

2015/2016



CHILAW FINANCE PLC
INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
31ST DECEMBER 2015

CHILAW FINANCE PLC
STATEMENT OF FINANCIAL POSITION

<u>AS AT</u>	<u>Unaudited</u> <u>31.12.2015</u>	<u>Audited</u> <u>31.03.2015</u>
	Rs.	Rs.
<u>ASSETS</u>		
Cash & Cash Equivalents	29,181,578	303,128,531
Financial Assets - Held to Maturity	60,990,975	68,586,221
Other Financial Assets	205,300	205,300
Investments - Held for Trading	16,403,899	16,080,921
Loans & Advances	929,554,529	632,997,192
Trade & Other Receivables	6,480,347	24,208,009
Income Tax Receivable	-	154,695
Inventories	793,482	561,432
Intangible Assets	5,700,626	6,289,090
Investment Properties	24,324,600	24,300,000
Property, Plant & Equipment	194,989,625	206,351,701
TOTAL ASSETS	1,268,624,961	1,282,863,091
<u>EQUITY & LIABILITIES</u>		
<u>LIABILITIES</u>		
Public Deposits	618,718,304	677,683,814
Trade & Other Payables	49,938,005	35,567,589
Deferred Tax Liabilities	8,909,393	8,909,393
Employee Benefit Liabilities	6,507,081	6,142,095
Income Tax Payable	5,939,808	-
Bank Overdrafts	18,303,231	16,918,375
Total Liabilities	708,315,822	745,221,266
<u>EQUITY ATTRIBUTABLE TO</u>		
<u>EQUITY HOLDERS</u>		
Stated Capital	290,909,239	290,909,239
Reserves	269,399,901	246,732,587
Total Equity	560,309,140	537,641,826
TOTAL EQUITY & LIABILITIES	1,268,624,961	1,282,863,091
Net Assets Value Per share	16.53	15.86

Certification

I Certify that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.



Mr. I. M. Chandana Bandara
Finance Manager

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 by,



Mr. H.M. Hennayake Bandara
Director

11th February 2016



Mr. D.P. Janaka Hewawitharana
Director

11th February 2016

CHILAW FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	Three Months ended 31 st December 2015	Three Months ended 31 st December 2014	Nine Months ended 31 st December 2015	Nine Months ended 31 st December 2014
	Rs. (Unaudited)	Rs. (Unaudited)	Rs. (Unaudited)	Rs. (Unaudited)
Revenue	41,939,677	45,224,029	127,610,835	155,466,284
Interest Income	39,053,937	44,170,393	118,045,695	145,593,086
Interest Expenses	(13,336,994)	(20,470,169)	(41,831,662)	(67,781,053)
Net Interest Income	25,716,943	23,700,224	76,214,033	77,812,032
Fees & Commission Income	1,618,090	681,027	3,938,935	1,823,883
Fees & Commission Expenses	(2,500)	(187,782)	(136,500)	(740,394)
Net Fees & Commission Income	1,615,590	493,245	3,802,435	1,083,489
Net gain/ (loss) from financial instruments held for trading	(674,707)	(193,676)	36,089	4,215,788
Other Operating Income (net)	1,942,357	566,285	5,590,117	3,833,527
Total Operating Income	28,600,183	24,566,078	85,642,673	86,944,836
Impairment (Charges) / Reversal for loans and other losses	(2,957,939)	(6,488,764)	(8,412,892)	(30,147,203)
Net Operating Income	25,642,245	18,077,314	77,229,781	56,797,634
Operating Expenses				
Personnel Expenses	(8,524,109)	(6,187,103)	(22,144,761)	(19,536,716)
Depreciation of Property Plant & Equipment	(1,085,198)	(1,223,657)	(3,169,792)	(3,194,582)
Amortization of Intangible Assets	(196,154)	(196,154)	(588,463)	(588,463)
Other Operating Expenses	(4,803,028)	(4,120,283)	(14,324,605)	(13,638,732)
Operating Profit before Value Added Tax on Financial Services	11,033,756	6,350,117	37,002,159	19,839,142
Value Added Tax on Financial Services, CROP Insurance Levy and NBT on Financial Services	(1,783,524)	(148,358)	(5,364,529)	(3,235,939)
Profit before Taxation	9,250,231	6,201,758	31,637,630	16,603,203
Income Tax Expense	(3,155,788)	(105,777)	(8,970,315)	(1,546,909)
Profit for the Year	6,094,443	6,095,981	22,667,315	15,056,294
Other Comprehensive Income / (Expenses)	-	-	-	-
Income Tax (Charge) / Credit Relating to Components of Other Comprehensive Income	-	-	-	-
Other Comprehensive Income for the Year, Net of Taxes	-	-	-	-
Total Comprehensive Income for the Year, Net of Taxes	6,094,443	6,095,981	22,667,315	15,056,294
Earnings Per Share (Rs)	0.18	0.18	0.67	0.44

