



# **WASKADUWA BEACH RESORT PLC**

**Interim Financial Statements**

**Period ended 30 June 2018**

**WASKADUWA BEACH RESORT PLC**
**STATEMENT OF COMPREHENSIVE INCOME**

	<b><u>Quarter Ended 30th June</u></b>		<b><u>Year Ended</u></b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
<b>Revenue</b>	130,945,130	131,210,486	693,579,858
Cost of Sales	<u>(36,798,552)</u>	<u>(33,100,313)</u>	<u>(167,955,913)</u>
<b>Gross Profit</b>	<b>94,146,578</b>	<b>98,110,173</b>	<b>525,623,946</b>
Other Income	1,022,095	1,025,555	5,924,566
Administrative Expenses	(69,255,423)	(74,016,350)	(296,883,654)
Operating Expenses	(48,488,455)	(44,634,003)	(187,429,854)
Selling and Marketing Expenses	<u>(4,794,423)</u>	<u>(3,495,346)</u>	<u>(15,291,324)</u>
<b>Operating Profit</b>	<b>(27,369,628)</b>	<b>(23,009,971)</b>	<b>31,943,680</b>
Finance Income	2,330,505	1,255,987	6,649,821
Finance Cost	<u>(74,066,165)</u>	<u>(69,703,879)</u>	<u>(287,994,821)</u>
<b>Loss Before Tax</b>	<b>(99,105,288)</b>	<b>(91,457,864)</b>	<b>(249,401,320)</b>
Income Tax Expense (Note 04)	<u>-</u>	<u>(175,104)</u>	<u>(1,146,428)</u>
<b>Loss for the Period</b>	<b><u>(99,105,288)</u></b>	<b><u>(91,632,968)</u></b>	<b><u>(250,547,749)</u></b>
<b>Other Comprehensive Income/ (Loss)</b>			
<b>Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods:</b>			
Revaluation Gain on Land and Building (Note 05)	-	-	754,204,338
Deferred Tax effect on Revaluation of Land and Building (Note 04)	-	-	(111,339,952)
Actuarial Gain/ (Loss) on Defined Benefit Plan	-	-	(214,813)
Deferred Tax Effect on Actuarial Gain/ (Loss) (Note 04)	<u>-</u>	<u>-</u>	<u>30,074</u>
<b>Total Other Comprehensive Income</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>642,679,647</u></b>
<b>Total Comprehensive Income/ (Loss) for the Period, net of tax</b>	<b><u>(99,105,288)</u></b>	<b><u>(91,632,968)</u></b>	<b><u>392,131,899</u></b>
<b>Loss per share - Basic (Rs.)</b>	<b>(0.49)</b>	<b>(0.45)</b>	<b>(1.24)</b>

# WASKADUWA BEACH RESORT PLC

## STATEMENT OF FINANCIAL POSITION

	30.06.2018	31.03.2018
	Unaudited	Unaudited
	Rs.	Rs.
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, Plant & Equipment	4,270,716,812	4,311,425,961
Amounts due from Related Parties	67,129,533	55,330,078
Intangible Assets	156,987	200,605
	<u>4,338,003,332</u>	<u>4,366,956,643</u>
<b>Current Assets</b>		
Inventories	15,402,277	15,069,134
Trade and Other Receivables	62,791,280	98,043,704
Other Non Financial Assets	4,843,570	5,235,020
Income Tax Receivables	10,429,103	9,125,653
Cash & Cash Equivalents	20,341,190	44,774,853
	<u>113,807,420</u>	<u>172,248,363</u>
<b>TOTAL ASSETS</b>	<u>4,451,810,752</u>	<u>4,539,205,007</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Stated Capital	2,042,238,316	2,042,238,316
Revaluation Reserve	743,788,003	743,788,003
Retained Earnings	(1,139,041,154)	(1,039,935,865)
<b>Total Equity</b>	<u>1,646,985,165</u>	<u>1,746,090,453</u>
<b>Non-Current Liabilities</b>		
Interest Bearing Loans and Borrowings	1,387,484,916	1,264,746,950
Amounts due to Related Parties	644,443,269	564,482,632
Deferred Tax Liability	120,648,172	120,648,173
Retirement Benefit Obligation	3,386,363	3,097,109
	<u>2,155,962,720</u>	<u>1,952,974,863</u>
<b>Current Liabilities</b>		
Trade & Other Payables	318,632,788	325,709,391
Interest Bearing Loans and Borrowings	330,230,080	514,430,299
	<u>648,862,868</u>	<u>840,139,690</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u>4,451,810,752</u>	<u>4,539,205,007</u>

