



THE FORTRESS RESORTS PLC

**INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 TH JUNE 2016**

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH JUNE 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE

	As.At 30.06.2016	As.At 31.03.2016	Change %
	Rs.'000	Audited Rs.'000	
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	953,700	968,650	(2)
Intangible Assets	3,137	3,626	(13)
	<u>956,837</u>	<u>972,276</u>	(2)
Current Assets			
Inventories	19,092	18,978	1
Trade and Other Receivables	25,238	37,369	(32)
Advances and Prepayments	58,578	30,374	93
Income Tax Receivables	137	137	-
Short Term Deposits	460,000	475,769	(3)
Cash and Bank Balances	90,260	103,967	(13)
	<u>653,305</u>	<u>666,594</u>	(2)
Total Assets	<u>1,610,142</u>	<u>1,638,870</u>	(2)
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits	367,178	371,832	(1)
Total Equity	<u>1,476,045</u>	<u>1,480,699</u>	
Non-Current Liabilities			
Retirement Benefit Obligation	11,046	10,404	(6)
Deferred Tax Liability	37,014	37,014	-
	<u>48,060</u>	<u>47,418</u>	(1)
Current Liabilities			
Trade and Other Payables	66,185	82,140	19
Income Tax Payables	9,022	22,166	59
Interest Bearing Loans and Borrowings	10,830	6,447	(68)
	<u>86,037</u>	<u>110,753</u>	22
Total Equity and Liabilities	<u>1,610,142</u>	<u>1,638,870</u>	2
Net Asset Value per Share (Rs.)	13.31	13.35	

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

Sgd
Chief Financial Officer

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

Sgd
Director

Sgd
Director

Colombo
10 August 2016

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 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE

	FOR 3 MONTHS ENDED		Change
	30.06.2016	30.06.2015	%
	Rs.'000	Rs.'000	
Revenue	96,199	95,576	1
Cost of Sales	(38,328)	(34,485)	(11)
Gross Profit	<u>57,871</u>	<u>61,091</u>	(5)
Other Income and Gains	6,299	6,257	1
Selling and Marketing Expenses	(4,141)	(4,036)	(3)
Administrative Expenses	(76,186)	(69,004)	(10)
Finance Cost	(115)	(424)	73
Finance Income	13,859	7,801	78
Profit/(Loss) before Tax	<u>(2,413)</u>	<u>1,685</u>	(243)
Income Tax Expenses	(2,241)	(1,561)	(44)
Profit / (Loss) for the period	<u><u>(4,654)</u></u>	<u><u>124</u></u>	(3,853)
Other Comprehensive Income	-	-	
Actuarial Loss on Defined Benefit Plan	-	-	
Income tax effect	-	-	
Other comprehensive Loss for the year, net of tax	<u>-</u>	<u>-</u>	
Total Comprehensive Income for the period net of Tax	<u><u>(4,654)</u></u>	<u><u>124</u></u>	(3,853)
Attributable to:			
Equity holders of the parent	<u><u>(4,654)</u></u>	<u><u>124</u></u>	(3,853)
Basic Earnings per share	(0.04)	0.00	(3,853)

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 2016

COMPANY, STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE

	As.At 30.06.2016 Rs.'000	As.At 31.03.2016 Audited Rs.'000	Change %
ASSETS			
Non-Current Assets			
Investment In Subsidiary	1,000,010	1,000,010	-
	<u>1,000,010</u>	<u>1,000,010</u>	-
Current Assets			
Trade & Other Receivables	107,434	110,255	(3)
Income Tax Receivables	137	137	-
Cash & Cash Equivalents	17	17	-
	<u>107,588</u>	<u>110,409</u>	(3)
Total Assets	<u>1,107,598</u>	<u>1,110,419</u>	-
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profit/(Loss)	(1,361)	1,251	(209)
Total Equity	<u>1,107,506</u>	<u>1,110,118</u>	
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	-	-	
Retirement Benefit Obligation	-	-	
	<u>-</u>	<u>-</u>	
Current Liabilities			
Trade & Other Payables	43	253	(83)
Bank Overdraft	49	48	
	<u>92</u>	<u>301</u>	(69)
Total Equity and Liabilities	<u>1,107,598</u>	<u>1,110,419</u>	
Net Asset value per share	9.99	10.01	

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Chief Financial Officer

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

Sgd
Director

Sgd
Director

Colombo
10 August 2016

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 2016

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE

	FOR 3 MONTHS ENDED		Change
	30.06.2016	30.06.2015	%
	Rs.'000	Rs.'000	
Revenue	-	-	
Cost of Sales	-	-	
Gross Profit	-	-	
Other Income and Gains	-	-	
Selling and Marketing Expenses	-	-	
Administrative Expenses	(2,612)	(922)	(183)
Finance Cost	-	-	
Finance Income	-	-	
Profit/(Loss) before Tax	(2,612)	(922)	(183)
Income Tax Expenses	-	-	-
Profit /(Loss) for the period	(2,612)	(922)	(183)
Other Comprehensive Income	-	-	
Total Comprehensive Income/(Loss) for the period	(2,612)	(922)	(183)
Basic Earnings / (Loss) per share for the period	(0.02)	(0.01)	(183)

