,116	16,604,116
18,250,929	-	-	18,250,929	18,250,929
204,322,179	186,071,250	-	18,250,929	204,322,179
-	-	-	-	-
323,569	-	-	323,569	323,569
323,569	-	-	323,569	323,569

As at 31st March 2024

Financial assets measured at fair value

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

- Investment in government securities - Treasury bills

Financial assets not measured at fair value

- Cash at bank
- Financial assets at amortised cost

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accruals and other payables

Total financial liabilities

Total Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Rs.	Rs.	Rs.	Rs.	Rs.
164,796,375	164,796,375	-	-	164,796,375
280,987	-	-	280,987	280,987
64,793,948	-	-	64,793,948	64,793,948
65,074,935	-	-	65,074,935	65,074,935
229,871,310	164,796,375	-	65,074,935	229,871,310
-	-	-	-	-
581,516	-	-	581,516	581,516
581,516	-	-	581,516	581,516

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

7.3 Financial instruments - Accounting classifications

As at 30 September 2024

Financial assets not measured at fair value

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

Financial assets not measured at fair value

Cash at bank

Financial assets at amortised cost

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accruals and other payables

Total financial liabilities

Financial assets · FVTPL	Financial assets/ liabilities at amortised cost	Total carrying amount	Fair value
Rs.	Rs.	Rs.	Rs.
186,071,250	-	186,071,250	186,071,250
-	1,646,813	1,646,813	1,646,813
-	16,604,116	16,604,116	16,604,116
-	18,250,929	18,250,929	18,250,929
186,071,250	18,250,929	204,322,179	204,322,179
-	-	-	-
-	323,569	323,569	323,569
-	323,569	323,569	323,569

As at 31 March 2024

Financial assets not measured at fair value

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

Financial assets not measured at fair value

Cash at bank

Financial assets at amortised cost

Total financial assets

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Accruals and other payables

Total financial liabilities

Financial assets · FVTPL	Financial assets/ liabilities at amortised cost	Total carrying amount	Fair value
Rs.	Rs.	Rs.	Rs.
164,796,375	-	164,796,375	164,796,375
-	280,987	280,987	280,987
-	64,793,948	64,793,948	64,793,948
-	65,074,935	65,074,935	65,074,935
164,796,375	65,074,935	229,871,310	229,871,310
-	-	-	-
-	581,516	581,516	581,516
-	581,516	581,516	581,516

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

8. Related party disclosures

8.1 Directorships in other companies

The Directors of First Capital Asset Management Limited (Managing Company of the Unit Trust) are also Directors of the following companies (as of 30 September 2024).

Name of the company	Relationship	Dr. Nishan De Mel	Ms. Minette Perera	Mr. Dilshan Wirasekara	Mr. Kuda Banda Herath
Janashakthi Limited	Ultimate Parent	-	Director	-	-
First Capital Holdings PLC	Intermediary Parent	-	-	Managing Director/ CEO	Director
First Capital Limited	Immediate Parent	-	-	Managing Director/ CEO	-
First Capital Treasuries PLC	Subsidiary of the Immediate Parent	Director	Director	Director	-
First Capital Markets Limited	Subsidiary of the Immediate Parent	Director	Director	Managing Director/ CEO	-
First Capital Equities (Private) Limited	Subsidiary of the Immediate Parent	Director	Director	Director	-
First Capital Trustee Services (Private) Limited	Subsidiary of the Immediate Parent	-	-	Managing Director/ CEO	-
First Capital Advisory Services (Private) Limited	Subsidiary of the Immediate Parent	-	-	Director	-
Janashakthi Insurance PLC	Subsidiary of the Ultimate Parent	Director	-	-	-
Janashakthi Capital Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Janashakthi Business Services (Private) Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Janashakthi Corporate Services Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Beckett Capital (Pvt) Ltd *	Subsidiary of the Ultimate Parent	-	-	-	-
Orient Finance PLC **	Subsidiary of the Ultimate Parent	-	-	-	-

*Mr. Ramesh Schaffter represents as a director of the company and is also a director of Janashakthi Limited (Ultimate Parent company).

