



Financial Statements

Ceylon Hospitals PLC

For the 1st Quarter ended 30th June 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		Company	
	03 Months	03 Months	03 Months	03 Months
	Ended	Ended	Ended	Ended
	30/06/2017	30/06/2016	30/06/2017	30/06/2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue	1,480,547	1,239,357	889,996	761,363
Cost of Sales	(600,150)	(514,270)	(368,856)	(302,784)
Gross Profit	880,397	725,088	521,140	458,579
Other Operating Income	8,106	6,307	3,225	2,420
Overheads				
Administrative Expenses	(574,635)	(508,467)	(385,431)	(354,668)
Other Operating Expenses	(104,385)	(90,947)	(75,997)	(65,732)
Finance Cost	(33,481)	(21,530)	(30,776)	(17,645)
Finance Income	7,930	4,265	171,873	137,422
	(704,571)	(616,679)	(320,331)	(300,623)
Share of Profit of an Equity Accounted Investee	957	476	-	-
Profit/(Loss) from Ordinary Activities before Taxation	184,888	115,193	204,034	160,376
Taxation	(77,550)	(13,722)	(32,772)	(6,500)
Net Profit after Taxation	107,339	101,471	171,261	153,876
Other Comprehensive Income				
<i>Items that are or may be reclassified to profit or loss</i>				
Net (loss)/gain on available for sale financial assets	545	458	40	60
Other comprehensive income for the year	545	458	40	60
Total comprehensive income for the year	107,884	101,929	171,301	153,936
Profit attributable to:				
Equity Holders of the Parent	85,793	84,434	171,261	153,876
Non - Controlling Interest	21,546	17,037	-	-
	107,339	101,471	171,261	153,876
Total Comprehensive Income attributable to:				
Equity Holders of the Parent	86,243	84,804	171,301	153,936
Non - Controlling Interest	21,641	17,125	-	-
	107,884	101,929	171,301	153,936
Earnings per Share - Basic	2.53	2.49	5.06	4.54

The above figures are provisional and subject to audit.

Consolidated Statement of Financial Position

GROUP COMPANY		GROUP COMPANY	
As at	As at	As at	As at
31/03/2017	31/03/2017	30/06/2017	30/06/2016
Rs. '000	Rs. '000	Rs. '000	Rs. '000
ASSETS			
Non-Current Assets			
6,445,478	3,739,606	6,442,376	4,333,763
-	1,457,591	-	-
3,753	230	4,710	3,276
43,206	29,623	44,010	42,489
1,800	-	1,775	1,875
6,494,237	5,227,050	6,492,871	4,381,403
Current Assets			
319,092	249,234	307,070	275,087
324,485	173,353	365,672	204,351
130,692	111,826	184,955	169,689
3,096	160,734	3,586	2,937
529,150	81,297	397,435	245,900
-	8,347	-	-
138,134	81,258	184,846	128,838
1,444,649	866,048	1,443,565	1,026,802
7,938,886	6,093,098	7,936,436	5,408,206
Total Assets		6,324,928	
EQUITY AND LIABILITIES			
Equity Attributable to Equity holders of the parent			
916,366	916,366	916,366	916,366
2,436,472	1,961,781	2,436,472	532,339
3,638	520	4,088	5,599
1,841,613	1,388,317	1,805,463	1,595,951
5,198,089	4,266,984	5,162,390	3,050,255
529,101	-	490,645	377,439
5,727,189	4,266,984	5,653,035	3,427,694
Non-Current Liabilities			
435,665	404,249	495,955	405,084
-	-	-	-
-	40,087	-	-
166,565	147,596	169,633	159,979
200,535	56,965	259,308	126,732
802,765	648,897	924,896	691,795
Current Liabilities			
369,976	307,127	441,420	313,289
419,705	358,039	240,691	416,223
8,563	8,563	-	24,813
578,242	316,040	623,136	506,159
32,446	-	53,259	25,066
-	187,449	-	3,166
1,408,932	1,177,217	1,358,505	1,288,717
7,938,886	6,093,098	7,936,436	5,408,206
Total Equity and Liabilities		6,324,928	

The above figures are provisional and subject to audit.

