



Maskeliya Plantations PLC

Interim Financial Statements

**FOR THE SIX MONTHS ENDED
September 2014**

INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

	As at 30/09/14 Rs. ' 000	As at 30/09/13 Rs. ' 000	As at 31/03/14 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Lease hold Property ,Plant and Equipment	296,489	313,451	304,603
Freehold Property, Plant & Equipment	614,327	624,168	605,588
Bearer Biological Assets	2,037,222	1,858,505	1,952,914
Consumable Biological Assets	560,114	528,465	560,114
	3,508,152	3,324,589	3,423,219
CURRENT ASSETS			
Inventories	385,517	383,160	485,219
ACT Recoverable	47,926	47,925	47,926
VAT Receivable	19,643	21,036	20,971
Trade and other Receivables	220,248	171,253	182,636
ESC Recoverable	36,086	34,995	33,650
Short Term Investment	-	588	-
Amount due from Related Parties	3,208	1,802	2,929
Cash and Bank balances	10,022	4,883	5,313
	722,650	665,642	778,644
TOTAL ASSETS	4,230,802	3,990,231	4,201,863
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 01	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	517,361	485,714	517,361
Retained Earnings	(374,219)	(334,344)	(321,815)
TOTAL EQUITY	1,356,863	1,365,091	1,409,267
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	601,890	688,286	578,697
Retiring Benefit Obligations	901,740	841,302	917,379
Deferred Tax Liability	7,826	59,062	7,826
Deferred Income	228,211	236,984	231,831
Liability to make Lease Payment after one year	116,007	118,084	117,066
	1,855,674	1,943,718	1,852,799
CURRENT LIABILITIES			
Trade & Other payables	349,340	367,182	405,094
Dividend payable	2,008	2,008	2,008
Amount due to Related Parties	152,381	47,837	88,740
Interest Bearing Loans & Borrowings	512,475	262,489	441,973
Liability to make Lease Payment within one year	2,061	1,906	1,982
	1,018,265	681,422	939,797
TOTAL EQUITY AND LIABILITIES	4,230,802	3,990,231	4,201,863
	Rs.	Rs.	Rs.
Net Assets Per Share	25.15	25.30	26.12

The above figures are subject to audit


These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.



Sudheera Eritakumbura
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board of Directors of Maskeliya Plantations PLC.


S S Poholiyadde
Director


E M M Boyagoda
Director

12 November 2014

INTERIM FINANCIAL STATEMENTS

INCOME STATEMENT

	Quarter Ended 30th September			Six Months Ended 30th September		
	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-) %	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-) %
Revenue	922,038	677,580	36	1,897,837	1,595,640	19
Cost of Sales	(936,448)	(744,296)	(26)	(1,807,837)	(1,683,004)	(7)
Gross Profit / (Loss)	(14,410)	(66,716)	78	90,000	(87,364)	203
Other Operating Income	1,431	8,577	(83)	4,071	16,121	(75)
Gain on Change in Fair Value of Biological Assets	-	-	-	-	-	-
Administrative Expenses	(11,229)	(11,582)	3	(21,907)	(21,612)	(1)
Management Fee	(26,823)	(31,673)	15	(74,234)	(72,210)	(3)
Finance Cost	(25,435)	(19,584)	(30)	(50,334)	(40,392)	(25)
Profit / (Loss) before Taxation	(76,466)	(120,978)	37	(52,404)	(205,457)	74
Income Tax Expense	-	-	-	-	-	-
Net Profit/(Loss) for the period	(76,466)	(120,978)	37	(52,404)	(205,457)	74
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	(1.42)	(2.24)		(0.97)	(3.81)	

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS
STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 30 September			Six Months Ended 30 September		
	2014 Rs.'000	2013 Rs.'000	Variance + / (-)	2014 Rs.'000	2013 Rs.'000	Variance + / (-)
Profit/ (Loss) for the year	(76,466)	(120,978)	37	(52,404)	(205,457)	74
Other Comprehensive Income						
Actuarial Gains/(Losses) on Defined benefit Plans	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-
Other Comprehensive Income for the year, net of tax	-	-	-	-	-	-
Total Comprehensive Income for the quarter, net of tax	<u>(76,466)</u>	<u>(120,978)</u>	37	<u>(52,404)</u>	<u>(205,457)</u>	74

