

NAMUNUKULA PLANTATIONS PLC

Company Reg. No. - PQ 136

2015/16

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 31 DECEMBER 2015


STATEMENTS OF FINANCIAL POSITION

Interim Financial Statements


As at,	31.12.2015 Rs. '000	31.12.2014 Rs. '000	Audited 31.03.2015 Rs. '000
ASSETS			
Non Current Assets			
Leasehold Property, Plant & Equipment	211,398	228,857	224,687
Freehold Property, Plant & Equipment	388,852	389,602	405,319
Bearer Biological Assets	2,196,304	1,989,402	2,076,171
Consumable Biological Assets	111,108	98,330	111,108
Long Term Investment - Unquoted	123,536	125,935	116,850
Financial Assets	250,000	250,000	250,000
Intangible Assets	340,515	367,693	340,515
Total Non Current Assets	3,621,712	3,449,819	3,524,650
Current Assets			
Inventories	243,266	302,500	211,195
Trade and Other Receivables	95,526	118,875	136,975
Amounts Due from Related Companies	23,114	7,630	-
Income Tax Receivable	5,441	-	5,441
Cash and Cash Equivalents	11,240	25,206	10,452
Total Current Assets	378,587	454,212	364,063
Total Assets	4,000,300	3,904,031	3,888,713
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	350,000	350,000	350,000
Retained Earnings	1,921,261	1,851,096	1,843,890
Total Equity	2,271,261	2,201,096	2,193,890
Non Current Liabilities			
Interest Bearing Loans & Borrowings	147,284	201,585	187,750
Retirement Benefit Obligations	588,966	555,373	595,402
Deferred Tax Liability	20,158	26,291	20,158
Deferred Income	128,770	126,052	125,876
Liability to make Lease payment after one year	220,130	224,296	223,280
Total Non Current Liabilities	1,105,308	1,133,596	1,152,465
Current Liabilities			
Trade and Other Payables	389,857	455,676	440,023
Liability to make Lease payment within one year	4,147	3,987	4,026
Interest Bearing Loans & Borrowings	167,609	65,049	67,196
Amounts Due to Related Companies	62,117	32,931	31,112
Income Tax Liabilities	-	11,695	-
Total Current Liabilities	623,730	569,339	542,357
Total Liabilities	1,729,038	1,702,935	1,694,823
Total Equity and Liabilities	4,000,300	3,904,031	3,888,713
Net Assets per Share (Rs.)	95.63	92.68	92.37


* 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 Epitakumbura
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Approved & Signed for and on behalf of the board of Directors of Namunukula Plantations PLC.


S. S. Pohollyadde
Director


N. C. Peiris
Director

Colombo.
11 February 2016

STATEMENTS OF COMPREHENSIVE INCOME

Interim Financial Statements

	Quarter Ended 31.12.2015 Rs. '000	Quarter Ended 31.12.2014 Rs. '000	Increase / (Decrease) %	Nine Month Ended 31.12.2015 Rs. '000	Nine Month Ended 31.12.2014 Rs. '000	Increase / (Decrease) %	Audited Year Ended 31.03.2015 Rs. '000
Revenue	444,663	528,731	-16%	1,426,095	1,664,870	-14%	2,194,906
Cost of sales	(407,603)	(507,449)	-20%	(1,325,999)	(1,528,456)	-13%	(2,107,934)
Gross profit	37,059	21,282	74%	100,095	136,413	-27%	86,973
Other income	26,308	43,042	-39%	75,036	110,049	-32%	136,545
Gain on change in fair value of biological assets	-	-	--	-	-	--	14,877
Administrative expenses	(13,636)	(7,919)	72%	(33,695)	(27,845)	21%	(40,116)
Management fee	(10,433)	(6,980)	-49%	(33,601)	(38,065)	12%	(45,216)
Finance cost	(12,458)	(15,169)	18%	(38,578)	(48,083)	20%	(47,238)
Impairment of goodwill	-	-	--	-	-	--	(27,178)
Share of profit from joint venture	6,373	11,403	-44%	30,019	46,217	-35%	52,133
Profit before taxation	33,213	45,659	-27%	99,277	178,686	-44%	130,779
Income tax expense	-	(2,066)	100%	-	(5,314)	100%	20,482
Net profit for the period	33,213	43,593	-24%	99,277	173,373	-43%	151,261
Other comprehensive income							
Actuarial gain/(loss) on defined benefit plans	-	-	--	-	-	--	17,434
Income tax effect	-	-	--	-	-	--	(2,528)
Other comprehensive income for the period	-	-	--	-	-	--	14,906
Total comprehensive income for the period	33,213	43,593	-24%	99,277	173,373	-43%	166,167
Basic Earnings per Share (Rs.)	1.40	1.84		4.18	7.30		6.37

