



**STATEMENT OF INCOME**

**BALANCE SHEET**

	Six Months Ended 30-Sep-2008 Rs. '000	Six Months Ended 30-Sep-2007 Rs. '000
<b>Income</b>	<b>773,612</b>	<b>700,963</b>
Interest Expenses & Direct Expenses	(678,794)	(622,074)
<b>Net Operating Income</b>	<b>94,818</b>	<b>78,889</b>
Other Income	1,254	5,809
Personnel Costs	(13,020)	(8,702)
Operating Expenses	(10,941)	(11,101)
Finance Charges	(4,831)	(4,975)
<b>Profit Before Taxation</b>	<b>67,280</b>	<b>59,920</b>
Income Tax Expenses	(26,089)	(21,554)
<b>Profit for the Period</b>	<b>41,191</b>	<b>38,366</b>
<b>Earnings Per Share (Rs.)</b>	<b>3.21</b>	<b>2.99</b>

**ASSETS**

	As at 30-Sep-2008 Rs. '000	As at 31-Mar-2008 Rs. '000
Cash at Bank and in Hand	1,225	445
Receivable under Resale Agreements	3,418,809	5,174,782
Dealing Securities	6,214,359	4,598,913
Staff Loans	6,213	8,159
Deferred Tax Assets	55,158	67,153
Other Assets	6,693	12,592
Property & Equipment	7,896	3,894
Intangible Assets	-	242
<b>Total Assets</b>	<b>9,710,353</b>	<b>9,866,180</b>

**EQUITY & LIABILITIES**

**LIABILITIES**

Bank Overdraft	-	3,044
Payable under Repurchase Agreements	9,140,767	9,344,502
Creditors & Accrued Charges	10,540	9,654
Income Tax Payable	110,891	102,856
Debentures	20,000	20,000
Provision for Retirement Gratuity	4,119	3,279
<b>Total Liabilities</b>	<b>9,286,317</b>	<b>9,483,335</b>

**EQUITY**

Stated Capital	256,500	256,500
Risk Reserve	35,823	25,525
Retained Earnings	131,713	100,820
<b>Total Equity</b>	<b>424,036</b>	<b>382,845</b>

**Total Equity & Liabilities**

**9,710,353**      **9,866,180**

The Board of Directors is responsible for the preparation and presentation of these financial statements.

For and on behalf of the Board,

Sgd.  
Ms. Manjula Mathews  
Director  
Colombo, 25th November 2008

Sgd.  
Mr. Mahinda Godakandaarachchi  
Director /CEO

Simplemind, tel: 2691684

**NOTES TO THE FINANCIAL STATEMENTS**

- Accounting Policies are the same as in the previous Annual Financial Statements.
- The number of shares represented by stated capital as at 30th September 2008 is 25,650,000 shares.
- There have been no material events subsequent to the balance sheet date which require disclosures or adjustments in the financial statements.

**No. 165, Kynsey Road, Colombo 08, Sri Lanka. Tel: 2639898 Fax: 2681460 Email: fclgroup@fclgroup.com Web: www.fclgroup.com**

**Range of Products:** Capital Market - Outright Sales & Purchases of Treasury Bonds, Financial Services - Primary & Secondary Dealing in Government Securities, Money Market - Repurchase Agreements (Repo) and Reverse Repurchase Agreements (Reverse Repos), Outright Sales & Purchases of Treasury Bills.

**Branches - Matara:** 45A, 1/3, Anagarika Dharmapala Mawatha, Matara. Tel: 041-2222988/78, **Kandy:** 213-215, Peradeniya Road, Kandy. Tel: 081-2236010/11

**Auditors:** KPMG Ford, Rhodes, Thornton & Co.

**Board of Directors:** Mr. Dinesh Schaffter, Ms. Manjula Mathews, Mr. Mahinda Godakandaarachchi, Mr. Sumith Guruge, Mr. K.M.A. Godawatte, Mr. Jude Fernando