

Maskeliya Plantations PLC

Interim Financial Statements



**FOR THE TWELVE MONTHS ENDED
31 MARCH 2014**


INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

	As at 31/03/14 Rs. ' 000	As at 31/03/13 Rs. ' 000
ASSETS		
NON CURRENT ASSETS		
Lease hold Property ,Plant and Equipment	304,603	322,013
Freehold Property, plant & equipment	605,588	646,214
Bearer Biological Assets	1,952,914	1,766,676
Consumable Biological Assets	560,114	528,467
	<u>3,423,219</u>	<u>3,263,370</u>
CURRENT ASSETS		
Inventories	485,219	426,732
ACT Recoverable	47,926	47,926
VAT Receivable	20,971	21,036
Trade and other Receivables	182,636	153,848
ESC Recoverable	33,650	32,800
Short Term Investment	-	300,000
Amount due from Related Parties	2,929	2,918
Cash and Bank balances	5,313	7,967
	<u>778,644</u>	<u>993,227</u>
TOTAL ASSETS	<u>4,201,863</u>	<u>4,256,597</u>
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Stated Capital - Note 01	673,721	673,721
General Reserve	540,000	540,000
Timber Reserves	517,361	485,714
Retained Earnings	(321,815)	(128,886)
TOTAL EQUITY	<u>1,409,267</u>	<u>1,570,549</u>
NON CURRENT LIABILITIES & DEFERRED INCOME		
Interest Bearing Loans & Borrowings	578,697	809,873
Retiring Benefit Obligations	917,379	776,574
Deferred Tax Liability	7,826	59,063
Deferred Income	231,831	239,890
Liability to make Lease Payment after one year	117,066	119,049
	<u>1,852,799</u>	<u>2,004,449</u>
CURRENT LIABILITIES		
Trade & Other payables	405,094	373,362
Dividend payable	2,008	2,008
Amount due to Related parties	88,740	53,326
Interest Bearing Loans & Borrowings	441,973	250,997
Liability to make Lease Payment within one year	1,982	1,906
	<u>939,797</u>	<u>681,599</u>
TOTAL EQUITY AND LIABILITIES	<u>4,201,863</u>	<u>4,256,597</u>
	-	-
	Rs.	Rs.
Net Assets Per Share	26.12	29.11


The above figures are subject to audit

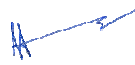
These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.


Sudheera Epitakumbura
Financial Controller

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

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


S S Poholiyadde
Director
29 May 2014


J H P Ratnayeke
Director

INTERIM FINANCIAL STATEMENTS

INCOME STATEMENT

	Quarter Ended 31st March			Year Ended 31st March		
	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-) %	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-)
Revenue	918,228	1,002,929	(8)	3,416,223	3,574,776	(4)
Cost of Sales	(885,179)	(936,572)	5	(3,363,600)	(3,185,996)	(6)
Gross Profit / (Loss)	33,049	66,357	(50)	52,623	388,780	(86)
Other Operating Income/ Gain on Change in Fair of Biological Assets	74,588	75,531	(1)	97,364	97,957	(1)
Administration Expenses	(12,327)	(9,951)	(24)	(43,898)	(42,657)	(3)
Management Fee	(26,498)	(43,250)	39	(150,436)	(184,129)	18
Finance Cost	(21,445)	(649)	(3,204)	(78,353)	(97,675)	20
Profit / (Loss) before Taxation	47,367	88,038	(46)	(122,700)	162,276	(176)
Income Tax Expense	30,509	(10,577)	388	30,509	(10,577)	388
Net Profit/(Loss) for the period	77,876	77,461	1	(92,191)	151,699	(161)
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	1.44	2.79		(1.71)	4.02	

The above figures are subject to audit

STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 31st March			Year Ended 31st March		
	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-)	2014 Rs. ' 000	2013 Rs. ' 000	Variance + / (-)
Profit/ (Loss) for the year	77,876	77,461	1	(92,191)	151,699	(161)
Other Comprehensive Income						
Actuarial Gains/(Losses) on Defined benefit Plans	(82,017)	138,709	(159)	(82,017)	138,709	(159)
Income tax effect	12,926	(21,860)	159	12,926	(21,860)	159
Other Comprehensive Income for the year, net of tax	(69,091)	116,849	(159)	(69,091)	116,849	(159)
Total Comprehensive Income for the year, net of tax	8,785	194,310	(95)	(161,282)	268,548	(160)

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INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

For the Year ended	31/03/2014	31/03/2013
CASH FLOWS FROM OPERATING ACTIVITIES	Rs. ' 000	Rs. ' 000
Net Profit before Taxation	(122,700)	162,276
ADJUSTMENTS FOR		
Depreciation/Amortization	102,142	104,561
Provision for Defined Benefit Plan Cost	141,852	147,278
Amortisation of Grants	(12,189)	(12,189)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	(31,647)	(55,857)
Profit on Disposal of Property, Plant & Equipment	-	(3,815)
Finance Costs	78,353	97,675
Operating Profit before Working Capital changes	155,811	439,929
(Increase)/Decrease in Trade and other receivables	(28,808)	(25,996)
(Increase)/Decrease in Inventories	(58,487)	4,141
Increase/(Decrease) in Trade and other payables	23,723	(44,275)
Increase/(Decrease) in amounts due to Related Parties	35,414	(156,111)
(Increase)/Decrease in amounts due from Related Parties	(11)	(364)
Cash Generated from Operations	127,642	217,324
Finance Costs Paid	(48,226)	(70,092)
Defined Benefit Plan Costs paid	(83,064)	(114,841)
Tax Paid	(8,567)	(8,692)
Net Cash from Operating Activities	(12,215)	23,699
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	4,130	5,991
Proceed from Sale of Property, Plant & Equipment	-	-
Field Development Expenditure	(219,593)	(199,112)
Purchase of Property, Plant & Equipment	(10,751)	(12,240)
Proceeds from Sale of Property, Plant & Equipment	-	3,815
Proceeds from Issued of Ordinary Shares	-	323,721
Net Cash used in Investing Activities	(226,214)	122,175
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Government lease rentals	(24,025)	(49,882)
Proceeds from loans	-	600,000
Payment of loans	(186,832)	(134,962)
Net Cash from Financing Activities	(210,857)	415,156
Net Increase/(Decrease) in Cash & Cash Equivalents	(449,286)	561,030
A. Cash & Cash Equivalents at the beginning of the period	243,803	(317,227)
B. Cash & Cash Equivalents at the end of the period	(205,483)	243,803
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit	300,000	-
Cash & Bank Balances	7,967	4,778
Bank Overdrafts	(64,164)	(322,005)
	243,803	(317,227)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Call Deposit	-	300,000
Cash & Bank Balances	5,313	7,967
Bank Overdrafts	(210,796)	(64,164)
	(205,483)	243,803

