

Statement of Changes in Equity

For the year ended 31 December	Stated capital		Reserves			Total equity
	Ordinary voting shares	Statutory reserve fund	Retained earnings	Available for sale reserve/Fair value through OCI	General reserves	
	LKR	LKR	LKR	LKR	LKR	
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	-	-	(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 transaction with equity holders	162,848,915	17,847,506	(346,520,708)	-	-	(165,824,287)
Closing 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
Opening balance as at 1 January 2019	5,921,538,126	215,611,469	1,280,762,267	(15,842,090)	46,656,973	7,448,726,745
Profit for the year	-	-	253,405,096	-	-	253,405,096
Other comprehensive income (net of tax)	-	-	(29,943,202)	(3,209,534)	-	(33,152,736)
Total comprehensive income for the year	-	-	223,461,894	(3,209,534)	-	220,252,360
Transfer to statutory reserve fund	-	12,670,255	(12,670,255)	-	-	-
Closing balance as at 31 December 2019	5,921,538,126	228,281,724	1,491,553,906	(19,051,624)	46,656,973	7,668,979,105

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.

Available for sale/Fair value through OCI reserve

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

The Accounting Policies and Notes on pages 140 through 190 form an integral part of the Financial Statements.