CHILAW FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

	<u>No. of Shares</u>	<u>Ordinary Share Capital</u> Rs.	<u>Statutory Reserve</u> Rs.	<u>Investment Fund Account</u> Rs.	<u>General Reserve</u> Rs.	<u>Revaluation Reserve</u> Rs.	<u>Retained Earnings</u> Rs.	<u>Total Equity</u> Rs.
Balance as at 31st March 2014	33,901,337	290,909,239	29,837,408	20,895,307	5,000,000	103,706,950	63,680,958	514,029,860
Total Comprehensive Income							15,056,294	15,056,294
Transfers to Investment Fund Account				1,394,771			(1,394,771)	-
Balance as at 31st December 2014	33,901,337	290,909,239	29,837,408	22,290,077	5,000,000	103,706,950	77,342,481	529,086,154
Total Comprehensive Income							9,095,209	9,095,209
Other Comprehensive Income							(539,537)	(539,537)
Transfers from Investment Fund Account				(22,290,077)			22,290,077	-
Transfers to Statutory Reserve Fund			1,180,598				(1,180,598)	-
Balance as at 31st March 2015	33,901,337	290,909,239	31,018,006	-	5,000,000	103,706,950	107,007,632	537,641,826
Total Comprehensive Income							22,667,315	22,667,315
Balance as at 31st December 2015	33,901,337	290,909,239	31,018,006	-	5,000,000	103,706,950	129,674,946	560,309,140

CHILAW FINANCE PLC
CASH FLOW STATEMENT

For the Nine Months ended 31st December	2015 Unaudited (Rs.)	2014 Unaudited (Rs.)
Cash Flows From Operating activities		
Profit Before Tax	31,637,630	16,603,203
Adjustment For:		
Non- cash items included in profit before tax	19,008,846	32,727,972
Changes in operating assets	(286,698,585)	98,025,832
Changes in operating Liabilities	(49,959,623)	(16,507,055)
Dividend income from investments	(728,209)	(622,796)
Gratuity paid	(964,912)	(656,025)
Income Tax Paid	(2,875,812)	(3,546,909)
Net cash Generated from operating activities	(290,580,665)	126,024,222
Cash flows From investing activities		
Proceed from disposal of property plant and equipment	6,950,000	-
Purchase of property plant and equipment	-	(9,716,787)
Proceeds from Disposal of Investment Properties	-	9,350,000
Purchase of Investment Properties	-	(16,936,500)
Dividend Income from Investment	728,209	622,796
Net investment in financial assets held-to maturity	7,570,646	(4,181,253)
Net cash (Used in)/from investing Activities	15,248,855	(20,861,744)
Cash Flows From Financing activities		
	-	-
Net Cash from Financing Activates	-	-
Net Increase/(Decrease) in Cash & cash Equivalents	(275,331,810)	105,162,478
Cash and Cash equivalent at the beginning of the periods	286,210,156	207,756,427
Cash and Cash equivalent at the ended of the periods (Note A)	10,878,346	312,918,905
NOTE (A) Cash & Cash Equivalents		
Cash in hand & balances in Banks	8,654,284	8,567,833
Money at Call & Short Notice	20,527,294	304,351,072
Bank Overdrafts	(18,303,231)	-
	10,878,346	312,918,905

EXPLANATORY NOTES

FOR THE NINE MONTHS ENDED 31ST DECEMBER 2015.

