

# **NAMUNUKULA PLANTATIONS PLC**

**Company Reg. No. - PQ 136**

# **2014/15**

**INTERIM FINANCIAL STATEMENTS**

**FOR THE TWELVE MONTHS ENDED 31 MARCH 2015**


# STATEMENTS OF FINANCIAL POSITION

Interim Financial Statements


As at,	31.03.2015 Rs. '000	31.03.2014 Rs. '000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Leasehold Property, Plant & Equipment	224,687	222,713
Freehold Property, Plant & Equipment	405,319	284,358
Bearer Biological Assets	2,076,171	1,724,980
Consumable Biological Assets	111,108	-
Joint Venture Investment - Unquoted	116,850	142,653
Financial Assets	250,000	-
Intangible Assets	340,515	-
<b>Total Non Current Assets</b>	<b>3,524,650</b>	<b>2,374,704</b>
<b>Current Assets</b>		
Inventories	211,195	208,739
Trade and Other Receivables	136,975	241,972
Amounts Due from Related Companies	-	35,576
Short Term Investment	-	288,889
Income Tax Receivable	5,441	-
Cash and Cash Equivalents	10,452	26,549
<b>Total Current Assets</b>	<b>364,063</b>	<b>801,725</b>
<b>Total Assets</b>	<b>3,888,713</b>	<b>3,176,429</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Stated Capital	350,000	350,000
Retained Earnings	1,843,890	1,725,224
<b>Total Equity</b>	<b>2,193,890</b>	<b>2,075,224</b>
<b>Non Current Liabilities</b>		
Interest Bearing Loans & Borrowings	187,750	249,689
Retirement Benefit Obligations	595,402	243,567
Deferred Tax Liability	20,158	26,291
Deferred Income	125,876	114,479
Liability to make Lease payment after one year	223,280	227,306
<b>Total Non Current Liabilities</b>	<b>1,152,465</b>	<b>861,332</b>
<b>Current Liabilities</b>		
Trade and Other Payables	440,023	189,273
Liability to make Lease payment within one year	4,026	3,872
Interest Bearing Loans & Borrowings	67,196	20,947
Amounts Due to Related Companies	31,112	19,400
Income Tax Liabilities	-	6,381
<b>Total Current Liabilities</b>	<b>542,357</b>	<b>239,873</b>
<b>Total Liabilities</b>	<b>1,694,823</b>	<b>1,101,205</b>
<b>Total Equity and Liabilities</b>	<b>3,888,713</b>	<b>3,176,429</b>
<b>Net Assets per Share (Rs.)</b>	<b>92.37</b>	<b>87.38</b>


\* 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 Epatakumbura  
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. Poholiyadde  
Director

  
J. H. P. Ratnayeke  
Director

# STATEMENTS OF COMPREHENSIVE INCOME

Interim Financial Statements

	Quarter Ended			Twelve Months Ended		
	31.03.2015 Rs. '000	31.03.2014 Rs. '000	Increase / (Decrease)	31.03.2015 Rs. '000	31.03.2014 Rs. '000	Increase / (Decrease)
Revenue	975,393	465,146	110%	2,194,906	2,092,782	5%
Cost of sales	(1,104,967)	(349,055)	217%	(2,107,934)	(1,589,734)	-33%
<b>Gross profit</b>	<b>(129,573)</b>	<b>116,092</b>	<b>-212%</b>	<b>86,973</b>	<b>503,048</b>	<b>-83%</b>
Other income	40,807	43,429	-6%	136,545	98,606	38%
Gain on change in fair value of biological assets	14,877	-	0%	14,877	-	0%
Administrative expenses	(12,272)	(12,214)	0%	(40,116)	(42,962)	7%
Provision for doubtful receivable	113,245	-	100%	-	(80,279)	100%
Management fee	(7,151)	(24,227)	70%	(45,216)	(89,455)	49%
Finance cost	(15,358)	(11,216)	-37%	(47,238)	(46,598)	-1%
Impairment of goodwill	(27,178)	-	0%	(27,178)	-	0%
Share of profit from joint venture	5,916	10,403	-43%	52,133	38,076	37%
<b>Profit before taxation</b>	<b>(16,686)</b>	<b>122,266</b>	<b>-114%</b>	<b>130,779</b>	<b>380,436</b>	<b>-66%</b>
Income tax expense	25,796	(29,195)	188%	20,482	(44,509)	146%
<b>Net profit for the period</b>	<b>9,110</b>	<b>93,070</b>	<b>-90%</b>	<b>151,261</b>	<b>335,928</b>	<b>-55%</b>
<b>Other comprehensive income</b>						
Actuarial gain/(loss) on defined benefit plans	17,434	(8,367)	308%	17,434	(8,367)	308%
Income tax effect	(2,528)	1,213	-308%	(2,528)	1,213	-308%
<b>Other comprehensive income for the period</b>	<b>14,906</b>	<b>(7,153)</b>	<b>308%</b>	<b>14,906</b>	<b>(7,153)</b>	<b>-308%</b>
<b>Total comprehensive income for the period</b>	<b>24,016</b>	<b>85,917</b>	<b>-72%</b>	<b>166,167</b>	<b>328,774</b>	<b>-49%</b>
<b>Basic Earnings per Share (Rs.)</b>	<b>0.38</b>	<b>3.92</b>		<b>6.37</b>	<b>14.14</b>	

