

2016/2017



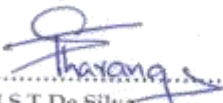
CHILAW FINANCE PLC
INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
30TH SEPTEMBER 2016

CHILAW FINANCE PLC
STATEMENT OF FINANCIAL POSITION

<u>AS AT</u>	Unaudited 30.09.2016 Rs.	Audited 31.03.2016 Rs.
<u>ASSETS</u>		
Cash & Cash Equivalents	9,722,674	10,488,858
Deposits with banks and NBFIs	16,501,961	38,069,530
Financial Assets - Held to Maturity	61,214,282	59,002,500
Other Financial Assets	205,300	205,300
Investments - Held for Trading	17,566,161	14,772,521
Loans & Advances	952,111,266	903,390,785
Trade & Other Receivables	7,417,314	6,549,631
Inventories	702,375	622,527
Intangible Assets	5,112,163	5,504,473
Investment Properties	67,679,500	67,679,500
Property, Plant & Equipment	155,797,226	157,897,629
TOTAL ASSETS	1,294,030,221	1,264,183,254
<u>EQUITY & LIABILITIES</u>		
<u>LIABILITIES</u>		
Public Deposits	618,788,338	623,655,141
Trade & Other Payables	39,300,394	32,662,785
Deferred Tax Liabilities	19,852,388	19,852,388
Employee Benefit Liabilities	4,188,541	4,188,541
Income Tax Payable	7,253,567	6,566,793
Total Liabilities	689,383,227	686,925,648
<u>EQUITY ATTRIBUTABLE TO</u>		
<u>EQUITY HOLDERS</u>		
Stated Capital	290,909,239	290,909,239
Reserves	313,737,754	286,348,368
Total Equity	604,646,993	577,257,607
TOTAL EQUITY & LIABILITIES	1,294,030,221	1,264,183,254
Net Assets Value Per share	17.84	17.03

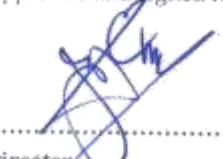
Certification

I Certify that the Financial Statements comply with the requirements of the Companies Act No.7 of 2007.


.....
U.S.T De Silva

Accountant - Financial Reporting

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,


.....
Director

25th October 2016


.....
Director

25th October 2016

CHILAW FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

Six Months Ended 30th Sep	Three Months Ended 30th Sep 2016 (Rs.)	Three Months Ended 30th Sep 2015 (Rs.)	YTD 30th Sep 2016 (Rs.)	YTD 30th Sep 2015 (Rs.)
Revenue	53,270,463	40,936,826	101,916,254	85,671,158
Interest Income	48,784,867	38,539,070	94,340,234	78,991,758
Interest Expenses	(15,662,304)	(13,849,549)	(30,851,231)	(28,494,668)
Net Interest Income	33,122,563	24,689,521	63,489,003	50,497,089
Fees & Commission Income	1,094,305	1,306,098	2,091,079	2,320,845
Fees & Commission Expenses	-	(230)	-	(134,000)
Net Fees & Commission Income	1,094,305	1,305,868	2,091,079	2,186,845
Net gain/ (loss) from financial instruments held for trading	2,086,856	29,385	2,445,386	710,796
Other Operating Income (net)	1,304,436	1,062,273	3,039,555	3,647,759
Total Operating Income	37,608,159	27,087,046	71,065,023	57,042,489
Impairment (Charges) / Reversal for loans and other losses	1,203,657	(2,346,066)	(2,234,376)	(5,454,953)
Net Operating Income	38,811,816	24,740,980	68,830,647	51,587,536
Operating Expenses				
Personnel Expenses	(6,176,343)	(6,790,706)	(11,775,800)	(13,620,653)
Depreciation of Property & Equipment	(1,088,540)	(1,074,330)	(2,180,903)	(2,084,594)
Amortisation of Intangible Assets	(253,623)	(196,154)	(392,309)	(392,309)
Other Operating Expenses	(4,732,917)	(4,302,946)	(9,652,744)	(9,521,577)
Operating Profit before Value Added Tax on Financial Services	26,560,393	12,376,844	44,828,891	25,968,403
Value Added Tax on Financial Service, NBT & CROP Insurance Levy	(4,223,905)	(1,321,660)	(6,853,776)	(3,581,005)
Profit before Taxation	22,336,488	11,055,184	37,975,114	22,387,399
Income Tax Expense	(6,212,019)	(2,658,527)	(10,585,728)	(5,814,527)
Profit for the Year	16,124,469	8,396,657	27,389,386	16,572,872
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	16,124,469	8,396,657	27,389,386	16,572,872
Earnings Per Share (Rs)	0.48	0.25	0.81	0.49