1. The Interim Financial Statements for the nine months ended 31st December 2015 are provisional and subject to audit. Figures in brackets indicate minus amounts.
2. The accounting policies and methods of computation followed in preparing the above financial statements are in compliance with the policies and methods those disclosed in our Audited Financial Statements for the year ended 31st March 2015.
3. These Interim Financial Statements are prepared and presented in compliance with the Sri Lanka Accounting Standard -LKAS 34.
4. There were no material Contingent Liabilities which would require adjustments to or disclosures in the Financial Statements.
5. Directors' Fees for the nine months ended 31st December 2015 were recognized as expenses in the third quarter of 2015/2016.
6. All other known expenses have been provided in the Financial Statements.
7. There were no material events occurred after the balance sheet date that require adjustments to or disclosure in the Financial Statements.
8. The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current period.

9. Market Value Per Share for the three months ended	<u>31.12.2015</u>	<u>31.12.2014</u>
	<u>Rs.</u>	<u>Rs.</u>
Highest Price	24.80(30.12.2015)	34.70(20.10.2014)
Lowest Price	20.00(14.12.2015)	25.00(07.10.2014)
Closing	22.90	27.10

Market Value per Share for the Year ended	<u>31.03.2015</u>	<u>31.03.2014</u>
	<u>Rs.</u>	<u>Rs.</u>
Highest Price	34.70(20.10.2014)	21.50(03.02.2014)
Lowest Price	18.70(11.06.2014)	09.80(03.05.2013)
Closing	23.60	20.60

10. Analysis of Share Holders According to Number of Shares Held [categorized as Resident Investors/Non-Resident Investors]- As at 31st December 2015 Vs as at 31st December 2014.

As at 31st December 2015

	No of Shareholders	No of Shares	% of Shareholding
Resident Investors	632	33,899,836	100.00
Non-Resident Investors	2	1,506	0.00
Total	634	33,901,337	100.00

As at 31st December 2014

	No of Shareholders	No of Shares	% of Shareholding
Resident Investors	637	33,900,609	100.00
Non-Resident Investors	2	728	0.00
Total	639	33,901,337	100.00

11. Analysis of Share Holders According to Number of Shares Held [Categorized as Institutional Investors / Individual Investors] - As at 31st December 2015 Vs as at 31st December 2014.

As at 31st December 2015

	No of Shareholders	No of Shares	% of Shareholding
Institutional Investors	35	30,890,650	91.12
Individual Investors	599	3,010,687	8.88
Total	634	33,901,337	100.00

As at 31st December 2014

	No of Shareholders	No of Shares	% of Shareholding
Institutional Investors	33	29,359,617	86.60
Individual Investors	606	4,541,720	13.40
Total	639	33,901,337	100.00

**12. Analysis of Distribution of Shareholders' According to Number of Shares Held
- As at 31st December 2015 Vs as at 31st December 2014.**

Range of	31 st December 2015			31 st December 2014		
	No of Shareholders	No of Shares	% of Share holding	No of Shareholders	No of Shares	% of Share holding
1 -500	332	36,164	0.11	306	33,894	0.10
501 -5000	210	372,452	1.10	230	426,858	1.26
5001 -10000	36	248,533	0.73	41	289,347	0.85
10001 -20000	34	472,836	1.39	35	503,900	1.49
20001 -30000	11	254,041	0.75	13	310,335	0.91
30001 -40000	5	177,440	0.52	3	105,702	0.31
40001 -50000	-	-	-	3	141,647	0.42
50001 -100000	1	64,599	0.19	1	50,069	0.15
100001 -1000000	3	693,146	2.05	4	496,816	1.47
1000001 &Above	2	31,582,126	93.16	3	31,542,769	93.04
Total	634	33,901,337	100.00	639	33,901,337	100.00