* The above figures are subject to audit.

STATEMENT OF CHANGES IN EQUITY

Interim Financial Statements

	Stated Capital Rs. '000	Accumulated Profit Rs. '000	Total Rs. '000
Balance as at 1 April 2014	350,000	1,725,224	2,075,224
Dividend Paid	-	(47,500)	(47,500)
Net profit for the period	-	173,373	173,373
Other Comprehensive Income	-	-	-
Balance as at 31 December 2014	350,000	1,851,096	2,201,096
Balance as at 1 April 2015	350,000	1,843,890	2,193,890
Adjustment to the Opening Retained Earnings (Note 09)	-	(21,906)	(21,906)
Balance as at 1 April 2015 (Adjusted)	350,000	1,821,984	2,171,984
Dividend Paid	-	-	-
Net profit for the period	-	99,277	99,277
Other Comprehensive Income	-	-	-
Balance as at 31 December 2015	350,000	1,921,261	2,271,261

* The above figures are subject to audit.

STATEMENT OF CASH FLOWS

Interim Financial Statements

Period ended,	31.12.2015 Rs. '000	31.12.2014 Rs. '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Taxation	99,277	178,686
ADJUSTMENTS FOR,		
Depreciation	94,058	83,678
Finance Cost	38,578	48,083
Provision for Defined Benefit Plan Cost	34,126	26,296
Amortization of Grants	(2,025)	(1,948)
Share of Profit of Joint Venture	(30,019)	(46,217)
Profit from Sale of Fixed Assets	-	(800)
Operating profit before working capital changes	233,995	287,778
(Increase)/Decrease in Inventories	(32,071)	(21,198)
(Increase)/Decrease in Trade and other Receivables	41,449	(27,448)
(Increase)/Decrease in Amounts due from Related Companies	(23,114)	27,946
Increase/(Decrease) in Trade and Other Payables	(50,166)	21,889
Increase/(Decrease) in Amounts due to Related Companies	31,006	13,531
Cash Generated from Operating Activities	201,099	302,498
Finance Cost Paid	(6,575)	(17,644)
Super Gain Tax (Paid) / Refund	(21,906)	-
Defined Benefit Plan Cost Paid	(40,561)	(21,195)
Net Cash Flow From Operating Activities	132,056	263,659
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(7,693)	(64,779)
Share buy back (Unquoted Investment)	23,333	33,333
Dividend Received	-	29,602
Investments in Immature plantation	(177,224)	(220,119)
Long Term Investments - In Debentures	-	(250,000)
Sale of Property, Plant & Equipment	-	800
Grants Received	5,401	2,109
Net Cash Flow From Investing Activities	(156,182)	(469,055)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Government Lease rentals	(35,033)	(33,333)
Proceeds from borrowings	57,381	-
Repayment of loans	(41,505)	(15,555)
Dividend Paid	-	(47,500)
Net Cash Flow From Financing Activities	(19,157)	(96,388)
Net Increase/(Decrease) in Cash and Cash Equivalents	(43,283)	(301,784)
A. Cash & Cash Equivalents at the Beginning of the Period	(1,404)	315,438
B. Cash & Cash Equivalents at the End of the Period	(44,687)	13,655
NOTE A - Cash & Cash Equivalents at the Beginning of the Period		
Cash & Bank Balances	10,452	26,549
Short Term Investment	-	288,889
Bank Overdrafts	(11,856)	-
	(1,404)	315,438
NOTE B - Cash & Cash Equivalents at the End of the Period		
Cash & Bank Balances	11,240	25,206
Bank Overdrafts	(55,927)	(11,552)
	(44,687)	13,655

