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## **THE FORTRESS RESORTS PLC**

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**INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 TH JUNE 2015**

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE**

	As.At 30.06.2015  Rs.'000	As.At 31.03.2015 Audited Rs.'000	Change %
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	1,020,012	1,043,695	(2)
Intangible Assets	3,177	3,572	(11)
	<u>1,023,189</u>	<u>1,047,267</u>	(2)
<b>Current Assets</b>			
Inventories	17,006	18,201	(7)
Trade and Other Receivables	14,733	44,177	(67)
Advances and Prepayments	28,344	16,230	75
Income Tax Receivables	137	137	-
Short Term Investment	65,308	105,000	(38)
Cash and Bank Balances	367,481	303,304	21
	<u>493,009</u>	<u>487,049</u>	1
<b>Total Assets</b>	<u><b>1,516,198</b></u>	<u><b>1,534,316</b></u>	(1)
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits	295,424	295,300	-
<b>Total Equity</b>	<u>1,404,291</u>	<u>1,404,167</u>	
<b>Non-Current Liabilities</b>			
Interest Bearing Loans and Borrowings	1,831	2,500	27
Retirement Benefit Obligation	9,145	8,833	(4)
Deferred Tax Liability	29,861	29,861	-
	<u>40,837</u>	<u>41,194</u>	1
<b>Current Liabilities</b>			
Trade and Other Payables	54,893	68,166	19
Income Tax Payables	2,414	7,180	66
Interest Bearing Loans and Borrowings	13,763	13,609	(1)
	<u>71,070</u>	<u>88,955</u>	20
<b>Total Equity and Liabilities</b>	<u><b>1,516,198</b></u>	<u><b>1,534,316</b></u>	1
Net Asset Value per Share (Rs.)	12.66	12.66	-

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd

**Thilaksiri Dunuhinga**  
**Chief Financial Officer**

Approved and signed for and on behalf of the Board of Directors.

Sgd

**K.D.D. Perera**  
**Chairman**

Sgd

**J.A.S.S. Adhihetty**  
**Managing Director**

**Colombo**  
**12 August 2015**

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE**

	<b>FOR 3 MONTHS ENDED</b>		<b>Change</b>
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>%</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>	
<b>Revenue</b>	95,576	120,695	(21)
Cost of Sales	(34,485)	(38,473)	10
<b>Gross Profit</b>	<b>61,091</b>	<b>82,222</b>	(26)
Other Income and Gains	6,257	6,375	(2)
Selling and Marketing Expenses	(4,036)	(4,495)	10
Administrative Expenses	(69,004)	(68,809)	-
Finance Cost	(424)	(978)	57
Finance Income	7,801	4,463	75
<b>Profit/(Loss) before Tax</b>	<b>1,685</b>	<b>18,778</b>	(91)
Income Tax Expenses	(1,561)	(2,930)	47
<b>Profit / (Loss) for the period</b>	<b>124</b>	<b>15,848</b>	(99)
<b>Other Comprehensive Income</b>	-	-	
Actuarial Loss on Defined Benefit Plan	-	-	
Income tax effect	-	-	
<b>Other comprehensive Loss for the year, net of tax</b>	<b>-</b>	<b>-</b>	
<b>Total Comprehensive Income for the period net of Tax</b>	<b>124</b>	<b>15,848</b>	(99)
<b>Attributable to:</b>			
Equity holders of the parent	<b>124</b>	<b>15,848</b>	(99)
Basic Earnings per share	0.00	0.14	(99)

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**COMPANY, STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE**

	As.At 30.06.2015 Rs.'000	As.At 31.03.2015 Audited Rs.'000	Change %
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment In Subsidiary	1,000,010	1,000,010	-
	<u>1,000,010</u>	<u>1,000,010</u>	-
<b>Current Assets</b>			
Trade & Other Receivables	91,692	92,823	(1)
Income Tax Receivables	137	137	-
Cash & Cash Equivalents	35	35	-
	<u>91,864</u>	<u>92,995</u>	(1)
<b>Total Assets</b>	<b><u>1,091,874</u></b>	<b><u>1,093,005</u></b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	1,108,867	1,108,867	-
Accumulated losses	(17,035)	(16,113)	6
<b>Total Equity</b>	<b><u>1,091,832</u></b>	<b><u>1,092,754</u></b>	
<b>Non-Current Liabilities</b>			
Interest Bearing Loans and Borrowings	-	-	-
Retirement Benefit Obligation	-	-	-
	<u>-</u>	<u>-</u>	
<b>Current Liabilities</b>			
Trade & Other Payables	42	251	(83)
	<u>42</u>	<u>251</u>	(83)
<b>Total Equity and Liabilities</b>	<b><u>1,091,874</u></b>	<b><u>1,093,005</u></b>	
Net Asset value per share	9.85	9.85	

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd

**Thilaksiri Dunuhinga**  
**Chief Financial Officer**

Approved and signed for and on behalf of the Board of Directors.