13. Twenty Largest Share Holders' shareholding position as at 31st December 2015 Vs as at 31st December 2014.

S.No	Name	As at 31.03.2015		As at 31.03.2014	
		No of. Shares	%	No of. Shares	%
1	Richard Pieris Finance Limited	30,515,000	90.01	29,018,816	85.60
2	Mr.D.S.Weerasuriya (Deceased)	1,067,126	3.15	1,067,126	3.15
3	Mr.Y.S.Sumanasekara	486,989	1.44	1,456,827	4.30
4	Mrs.Y.Sivagnanasundaram	104,441	0.31	-	-
5	Capital Alliance Finance Plc/A.S.M.Shiyam	101,716	0.30	101,716	0.30
6	Mr.U.G.R.S.H.Dharmasiri	64,599	0.19	49,599	0.15
7	Mr.L.Y.Dharmasena	36,263	0.11	33,885	0.10
8	Mr.R.J.A.Dhanaratna	35,912	0.11	35,912	0.11
9	Nanayakkara Management Services(Private)	35,611	0.10	25,337	0.07
10	Merchant Bank Of Sri Lanka Ltd A/C No 1	35,104	0.10	-	-
11	Mr.M.A.A.Karim	34,550	0.10	-	-
12	Waldock Mackenzie Ltd/Mrs. G. Soysa	29,140	0.09	29,140	0.09
13	Mr.M.N.Zavahir	26,406	0.08	26,406	0.08
14	Mr.G.N.Dias	24,646	0.07	24,646	0.07
15	Mr.K.K.P.Sirisena	24,142	0.07	24,142	0.07
16	Mr.P.N.R.Dias	21,937	0.06	-	-
17	Seylan Bank Limited/RuwanPrasanna	21,814	0.06	-	-
18	Commercial Bank Of Ceylon Plc/Spice Of Life	21,508	0.06	21,508	0.06
19	Mrs.W.B.D.C.E.Perera	21,125	0.06	21,125	0.06
20	Dr.R.S.M.Prabhawathie	21,125	0.06	21,125	0.06

14. Directors' Share Holding as at 31st December 2015 Vs 31st December 2014.

The number of ordinary shares (CDS and Non CDS) held by the directors as at 31st December 2015 and 31st December 2014.

S.No	Name	31.12.2015		31.12.2014	
		CDS	Non CDS	CDS	Non CDS
1	Mr. J. FelixFernandopulle	-NIL-	-NIL-	211	-NIL-
2	Mr.A.Hettiarachchy	-NIL-	-NIL-	-NIL-	-NIL-
3	Mr.D.P.Janaka Hewawitharana	-NIL-	-NIL-	-NIL-	-NIL-
4	Mr.H.M. Hennayake Bandara	-NIL-	-NIL-	-NIL-	-NIL-
5	Mr.C.P.Abeywickrema (Resigned w.e.f. 18.01.2016)	-NIL-	-NIL-	-NIL-	-NIL-

15. Public Share Holding as at 31st December 2015 Vs Public Share Holding as at 31st December 2014.

Public Share Holding as at 31st December 2015.

	<u>No. of shares</u>	<u>No. of shares</u>	<u>% of shares</u>
1			
<u>Parent, subsidiary or associate entities or any subsidiary or associates of its Parent Entity</u>			
Richard Pieris Finance Limited	<u>30,515,000</u>	30,515,000	90.01
2			
<u>Directors of the entity, their spouses and children under 18 years of age</u>			
i Mr. J. Felix Fernandopulle	NIL		
ii Mr. A. Hettiarachchy	NIL		
iii Mr. D.P. Janaka Hewawitharana	NIL		
iv Mr. H.M. Hennayake Bandara	NIL		
v Mr. C.P. Abeywickrema (Resigned w.e.f. 18.01.2016)	NIL		
3			
<u>Chief Executive Officer & his close family members</u>			
Mr. C.T.Kumarage	<u>NIL</u>		
4			
<u>Key Management personnel and their close family members</u>			
	<u>NIL</u>		
Total non-public share holding		30,515,000	90.01
Public Share Holding		<u>3,386,337</u>	9.99
Total Issued Share Capital		<u><u>33,901,337</u></u>	<u>100.00</u>
Total number of non-public shareholders as at 31.12.2015		01	
Total number of public shareholders as at 31.12.2015		<u>633</u>	
Total number of shareholders as at 31.12.2015		<u>634</u>	

Public Share Holding as at 31st December 2014.

	<u>No. of shares</u>	<u>No. of shares</u>	<u>% of shares</u>	
1	<u>Parent, subsidiary or associate entities or any subsidiary or associates of its Parent Entity</u>			
	Richard Pieris Finance Limited	29,018,816	29,018,816	85.60
2	<u>Directors of the entity, their spouses and children under 18 years of age</u>			
i	Mr. J. Felix Fernandopulle	NIL		
ii	Mr. A. Hettiarachchy	NIL		
iii	Mr. D.P. Janaka Hewawitharana	NIL		
iv	Mr. H.M. Hennayake Bandara	NIL		
v	Mr. C.P. Abeywickrema (Resigned w.e.f. 18.01.2016)	NIL		
3	<u>Chief Executive Officer & his close family members</u>			
	Mr. C.T.Kumarage	NIL		
4	<u>Key Management personnel and their close family members</u>			
	Mr. U.S.T De Silva (Internal Auditor)	26	26	0.00
	Total non-public share holding		29,018,842	85.60
	Public Share Holding		4,882,495	14.40
	Total Issued Share Capital		33,901,337	100.00
	Total number of non-public shareholders as at 31.12.2014		02	
	Total number of public shareholders as at 31.12.2014		<u>637</u>	
	Total number of shareholders as at 31.12.2014		<u>639</u>	