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INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

For the Six Months ended

	30/09/2014	30/09/2013
	Rs. ' 000	Rs. ' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	(52,404)	(205,457)
ADJUSTMENTS FOR		
Depreciation/Amortization	51,358	51,197
Provision for Defined Benefit Plan Cost	40,779	107,955
Amortisation of Grants	(6,000)	(6,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	-	-
Finance Costs	50,334	38,292
Operating Profit before Working Capital changes	84,067	(14,013)
(Increase)/Decrease in Trade and other receivables	(76,854)	(42,131)
(Increase)/Decrease in Inventories	99,701	43,572
Increase/(Decrease) in Trade and other payables	(5,325)	4,931
Increase/(Decrease) in amounts due to Related Parties	63,641	3,133
(Increase)/Decrease in amounts due from Related Parties	(279)	390
Cash Generated from Operations	164,951	(4,118)
Finance Costs Paid	(34,105)	(23,207)
Defined Benefit Plan Costs paid	(56,419)	(43,228)
Tax Paid	(4,406)	(4,516)
Net Cash from Operating Activities	70,021	(75,069)
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	2,382	3,094
Proceed from Sale of Property, Plant & Equipment	-	-
Field Development Expenditure	(105,472)	(105,684)
Purchase of Property, Plant & Equipment	(30,818)	(6,733)
Net Cash used in Investing Activities	(133,908)	(109,323)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(25,098)	(8,008)
Proceeds from loans	250,000	-
Payment of loans	(123,588)	(97,057)
Net Cash from Financing Activities	101,314	(105,065)
Net Increase/(Decrease) in Cash & Cash Equivalents	37,427	(289,457)
A. Cash & Cash Equivalents at the beginning of the period	(205,483)	243,803
B. Cash & Cash Equivalents at the end of the period	(168,056)	(45,654)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit		
Cash & Bank Balances	5,313	5,096
Bank Overdrafts	(210,796)	(145,199)
	(205,483)	(140,103)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Call Deposit	-	-
Cash & Bank Balances	10,022	5,471
Bank Overdrafts	(178,078)	(51,125)
	(168,056)	(45,654)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Retained Earnings Rs. ' 000	Timber Reserve Rs. ' 000	Total Equity Rs. ' 000	
Balance as at 31 March 2013	673,721	540,000	(128,887)	485,714	1,570,548	
Net profit/ (Loss) for the period	-	-	(205,457)	-	(205,457)	
Other Comprehensive income	-	-	-	-	-	
Balance as at 30 September 2013	673,721	540,000	(334,344)	485,714	1,365,091	-
Balance as at 31 March 2014	673,721	540,000	(321,815)	517,361	1,409,267	-
Net profit/(Loss) for the period	-	-	(52,404)	-	(52,404)	
Other Comprehensive income	-	-	-	-	-	
Balance as at 30 September 2014	673,721	540,000	(374,219)	517,361	1,356,863	-

The above figures are subject to audit

- 1 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.
- 2 The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standards 34-Interim Financial Reporting. Further, provisions of the Companies Act No 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2014.

- 3 The presentation and classification of figures for the corresponding period of the previous quarter have been amended, where relevant, for better presentation and to be comparable with those of the current period.
- 4 No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements.
- 5 There has been no significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2014.
- 6 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment

For the Six months ended 30 September 2014

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	510,214	410,662	695,632	593,013	348,563	251,065	343,428	340,901	1,897,837	1,595,641
Revenue Expenditure	(431,452)	(375,987)	(610,095)	(539,480)	(301,731)	(252,285)	(372,422)	(356,101)	(1,715,700)	(1,523,853)
Depreciation/ Amortization	(13,239)	(14,182)	(15,665)	(14,404)	(10,176)	(9,852)	(12,278)	(12,759)	(51,358)	(51,197)
Gratuity	(10,111)	(27,180)	(15,278)	(39,604)	(6,526)	(16,777)	(8,864)	(24,394)	(40,779)	(107,955)
Segment Results	55,412	(6,687)	54,594	(475)	30,130	(27,849)	(50,136)	(52,353)	90,000	(87,364)
Other Income									4,071	16,121
Gain on change in fair value of Biological Assets									-	-
Administration Expenses									(21,907)	(21,612)
Management Fees									(74,234)	(72,210)
Finance Cost									(50,334)	(40,392)
Income Tax expenses									-	-
Profit /(Loss) for the period									(52,404)	(205,457)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS SHAREHOLDER AND INVESTOR INFORMATION

