

**BANSEI ROYAL RESORTS HIKKADUWA PLC**

Company Registration Number - PV 20150 PQ

**INTERIM REPORT**

**2nd QUARTER**

**SIX MONTHS ENDED 30TH SEPTEMBER 2016**

# **BANSEI ROYAL RESORTS HIKKADUWA PLC**

## **CORPORATE INFORMATION**

NAME OF COMPANY	Bansei Royal Resorts Hikkaduwa PLC Company Number PV 20150 PQ
LEGAL FORM	A Limited Liability Company incorporated in Sri Lanka under the Companies Ordinance as a Private Company on 22nd February 1976 and re-registered under Companies Act No 07 of 2007 on 29th December 2010. The Company changed its status to a Public Limited Company with effect from 6th March 2014. In March 2014, its shares were listed on the Dirisavi Board of the Colombo Stock Exchange.
BOARD OF DIRECTORS	Mr. T De Zoysa            Chairman Mr. T Murakami        Deputy Chairman Mr. G C A De Silva Mr. J V W Malawana Mr. Hiroyuki Ota      Chief Executive Officer Mr. H Premarathna Mr. C S J Perera
SECRETARIES	Corporate Aracade Ltd No .122/37, Kirulapone Avenue Kirulapona
AUDITORS	M/s. Ernst & Young Chartered Accountants 201, De Saram Place Colombo 10.
REGISTERED OFFICE	4th Floor, West Tower, World Trade Centre Colombo 01 Phone - +9411 2339135 Fax - +9411 2339138

**BANSEI ROYAL RESORTS HIKKADUWA PLC**  
**INVESTOR INFORMATION**

<b>Market Value of Shares</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Closing price on	11.30	10.00
Highest price recorded for the six months ending	11.90	14.00
Lowest price recorded for the six months ending	8.00	9.50
Highest price recorded for the three months ending	11.90	11.90
Lowest price recorded for the three months ending	8.00	9.80

Market Capitalisation	553,398,400	537,280,000
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**Ratios**

Net assets per share	5.32	5.32
	(Rs.5.56 as at 31.3.2016)	

**Share trading for the six months ended**

Number of transactions	961	1,826
Number of shares traded	486,081	29,186,498
Value of shares traded (Rs.)	5,099,479	317,013,574

**Twenty Largest Shareholders as at 30th September '2016**

Name of Shareholder	No of Shares as at 30.09.2016	%
BANSEI SECURITIES COMPANY LIMITED	20,953,677	39.00%
HIKKADUWA HOTEL HOLDINGS PRIVATE LIMITED	16,655,923	31.00%
VERITAS HOLDINGS PVT LTD	5,372,800	10.00%
BANSEI HOLDINGS CO.LTD	5,372,800	10.00%
MRS C.V PERERA	1,009,542	1.88%
MR.S.M.D.C.W SENARATHNA	895,400	1.67%
MR.D.S.K KARUNARATNE	895,400	1.67%
MR.V.T.DE ZOYSA	893,292	1.66%
MRS A.M SANDASEELI	662,176	1.23%
MR.P.H MANATUNGA	100,000	0.19%
MR. R.E. RAMBUKWELLE	45,000	0.08%
SEYLAN BANK PLC / MR P S WEERASEKERA	40,884	0.08%
COLOMBO TRUST FINANCE PLC/MR W P C P FERNANDO	40,379	0.08%
MR. W.P.C.P. FERNANDO	211	0.00%
COLOMBO TRUST FINANCE PLC/MR G R D S GAMLATH	35,341	0.07%
MR G R D S GAMLATH	2,789	0.01%
MR.D.WEERASINGHE	35,003	0.07%
MRS H M S SENEVIRATNE	29,903	0.06%
MR.J.M.M.S.B JAYASINGHE	25,700	0.05%
MR. W.M.A.B WALISUNDARA	25,000	0.05%
MR.K.SUNDARALINGAM	25,000	0.05%
MR B M G RATHNASIRI	21,840	0.04%
<b>TOTAL</b>	<b>53,138,060</b>	<b>98.90%</b>