Sgd

**K.D.D. Perera**  
**Chairman**

Sgd

**J.A.S.S. Adhihetty**  
**Managing Director**

**Colombo**  
**12 August 2015**

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**COMPANY, STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE**

	<b>FOR 3 MONTHS ENDED</b>		<b>Change</b>
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>%</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>	
<b>Revenue</b>	-	-	
Cost of Sales	-	-	
<b>Gross Profit</b>	-	-	
Other Income and Gains	-	-	
Selling and Marketing Expenses	-	-	
Administrative Expenses	(922)	(2,489)	63
Finance Cost	-	(1)	100
Finance Income	-	-	
<b>Profit/(Loss) before Tax</b>	(922)	(2,490)	63
Income Tax Expenses	-	-	-
<b>Profit /(Loss) for the period</b>	(922)	(2,490)	63
<b>Other Comprehensive Income</b>	-	-	
<b>Total Comprehensive Income/(Loss) for the period</b>	(922)	(2,490)	63
Basic Earnings / (Loss) per share for the period	(0.01)	(0.02)	63

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED**  
**30 TH JUNE 2015**

<b>Group</b>	<b>Stated Capital</b>	<b>Accumulated</b>	<b>Total</b>
	<b>Rs.'000</b>	<b>Profit/(Losses)</b>	<b>Rs.'000</b>
		<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Balance as at 01st April 2015</b>	1,108,867	295,300	1,404,167
Profit for the Period	-	124	124
<b>Balance as at 30 th June 2015</b>	<u>1,108,867</u>	<u>295,424</u>	<u>1,404,291</u>
<b>Balance as at 01st April 2014</b>	1,108,867	105,893	1,214,760
Profit for the Period	-	15,848	15,848
<b>Balance as at 30 June 2014</b>	<u>1,108,867</u>	<u>121,741</u>	<u>1,230,608</u>
<b>Company</b>	<b>Stated Capital</b>	<b>Accumulated</b>	<b>Total</b>
	<b>Rs.'000</b>	<b>Profit/(Losses)</b>	<b>Rs.'000</b>
		<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Balance as at 01st April 2015</b>	1,108,867	(16,113)	1,092,754
Loss for the Period	-	(922)	(922)
<b>Balance as at 30 th June 2015</b>	<u>1,108,867</u>	<u>(17,035)</u>	<u>1,091,832</u>
<b>Balance as at 01st April 2014</b>	1,108,867	(127,156)	981,711
Loss for the Period	-	(2,490)	(2,490)
<b>Balance as at 30 June 2014</b>	<u>1,108,867</u>	<u>(129,646)</u>	<u>979,221</u>

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**CASH FLOW STATEMENT FOR THE PERIOD ENDED**  
**30 TH JUNE**

	FOR THE PERIOD ENDED		FOR THE PERIOD ENDED	
	Group		Company	
	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Cash Flows From / (Used in) Operating Activities</b>				
Profit/(Loss) before tax	1,685	18,778	(922)	(2,490)
<b>Adjustments for</b>				
Depreciation	25,030	26,036	-	-
Amortisation	394	395	-	-
Finance Cost	423	977	-	1
Finance Income	(7,801)	(4,463)	-	-
Exchange Gain	(945)	(396)	-	-
(Profit)/Loss on Disposal of Property, Plant & Equipment	84	-	-	-
Provision for Defined Benefit Obligation	612	516	-	-
Operating Profit/(Loss) before Working Capital Changes	19,482	41,843	(922)	(2,489)
(Increase)/ Decrease in Inventories	1,195	(1,785)	-	-
(Increase)/ Decrease in Trade and Other Receivables and prepayments	20,459	29,762	1,131	-
Increase /(Decrease) in Trade and Other Payables	(16,402)	(6,382)	(209)	2,489
Cash Generated from / (Used in) Operations	24,734	63,438	-	-
Finance Cost Paid	(423)	(977)	-	(1)
Income Tax Paid	(6,326)	(3,518)	-	-
Gratuity Paid	(301)	(148)	-	-
Net Cash From / (used in) Operating Activities	17,684	58,795	-	(1)
<b>Cash Flows from / (Used in) Investing Activities</b>				
Proceeds from Disposal of Property, Plant & Equipment	331	-	-	-
Acquisition of Property, Plant & Equipment	(1,762)	(2,206)	-	-
Finance Income Received	7,801	4,463	-	-
Net Investment in Short term Deposits	39,692	(32,173)	-	-
Net Cash from/(Used in) Investing Activities	46,062	(29,916)	-	-
<b>Cash Flows from (Used in) Financing Activities</b>				
Re-payment of Bank Loans	-	(45,000)	-	-
Principal Payments under Finance Lease Liabilities	(3,046)	(2,708)	-	-
Net Cash from/(Used in) Financing Activities	(3,046)	(47,708)	-	-
Effect of Exchange rates changes on Cash and Cash Equivalent	945	396	-	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	61,645	(18,433)	-	(1)
<b>Cash and Cash Equivalents at the beginning of the Period</b>	299,648	19,037	36	36
<b>Cash and Cash Equivalents at the end of the period</b>	<b>361,293</b>	<b>604</b>	<b>36</b>	<b>35</b>