Anagi Karunasena
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved & Signed on behalf of the Board by,

A E Tudawe
Chairman

U D Tudawe
Director

10th August 2017
Ceylon Hospitals PLC

Consolidated Statement of Changes in Equity
For the period ended 30th June 2017

Group

	Attributable to equity holders of the parent					Non Controlling Interests	Total
	Stated Capital Rs '000	Revaluation Reserve Rs '000	General Reserve Rs '000	Available for Sale Reserve Rs '000	Accumulated Profits Rs '000		
Balance as at 01st April 2016	916,366	532,339	4,822	5,229	1,628,636	3,087,392	3,495,501
Net Profit for the year					327,703	327,703	388,972
Other Comprehensive Income							
Gain on Revaluation of Property Plant and Equipment	-	1,925,850	-	-	-	1,925,850	2,023,549
Deferred Tax Effect on Revaluation Gain	-	(21,716)	-	-	-	(21,716)	(25,186)
Net Gain/ (Loss) on Gratuity valuation	-	-	-	-	2,393	851	3,244
Net Gain/ (Loss) on Available for Sale Financial Assets	-	-	-	(1,591)	-	(337)	(1,928)
Dividend Paid - Ordinary Shares	-	-	-	-	(121,942)	(35,020)	(156,962)
Balance as at 31st March 2017	916,366	2,436,472	4,822	3,638	1,836,790	529,101	5,727,189
Net Profit/(Loss) for the period	-	-	-	-	85,793	21,546	107,339
Other Comprehensive Income							
Net gain/ (loss) from Gratuity valuation	-	-	-	-	-	-	-
Net gain/ (loss) on available for sale financial assets	-	-	-	450	-	95	545
Dividend Paid - Ordinary Shares	-	-	-	-	(121,942)	(60,097)	(182,039)
Balance as at 30th June 2017	916,366	2,436,472	4,822	4,088	1,800,641	490,645	5,653,035

Company

	Stated Capital Rs '000	Revaluation Reserves Rs '000	General Reserve Rs '000	Available for Sale Reserve Rs '000	Accumulated Profits Rs '000	Total Rs '000
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2016	916,366	532,339	4,822	660	1,294,861	2,749,048
Net Profit for the year	-	-	-	-	211,815	211,815
Other Comprehensive Income						
Gain on Revaluation of Property Plant and Equipment	-	1,433,681	-	-	-	1,433,681
Deferred Tax Effect on Revaluation Gain	-	(4,238)	-	-	-	(4,238)
Net gain/ (loss) from Gratuity valuation	-	-	-	-	(1,240)	(1,240)
Net gain/ (loss) on available for sale financial assets	-	-	-	(140)	-	(140)
Dividend paid - ordinary shares	-	-	-	-	(121,942)	(121,942)
Balance as at 31st March 2017	916,366	1,961,781	4,822	520	1,383,495	4,266,984
Net Profit/(Loss) for the period	-	-	-	-	171,261	171,261
Other Comprehensive Income						
Net gain/ (loss) from Gratuity valuation	-	-	-	-	-	-
Net gain/ (loss) on available for sale financial assets	-	-	-	40	-	40
Dividend paid - ordinary shares	-	-	-	-	(121,942)	(121,942)
Balance as at 30th June 2017	916,366	1,961,781	4,822	560	1,432,814	4,316,343