** Mr. Prakash Schaffter represents as a director of Orient Finance PLC and is also a director of Janashakthi Limited (Ultimate Parent company).

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

8. Related party disclosures (Contd.)

First Capital Asset Management Limited manages licensed Unit Trusts namely First Capital Wealth Fund, First Capital Fixed Income Fund, First Capital Gilt Edged Fund, First Capital Money Market Fund, First Capital Equity Fund and First Capital Money Plus Fund which are also treated as Related Parties of the Company.

The Fund carries out transactions with parties who are defined as related parties as per Sri Lanka Accounting Standard (LKAS 24), "Related Party Disclosure", in the ordinary course of its business. The details of such transactions are reported below. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Fund and is comparable with what is applied to transactions between the Fund and its unrelated customers. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

8.2 Transaction with managing company
Transactions for the period ended

Name of the company	Nature of the transaction	Transaction amount from 01-04-2024 to 30-09-2024	Amounts owed (to)/ by the related party as at 30-09-2024	Transaction amount from 01-04-2023 to 30-09-2023	Amounts owed (to)/ by the related party as at 31-03-2024
		Rs.	Rs.	Rs.	Rs.
First Capital Asset Management Limited	Management fee	661,558	(101,562)	2,087,532	(122,511)
Amounts owed (to) / by the related party	Nature of the transaction			Amounts owed (to) / by the related party as at 30-09-2024	Amounts owed (to) / by the related party as at 31-03-2024
				Rs.	Rs.
First Capital Asset Management Limited	Bank deposit made			(61,750)	(61,750)

8.3 Transaction with ultimate parent company/ parent company/ immediate parent company/ intermediary parent company/ subsidiaries of the immediate parent of the managing company.

Nature of transaction	Transaction amount from 01-04-2024 to 30-09-2024	Amounts owed (to)/ by the related party as at 30-09-2024	Transaction amount from 01-04-2023 to 30-09-2023	Amounts owed (to)/ by the related party as at 31-03-2024
	Rs.	Rs.	Rs.	Rs.
Interest income	2,466,019	-	19,064,718	-
Interest expense	115,002	-	364,894	-
Gain/ (loss) on sale of financial investments - held for trading	-	-	395,900.00	-
Investment in Unit Trust	-	-	-	-
Repo borrowings	-	-	-	-
Resale agreements	-	16,604,116	-	64,793,948
Benefit accrued on Unit Trust	-	-	-	-

FIRST CAPITAL GILT-EDGED FUND
NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS

8. Related party disclosures (Contd.)

8.4 Transactions with key management personnel (KMP) and their close family members (CFM)

According to Sri Lanka Accounting Standard LKAS 24 - "Related Party Disclosures", Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Accordingly, the Board of Directors of Frist Capital Asset Management Limited (Managing company) and parent companies namely, First Capital Limited, Frist Capital Holdings PLC and Janashakthi Limited and Chief Executive Officer of First Capital Asset Management Limited have been classified as KMPs of the entity.

Close Family Members of a Key Management Person are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the Entity. They may include;

- a. The individual's domestic partner and children;
- b. Children of the individual's domestic partner; and
- c. Dependants of the Individual or the individual's domestic partner

Close Family Members are related parties to the Entity.

Transactions with KMP/CFM	Transaction amount from 01-04-2024 to 30-09-2024 Rs.	Amounts owed (to)/ by the related party as at 30-09-2024 Rs.	Transaction amount from 01-04-2023 to 30-09-2023 Rs.	Amounts owed (to)/ by the related party as at 31-03-2024 Rs.
Investment in Unit Trust*	-	(3,886,294)	-	(1,218,310)
Benefit accrued on Unit Trust	166,586	-	1,184,195	-

* Number of units under this investment as at 30.09.2024 - 1,607.88 (31.03.2024 - 525.75).