There were no non voting shares as at 30th September 2016

The percentage of shares held by public as per Colombo Stock Exchange Rules as at 30th September 2016 was 10%

Number of Public shareholders -574

**Directors' shareholding.**

Directors	Directors' Direct Share holding as at 30th September'2016
MR.T.D ZOYSA	-
MR.G.C.A.DE SILVA	-
MR.T.MURAKAMI	-
MR.HIROYUKI OTA	-
MR.J.V.W MALAWANA	-
MR.H.PREMARATHNA	-
MR.C.S.J PERERA	-

**BANSEI ROYAL RESORTS HIKKADUWA PLC**

**STATEMENT OF FINANCIAL POSITION**

Audited as at 31.03.2016 Rs.'000		Unaudited as at 30.09.2016 Rs.'000	Unaudited as at 30.09.2015 Rs.'000
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
226,727	Property, Plant and Equipment	<u>225,513</u>	<u>233,599</u>
<u>226,727</u>		<u>225,513</u>	<u>233,599</u>
<b>Current Assets</b>			
573	Inventories	<b>1,107</b>	876
6,424	Trade and Other Receivables	<b>2,489</b>	11,111
-	Income Tax Receivables	-	-
1,034	Advances, Deposits and Prepayments	<b>980</b>	945
54,775	Other Financial Assets	<b>56,711</b>	53,228
25,062	Cash at Bank and in Hand	<b>8,838</b>	9,461
<u>87,868</u>		<u>70,125</u>	<u>75,621</u>
<u><b>314,596</b></u>	<b>Total Assets</b>	<u><b>295,638</b></u>	<u>309,220</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
272,280	Stated Capital	<b>272,280</b>	272,280
26,436	Retained Earnings	<b>13,754</b>	13,308
<u><b>298,716</b></u>	<b>Total Equity</b>	<u><b>286,034</b></u>	<u>285,588</u>
<b>Non-Current Liabilities</b>			
602	Post-Employment Benefit Liability	<b>697</b>	584
2,636	Deferred Tax Liability	<b>2,636</b>	1,373
2,184	Interest Bearing Loans & Borrowing	-	2,846
<u>5,422</u>		<u><b>3,333</b></u>	<u>4,803</u>
<b>Current Liabilities</b>			
9,004	Trade and Other Payables	<b>6,267</b>	17,872
332	Income Tax Payable	-	-
1,122	Current portion of Interest Bearing Loans & Borrowing	<b>4</b>	957
<u>10,458</u>		<u><b>6,271</b></u>	<u>18,829</u>
<u>15,880</u>	<b>Total Liabilities</b>	<u><b>9,604</b></u>	<u>23,632</u>
<u><b>314,596</b></u>	<b>Total Equity and Liabilities</b>	<u><b>295,638</b></u>	<u>309,220</u>

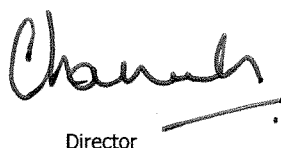
The Statement of Financial Position as at 30th September 2016, the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the six months then ended are drawn up from the unaudited financial statements of the Company and they provide the information required by the Colombo Stock Exchange.

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

  
 Finance Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by.