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

Signed

.....  
Group Accountant

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

Signed for and on behalf of the Board by,

Signed

.....  
Director

Signed

.....  
Director

August 15, 2018  
Colombo

**WASKADUWA BEACH RESORT PLC**

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**STATEMENT OF CHANGES IN EQUITY**

	<b>Stated Capital</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Balance as at 01 <sup>st</sup> April 2017	2,042,238,316	100,923,616	(788,417,615)	1,354,744,317
Loss for the period	-	-	(91,632,968)	(91,632,968)
<b>Balance as at 30th June 2017</b>	<b><u>2,042,238,316</u></b>	<b><u>100,923,616</u></b>	<b><u>(880,050,584)</u></b>	<b><u>1,263,111,348</u></b>
Balance as at 01 <sup>st</sup> April 2018	2,042,238,316	743,788,003	(1,039,935,865)	1,746,090,453
Loss for the period	-	-	(99,105,288)	(99,105,288)
<b>Balance as at 30th June 2018</b>	<b><u>2,042,238,316</u></b>	<b><u>743,788,003</u></b>	<b><u>(1,139,041,154)</u></b>	<b><u>1,646,985,165</u></b>

# WASKADUWA BEACH RESORT PLC

## STATEMENT OF CASH FLOW

	<b>Period Ended 30.06.2018 Unaudited Rs.</b>	<b>Period Ended 30.06.2017 Unaudited Rs.</b>
<b>CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES</b>		
Loss before Taxation	(99,105,288)	(91,457,864)
<b>ADJUSTMENTS FOR</b>		
Depreciation	43,846,448	45,396,780
Amortisation of Intangible Assets	43,618	40,603
Provision for Retirement Benefit Obligation	289,254	290,994
Finance Income	(2,330,505)	(1,255,987)
Finance Cost	74,066,165	69,703,879
<b>Operating Profit before Working Capital Changes</b>	<b>16,809,693</b>	<b>22,718,405</b>
Increase in Inventories	(333,146)	(630,020)
Decrease in Trade & Other Receivables	37,175,784	16,134,194
(Increase)/Decrease in Other Non-Financial Assets	391,450	(1,072,910)
Decrease in Trade & Other Payables	(55,320,218)	(32,320,216)
<b>Cash Generated from/ (used in) Operations</b>	<b>(1,276,438)</b>	<b>4,829,453</b>
Income Tax Paid	(1,303,451)	(1,196,755)
Finance Cost Paid	(25,822,546)	(21,127,789)
<b>Net Cash used in Operating Activities</b>	<b>(28,402,435)</b>	<b>(17,495,091)</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of Property, Plant & Equipment	(3,137,299)	(1,866,615)
Finance to Related Parties	(11,799,455)	(17,928,367)
Finance Income Received	407,144	486,392
<b>Net Cash used in Investing Activities</b>	<b>(14,529,610)</b>	<b>(19,308,590)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Bank Loans	(39,693,673)	(12,500,000)
Finance from Related Parties	79,960,637	22,446,645
Principal Payments under Finance Lease	(758,115)	(937,029)
<b>Net Cash from Financing Activities</b>	<b>39,508,849</b>	<b>9,009,616</b>
<b>Net Decrease in Cash &amp; Cash Equivalents</b>	<b>(3,423,196)</b>	<b>(27,794,065)</b>
Cash & Cash Equivalents at the beginning of the period	(277,905,398)	(221,850,120)
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>(281,328,594)</b>	<b>(249,644,185)</b>
<b>Cash and Cash Equivalents comprise;</b>		
Cash at Bank and in Hand	20,341,190	23,865,787
Bank Overdraft	(301,669,784)	(273,509,972)
	<b>(281,328,594)</b>	<b>(249,644,185)</b>