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 2012	350,000	540,000	(341,577)	429,857	978,280
Right Issue	323,721	-	-	-	323,721
Net profit/ (Loss) for the period	-	-	151,699	-	151,699
Other comprehensive income	-	-	116,849	-	116,849
Timber Reserve	-	-	(55,857)	55,857.00	-
Balance as at 31 March 13	673,721	540,000	(128,886)	485,714	1,570,549
Net profit/(Loss) for the period	-	-	(92,191)	-	(92,191)
Other comprehensive income	-	-	(69,091)	-	(69,091)
Timber Reserve	-	-	(75,747)	75,747.00	-
Transfer of Realized Timber Gain	-	-	44,100	(44,100)	-
Balance as at 31 March 2014	673,721	540,000	(321,815)	517,361	1,409,267

- 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 2013.
- 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 2013.
- 6 Actuarial gain/(loss) on defined benefit plan has been recognized in Statement of other Comprehensive Income in terms of Provisions in LKAS 19. Where necessary, comparative figures have been reclassified to conform with the current period's presentation.

INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment
For the Year ended 31 March 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	879,797	1,009,086	1,249,263	1,352,878	571,640	675,697	715,523	537,115	3,416,223	3,574,776
Revenue Expenditure	(781,872)	(805,576)	(1,092,576)	(1,043,270)	(512,306)	(512,468)	(732,852)	(572,842)	(3,119,606)	(2,934,156)
Depreciation/ Amortization	(29,129)	(32,009)	(29,215)	(28,014)	(19,556)	(20,156)	(24,242)	(24,382)	(102,142)	(104,561)
Gratuity	(30,668)	(8,535)	(52,027)	(67,045)	(24,310)	(26,379)	(34,847)	(45,319)	(141,852)	(147,278)
Segment Results	38,128	162,966	75,445	214,549	15,468	116,694	(76,418)	(105,428)	52,623	388,781
Other Income/Gain on Change in fair value of Biological Assets									97,364	97,957
Administration Expenses									(43,898)	(42,657)
Management Fees									(150,436)	(184,129)
Finance Cost									(78,353)	(97,675)
Income Tax expenses									30,509	(10,578)
Profit /(Loss)for the period									(92,191)	151,699

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS SHAREHOLDER AND INVESTOR INFORMATION

For the Year Ended 31 March	Quarter Ended		Year Ended	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Market Price per Share				
- Last Traded price (For the quarter)	10.00	12.10	10.00	12.10
- Highest (For the quarter)	13.90	14.00	16.20	21.00
- Lowest (For the quarter)	9.60	11.90	9.40	10.00

Twenty Largest Shareholders

	as at 31/03/2014		as at 31/03/2013	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
David Pieris Motor Company Ltd	1,158,806	2.15	539,547	1.00
Mr C.P De Silva	780,500	1.45	780,500	1.45
Amina Investment Ltd	650,000	1.20	600,000	1.11
Est of Late Mr.M. Radhakrishnan (Deceased)	260,600	0.48	260,600	0.48
Seylan Bank Ltd/Govindasamy Ramanan	251,529	0.47	336,480	0.62
HSBC International Nominees Ltd-SSBT-Deustche	141,600	0.26	70,800	0.13
DPMC Assetline Holdings(Pvt)Ltd Account No 02	134,334	0.25	-	-
Mr D.S.J.V Costa	112,896	0.21	-	1.00
Freudenberg Shipping Agencies Ltd	95,500	0.18	95,500	0.18
Dee Investment(Pvt)Ltd	84,100	0.16	84,100	0.16
Mr R.R.S Ananda	80,000	0.15	80,000	0.15
Mr J. Asanath Priyantha	80,000	0.15	80,898	0.15
Dr. M.A.M Arafath Akram	76,930	0.14	-	-
Commercial Bank of Ceylon PLC/D.S.J.V Costa	60,100	0.11	-	-
Mr. N.W.N Jayasiri	60,000	0.11	-	-
Mr C.P Malalanayake	55,573	0.10	-	-
Mr S.P Jayakumar	55,266	0.10	-	-
Confifi Management Services (Pvt)Ltd	50,200	0.09	50,200	0.09
Mr. M.A Junaid	47,063	0.09	-	-
	49,233,394	91.25		
Balance held by 16,717 Shareholders (2013-16,836)	4,720,096	8.75	5,063,559	9.39
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at

	31/03/2014		31/03/2013	
	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	31/03/2014	31/03/2013
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 K Hettiarachchi (Appointed w.e.f 02/05/2014)	-	-

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 Dr. H S D Soysa E M M Boyagoda Dr.L S K Hettiarachchi (Appointed w.e.f 02/05/2014)
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