* The above figures are subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

Interim Financial Statements

1. Market Price per Share

	Quarter Ended 31.12.2015 Rs.	Quarter Ended 31.12.2014 Rs.	Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
Last traded price	60.50	89.40	70.90	83.80
Highest	70.00	91.00	100.00	97.80
Lowest	59.30	80.00	70.00	43.00

2. Stated Capital of Namunukula Plantations PLC amounts to Rs. 350,000,010 represented by 23,750,001 shares.
3. The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standard 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.
4. The interim financial statements of the company have been prepared on the basis of the same accounting policies and methods applied for year ended 31 March 2015.
5. The sub lease agreement with Tusker Bottling Company (Pvt) Ltd (Under Liquidator) has been terminated for breach effective from 05th July 2013. Assets and Liabilities are reacquired by the company in 2014/15 Financial year.
6. The presentation and classification of figures for the corresponding period of the previous year have been re-arranged, where relevant, for better presentation and to be comparable with those of the current period.
7. 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 2015.
8. There have been no material events occurring after the reporting date, that require adjustments or disclosure in the Financial Statements.
9. Mr.J H P Ratnayake, has resigned from the Directorate of the company with effect from 11th January 2016.
10. As per the provisions of Part III of the Finance Act, No. 10 of 2015 which was certified on 30 October 2015, the Company is liable for Super Gain tax of Rs. 21.9 Million. According to the Act, the super gain tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 1 April 2013. The Act supersedes the requirements of the Sri Lanka Accounting Standards, hence the expense of Super gain tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by the Institute of Chartered Accountants of Sri Lanka, dated 24 November 2015.

11. Twenty largest shareholders of the company,

	As at 31.12.2015		As at 31.03.2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
1 RPC Plantations Management Services (Pvt) Ltd	15,412,737	64.90%	15,412,737	64.90%
2 The Secretary to the Treasury	3,763,300	15.85%	3,763,300	15.85%
3 Mr. T.T.T AL-Nakib	395,000	1.66%	395,000	1.66%
4 National Development Bank PLC/Sakuvi Investment Trust (Pvt) Ltd	368,000	1.55%	368,000	1.55%
5 Bank of Ceylon A/C Ceybank Century Growth Fund	345,349	1.45%	329,955	1.39%
6 Seylan Bank PLC/Thirugnanasambandar	211,513	0.89%	211,013	0.89%
7 National Savings Bank	150,000	0.63%	150,000	0.63%
8 Dr. T. Senthilvel	96,430	0.41%	49,627	0.34%
9 Bank of Ceylon No .1 Account	80,000	0.34%	80,000	0.32%
10 Mr. H.A.A.H Algharabally	77,000	0.32%	77,000	0.31%
11 Mr. K.C Vignarajah	74,533	0.31%	73,434	0.24%
12 Cocoshell Activated Carbon Co. Ltd	57,387	0.24%	57,387	0.21%
13 Mrs. K.S. Cooray	50,000	0.21%	50,000	0.21%
14 Mr. C. Chanmugam	50,000	0.21%	50,000	0.21%
15 Mrs. J.K.P Singh	50,000	0.21%	50,000	0.21%
16 Mr. Z.G. Carimjee	43,200	0.18%	-	0.00%
17 T.S.T.T.T. Sathe Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
18 Mr. N.A. Withana	34,351	0.14%	-	0.00%
19 Mrs. N.M Guruge	31,600	0.13%	31,600	0.13%
20 Northstar Holding (PVT) LTD	29,900	0.13%	-	0.13%
Sub Total	21,358,598	89.93%		
Balance held by 11,733 (2014/15 - 11,737) shareholders	2,391,403	10.07%	2,425,978	10.21%
Total No. of Shares	23,750,001	100.00%	23,750,001	100.00%

The Percentage of shares held as at ,

	31.12.2015			31.03.2015		
	No of Shareholders	No.of shares	%	No of Shareholders	No.of shares	%
Public Holding	11,750	4,570,964	19.25%	11,754	4,570,964	19.25%
Other Holding	3	19,179,037	80.75%	3	19,179,037	80.75%
Total No. of Shares	11,753	23,750,001	100.00%	11,757	23,750,001	100.00%

12. Director's Shareholding

The Directors of the Company hold shares in the Company as follows.