  
 Director

  
 Director

28th October'2016  
Colombo

**BANSEI ROYAL RESORTS HIKKADUWA PLC**

**INCOME STATEMENT**

<b>Audited year ended 31.03.2016</b>		<b>Unaudited 06 months ended 30.09.2016 Rs.'000</b>	Unaudited 06 months ended 30.09.2015 Rs.'000	<b>Variance Favourable (Unfavourable)</b>	<b>Unaudited 03 months ended 30.09.2016 Rs.'000</b>	Unaudited 03 months ended 30.09.2015 Rs.'000	<b>Variance Favourable (Unfavourable)</b>
<b>Rs.'000</b>							
61,808	<b>Revenue</b>	<b>16,097</b>	<b>20,501</b>	-21%	<b>7,330</b>	<b>11,710</b>	-37%
(4,276)	Cost of Sales	<b>(1,630)</b>	<b>(1,763)</b>	8%	<b>(1,003)</b>	<b>(1,121)</b>	-11%
57,532	<b>Gross Profit</b>	<b>14,467</b>	18,738	-23%	<b>6,327</b>	10,589	-40%
4,304	Other Income	-	-	0%	-	-	-
(5,464)	Marketing & Promotional Expenses	<b>(1,334)</b>	<b>(2,092)</b>	36%	<b>(479)</b>	<b>(1,494)</b>	68%
(50,782)	Administrative Expenses	<b>(21,985)</b>	<b>(24,043)</b>	9%	<b>(11,699)</b>	<b>(11,809)</b>	1%
(593)	Finance Cost	<b>(414)</b>	<b>(315)</b>	-31%	<b>(290)</b>	<b>(153)</b>	-90%
3,828	Finance income	<b>1,970</b>	<b>1,603</b>	-	<b>990</b>	<b>655</b>	-
8,825	<b>Profit/(Loss) Before Tax</b>	<b>(7,296)</b>	(6,109)	-19%	<b>(5,151)</b>	(2,212)	-133%
(1,941)	Income Tax Expenses	<b>(13)</b>	-	-	<b>(13)</b>	-	-
6,884	<b>Profit/(Loss) for the Period</b>	<b>(7,309)</b>	(6,109)	-20%	<b>(5,164)</b>	(2,212)	-133%
0.13	Earnings/(Loss) per share for the period (Basic)-Rs.	<b>(0.14)</b>	(0.11)	-20%	(0.10)	(0.04)	-133%

**Notes**

- Operating profit/(loss) is after Charging following  
 13,567 Depreciation **5,157** **6,777**
2. Stated Capital  
 Issued and fully paid  
 272,280 53,728,000 Ordinary Shares **272,280** **272,280**
3. These interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.03.2016 and are also in compliance with Sri Lanka Accounting Standard (LKAS) 34- Interim financial reporting.
4. There are no significant contingent liabilities as at 30th September'2016
5. Figures in brackets indicate deductions
6. Information published for the six months to 30 September 2015 has been reclassified to confirm with the current presentation where applicable.
7. There are no distinguishable components to be identified as segments for the Company.
8. No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.
9. Five months of the period under review relates to the off-season of the tourism industry in Sri Lanka

# BANSEI ROYAL RESORTS HIKKADUWA PLC

## STATEMENT OF OTHER COMPREHENSIVE INCOME

<b>Audited year ended 31.03.2016</b>		<b>Unaudited 06 months ended 30.09.2016</b>	<b>Unaudited 06 months ended 30.09.2015</b>
<b>Rs.'000</b>		<b>Rs.'000</b>	<b>Rs.'000</b>
6,884	Profit/(Loss) for the period	<b>(7,309)</b>	(6,109)
(43)	Income Tax effect	-	-
428	Actuarial Gain on Post-Employment Benefit Liabilities	-	-
<b>385</b>	<b>Other Comprehensive Income/(Loss) for the Period</b>	<b>-</b>	<b>-</b>
<b>7,269</b>	<b>Total Comprehensive Income/(Loss) for the Period</b>	<b>(7,309)</b>	<b>(6,109)</b>

**BANSEI ROYAL RESORTS HIKKADUWA PLC**

**STATEMENT OF CHANGES IN EQUITY**

	<b>Stated Capital</b>	<b>Shareholders' Funds</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Balance as at 01<sup>st</sup> April 2015</b>	272,280	-	19,417	291,697
Repayment of shareholders' funds	-	-	-	-
Profit/(Loss) for the Period	-	-	(6,109)	(6,109)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	<b>(6,109)</b>	<b>(6,109)</b>
 <b>Balance as at 30th September 2015</b>	 <u>272,280</u>	 <u>-</u>	 <u>13,308</u>	 <u>285,588</u>
 <b>Balance as at 01<sup>st</sup> April 2016</b>	 272,280	 -	 26,436	 298,716
Loss for the Period	-	-	(7,309)	(7,309)
Dividant Paid 2015/2016	-	-	(5,373)	(5,373)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	<b>(12,682)</b>	<b>(12,682)</b>
 <b>Balance as at 30th September 2016</b>	 <u>272,280</u>	 <u>-</u>	 <u>13,754</u>	 <u>286,034</u>

