

Statement of Changes in Equity

For the year ended 31 December	Stated capital		Reserves			Total Equity
	Ordinary voting shares	Statutory reserve	Retained earnings	Available-for-sale reserve/fair value through OCI	General reserves	
	LKR	LKR	LKR	LKR	LKR	
Balance as at 1 January 2017	4,062,961,714	172,372,786	1,249,742,154	(12,453,979)	46,656,973	5,519,279,648
Profit for the year	-	-	507,823,532	-	-	507,823,532
Other comprehensive income (net of tax)	-	-	2,077,254	-	-	2,077,254
Total comprehensive income for the year	-	-	509,900,786	-	-	509,900,786
Transactions with equity holders, recognised directly in equity						
Share issue/increase of assigned capital	1,461,340,020	-	-	-	-	1,461,340,020
Scrip dividend	234,387,477	-	(262,498,600)	-	-	(28,111,123)
Transfer to statutory reserve fund	-	25,391,177	(25,391,177)	-	-	-
Dividends to equity holders	-	-	(131,249,300)	-	-	(131,249,300)
Total transactions with equity holders	1,695,727,497	25,391,177	(419,139,077)	-	-	1,301,979,597
Balance as at 31 December 2017	5,758,689,211	197,763,963	1,340,503,863	(12,453,979)	46,656,973	7,331,160,031
Balance as at 31 December 2017	5,758,689,211	197,763,963	1,340,503,863	(12,453,979)	46,656,973	7,331,160,031
Impact of adoption of SLFRS 9 as at 1 January 2018 (Note 43)	-	-	(37,054,387)	-	-	(37,054,387)
Restated balance under SLFRS 9 as at 1 January 2018	5,758,689,211	197,763,963	1,303,449,476	(12,453,979)	46,656,973	7,294,105,644
Profit for the year	-	-	356,950,119	-	-	356,950,119
Other comprehensive income (net of tax)	-	-	(33,116,620)	(3,388,111)	-	(36,504,731)
Total comprehensive income for the year	-	-	323,833,499	(3,388,111)	-	320,445,388
Transactions with equity holders, recognised directly in equity						
Scrip dividend	162,848,915	-	(191,726,035)	-	-	(28,877,120)
Dividends to equity holders	-	-	(136,947,168)	-	-	(136,947,168)
Transfer to statutory reserve fund	-	17,847,506	(17,847,506)	-	-	-
Total transactions with equity holders	162,848,915	17,847,506	(346,520,708)	-	-	(165,824,287)
Balance as at 31 December 2018	5,921,538,126	215,611,469	1,280,762,267	(15,842,090)	46,656,973	7,448,726,745

Statutory reserve fund

Every licensed specialised bank has to make a provision not less than 5% out of profit after tax to the Statutory Reserve Fund. Such provision should be made annually as stipulated by the Banking Act No. 30 of 1988 as amended by Banking (Amendment) Act No. 33 of 1995 until the said reserve fund is equal to 50% of the equity capital of the Bank. Thereafter, the Bank has to make a provision not less than 2% out of profit after tax to the Statutory Reserve Fund until the said Fund is equal to the equity capital of the Bank.

General reserve

The general reserve is created after provisioning for a statutory reserve fund and interim dividend payments for the respective shareholders, this reserve will be used by the Bank for the future capitalisation purposes of the Bank.

Fair value through OCI/available-for-sale reserve

The available for sale reserve is consist of fair value adjustment made to unquoted equity investment.

The Accounting Policies and Notes on pages 128 through 184 from an integral part of the Financial Statements.