	As at 31.12.2015 No. of Shares	As at 31.03.2015 No. of Shares
Dr.Sena Yaddhegige	Nil	Nil
Mr.J H P Ratnayake (Resigned w.e.f. 11 January 2016)	Nil	Nil
Mr.S S Poholiyadde	3,000	3,000
Mr.N C Peiris	Nil	Nil
Dr.Jayatissa De Costa	Nil	Nil
Mr.A K Perera (Resigned w.e.f. 20 May 2015)	Nil	Nil
Mr.B A T Rodrigo (Appointed w.e.f. 22 June 2015)	Nil	Nil

SEGMENT INFORMATION

Interim Financial Statements

For the period ended 31 December,

	Tea		Rubber		Oil Palm		Other Crops		Total	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
Revenue	752,345	1,012,701	178,026	187,041	468,466	434,567	27,258	30,561	1,426,095	1,664,870
Revenue Expenditure	(871,568)	(1,095,697)	(175,836)	(201,029)	(137,060)	(111,720)	(17,289)	(18,411)	(1,201,752)	(1,426,857)
Depreciation / Amortization	(23,369)	(23,704)	(28,772)	(26,082)	(31,459)	(26,590)	(7,871)	(7,303)	(91,471)	(83,678)
Gratuity	(18,623)	(4,443)	(7,865)	(7,428)	(5,625)	(5,349)	(663)	(700)	(32,776)	(17,921)
Segment Results	(161,214)	(111,144)	(34,448)	(47,498)	294,322	290,908	1,435	4,147	100,095	136,413
Other Income									75,036	110,049
Administrative Expenses									(33,695)	(27,845)
Management Fee									(33,601)	(38,065)
Finance Cost									(38,578)	(48,083)
Share of Profit from the Joint Venture									30,019	46,217
Profit before Taxation									99,277	178,686
Income Tax (Expense)/Reversal									-	(5,314)
Net Profit for the period									99,277	173,373

* The above figures are subject to audit.

Name of Company

Namunukula Plantations PLC.

Legal Form

A Quoted Public Limited Liability Company Incorporated in Sri Lanka.

Date of Incorporation

22 June 1992

Company Registration No.

P Q 136

Principal Business Activities

Cultivation, Manufacture & Sale of Tea, Rubber, Oil palm, Coconut & Cinnamon Plantations.

Ultimate Parent Enterprise

Richard Pieris & Company PLC.

Board of Directors

Dr. S Yaddhige - Chairman

Mr.J H P Ratnayake (Resigned w.e.f. 11 January 2016)

Mr.S S Poholiyadde

Mr.N C Peiris

Dr.Jayatissa De Costa

Mr.A K Perera (Resigned w.e.f. 20 May 2015)

Mr.B A T Rodrigo (Appointed w.e.f. 22 June 2015)

Stock Exchange Listings

The Ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka.

Registered / Head Office

No: 310, High Level Road, Nawinna,
Maharagama, Sri Lanka.

Auditors

Messrs. Ernst & Young, Chartered Accountants,
201, De Saram Place, P.O. Box 101, Colombo 10, Sri Lanka.

Company Secretaries

Richard Pieris Group Services (Pvt) Ltd,
Secretaries,
No: 310, High Level Road, Nawinna,
Maharagama, Sri Lanka.
Telephone: + (94) 11 4310564

Legal Advisors

Paul Ratnayake Associates,
International Legal Consultants,
Solicitors and Attorney-at-law,
No. 59, Gregory's Road,
Colombo 07.

Bankers

Bank of Ceylon - Corporate Branch & Regional Branches
People's Bank - Pelawatta Branch
Hatton National Bank - City Branch
Sampath Bank - Head Office Branch
Development Finance Corporation of Ceylon
National Development Bank
Indian Overseas Bank / Indian Bank
Nations Trust Bank PLC

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