



First Capital

A Janashakthi Group Company

PROVISIONAL FINANCIAL STATEMENTS

Six Months ended
30th September 2023

FIRST CAPITAL GILT EDGED FUND

Managed by

FIRST CAPITAL ASSET MANAGEMENT LIMITED

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First Capital

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 30th September 2023.

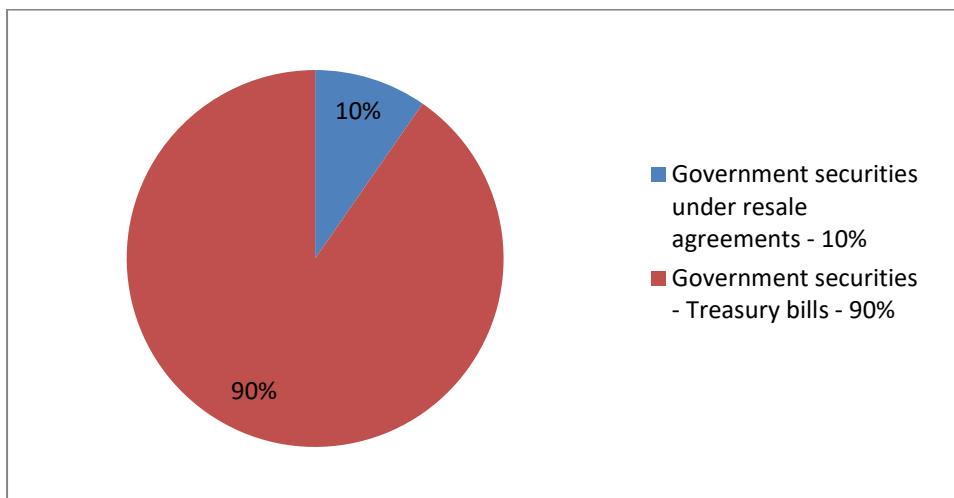
Fund Performance

First Capital Gilt - Edged Fund reported a Profit after Tax of Rs. 89.68Mn for the six months ended 30th September 2023 compared to Rs. 399Mn 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 23.53% for the six months ended 30th September 2023 compared to the benchmark one-year average treasury bill yield of 17.22% published by the Central Bank of Sri Lanka. The Annualised Return reported in the corresponding period of the previous year (2022/23) was 19.93% compared to the benchmark one-year average treasury bill yield of 20.54% published by the Central Bank of Sri Lanka. The Funds under Management as at 30th September 2023 was Rs. 435Mn compared to Rs. 1,367Mn 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 2023

The Asset Allocation of the Fund as at 30th September 2023 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 30th September	2023	2022
	Unaudited	Unaudited
	Rs.	Rs.
Income	95,675,184	412,093,984
Direct expenses	(364,894)	(5,178)
Net trading income	95,310,290	412,088,806
Gain / (Loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value	(2,578,900)	1,129,000
	92,731,390	413,217,806
Administration and other operating expenses	(3,051,985)	(14,276,017)
Profit before taxation	89,679,405	398,941,789
Income tax expenses	-	-
Profit for the period	89,679,405	398,941,789
Increase in net assets attributable to unitholders	89,679,405	398,941,789

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	30.09.2023 Unaudited Rs.	31.03.2023 Audited Rs.
Assets		
Cash at bank	637,194	3,986,004
Financial assets recognised through profit or loss - measured at fair value	393,048,800	772,563,400
Financial assets - at amortised cost	42,053,050	595,025,954
Total assets	435,739,044	1,371,575,358
Unitholders' funds and liabilities		
Liabilities		
Accrued expenses and other payables	471,897	4,349,582
Total liabilities	471,897	4,349,582
Unitholders' funds		
Net assets attributable to unitholders	435,267,147	1,367,225,776
	435,267,147	1,367,225,776
Total unitholders' funds and liabilities	435,739,044	1,371,575,358
Net assets per unit	2,182.27	1,962.86

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.

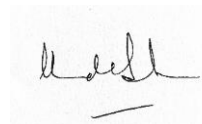
Approved by the Managing Company on 15th December 2023.



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



Dilshan Wirasekara
Managing Director/ CEO
First Capital Asset Management Limited
Fund Management Company



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

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

For Six Months ended 30th September 2023	Unitholders' Funds Rs.
Balance as at 1st April 2022 (Audited)	56,224,415
Increase due to unit creation during the period	17,883,618,190
Decrease due to unit redemption during the period	(15,658,323,828)
Increase in net assets attributable to unitholders	398,941,789
Balance as at 30th September 2022 (Unaudited)	<u>2,680,460,566</u>
Balance as at 1st 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 30th September 2023 (Unaudited)	<u>435,267,147</u>