**For the purpose of the cash flow statement, the period end cash and cash equivalents comprise of the following:**

Cash at Bank & In Hand	367,481	2,776	36	36
Bank Overdraft	(6,188)	(2,172)	-	(1)
	<b>361,293</b>	<b>604</b>	<b>36</b>	<b>35</b>

Note :The above figures for the interim period are subject to audit.

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2015**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED**  
**30 TH JUNE**

1. Market Price of Ordinary Shares

	30.06.2015	30.06.2014
Highest Price Per Share for the Quarter	19.00	17.00
Lowest Price Per Share for the Quarter	15.20	13.00
Last Traded	17.50	16.00

2. Financial year of the company / group ends on 31st March . Interim figures are for three months ended 30 th June 2015

3. The Statement of Financial Position of the company and group as at 30 th June 2015 and Statements of Income, Changes in Equity and Cash Flow for the period then ended have been prepared in accordance with Sri Lanka Accounting Standards 34 interim financial statements and are in agreement with the books of accounts maintained by the group and have provided the information required by the Colombo Stock Exchange.

4. The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant, to be comparable with those for the current year.

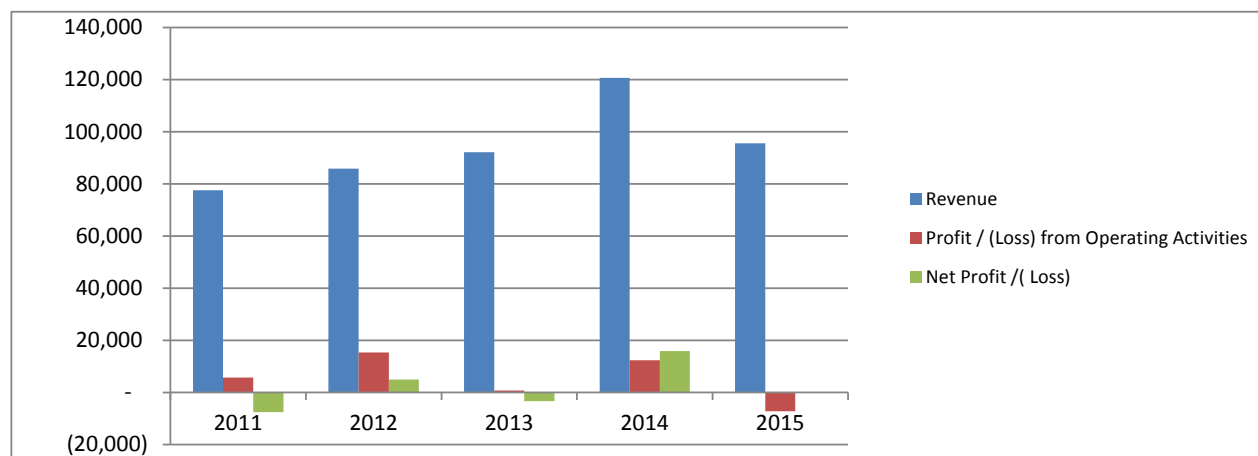
5. All values included in these Financial Statements are in Rs. unless otherwise stated.

6. There have been no other material events that took place since 30 th June 2015, that require disclosure in the Financial Statements.

7. Net Assets per Share has been calculated, for all periods, based on the number of shares in issue as at 30 th June 2015, amounting to 110,886,684.

8. 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 31 March 2015.