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 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							16,572,872	16,572,872
Transfers to Investment Fund Account				-			-	-
Balance as at 30th Sep 2015	33,901,337	290,909,239	31,018,006	-	5,000,000	103,706,950	123,580,503	554,214,698
Total Comprehensive Income							18,050,979	18,050,979
Other Comprehensive Income						4,991,930		4,991,930
Transfers to Reserve Fund			1,731,193				(1,731,193)	-
Balance as at 31st March 2016	33,901,337	290,909,239	32,749,199	-	5,000,000	108,698,880	139,900,289	577,257,607
Total Comprehensive Income							27,389,386	27,389,386
Transfers to Investment Fund Account								-
Balance as at 30th Sep 2016	33,901,337	290,909,239	32,749,199	-	5,000,000	108,698,880	167,289,675	604,646,993

CHILAW FINANCE PLC
CASH FLOW STATEMENT

For the Six Months ended 30th Sep	2016	2015
	Unaudited	Unaudited
	(Rs.)	(Rs.)
Cash Flows From Operating activities		
Profit Before Tax	37,975,114	22,387,399
Adjustment For:		
Non- cash items included in profit before tax	9,215,980	10,634,498
Changes in operating assets	(30,334,818)	76,979,132
Changes in operating Liabilities	(5,082,970)	(86,347,509)
Dividend income from investments	(829,243)	(725,128)
Gratuity paid	-	(711,433)
Income Tax Paid	(9,898,953)	(1,677,143)
Net cash Generated from operating activities	1,045,110	20,539,816
Cash flows From investing activities		
Net of Property, plant and equipment and Intangible	(80,500)	(2,661,899)
Net Proceeds from the sale of Investment Properties	-	-
Dividend Income from Investment	829,243	725,128
Net investment in financial assets held-for -trading	(348,255)	(997,685)
Net investment in financial assets held-to maturity	(2,211,782)	(1,769,966)
Net cash (Used in)/from investing Activities	(1,811,294)	(4,704,422)
Cash Flows From Financing activities		
New issue of shares by way of right issue	-	-
Net Cash from Financing Activates	-	-
Net Increase/(Decrease) in Cash & cash Equivalents	(766,184)	15,835,394
Cash and Cash equivalent at the beginning of the periods	10,488,858	(1,746,085)
Cash and Cash equivalent at the ended of the periods (Note A)	9,722,674	14,089,309
NOTE (A) Cash & Cash Equivalents		
Cash in hand & balances in Banks	9,722,674	14,093,831
Bank Overdrafts	-	(4,522)
	9,722,674	14,089,309

EXPLANATORY NOTES

FOR THE PERIOD OF SIX MONTHS ENDED 30th SEP 2016.

1. The interim financial statements for the six months ended 30th Sep 2016 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 2016.
3. These Interim Financial Statements are prepared and presented in compliance with the Sri Lanka Accounting Standards LKAS 34.
4. There were no material Contingent Liabilities which would require adjustments to or disclosures in the Financial Statements.
5. All known expenses have been provided for in these financial statements.
6. There were no material events occurred after the balance sheet date that require adjustments to or disclosure in the financial Statements.
7. 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.

8. Market Value Per Share for the three months ended	<u>30.09.2016</u>	<u>30.09.2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Highest Price	25.00(22.07.2016)	27.10 (28.07.2015)
Lowest Price	18.70(04.07.2016)	20.00 (14.09.2015)
Closing	22.80	22.10
Market Value per Share for the Year ended	<u>31.03.2016</u>	<u>31.03.2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Highest Price	26.00(05.02.2016)	34.70(20.10.2014)
Lowest Price	15.00(09.03.2016)	18.70(11.06.2014)
Closing	16.80	23.60

10. Analysis of Share Holders According to Number of Shares Held [categorized as Resident Investors / Non-Resident Investors] - As at 30th September 2016 Vs 30th September 2015

As at 30th September 2016

	No of Shareholders	No of Shares	% of Shareholding
Resident Investors	608	33,898,509	99.99
Non-Resident Investors	4	2,828	0.01
Total	612	33,901,337	100.00

As at 30th September 2015

	No of Shareholders	No of Share	% of Shareholding
Resident Investors	620	33,900,609	99.998
Non-Resident Investors	2	728	0.002
Total	622	33,901,337	100.000

11. Analysis of Share Holders According to Number of Shares Held [Categorized as Institutional Investors / Individual Investors] - As at 30th September 2016 Vs 30th September 2015

