



Company Reg. No : PQ 92

ARPICO FINANCE COMPANY PLC

FINANCIAL STATEMENTS

For the Year ended 31st March 2019

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ARPICO FINANCE COMPANY PLC
STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 st March			Quarter ended 31 st March		
	2019	2018	Change	2019	2018	Change
	Unaudited Rs.'000	Unaudited/R estimated Rs.'000	%	Unaudited Rs.'000	Unaudited Rs.'000	%
Interest Income	4,042,770	3,045,101	33	957,914	940,235	1.88
Interest Expenses	(2,299,022)	(1,725,589)	33	(540,124)	(521,306)	4
Net Interest Income	1,743,748	1,319,512	32	417,790	418,929	(0)
Fee and commission income	122,941	155,304	(21)	22,484	56,700	(60)
Net gain from financial investments	(3,745)	1,988	(288)	(1,546)	567	(373)
Other operating income (net)	33,429	38,924	(14)	13,507	20,256	(33)
Total operating income	1,896,373	1,515,728	25	452,235	496,452	(9)
Impairment on financial assets & other losses	(928,239)	(637,181)	46	(469,474)	(83,864)	460
Net operating income	968,134	878,547	10	(17,239)	412,588	(104)
Operating Expenses						
Personnel costs	(260,634)	(223,222)	17	(61,583)	(44,264)	39
Depreciation of property & equipment	(29,402)	(24,195)	22	(7,219)	(7,118)	1
Amortization of intangible assets	(4,864)	(4,122)	18	(1,331)	(992)	34
Other operating expenses	(390,692)	(431,108)	(9)	(99,784)	(128,363)	(22)
Profit before value added tax on financial services & Debt Repayment Levy	282,542	195,900	44	(187,156)	231,851	(181)
Value added tax on financial services	(88,045)	(107,839)	(18)	(6,096)	(48,949)	(88)
Debt Repayment Levy	(23,460)	-	100	(7,909)	-	100
Profit before income tax	171,037	88,061	94	(201,161)	182,902	(210)
Income tax expense	(16)	(72,610)	(100)	20,804	(59,513)	(135)
Profit for the year	171,021	15,451	1,007	(180,357)	123,389	(246)
Other comprehensive income / (expense), net of tax						
Items that may be subsequently reclassified to profit or loss						
Available -for-sale financial assets :						
Net change in fair value during the period	(1,150)	3,866	(130)	414	3,442	(88)
Net amount transferred to profit or loss	-	(7)	(100)	-	(7)	(100)
Items that will not be reclassified to profit or loss						
Gain on -revaluation of land & building	-	(28,513)	(100)	-	(28,513)	
Retirement benefit obligations - actuarial loss	(5,377)	(2,558)	110	(5,377)	2,226	(342)
Total other comprehensive income/ (expense) for the year, net of taxes	(6,527)	(27,212)	(76)	(4,963)	(22,852)	(78)
Total comprehensive income for the year	164,494	(11,761)	(1,499)	(185,320)	100,537	(284)
Earnings per share	22.99	2.08		(24.25)	16.59	

The above figures are subject to audit and appropriations.

sgd
Chandrin Fernando
Chief Executive Officer

sgd
T M A Sallay
Director

sgd
J P I S Dayawansa
Managing Director

ARPICO FINANCE COMPANY PLC
STATEMENT OF FINANCIAL POSITION

AS AT	Unaudited 31.03.2019 Rs.'000	Unaudited/Restated 31.03.2018 Rs.'000
ASSETS		
Cash & Cash Equivalents	221,717	977,673
Financial assets - amortised cost	1,036,999	586,487
Financial assets - fair value	10,905	14,650
Loans and advances	1,478,561	2,619,598
Lease rental receivable from customers	11,802,694	12,801,395
Financial Investments - Available for sale	19,726	20,876
Other assets	294,618	141,920
Property & Equipment	805,314	658,052
Intangible assets	18,103	11,268
Current tax assets	110,022	53,534
Total Assets	15,798,659	17,885,453
LIABILITIES		
Due to banks and financial institutions	5,452,986	7,087,984
Deposits from customers	8,695,369	8,566,293
Debentures	-	359,804
Trade and other payables	185,832	543,266
Retirement Benefit Obligations	76,917	58,521
Deferred tax liability	63,542	63,542
Total Liabilities	14,474,646	16,679,410
SHAREHOLDERS' EQUITY		
Stated capital	245,063	245,063
Retained earnings	654,696	535,576
Other Reserves	424,254	425,404
Total Shareholders' Equity	1,324,013	1,206,043
Total Liabilities and Shareholders' Equity	15,798,659	17,885,453
Net Asset value per share (Rs.)	178.02	162.16

The above figures are subject to the audit and appropriations.