9. Graphical Analysis of Seasonality performance - For the three Months ended 30 th June



10. The percentage of the shares held by public as at 30 th June 2015 was 18.132% Comprising of 2,148 Shareholders. (30 th June 2014 -18.157 %)



**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED**  
**30 TH JUNE 2015**

11. The interim financial statements are unaudited and have been prepared in accordance with the same accounting policies and methods set out in the Annual Financial Statements for the year ended 31 March 2015 and are in compliance with the Sri Lanka Accounting Standards 34 - Interim Financial Reporting.
12. The number of shares held by the Board of Directors as of 30<sup>th</sup> June 2015 are as follows:

<b>Name of the Director</b>	<b>No of Shares</b>	<b>%</b>
Mr. Dhammika Perera	10,329,317	9.315
Mr.J.A.S.S. Adhihetty	13,741	0.012
Mr.W.A.D. C. J. Wickramasinhe	19,291	0.017
Mr. Malik J. Fernando	833,333	0.752
Mr. Merrill J. Fernando	2,124,400	1.916
Mr. S. Senaratne	1,000	0.001
Mr. L.T.Samarawickrama	1,550	0.001
Mr. D.E.Silva	500	0.000
Mr.L.N.De Silva Wijeyeratne	Nil	-
Mr.P.B.Perera	500	0.000
Mr.Jan Peter Van Twest	Nil	-
Mr.C.V.Cabraal	Nil	-
Mr.W.D.N.H.Perera (Alternate Director to Mr.P.B. Perera)	89	0.000
Mr.H.Somashantha (Alternate Director to Mr.L.T.Samarawickrama)	Nil	-
Ms.M. Tissera (Alternate Director to Mr.Dhammika Perera)	Nil	-

13. Twenty largest shareholders of the company are as follows,

	<b>Name of the Share Holder</b>	<b>No of Shares</b>	<b>%</b>
1	M J F HOLDINGS LTD	28,616,411	25.807
2	VALLIBEL LEISURE (PRIVATE) LIMITED	24,417,932	22.021
3	VALLIBEL ONE PLC	19,977,345	18.016
4	MR.DHAMMIKA PERERA	10,329,317	9.315
5	L B FINANCE PLC	4,051,100	3.653
6	MR. MERRIL J FERNANDO	2,124,400	1.916
7	BANK OF CEYLON NO. 1 ACCOUNT	1,461,100	1.318
8	SEYLAN BANK PLC/JAYANTHA DEWAGE	1,441,400	1.300
9	ALMAR INTERNATIONAL (PVT) LTD	1,249,600	1.127
10	FREUDENBERG SHIPPING AGENCIES LIMITED	912,673	0.823
11	MRS N U D ARIYARATNA	843,678	0.761
12	MR D C FERNANDO	833,333	0.752
13	MR. MALIK J FERNANDO	833,333	0.752
14	SEYLAN BANK PLC/BERTRAM MANSON AMARASEKARA	550,000	0.496
15	MR. A P L FERNANDO	540,758	0.488
16	Mr.N.P.D.E.SAMARANAYAKE	450,000	0.406
17	DEE INVESTMENTS (PVT) LTD	394,375	0.356
18	ROYAL CERAMICS LANKA PLC	336,100	0.303
19	MR. R MANOHARAN	291,000	0.262
20	NATIONAL DEVELOPMENT BANK PLC /SAKUVI INVESTMENT	284,166	0.256

## **CORPORATE INFORMATION**

### **STATUTORY STATUS**

Public Company with Limited Liability, Quoted on the Diri Savi Board of the Colombo Stock Exchange

### **COMPANY REGISTRATION NO**

***PQ 207***

### **BOARD OF DIRECTORS**

Mr. Dhammika Perera  
Mr.J.A.S.S. Adhihetty  
Mr.W.A.D. C. J. Wickramasinhe  
Mr. Malik J. Fernando  
Mr. Merrill .J. Fernando  
Mr. S. Senaratne  
Mr. L.T.Samarawickrama  
Mr. D.E.Silva  
Mr.L.N.De Silva Wijeyeratne  
Mr.P.B.Perera  
Mr.Jan Peter Van Twest  
Mr.C.V.Cabraal  
Mr.W.D.N.H.Perera (Alternate Director to Mr.P.B. Perera)  
Mr.H.Somashantha (Alternate Director to Mr.L.T.Samarawickrama)  
Ms.M. Tissera (Alternate Director to Mr.Dhammika Perera)

### **HOTEL**

The Fortress , Koggala.

### **REGISTERED OFFICE**

Level 27, East Tower  
World Trade Center  
Echelon Square  
Colombo 01

### **SECRETARIES**

P W Corporate Secretarial (Pvt) Ltd.  
3/17, Kynsey Road  
Colombo 08

### **AUDITORS**

Ernst & Young  
Chartered Accountants  
201, De Saram Place  
Colombo 10

### **BANKERS**

Bank of Ceylon  
Sampath Bank PLC  
Pan Asia Banking Corporation PLC