For the Six Month Ended 30 September	Quarter Ended		Year Ended
	2014 Rs.	2013 Rs.	2014 Rs.
Market Price per Share			
- Last Traded price (For the quarter)	13.90	10.90	10.00
- Highest (For the quarter)	15.10	13.90	16.20
- Lowest (For the quarter)	11.40	9.70	9.40

Twenty Largest Shareholders

	as at 30/09/2014		as at 31/03/2014	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
2 David Pieris Motor Company Ltd	1,158,806	2.15	1,158,806	2.15
3 Amina Investment Ltd	650,000	1.20	650,000	1.20
4 The Ceylon Investors Pvt Ltd	373,556	0.69	-	-
5 Mrs. L K Goonewardene	278,211	0.52	-	-
6 Est of Late Mr.M. Radhakrishnan (Deceased)	260,600	0.48	260,600	0.48
7 Seylan Bank Ltd/Govindasamy Ramanan	251,529	0.47	251,529	0.47
8 HSBC International Nominees Ltd-SSBT-Deutsche	141,600	0.26	141,600	0.26
9 Mrs. B K V Wickramasinghe	135,000	0.25	-	-
10 Mrs. M M C Fernando	125,000	0.23	-	-
11 Dawi Investment Trust(Pvt)Ltd	121,999	0.23	-	-
12 Merchant Bank of Sri Lanka PLC/ R R S Ananda	114,098	0.21	80,000	0.15
13 Freudenberg Shipping Agencies Ltd	100,000	0.19	95,500	0.18
14 Dee Sanda Holdings Private Limited	85,541	0.16	-	-
15 Dee Investments (Pvt) Ltd	84,100	0.16	84,100	0.16
16 Mr. M M Fuad	75,000	0.14	-	-
17 Mr. M A Junaid	61,442	0.11	47,063	0.09
18 Mr. N.W.N Jayasiri	60,000	0.11	60,000	0.11
19 Merchant Bank of Sri Lanka PLC/ J A S Priyantha	59,980	0.11	80,000	0.15
20 Mr S.P Jayakumar	55,266	0.10	55,266	0.10
	49,190,125	91.17		
Balance held by 16,632 Shareholders (2014-16,717)	4,763,365	8.83	4,720,096	8.75
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at

	30/09/2014		31/03/2014	
	Number of Shares	%	Number of Shares	%
Public Holding	8,952,293	16.59	8,952,293	16.59
Other Holding	45,001,197	83.41	45,001,197	83.41
Total	53,953,490	100.00	53,953,490	100.00

The number of shares held by the Board of Directors are as follows:

As at	30/09/2014	31/03/2014
Dr.S Yaddhegige	-	-
J H P Ratnayake	-	-
S S Poholiyadde	-	-
Dr.H S D Soysa	2,800	2,800
E M M Boyagoda	-	-
Dr. L S Hettiarachchi	-	-

INTERIM FINANCIAL STATEMENTS

CORPORATE INFORMATION

Name of Company	Maskeliya Plantations PLC
Legal Form	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
Date of Incorporation	22nd June 1992
Company Registration No	PQ 134
Principal Business Activities	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
Stock Exchange Listing	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
Registered / Head Office	310, High Level Road, Nawinna, Maharagama Sri Lanka
Ultimate Parent Enterprise	Richard Pieris & Company PLC
Board of Directors	Dr. Sena Yaddehige - Chairman J H P Ratnayake - Deputy Chairman S S Poholiyadde - Chief Executive Officer Dr. H S D Soysa E M M Boyagoda Dr. L S Hettiarachchi
Secretaries	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka Telephone: +(94) 11-4310564
Auditors	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
Bankers	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Seylan Bank - Millennium Branch Hatton National Bank - City Office NDB Bank
Legal Advisors	Paul Ratnayake Associates International Legal Consultants Solicitors and Attorneys-at-law No.59, Gregory's Road Colombo 07.
Contact Details	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com