**BANSEI ROYAL RESORTS HIKKADUWA PLC**

**CASH FLOW STATEMENT**

<b>Audited as at 31.03.2016</b>		<b>Unaudited 06 months ended 30.09.2016</b>	<b>Unaudited 06 months ended 30.09.2015</b>
<b>Rs.'000</b>		<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Cash Flow from Operating Activities</b>			
8,825	Profit/(Loss) before Tax for the period	<b>(7,295)</b>	(6,109)
<b>Adjustment for</b>			
13,567	Depreciation	<b>5,157</b>	6,777
(3,828)	(Income) from Investments-Interest Income	<b>(1,970)</b>	(1,880)
-	(Profit)/Loss on Disposal of Property Plant & Equipment	-	281
593	Finance Costs	<b>414</b>	315
314	Provision for Defined Benefit Plans	<b>95</b>	144
(48)	Exchange (Gain)/Loss	<b>(102)</b>	(6)
(4,193)	Creditors written back	-	-
15,230	Operating Profit before Working Capital Changes	<b>(3,702)</b>	(478)
344	(Increase)/Decrease in Inventories	<b>(533)</b>	41
2,085	(Increase)/Decrease in Trade and Other Receivables	<b>3,936</b>	(2,602)
(24)	(Increase )/Decrease in Advance Deposits & Prepayments	<b>54</b>	64
(4,661)	Increase/(Decrease) in Trade and Other Payables	<b>(3,069)</b>	189
12,974	Cash Generated from Operations	<b>(3,315)</b>	(2,786)
(188)	Income Tax Paid	<b>(14)</b>	-
(593)	Finance Costs Paid	<b>(414)</b>	(315)
-	Defined Benefit Plan Costs Paid net of transfers	-	-
12,193	Net Cash from Operating Activities	<b>(3,744)</b>	(3,101)
<b>Cash Flows from/(Used in) Investing Activities</b>			
(3,365)	Acquisition of Short term Investments	<b>(1,936)</b>	-
(343)	Acquisition of Property, Plant & Equipment	<b>(3,942)</b>	(343)
1,171	Proceeds from Sale of Property, Plant & Equipment	-	808
-	Dividant Paid	<b>(5,373)</b>	-
3,828	Interest Income	<b>1,970</b>	63
1,291	Net Cash Flows from/(Used in) Investing Activities	<b>(9,281)</b>	528
<b>Cash Flows from/(Used in) Financing Activities</b>			
-	Proceeds from Interest Bearing Loans & Borrowings	-	-
-	Repayment of Interest Bearing Loans & Borrowings	<b>(3,306)</b>	-
(957)	Finance Lease Paid	-	(459)
-	Proceeds from Issue of shares	-	-
-	Repayment of share holder funds	-	-
(957)	Net Cash Flows/(Used in) Financing Activities	<b>(3,306)</b>	(459)
48	Effect of Exchange Rate changes on cash and cash Equivalents	<b>102</b>	6
12,575	<b>(Net Increase)/Decrease in Cash &amp; Cash Equivalents</b>	<b>(16,228)</b>	(3,026)
12,487	<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>25,062</b>	12,487
25,062	<b>Cash and Cash Equivalents at the end of the period</b>	<b>8,835</b>	9,461
25,062	Cash and Bank Balance	<b>8,838</b>	9,461
-	Bank Overdraft	<b>(4)</b>	-
25,062		<b>8,835</b>	9,461