Consolidated Statement of Changes in Equity
For the period ended 30th June 2016

Group

	Attributable to equity holders of the parent					Non Controlling Interests	Total Equity
	Stated Capital Rs '000	Revaluation Reserves Rs '000	General Reserve Rs '000	Available for Sale Reserve Rs '000	Accumulated Profits Rs '000	Total Rs '000	Total Rs '000
Balance as at 01st April 2015	916,366	532,339	4,822	6,777	1,317,369	2,777,673	3,139,502
Net Profit for the year	-	-	-	-	429,133	429,133	500,046
Dividend Paid - Ordinary Shares	-	-	-	-	(91,456)	(91,456)	(113,526)
Other Comprehensive Income							
Net Gain/ (Loss) from Gratuity Valuation	-	-	-	-	(26,409)	(26,409)	(28,624)
Net Gain/ (Loss) on Available for Sale Financial Assets	-	-	-	(1,548)	-	(1,548)	(1,897)
Balance as at 31st March 2016	916,366	532,339	4,822	5,229	1,628,636	3,087,392	3,495,501
Net Profit for the period	-	-	-	-	84,434	84,434	101,471
Dividend Paid - Ordinary Shares	-	-	-	-	(121,942)	(121,942)	(169,736)
Other Comprehensive Income							
Net Gain/ (Loss) from Gratuity Valuation	-	-	-	-	-	-	-
Net Gain/ (Loss) on Available for Sale Financial Assets	-	-	-	371	-	371	458
Balance as at 30th June 2016	916,366	532,339	4,822	5,599	1,591,128	3,050,255	3,427,694

Company

	Stated Capital Rs '000	Revaluation Reserves Rs '000	General Reserve Rs '000	Available for Sale Reserve Rs '000	Accumulated Profits Rs '000	Total Rs '000
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2015	916,366	532,339	4,822	972	1,195,571	2,650,070
Net Profit for the year	-	-	-	-	217,155	217,155
Dividend Paid - Ordinary Shares	-	-	-	-	(91,456)	(91,456)
Other Comprehensive Income						
Net Gain/ (Loss) from Gratuity Valuation	-	-	-	-	(26,409)	(26,409)
Net Gain/ (Loss) on Available for Sale Financial Assets	-	-	-	(312)	-	(312)
Balance as at 31st March 2016	916,366	532,339	4,822	660	1,294,861	2,749,048
Net Profit for the period	-	-	-	-	153,876	153,876
Dividend Paid - Ordinary Shares	-	-	-	-	(121,942)	(121,942)
Other Comprehensive Income						
Net Gain/ (Loss) from Gratuity Valuation	-	-	-	-	-	-
Net Gain/ (Loss) on Available for Sale Financial Assets	-	-	-	60	-	60
Balance as at 30th June 2016	916,366	532,339	4,822	720	1,326,795	2,781,042