As at 30th September 2016

	No of Shareholders	No of Shares	% of Shareholding
Institutional Investors	36	30,919,435	91.20
Individual Investors	576	2,981,902	8.80
Total	612	33,901,337	100.00

As at 30th September 2015

	No of Shareholders	No of Share	% of Shareholding
Institutional Investors	33	30,891,984	91.12
Individual Investors	589	3,009,353	8.88
Total	622	33,901,337	100.00

12. Analysis of Distribution of Shareholders' According to Number of Shares Held -
As at 30th September 2016 Vs 30th September 2015

Range of	30 th September 2016			30 th September 2015		
	No of Shareholders	No of Share	% of Share holding	No of Shareholders	No of Share	% of Share holding
1 - 500	330	34,442	0.10	320	34,012	0.10
501 - 5000	188	332,993	0.98	212	377,869	1.11
5001 - 10000	34	239,220	0.71	34	231,669	0.68
10001 - 20000	40	561,235	1.66	34	460,959	1.36
20001 - 30000	10	232,054	0.68	11	257,468	0.76
30001 - 40000	3	107,786	0.32	3	105,134	0.31
40001 - 50000	-	-	-	1	47,996	0.14
50001 - 100000	2	121,099	0.36	3	215,399	0.64
100001 - 1000000	3	690,382	2.04	2	588,705	1.74
1000001 & Above	2	31,582,126	93.16	2	31,582,126	93.16
Total	612	33,901,337	100.00	622	33,901,337	100.00

13. Twenty Largest Share Holders' shareholding position as at 30th September 2016 Vs 30th September 2015

S.No	Name	As at 30.09.2016		As at 30.09.2015	
		No of Shares	%	No of Shares	%
1	Richard Pieris Finance Limited	30,515,000	90.01	30,515,000	90.01
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	486,989	1.44
4	Colombo Trust Finance PLC Plc/ A.S.M.Shiyam	101,716	0.30	101,716	0.30
5	Mr.P.K.W.Pushpakumara	101,677	0.30	-	-
6	Mr.U.G.R.S.H.Dharmasiri	64,599	0.19	64,599	0.19
7	Richard Peiris Financial Services (Pvt) Ltd/M.A.A.Karim	56,500	0.17	24,500	0.07
8	Mr.L.Y.Dharmasena	36,263	0.11	33,885	0.10
9	Mr.R.J.A.Dhanaratna	35,912	0.11	35,912	0.11
10	Nanayakkara Management Services(Private)	35,611	0.10	35,337	0.10
11	Waldock Mackenzie Ltd/Mrs. G. Soysa	29,140	0.09	29,140	0.09
12	Mr.M.N.Zavahir	26,406	0.08	26,406	0.08
13	Mr.G.N.Dias	24,646	0.07	24,646	0.07
14	Mr.K.K.P.Sirisena	24,142	0.07	24,142	0.07
15	Mr.P.N.R.Dias	21,937	0.06	21,937	0.06
16	Commercial Bank Of Ceylon Plc/Spice Of Life	21,508	0.06	21,508	0.06
17	Mrs.W.B.D.C.E.Perera	21,125	0.06	21,125	0.06
18	Mr.N.P.P.G.Jayasinghe	21,125	0.06	-	-
19	Dr.R.S.M.Prabhawathie	21,125	0.06	21,125	0.06
20	Mr.H.M.L.P.B.Hennayake	20,900	0.06	-	-

14. Directors' Share Holding as at 30th September 2016 Vs 30th September 2015

The number of ordinary shares (CDS and Non CDS) held by the directors as at 30th September 2016 and as at 30th September 2015 were as follows.

S.No	Name	30.09.2016		30.09.2015	
		CDS	Non CDS	CDS	Non CDS
1	Mr. J. Felix Fernandopulle	-NIL-	-NIL-	-NIL-	-NIL-
2	Mr.D.P.Janaka Hewawitharana	-NIL-	-NIL-	-NIL-	-NIL-
3	Mr.W.J.V.P Perera	-NIL-	-NIL-	-	-
4	Mr.H.M. Hennayake Bandara	Resign		-NIL-	-NIL-
5	Mr.A. Hettiarachchy	Resign		-NIL-	-NIL-

15. Public Share Holding as at 30th September 2016 Vs Public Share Holding as at 30th September 2015

Public Share Holding as at 30th September 2016

	<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 J. Felix Fernandopulle	NIL		
ii D.P. Janaka Hewawitharana	NIL		
iii W.J.V.P. Perera	<u>NIL</u>		
3			
<u>Acting Chief Executive Officer & his close family members</u>			
C.N.Mariyaseelan	<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 30.09.2016		01	
Total number of institutional and public shareholders as at 30.09.2016		<u>611</u>	
Total number of shareholders as at 30.09.2016		<u>612</u>	