## **WASKADUWA BEACH RESORT PLC**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

#### **FOR THE PERIOD ENDED 30TH JUNE 2018**

##### **01 Corporate Information**

Waskaduwa Beach Resort PLC, is a public limited liability company incorporated and domiciled in Sri Lanka listed on the Colombo Stock Exchange.

##### **02 Approval of Financial Statements**

The interim condensed financial statements of the company for the period ended 30th June 2018 were authorised for issue by the Board of Directors on 15th August 2018.

##### **03 Basis of Preparation**

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standards (SLAS) LKAS 34 - Interim Financial Reporting and also provide the information required by the Colombo Stock Exchange. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017.

The company has adopted consistent accounting policies and method of computation as disclosed in the Annual Report for the year ended 31st March 2017.

The Interim condensed Financial Statements are presented in Sri Lankan Rupees and all values are rounded to the nearest Rupee except when otherwise indicated.

##### **04 Income Tax Expense**

The Inland Revenue Act, No 24 of 2017 which was certified on 24th of October 2017 became effective from 1st April 2018. The deferred tax of the Company as at 31st March 2018 was accounted based on the income tax provisions that would be applicable as per the above Act.

The income tax provisions for the year ending 31st March 2018 were made based on the provisions applicable for the year of assessment 2017/18.

##### **05 Revaluation Gain on Land and Building**

The land and buildings belonging to Waskaduwa Beach Resorts PLC, situated at No. 427, Samanthara Road, Kudawaskaduwa, Kaluthara were revalued as at 31st March 2018. The results of such revaluation were incorporated in these financial statements from its effective date which is 31 March 2018. The surplus arising from the revaluation was transferred to the revaluation reserve.

##### **06 Events Subsequent to the Reporting Date**

No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to or disclosure in the Financial Statements.

##### **07 Contingent Liabilities**

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2017.

##### **08 Comparative Figures**

Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

# WASKADUWA BEACH RESORT PLC

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 30TH JUNE 2018

		Quarter ended 30.06.2018	Quarter ended 30.06.2017
<b>09</b>	<b>Share information</b>		
<b>9.1</b>	Basic Loss Per Share (Rs.)	(0.49)	(0.45)
		As at 30.06.2018	As at 30.06.2017
<b>9.2</b>	Net Assets Per Share (Rs.)	8.16	6.26
		2018/19 - 1st Quarter	2017/18 - 1st Quarter
<b>9.3</b>	Market Price Per Share (Rs.)		
	Highest	3.50	5.00
	Lowest	2.90	3.10
	Last Traded	3.00	4.50

- 9.4** Per Share information has been calculated for all periods, based on fully paid Ordinary Shares in issue as at 30th June 2018, amounting to 201,746,915.

**9.5 Stated Capital**

Ordinary Shares	
Amount (Rs.)	Number

As at 30.06.2018	2,042,238,316	201,746,915
As at 30.06.2017	2,042,238,316	201,746,915

- 9.6** The percentage of the shares held by public as at 30th June 2018 was 5.570% (As at 30th June 2017 was 12.955%) comprising 1,165 shareholders (As at 30th June 2017 was 1,273 shareholders).

The Float Adjusted Market Capitalisation of the Company as at 30th June 2018 is Rs. 33,711,909.50. The Company does not comply with the minimum public holding requirement under the CSE Listing Rules 7.13.1 (b) with effect from 28th February 2018 consequent to the transfer of shares under the Voluntary Offer. The proposed rectification plan in order to be complied with Listing Rules 7.13.1 (b) will be announced in due course.