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 30th September

	2023	2022
	Unaudited	Unaudited
	Rs.	Rs.
Cash flows from operating activities		
Profit before taxation	89,679,405	398,941,789
Adjustment for :		
(Gain) / Loss on fair valuation of financial assets recognised through profit or loss - measured at fair value	2,578,900	(1,129,000)
Operating profit before working capital changes	92,258,305	397,812,789
(Increase) / Decrease in financial assets - at Fair Value through profit or loss	376,935,700	(245,680,250)
(Increase) / Decrease in financial assets - at amortised cost	552,972,904	(2,380,748,114)
Increase / (Decrease) in accrued expenses and other liabilities	(3,877,685)	5,059,894
Net cash flows generated from / (used in) operating activities	1,018,289,224	(2,223,555,681)
Net cash flows from investing activities	-	-
Proceeds from units creations	2,006,660,471	17,883,618,190
Payments for units redemptions	(3,028,298,505)	(15,658,323,828)
Net cash flows generated from / (used in) financing activities	(1,021,638,034)	2,225,294,362
Net increase / (decrease) in cash and cash equivalents	(3,348,810)	1,738,681
Cash and cash equivalents at the beginning of the period	3,986,004	1,890,938
Cash and cash equivalents at the end of the period	637,194	3,629,619

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 30th September 2023 is 199,456.
2. The above figures are provisional. The same accounting policies as in the Audited Financial Statements for the year ended 31st March 2023 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 31st March 2023).
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

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 30.09.2023		As at 31.03.2023	
	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	393,048,800	393,048,800	772,563,400	772,563,400
Financial assets not measured at fair value				
Cash at bank	637,194	637,194	3,986,004	3,986,004
Financial assets at amortised cost	42,053,050	42,053,050	595,025,954	595,025,954
	42,690,244	42,690,244	599,011,958	599,011,958
Total financial assets	435,739,044	435,739,044	1,371,575,358	1,371,575,358
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other payables	471,897	471,897	4,349,582	4,349,582
Total financial liabilities	471,897	471,897	4,349,582	4,349,582

FIRST CAPITAL GILT - EDGED FUND
NOTES TO THE PROVISIONAL 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 2023

	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
- Investment in government securities - Treasury Bills	393,048,800	393,048,800	-	-	393,048,800
Financial assets not measured at fair value					
Cash at bank	637,194	-	-	637,194	637,194
Financial assets at amortised cost	42,053,050	-	-	42,053,050	42,053,050
	42,690,244	-	-	42,690,244	42,690,244
Total financial assets	435,739,044	393,048,800	-	42,690,244	435,739,044
Financial liabilities measured at fair value	-	-	-	-	-
Financial liabilities not measured at fair value					
Accrued expenses and other payables	471,897	-	-	471,897	471,897
Total financial liabilities	471,897	-	-	471,897	471,897

As at 31st March 2023

	Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
- Investment in government securities - Treasury Bills	772,563,400	772,563,400	-	-	772,563,400
Financial assets not measured at fair value					
Cash at bank	3,986,004	-	-	3,986,004	3,986,004
Financial assets at amortised cost	595,025,954	-	-	595,025,954	595,025,954
	599,011,958	-	-	599,011,958	599,011,958
Total financial assets	1,371,575,358	772,563,400	-	599,011,958	1,371,575,358
Financial liabilities measured at fair value	-	-	-	-	-
Financial liabilities not measured at fair value					
Accrued expenses and other payables	4,349,582	-	-	4,349,582	4,349,582
Total financial liabilities	4,349,582	-	-	4,349,582	4,349,582

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

5.3 Financial instruments - Accounting classifications

As at 30th September 2023

	Financial assets/ liabilities at		Total carrying amount	Fair value
	Financial assets FVTPL	amortised cost		
	Rs.	Rs.	Rs.	Rs.
Financial assets not measured at fair value				
Financial assets recognised through profit or loss - measured at fair value	393,048,800	-	393,048,800	393,048,800
Financial assets not measured at fair value				
Cash at bank	-	637,194	637,194	637,194
Financial assets at amortised cost	-	42,053,050	42,053,050	42,053,050
	-	42,690,244	42,690,244	42,690,244
Total financial assets	393,048,800	42,690,244	435,739,044	435,739,044
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other payables	-	471,897	471,897	471,897
Total financial liabilities	-	471,897	471,897	471,897

As at 31st March 2023

	Financial assets/ liabilities at		Total carrying amount	Fair value
	Financial assets FVTPL	amortised cost		
	Rs.	Rs.	Rs.	Rs.
Financial assets not measured at fair value				
Financial assets recognised through profit or loss - measured at fair value	772,563,400	-	772,563,400	772,563,400
Financial assets not measured at fair value				
Cash at bank	-	3,986,004	3,986,004	3,986,004
Financial assets at amortised cost	-	595,025,954	595,025,954	595,025,954
	-	599,011,958	599,011,958	599,011,958
Total financial assets	772,563,400	599,011,958	1,371,575,358	1,371,575,358
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Accrued expenses and other payables	-	4,349,582	4,349,582	4,349,582
Total financial liabilities	-	4,349,582	4,349,582	4,349,582