\* 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
<b>Balance as at 1 April 2013</b>	<b>350,000</b>	<b>1,645,825</b>	<b>1,995,825</b>
Dividend Paid	-	(249,375)	(249,375)
Net profit for the period	-	335,928	335,928
Other Comprehensive Income	-	(7,153)	(7,153)
<b>Balance as at 31 March 2014</b>	<b>350,000</b>	<b>1,725,224</b>	<b>2,075,224</b>
<b>Balance as at 1 April 2014</b>	<b>350,000</b>	<b>1,725,224</b>	<b>2,075,224</b>
Dividend Paid	-	(47,500)	(47,500)
Net profit for the period	-	151,261	151,261
Other Comprehensive Income	-	14,906	14,906
<b>Balance as at 31 March 2015</b>	<b>350,000</b>	<b>1,843,890</b>	<b>2,193,890</b>

\* The above figures are subject to audit.

# STATEMENT OF CASH FLOWS

Interim Financial Statements

Twelve months ended,	31.03.2015 Rs. '000	31.03.2014 Rs. '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Taxation	130,779	380,436
<b>ADJUSTMENTS FOR,</b>		
Depreciation	113,758	92,072
Finance Cost	47,238	46,598
Provision for Defined Benefit Plan Cost	95,656	42,070
Amortization of Grants	(2,847)	(2,829)
Fair Valuation charged against timber proceeds	2,100	-
Gain on change in fair value of biological assets	(14,877)	-
Impairment of goodwill	27,178	-
Share of Profit of Joint Venture	(52,133)	(38,076)
Profit from Sale of Fixed Assets	(1,500)	(225)
Provision for Bad & Doubtful Debts	-	80,279
<b>Operating profit before working capital changes</b>	345,352	600,326
(Increase)/Decrease in Inventories	70,107	(28,029)
(Increase)/Decrease in Trade and other Receivables	152,108	(81,583)
(Increase)/Decrease in Amounts due from Related Companies	35,576	20,191
Increase/(Decrease) in Trade and Other Payables	(191,432)	(49,356)
Increase/(Decrease) in Amounts due to Related Companies	11,712	19,400
<b>Cash Generated from Operating Activities</b>	423,422	480,948
Finance Cost Paid	(6,666)	(8,668)
Income Tax (Paid) / Refund	-	(4,647)
Defined Benefit Plan Cost Paid	(33,093)	(23,293)
<b>Net Cash Flow From Operating Activities</b>	383,662	444,340
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Property, Plant & Equipment	(105,631)	(19,781)
Share buy back (Unquoted Investment)	48,333	-
Dividend Received	29,602	12,132
Investments in Immature plantation	(307,662)	(284,000)
Long Term Investments - In Debentures	(250,000)	-
Sale of Property, Plant & Equipment	1,500	225
Net Cash received with Uva Six Estates	12	-
Grants Received	2,832	5,647
<b>Net Cash Flow From Investing Activities</b>	(581,014)	(285,777)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of Government Lease rentals	(44,444)	(41,653)
Proceeds from borrowings	-	-
Repayment of loans	(27,547)	(26,614)
Dividend Paid	(47,500)	(249,375)
<b>Net Cash Flow From Financing Activities</b>	(119,491)	(317,642)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(316,843)	(159,079)
<b>A. Cash &amp; Cash Equivalents at the Beginning of the Period</b>	315,438	474,517
<b>B. Cash &amp; Cash Equivalents at the End of the Period</b>	(1,405)	315,438
<b>NOTE A - Cash &amp; Cash Equivalents at the Beginning of the Period</b>		
Cash & Bank Balances	26,549	23,226
Short Term Investment	288,889	462,695
Bank Overdrafts	-	(11,404)
	315,438	474,517
<b>NOTE B - Cash &amp; Cash Equivalents at the End of the Period</b>		
Cash & Bank Balances	10,452	26,549
Short Term Investment	-	288,889
Bank Overdrafts	(11,856)	-
	(1,405)	315,438

\* The above figures are subject to audit.

### 1. Market Price per Share

	Quarter Ended		Year Ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.	Rs.	Rs.	Rs.
Last traded price	70.90	83.80	70.90	83.80
Highest	90.00	97.80	100.00	97.80
Lowest	70.00	77.30	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 2014.
5. 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.
6. In May 2014, the Company invested in 2.5 Mn, Rs. 100 each Five year Fixed Rated Listed Debenture (11.25% p.a.) payable semi annually issued by the ultimate parent company (Richard Pieris & Company PLC) amounting to Rs. 250 Mn.
7. Dr.Henry Jayatissa De Costa has been appointed Independent Non Executive Director of the company with effect from 30th June 2014 following an ordinary resolution passed by the shareholders of the company at the Annual General Meeting held on 30th June 2014.
8. 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.
9. A first interim dividend of Rs. 2.00 per share for the financial year 2014/15 was declared on 30th October 2014 and paid on 19th November 2014.
10. There have been no material events occurring after the reporting date, that require adjustments or disclosure in the Financial Statements.
11. The sub lease agreement with Tusker Bottling Company (Pvt) Ltd (Under Liquidator) has been terminated for breach effective from 5 July 2013. Those assets and liabilities related to uva range recognized in the financial statements of the 4th Quarter of 2014/2015.