# WASKADUWA BEACH RESORT PLC

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 30TH JUNE 2018

9.7 The number of shares held by the Board of Directors are as follows,

Director Name	As at 30.06.2018	As at 30.06.2017
Mr.E.P.A Cooray	-	300,001
Mr. D.S Jayaweera	-	-
Ms.V.S. F. Amunugama	-	-
Mr. S. A. Ameresekere	-	-
Mr. R. Seneviratne	-	500,600
Mr.J.M.B Pilimalawwe	-	-
Mr.S.D.De Mel	-	29,700
<b>Chief Executive Officer</b>		
Mr. P.C.B Thalwatte	-	-

9.8 Twenty Largest Ordinary Shareholders of the Company are as follows;

No.	Shareholder	As at 30th June 2018	
1	Hikkaduwa Beach Resort PLC	190,509,218	94.43%
2	Mr G R W De Soysa	2,698,987	1.34%
3	First Capital Markets Ltd/ Mr. N.A.Sellahewa	475,742	0.24%
4	Mr W A S P De Saram	332,762	0.16%
5	Mr B M G Rathnasiri	267,556	0.13%
6	Merchant Bank of Sri Lanka & Finance PLC/D.K.M.M.S Cooray	225,787	0.11%
7	Mr.S.Srikanth	200,000	0.10%
8	Ewis Peripherals (Pvt) Limited	193,820	0.10%
9	Mr.P.L.S.Ariyananda	175,050	0.09%
10	Mr.K.Arsuthan	164,370	0.08%
11	People's Merchant Finance PLC/W.M.R.Fernando & W.I.G. Fernando	163,659	0.08%
12	Mr.H.R.Peries	155,247	0.08%
13	Mrs.W.P.Wijesekera	150,000	0.07%
14	Mr.C.A.Elankainesan	144,942	0.07%
15	Mr.D.D.D.Navarathna	109,899	0.05%
16	Mr.A.Cader	106,550	0.05%
17	Merchant Bank of Sri Lanka PLC Account No 02	100,000	0.05%
18	Mr.A.C.M. Muller	100,000	0.05%
19	Mr.S.A.Ratnam	100,000	0.05%
20	Mr.L.N.S.K.Samarasinghe	100,000	0.05%
21	Dr.S.Yaddehige	100,000	0.05%
		<b>196,573,589</b>	<b>97.44%</b>
	Others	<b>5,173,326</b>	<b>2.56%</b>
	Total	<b>201,746,915</b>	<b>100.00%</b>



## Corporate Information

<b>Name of Company</b>	: Waskaduwa Beach Resort PLC
<b>Legal Form</b>	: Public Quoted Company with limited liability Incorporated in Sri Lanka.
<b>Stock Exchange Listing</b>	: The issued ordinary shares of the Company are listed on the Diri Savi Board of the Colombo Stock Exchange of Sri Lanka.
<b>Company Registration No.</b>	: PB 4242 PQ
<b>Registered Office</b>	: No: 7/5, Gregory's Road, Colombo 07 Telephone : 0115 755055 Fax : 0115 470000 E-mail : direct@citrusleisure.com Website : www.citrusleisure.com
<b>Board of Directors</b>	: Mr. E.P.A Cooray (Chairman) Mr. D.S Jayaweera Ms.V.S. F. Amunugama Mr. S.A. Ameresekere Mr. R. Seneviratne Mr.J.M.B Pilimatalawwe Mr.S.D.De Mel
<b>Chief Executive Officer</b>	: Mr. P. C. B. Talwatte
<b>Company Secretaries</b>	: P W Corporate Secretarial (Pvt) Ltd. No.3/17, Kynsey Road, Colombo 08.
<b>Auditors</b>	: Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10.
<b>Bankers</b>	: Sampath Bank PLC Commercial Bank of Ceylon PLC Bank of Ceylon Pan Asia Banking Corporation PLC Nations Trust Bank PLC Hatton National Bank PLC Union Bank of Colombo PLC