CHILAW FINANCE PLC

BUSINESS SEGMENT INFORMATION

	Leases		Hire Purchase		Other Loans & Advances		Unallocated		Total	
For the quarter ended 31 st December	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
Revenue										
Interest	21,315,256	16,527,975	2,612,619	5,942,677	12,695,729	15,793,371	2,430,333	5,906,370	39,053,937	44,170,393
Investment Income							(674,707)	(193,676)	(674,707)	(193,676)
Other Income							3,560,447	1,247,312	3,560,447	1,247,312
Total	21,315,256	16,527,975	2,612,619	5,942,677	12,695,729	15,793,371	5,316,073	6,960,006	41,939,677	45,224,029
Percentage	50.82%	36.55%	6.23%	13.14%	30.27%	34.92%	12.68%	15.39%	100.00%	100.00%
Interest Expenses	(6,778,341)	(7,481,210)	(830,824)	(2,689,889)	(4,037,295)	(7,148,699)	(1,690,534)	(3,150,372)	(13,336,994)	(20,470,169)
Other Expenses	(9,835,614)	(6,780,216)	(1,205,555)	(2,437,845)	(5,858,259)	(6,478,862)	(2,453,024)	(2,855,180)	(19,352,452)	(18,552,102)
Segment result	4,701,301	2,266,550	576,240	814,944	2,800,175	2,165,810	1,172,515	954,454	9,250,231	6,201,758
Income Tax Expense									(3,155,788)	(105,777)
Operating Profit After Tax									6,094,443	6,095,981
Total Assets as at 31st December	644,760,947	481,401,697	79,028,587	173,089,256	384,030,588	460,005,262	160,804,839	202,720,451	1,268,624,961	1,317,216,666
Percentage	50.82%	36.55%	6.23%	13.14%	30.27%	34.92%	12.68%	15.39%	100.00%	100.00%

CHILAW FINANCE PLC

BUSINESS SEGMENT INFORMATION

Year to Date 31 st December	Leases		Hire Purchase		Other Loans & Advances		Unallocated		Total	
	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.	2015 Rs.	2014 Rs.
Revenue										
Interest	54,462,114	52,413,591	8,860,429	20,061,665	42,074,970	55,292,250	12,648,182	17,825,579	118,045,695	145,593,086
Investment Income							36,089	4,215,788	36,089	4,215,788
Other Income							9,529,051	5,657,411	9,529,051	5,657,411
Total	54,462,114	52,413,591	8,860,429	20,061,665	42,074,970	55,292,250	22,213,321	27,698,777	127,610,835	155,466,284
Percentage	42.68%	33.71%	6.94%	12.90%	32.97%	35.57%	17.41%	17.82%	100.00%	100.00%
Interest Expenses	(17,853,035)	(22,851,568)	(2,904,506)	(8,746,596)	(13,792,449)	(24,106,622)	(7,281,671)	(12,076,267)	(41,831,662)	(67,781,053)
Other Expenses	(23,106,681)	(23,964,452)	(3,759,221)	(9,172,560)	(17,851,179)	(25,280,628)	(9,424,462)	(12,664,388)	(54,141,543)	(71,082,028)
Segment result	13,502,398	5,597,570	2,196,702	2,142,509	10,431,343	5,905,000	5,507,188	2,958,123	31,637,630	16,603,203
Income Tax Expense									(8,970,315)	(1,546,909)
Operating Profit After Tax									22,667,315	15,056,294
Total Assets as at 31st December	541,427,360	444,083,782	88,084,694	169,976,147	418,282,332	468,473,754	220,830,575	234,682,983	1,268,624,961	1,317,216,666
Percentage	42.68%	33.71%	6.94%	12.90%	32.97%	35.57%	17.41%	17.82%	100.00%	100.00%