Statement of Cash Flows

Group 12 Months Ended 31/03/2017 Rs '000	Company 12 Months Ended 31/03/2017 Rs '000		Group 09 Months Ended 30/06/2017 Rs '000	03 Months Ended 30/06/2016 Rs '000	Company 09 Months Ended 30/06/2017 Rs '000	03 Months Ended 30/06/2016 Rs '000
Cash Flows from/(Used in) Operating Activities						
525,223	230,769	Profit before Income Tax	184,888	115,193	204,034	160,376
		<u>Adjustments for</u>				
1,868	790	Inventory write off/(write in)	(1,264)	1,265	(908)	785
6,712	1,240	Bad Debts (Written Back)/ Write off	150	220	150	220
350,280	180,119	Depreciation	93,658	83,015	47,434	42,348
(36,810)	(155,049)	Finance Income	(7,930)	(4,265)	(171,873)	(137,422)
98,420	83,778	Finance Costs	33,481	21,530	30,776	17,645
100	(1,678)	Amortisation of Deferred Rent	25	25	(448)	(335)
(5,065)	542	Profit/ (Loss) on disposal of PPE	184	386	-	386
260	260	(Increase)/Decrease in Financial Instruments	380	230	174	(171)
(953)	-	Share of Profit of an Equity Accounted Investee	(957)	(476)	-	-
34,140	28,799	Provision for Defined Benefit Plans	8,843	7,400	7,343	6,500
974,175	369,570	Operating Profit/(Loss) before Working Capital Changes	311,458	224,522	116,682	90,331
(62,998)	(48,689)	(Increase)/Decrease in Inventories	12,022	(18,993)	16,843	(17,818)
(197,897)	(94,809)	(Increase)/Decrease in Trade and Other Receivables	(80,114)	(110,571)	(32,790)	(69,168)
169,086	53,053	Increase/(Decrease) in Trade and Other Payables	44,894	97,003	30,452	16,380
(1,262)	21,945	(Increase)/Decrease Related Party Dues	(490)	2,063	25,463	1,662
881,104	301,069	Cash Generated from Operations	287,769	194,025	156,650	21,387
(98,420)	(83,778)	Finance Costs Paid	(33,481)	(21,530)	(30,776)	(17,645)
(23,591)	(18,948)	Defined Benefit Plan Costs Paid	(5,775)	(7,292)	(5,326)	(6,681)
(49,604)	(40,361)	Income Tax Paid	(13,817)	(5,388)	(6,084)	(4,396)
709,489	157,982	Net Cash Flows from/(Used in) Operating Activities	234,697	159,815	114,464	(7,334)
Cash Flows from/(Used in) Investing Activities						
(529,260)	(395,248)	Acquisition of Property, Plant & Equipment	(93,069)	(124,892)	(61,408)	(81,325)
16,700	6,200	Proceeds from sale of Property Plant & Equipment	1,700	1,500	-	1,500
(189,093)	21,050	(Acquisition) / Disposal of other Investments	137,807	91,030	(45,159)	9,942
24,036	142,275	Income from Investments	13,118	4,265	177,060	137,422
(677,617)	(225,723)	Net Cash Flows from/(Used in) Investing Activities	59,555	(28,097)	70,493	67,538
Cash Flows from/(Used in) Financing Activities						
776,240	776,240	Receipts from Interest bearing Loans & Borrowings	31,182	111,995	31,182	111,995
(762,907)	(665,068)	Re-payments to Interest bearing Loans & Borrowing	(168,128)	(138,344)	(153,694)	(115,564)
(156,962)	(121,942)	Dividends Paid	(182,039)	(169,736)	(121,942)	(121,942)
(143,629)	(10,770)	Net Cash Flows from/(Used in) Financing Activities	(318,985)	(196,085)	(244,453)	(125,511)
(111,757)	(78,511)	Net Increase/(Decrease) in Cash and Cash Equivalents	(24,733)	(64,367)	(59,496)	(65,307)
(120,085)	(147,358)	Cash and Cash Equivalents at the beginning of the year	(231,841)	(120,085)	(225,869)	(147,358)
(231,841)	(225,869)	Cash and Cash Equivalents at the end of the year	(256,574)	(184,452)	(285,365)	(212,665)
Analysis of Cash & Cash Equivalents						
(369,976)	(307,127)	Cash at Bank - Overdrawn	(441,420)	(313,289)	(353,222)	(271,043)
138,134	81,258	Cash in Hand and at Bank	184,846	128,838	67,857	58,378
(231,841)	(225,869)		(256,574)	(184,452)	(285,365)	(212,665)

Explanatory Notes

01. These interim financial statements of Ceylon Hospitals PLC for the three months ended 30th June 2017 have been prepared in accordance with SLFRSs.
02. The Accounting Policies and Methods of computation are consistent with those followed during previous financial year.
03. All known expenses and liabilities have been provided in the Financial Statements.
04. There were no contingent Liabilities as at the Balance Sheet date which would require adjustment or disclosure in the Financial Statements.
05. First and final dividend of Rs 3.6 have been declared for the period in consideration.
06. Comparative information have been amended, where relevant for better presentation and to be comparable within those of the current period.
07. No circumstances have arisen since the Balance Sheet date, which would require adjustment or disclosure in the interim Financial Statement.
08. These interim financial of statements for the quarter ended 30th June 2017 were authorized for issue by the Board of Directors of the company by circulation.
09. Related party transactions for the quarter ended 30th June 2017 were reviewed by The Related Party Transactions Review Committee and it was decided there were no transactions requiring Board Approval, Immediate CSE disclosure or Shareholder approval.
10. Deferred tax has been computed at the rate of 28% based on the changes to income tax rates as per the proposed amendments to the Inland Revenue Act