The financial statements have been prepared and presented in compliance with the requirements of the Companies Act No 7 of 2007.

sgd

Chandrin Fernando
Chief Executive Officer

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.

sgd

J P I S Dayawansa
Managing Director

sgd

T M A Sallay
Director

ARPICO FINANCE COMPANY PLC
STATEMENT OF CASH FLOW

	For the Yaer ended 31 st March 2019 (Unaudited)	For the Yaer ended 31 st March 2018 (Unaudited/Restated)
	Rs.'000	Rs.'000
Cash flow from operating activities		
Net profit before taxation	171,037	88,061
Adjustments for;		
Depreciation & amortisation	34,266	28,317
(Gains)/loss on disposals of property and equipment	3,305	(290)
Provision for bad and doubtful debts	928,239	637,181
Provision for gratuity	14,256	12,646
Net amount transfer to P&L from AFS reserve	-	(8)
Interest on borrowing	983,648	656,564
Dividend receipt	(1,162)	(1,310)
Loans and advances written off	(214,694)	(112,618)
Operating profit before working capital changes	1,918,895	1,308,543
(Increase)/ decrease in financial investments	(444,466)	(27,584)
(Increase)/decrease in loans and advances	1,426,194	(6,816,205)
(Increase)/ decrease in other assets	(152,698)	(94,513)
Increase/(decrease) in public deposits	129,076	3,014,691
(Increase)/ decrease in debentures	(359,804)	1,740
(Increase)/ decrease in trade and other payables	(357,434)	26,869
	240,868	(3,895,002)
Cash generated from operations	2,159,763	(2,586,459)
Tax paid	(56,504)	(46,864)
Gratuity paid	(1,238)	(7,684)
Interest paid	(756,135)	(521)
Net cash flow from operating activities	1,345,886	(2,641,528)
Cash flow from investment activities		
Dividends received	1,162	1,310
Purchase of property, plant and equipment	(193,139)	(364,996)
Proceeds from disposal of property and equipment	1,073	1,115
Net cash flow from investing activities	(190,904)	(362,571)
Cash flow from financing activities		
Proceeds on borrowings	9,957,378	4,755,188
Repayment of borrowings	(11,409,843)	(1,251,556)
Dividends paid	(46,524)	(39,310)
Net cash Inflow from financing Activities	(1,498,989)	3,464,322
Net increase/(decrease) in cash and cash equivalents	(344,007)	460,223
Cash & cash equivalents at the beginning of the year	492,415	32,191
Cash & cash equivalents at the end of the year	148,408	492,415
Cash and cash equivalents comprises		
Cash and bank balances	221,717	977,672
Bank overdraft	(73,309)	(485,257)
Cash & cash equivalent at the end of the year	148,408	492,415

Note : The above figures are subject to audit and appropriations.

ARPICO FINANCE COMPANY PLC
STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Statutory Reserve Fund Rs.'000	Available for sale reserve Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
Balance as at 31st March 2017 as previously reported	245,063	148,820	22,036	202,962	4,316	809,893	1,433,090
Impact arising out of adoption of Sri Lanka Financial Reporting Standard 9 -Financial Instruments	-	-	-	-	1,132	(177,107)	(175,976)
Balance as at 31 March 2017 (restated)	245,063	148,820	22,036	202,962	5,448	632,786	1,257,114
Net Profit /(Loss) for the year (restated)	-	-	-	-	-	15,451	15,451
Other comprehensive income net of tax	-	(28,513)	-	-	3,858	(2,557)	(27,212)
Transfer during the year	-	-	-	70,793	-	(70,793)	-
Final dividend for 2017/18							
- Ordinary shares	-	-	-	-	-	(39,270)	(39,270)
- Irredeemable cumulative preference shares	-	-	-	-	-	(40)	(40)
Balance as at 31st March 2018	245,063	120,307	22,036	273,755	9,306	535,577	1,206,043
Net profit /(Loss) for the year	-	-	-	-	-	171,021	171,021
Other comprehensive income	-	-	-	-	(1,150)	(5,377)	(6,527)
Transfer during the year	-	-	-	-	-	-	-
Interim dividend for 2018/19							
- Ordinary shares	-	-	-	-	-	(46,484)	(46,484)
- Irredeemable cumulative preference shares	-	-	-	-	-	(40)	(40)
Balance as at 31st March 2019	245,063	120,307	22,036	273,755	8,156	654,696	1,324,013