**12. Twenty largest shareholders of the company,**

	As at 31.03.2015		As at 31.03.2014	
	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%	406,209	1.71%
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	329,955	1.39%	329,888	1.39%
6 Seylan Bank PLC/Thirugnanasambandar	211,013	0.89%	-	0.00%
7 National Savings Bank	150,000	0.63%	-	0.00%
8 Bank of Ceylon No .1 Account	80,000	0.34%	80,000	0.34%
9 Mr. H.A.A.H Algharabally	77,000	0.32%	77,000	0.32%
10 Mr. K.C Vignarajah	73,434	0.31%	45,437	0.19%
11 Mr. H.G. Carimjee (Deceased)	64,800	0.27%	64,800	0.27%
12 Cocoshell Activated Carbon Co. Ltd	57,387	0.24%	57,387	0.24%
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 Dr. T.Senthilverl	49,627	0.21%	-	0.00%
17 J.B.Cocoshell (Pvt) Ltd	40,072	0.17%	41,100	0.17%
18 T.S.T.T.T .Sathe Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
19 Waldock Mackenzie Ltd/Mr H.M.S Abdulhussein	31,800	0.13%	31,800	0.13%
20 Mrs. N.M. Guruge	31,600	0.13%	31,600	0.13%
<b>Sub Total</b>	<b>21,324,023</b>	<b>89.79%</b>		
Balance held by 11,737 ( 2013/14 - 11,870) shareholders	2,425,978	10.21%	2,852,445	12.01%
<b>Total No. of Shares</b>	<b>23,750,001</b>	<b>100.00%</b>	<b>23,750,001</b>	<b>100.00%</b>

**The Percentage of shares held as at ,**

	31.03.2015			31.03.2014		
	No of Shareholders	No.of shares	%	No of Shareholders	No.of shares	%
Public Holding	11,754	4,570,964	19.25%	11,887	4,570,964	19.25%
Other Holding	3	19,179,037	80.75%	3	19,179,037	80.75%
<b>Total No. of Shares</b>	<b>11,757</b>	<b>23,750,001</b>	<b>100.00%</b>	<b>11,890</b>	<b>23,750,001</b>	<b>100.00%</b>

**13. Director's Shareholding**

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

	No. of Shares	
	As at 31.03.2015	As at 31.03.2014
Dr.Sena Yaddhegige	Nil	Nil
Mr.J H P Ratnayake	Nil	Nil
Mr.S S Poholiyadde	3,000	3,000
Mr.N C Peiris	Nil	Nil
Mr.A K Perera	Nil	Nil
Dr.Jayatissa De Costa (Appointed w.e.f. 30.06.2014)	Nil	Nil

## SEGMENT INFORMATION

Interim Financial Statements

For the period ended 31 March,

	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	1,312,932	1,015,203	288,067	480,464	553,206	556,708	40,702	40,407	2,194,906	2,092,782
Revenue Expenditure	(1,443,641)	(962,129)	(302,544)	(366,487)	(135,690)	(110,396)	(21,204)	(18,738)	(1,903,079)	(1,457,750)
Depreciation / Amortization	(28,927)	(28,172)	(36,104)	(25,859)	(36,579)	(30,645)	(9,389)	(7,038)	(110,999)	(91,714)
Gratuity	(60,722)	(8,607)	(18,261)	(20,518)	(13,151)	(10,016)	(1,721)	(1,130)	(93,856)	(40,270)
<b>Segment Results</b>	<b>(220,358)</b>	<b>16,295</b>	<b>(68,843)</b>	<b>67,600</b>	<b>367,786</b>	<b>405,652</b>	<b>8,388</b>	<b>13,501</b>	<b>86,973</b>	<b>503,048</b>
Other Income									136,545	98,606
Gain on change in fair value of biological assets									14,877	-
Administrative Expenses									(40,116)	(42,962)
Provision for Doubtful Receivable									-	(80,279)
Management Fee									(45,216)	(89,455)
Finance Cost									(47,238)	(46,598)
Impairment Loss on goodwill									(27,178)	-
Share of Profit from the Joint Venture									52,133	38,076
<b>Profit before Taxation</b>									<b>130,779</b>	<b>380,436</b>
Income Tax (Expense)/Reversal									20,482	(44,509)
<b>Net Profit for the period</b>									<b>151,261</b>	<b>335,928</b>

\* 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 Yaddehige - Chairman

Mr.J H P Ratnayeke

Mr.S S Poholiyadde

Mr.N C Peiris

Mr.A K Perera

Dr.Jayatissa De Costa (Appointed w.e.f. 30.06.2014)

**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 Ratnayeke 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

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