Related Party Transactions

Name of the Related Party	Relationship	Nature of the Transactions	Up to 30.06.2017	Cumulative up to 30.06.2017
Durdans Management Services Ltd	Ultimate Parent	Management fee	(9,994,654)	(9,994,654)
Durdans Medical and Surgical Hospital (Pvt) Ltd	Subsidiary	Sale of Drugs and consumables	6,849,520	6,849,520
			(1,777,990)	(1,777,990)
		Rendering of medical services	50,211,421	50,211,421
			(170,464,293)	(170,464,293)
		Sharing of utilities and other cost	78,252,751	78,252,751
			(63,043,602)	(63,043,602)
Durdans Heart Centre (Pvt) Ltd	Subsidiary	Sale of Drugs and consumables	1,859,396	1,859,396
			(146,169)	(146,169)
		Rendering of medical services	53,210,765	53,210,765
			(18,643,406)	(18,643,406)
		Sharing utilities and other cost	14,967,460	14,967,460
			(611,444)	(611,444)
		Cath lab hiring charges	268,000	268,000
Ceygen Biotech (Pvt) Ltd	Equity Accounted Investee	General Services	50,161	50,161
Commercial Marketing Distributers (Pvt) Ltd	Affiliate	Supply of drugs	(26,824,708)	(26,824,708)
Tudawe Brothers (Pvt) Ltd	Affiliate	Diagnostic Service	334,906	334,906
		Car park construction cost	(325,596,731)	(325,596,731)

* Figures shown in brackets indicate paid or payable for goods/services received from related companies

Share Information**Number of Shares Represented in Stated Capital**

Voting Shares	25,527,272
Non-Voting Shares	8,345,454
Total	<u>33,872,726</u>

Public Shareholding

		As at 30/06/2017	
	Number of shareholders	Number of shares	%
Voting	2,312	5,921,426	22.52%
Non-Voting	1,419	7,944,872	95.20%

Director's and Chief Executive Officer's Share Holding as at 30/06/2017

	Number of Shares	
	Voting	Non-Voting
Mr A E Tudawe	205,052	-
Dr A D P A Wijegoonewardene	199,462	-
Mr S P Tudawe	307,936	-
Mr U D Tudawe	170,616	-
Mr Y N R Piyasena	553,134	-
Mr A S Abeyewardene	1,440	1,200
Mr. A S M Ismail	100	-
Mr. A.D.B. Talwatte	1,000	-

Market Prices recorded during the quarter

	Highest Traded Price		Lowest Traded Price		Last Traded Price	
	2017/18 Rs	2016/2017 Rs	2017/18 Rs	2016/2017 Rs	2017/18 Rs	2016/2017 Rs
Voting	103 28/06/2017	110 07/06/2016	88 13/06/2017	94 28/04/2016	100 29/06/2017	107 29/06/2016
Non - Voting	85 22/05/2017	86.5 19/05/2016	71.5 13/06/2017	75 19/04/2016	75 21/06/2017	79 30/06/2016

Per Share Ratios

	Group		Company	
	As at 30/06/2017 Rs	As at 30/06/2016 Rs	As at 30/06/2017 Rs	As at 30/06/2016 Rs
Earnings Per Share	2.53	2.49	5.06	4.54
Net Asset Per Share	152.41	90.05	127.43	82.10