ARPICO FINANCE COMPANY PLC

1. These interim financial statements have been prepared in accordance with Sri Lanka Accounting Standards. Further, these interim financial statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standards - LKAS 34 - "Interim Financial Reporting" and the accounting policies and methods of computation followed in preparing the above financial statements are the same as those disclosed in our annual report for the year ended 31 March 2018.
2. There have been no events subsequent to the reporting date, which require adjustment to or disclosure in the interim financial statements.
3. The Stated Capital consists of 7,437,500 Ordinary Shares & 50,000 Irredeemable Cumulative Preference Shares.

4. Market Price per share - Rs.

	2018/2019	2017/2018
Market Price - Highest (for the Quarter)	200.00	162.00
Market Price - Lowest (for the Quarter)	150.30	142.00
Market Price as at 31 st March 2019	154.00	143.00

5. **Segment information**

The company does not have any operating segment that engages in business activities from which it may earn revenues, and on which expenses incurred whose operating results are regularly reviewed by the entity's management to determine the resources to be allocated to the segment and assess its performance for which discrete financial information is available.

6. **Sri Lanka Accounting Standard-SLFRS 9 (Financial Instrument)**

The Sri Lanka Accounting Standard -SLFRS 9 (Financial Instruments) was effective for annual periods beginning on or after 01st January 2018. However , as permitted by the ' Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements issued by CA Sri Lanka, Company had prepared the Interim Statments for the quarter ended 31 March 2018 based on LKAS 39 (Financial Instruments : Recognition and Measurement). Accordingly , information for the quarter ended 31 March 2018 dose not reflect the requirements of SLFRS 9 and therefore not comparable to the information presented for quarter ended 31 March 2019 under SLFRS 9.

ARPICO FINANCE COMPANY PLC**TWENTY MAJOR SHAREHOLDERS**AS AT 31st March 2019

No.	Name of Shareholder	No. of Shares	%
1	Associated Motor Finance Co. PLC	6,992,610	94.02
2	Mr.G.C.W. de Silva	47,800	0.64
3	Mrs.S.R.L. Marcelline	24,822	0.33
4	Miss N.R. Fonseka	19,925	0.27
5	Mr.G.C. Goonetilleke	14,500	0.19
6	Assetline Leasing Co. Ltd/R.K.R. Pathiramage	10,835	0.15
7	Miss M.L.R. de Fonseka	10,000	0.13
8	Nanayakkara Management Services (Pvt) Ltd.	8,180	0.11
9	Mr.D.N.L. Wickremasinghe	8,000	0.11
10	Bansei Securities Capital (Pvt) Ltd./Dawi Investment Trust (Pvt) Ltd.	7,953	0.11
11	Mr.E.B. Dassenaik	7,780	0.10
12	Mrs.D.S. de Mel	7,732	0.10
13	Mrs.R.M. Wijeyekoon Rodrigo	7,288	0.10
14	Mr.S. Ruwanpathirana & Mrs.V. Ruwanpathirana	7,000	0.09
15	Dr.M. Coomaraswamy	7,000	0.09
16	Mrs.Y. Sivagnanasundaram	6,700	0.09
17	Miss S.N. Dias	6,406	0.09
18	Mr.K. Sabaratnam	6,000	0.08
19	Mr.A.S.M. Rifki	5,230	0.07
20	Mrs.P.G.D. Priyadarshanie	5,196	0.07
		7,210,957	96.95

Name of Director

	No. of Shares	%
1 Dr L.R. Karunaratne	100	0.00
2 Mr.J.P.I.S. Dayawansa	100	0.00
3 Mr.J.P.I.N. Dayawansa	100	0.00
4 Mr.T.M.A. Sallay	100	0.00
5 Mr.L.D. Peiris	166	0.00
6 Mr.N.M. Pieris	166	0.00

Public Shareholding

	31.03.2019	31.03.2018
No of Share Holders	646	609
No of Shares	444,058	444,058
% of Public Holding	5.97%	5.97%
Float Adjusted Market Capitalization(Rs.)	68,378,888	63,494,681

The Company is not compliant with option 5 of the Listing Rules 7.13.1 (a) - Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding.

Secretary Company : Alliance Management Services (Pvt) Ltd

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