Public Share Holding as at 30th September 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		30,515,000	90.01
2	<u>Directors of the entity, their spouses and children under 18 years of age</u>			
i	J. Felix Fernandopulle	NIL		
ii	A. Hettiarachchy	NIL		
iii	D.P. Janaka Hewawitharana	NIL		
iv	H.M. Hennayake Bandara	NIL		
v	C.P. Abeywickrema	NIL		
3	<u>Chief Executive Officer & his close family members</u>			
	C.T.Kumarage	NIL		
4	<u>Key Management personnel and their close family members</u>			
		NIL	NIL	NIL
	Total non-public share holding		30,515,000	90.01
	Public Share Holding		3,386,337	9.99
	Total Issued Share Capital		33,901,337	100.00
	Total number of non-public shareholders as at 30.09.2015		01	
	Total number of institutional and public shareholders as at 30.09.2015		<u>621</u>	
	Total number of shareholders as at 30.09.2015		<u>622</u>	

CHILAW FINANCE PLC

BUSINESS SEGMENT INFORMATION

	Leases		Hire Purchase		Other Loans & Advances		Unallocated		Total	
For the quarter ended										
30th Sep	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue										
Interest	23,899,071	17,995,927	1,114,350	2,857,115	21,867,601	13,327,662	1,903,844	4,358,367	48,784,867	38,539,070
Investment Income							2,086,856	29,385	2,086,856	29,385
Other Income							2,398,741	2,368,370	2,398,741	2,368,370
Total	23,899,071	17,995,927	1,114,350	2,857,115	21,867,601	13,327,662	6,389,441	6,756,123	53,270,463	40,936,826
Percentage	45%	44%	2%	7%	41%	33%	12%	17%	100%	100%
Interest Expenses	(7,026,680)	(6,088,295)	(327,635)	(966,605)	(6,429,398)	(4,508,950)	(1,878,590)	(2,285,699)	(15,662,304)	(13,849,549)
Other Expenses	(6,851,428)	(7,047,746)	(319,464)	(1,118,932)	(6,269,043)	(5,219,513)	(1,831,736)	(2,645,901)	(15,271,672)	(16,032,092)
Segment result	10,020,962	4,859,886	467,251	771,577	9,169,160	3,599,198	2,679,114	1,824,523	22,336,488	11,055,184
Income Tax Expense									(6,212,019)	(2,658,527)
Operating Profit After Tax									16,124,469	8,396,657
Total Assets as at 30th										
Sep	580,549,121	555,737,992	27,069,463	88,231,472	531,201,252	411,575,800	155,210,386	208,637,990	1,294,030,221	1,264,183,254
Percentage	45%	44%	2%	7%	41%	33%	12%	17%	100%	100%

CHILAW FINANCE PLC

BUSINESS SEGMENT INFORMATION

	Leases		Hire Purchase		Other Loans & Advances		Unallocated		Total	
For the quarter ended										
30th Sep	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue										
Interest	47,142,735	33,146,858	2,682,176	6,247,810	40,744,302	29,379,241	3,771,021	10,217,848	94,340,234	78,991,758
Investment Income							2,445,386	710,796	2,445,386	710,796
Other Income							5,130,635	5,968,604	5,130,635	5,968,604
Total	47,142,735	33,146,858	2,682,176	6,247,810	40,744,302	29,379,241	11,347,041	16,897,248	101,916,254	85,671,158
Percentage	46%	39%	3%	7%	40%	34%	11%	20%	100%	100%
Interest Expenses	(14,270,652)	(11,024,816)	(811,926)	(2,078,054)	(12,333,772)	(9,771,687)	(3,434,881)	(5,620,112)	(30,851,231)	(28,494,668)
Other Expenses	(15,306,183)	(13,460,178)	(870,842)	(2,537,092)	(13,228,756)	(11,930,235)	(3,684,128)	(6,861,585)	(33,089,909)	(34,789,091)
Segment result	17,565,900	8,661,864	999,408	1,632,664	15,181,774	7,677,319	4,228,032	4,415,552	37,975,114	22,387,399
Income Tax Expense									(10,585,728)	(5,814,527)
Operating Profit After Tax									27,389,386	16,572,872
Total Assets as at 30th										
Sep	598,571,101	489,122,640	34,055,572	92,194,120	517,330,217	433,526,822	144,073,331	249,339,672	1,294,030,221	1,264,183,254
Percentage	46%	39%	3%	7%	40%	34%	11%	20%	100%	100%