Top 20 Share Holders Listed as at 30/06/2017

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Voting Share Holders

Name of the Share Holder	Residence	Number of Shares	Holding %
Durdans Management Services Ltd	Sri Lanka	17,027,632	66.70
Employee Providend Fund	do	1,076,985	4.22
Lawrance Tudawe Management Services (Pvt) Ltd	do	598,982	2.35
Mr. Y N R Piyasena	do	553,134	2.17
Kalamazoo Systems PLC	do	402,823	1.58
Mr W N Tudawe	do	335,743	1.32
Mr S P Tudawe	do	307,936	1.21
Cargo Boat Development Company PLC	do	305,485	1.20
M J F Holdings Ltd	do	270,981	1.06
Mr M J Fernando	do	260,000	1.02
Mr. A E Tudawe	do	205,052	0.80
Mrs L I Weerasinghe Jt L Ishara	do	200,000	0.78
Mrs H K Weerasinghe Jt H Kanishka	do	200,000	0.78
Ms T T Weerasinghe Jt T Thushari	do	200,000	0.78
Mr. A D P A Wijegoonewardena	do	199,462	0.78
Mr. U D Tudawe	do	170,616	0.67
Mr. A D Tudawe	do	161,984	0.63
DFCC Bank A/C 01	do	100,000	0.39
Mr. R R Tudawe	do	100,000	0.39
Commercial Bank of Ceylon PLC	do	83,000	0.33
		22,759,815	89.16

Non-Voting Share Holders

Name of the Share Holder	Country of Residence	Number of Shares	Holding %
Employee Provident Fund	Sri Lanka	1,154,371	13.83
Deutsche Bank AG as Trustee for Namal Acuity Value Fund	do	800,000	9.59
M J F Holdings Ltd	do	598,646	7.17
Deutsche Bank AG National Equity Fund	do	481,000	5.76
E W Balasuriya & Co. (Pvt) Ltd	do	330,619	3.96
DFCC Bank A/C 01	do	240,000	2.88
Durdans management Services Ltd	do	161,985	1.94
Mr. D Ratnayake	do	146,866	1.76
Mr. A H Munasinghe	do	142,314	1.71
A Z Holdings (Pvt) Ltd	do	127,440	1.53
Waldock Mackenzie Ltd/Mr. K Omprasadham	do	104,446	1.25
Tudawe Engineering services (Pvt) Ltd	do	91,986	1.10
Mr. D A Cabraal	do	82,500	0.99
Mr S S Sithambaranathan	do	70,906	0.85
Waldock Mackenzie Ltd / Mr. P S De Mel	do	70,702	0.85
Motor Service Station (Pvt) Ltd	do	70,328	0.84
Mr. U D Wickremesooriya Jt. Mrs. S F Wickremesooriya	do	69,272	0.83
Mr. A D Tudawe	do	68,151	0.82
Mr. P A I S Perera	do	65,454	0.78
Mr. A.I Maniku	do	63,600	0.78
		4,940,586	59.20

CORPORATE INFORMATION

Name of Company

Ceylon Hospitals PLC

Brand Name

DURDANS

Legal Form

A quoted public company with limited liability incorporated in Sri Lanka under the Companies Ordinance No.51 of 1938 and registered under the Companies Act No.07 of 2007.

Company Registration Number

PQ 113

Stocks Exchange Listing

The Ordinary Shares of the Company are listed on the Colombo Stock Exchange of Sri Lanka.

Registered Office

No.03, Alfred Place, Colombo 03.

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Vardhana Bank PLC
Hatton National Bank PLC
The Hongkong Shanghai Banking Corporation Ltd
National Development Bank PLC
Nations Trust Bank PLC
Standard Chartered Bank
Sampath Bank PLC
Seylan Bank PLC
Union Bank PLC

Auditors

Messers.B.R.De.Silva & Co.
Chartered Accountants
No.22/4,Vijaya Kumaratunga Mawatha
Colombo 05.

Lawyers

Mr.D.F.R.Jayamaha
Hector Jayamaha Law Office,
No.228,Thimbirigasyaya Road,
Colombo 05.

Secretaries

Nexia Corporate
Consultants (Pvt) Ltd
No 181, Nawala road,
Narahenpita.

Registrars

S S P Corporate Services (Pvt) Ltd
546, Galle Road,
Colombo 03.