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 2016

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
30 TH JUNE 2016

Group	Stated Capital	Accumulated	Total
	Rs.'000	Profit/(Losses)	Rs.'000
		Rs.'000	Rs.'000
Balance as at 01st April 2016	1,108,867	371,832	1,480,699
Loss for the Period	-	(4,654)	(4,654)
Balance as at 30 th June 2016	<u>1,108,867</u>	<u>367,178</u>	<u>1,476,045</u>
Balance as at 01st April 2015	1,108,867	295,300	1,404,167
Profit for the Period	-	124	124
Balance as at 30 June 2015	<u>1,108,867</u>	<u>295,424</u>	<u>1,404,291</u>
Company	Stated Capital	Accumulated	Total
	Rs.'000	Profit/(Losses)	Rs.'000
		Rs.'000	Rs.'000
Balance as at 01st April 2016	1,108,867	1,251	1,110,118
Loss for the Period	-	(2,612)	(2,612)
Balance as at 30 th June 2016	<u>1,108,867</u>	<u>(1,361)</u>	<u>1,107,506</u>
Balance as at 01st April 2015	1,108,867	(16,113)	1,092,754
Loss for the Period	-	(922)	(922)
Balance as at 30 June 2015	<u>1,108,867</u>	<u>(17,035)</u>	<u>1,091,832</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 2016

CASH FLOW STATEMENT FOR THE PERIOD ENDED
30 TH JUNE

	FOR THE PERIOD ENDED		FOR THE PERIOD ENDED	
	Group		Company	
	2016	2015	2016	2015
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows From / (Used in) Operating Activities				
Profit/(Loss) before tax	(2,413)	246,452	(2,612)	128,251
Adjustments for				
Depreciation	24,848	98,696	-	-
Amortisation	489	1,829	-	-
Finance Cost	115	1,125	-	-
Finance Income	(13,858)	(41,981)	-	-
Dividend Income	-	-	-	(135,001)
Exchange Gain	(409)	-	-	-
(Profit)/Loss on Disposal of Property, Plant & Equipment	35	632	-	-
Provision for Defined Benefit Obligation	852	3,028	-	-
Operating Profit/(Loss) before Working Capital Changes	9,659	309,781	(2,612)	(6,750)
(Increase)/ Decrease in Inventories	(114)	(777)	-	-
(Increase)/ Decrease in Trade and Other Receivables and prepayments	(13,252)	(7,336)	2,821	(17,432)
Increase /(Decrease) in Trade and Other Payables	(18,775)	13,975	(210)	1
Cash Generated from / (Used in) Operations	(22,482)	315,643	(1)	(24,181)
Finance Cost Paid	(114)	(1,126)	-	-
Income Tax Paid	(15,353)	(36,513)	-	-
Defined Benefit Obligations Paid	(211)	(1,838)	-	-
Net Cash From / (used in) Operating Activities	(38,160)	276,166	(1)	(24,181)
Cash Flows from / (Used in) Investing Activities				
Proceeds from Disposal of Property, Plant & Equipment	-	1,204	-	-
Acquisition of Property, Plant & Equipment	(9,965)	(25,488)	-	-
Acquisition of Intangible Assets	-	(1,884)	-	-
Finance Income Received	13,859	31,213	-	-
Dividend Received	-	-	-	135,001
Net Investment in Short term Deposits	15,768	(360,000)	-	-
Net Cash from/(Used in) Investing Activities	19,662	(354,955)	-	135,001
Cash Flows from (Used in) Financing Activities				
Dividends Paid	-	(110,887)	-	-
Principal Payments under Finance Lease Liabilities	(1,897)	(9,975)	-	(110,887)
Net Cash from/(Used in) Financing Activities	(1,897)	(120,862)	-	(110,887)
Effect of Exchange rates changes on Cash and Cash Equivalent	409	-	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(19,986)	(199,651)	(1)	(67)
Cash and Cash Equivalents at the beginning of the Period	99,997	299,648	(31)	36
Cash and Cash Equivalents at the end of the period	80,011	99,997	(32)	(31)

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

Cash at Bank & In Hand	90,260	103,967	17	17
Bank Overdraft	(10,249)	(3,970)	(49)	(48)
	80,011	99,997	(32)	(31)

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 2016

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

1. Market Price of Ordinary Shares Rs.

	30.06.2016	30.06.2015
Highest Price Per Share for the Quarter	17.20	19.00
Lowest Price Per Share for the Quarter	11.50	15.20
Last Traded	13.90	17.50

2. Financial year of the company / group ends on 31st March . Interim figures are for three months ended 30 th June 2016

3. The Statement of Financial Position of the company and group as at 30 th June 2016 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.

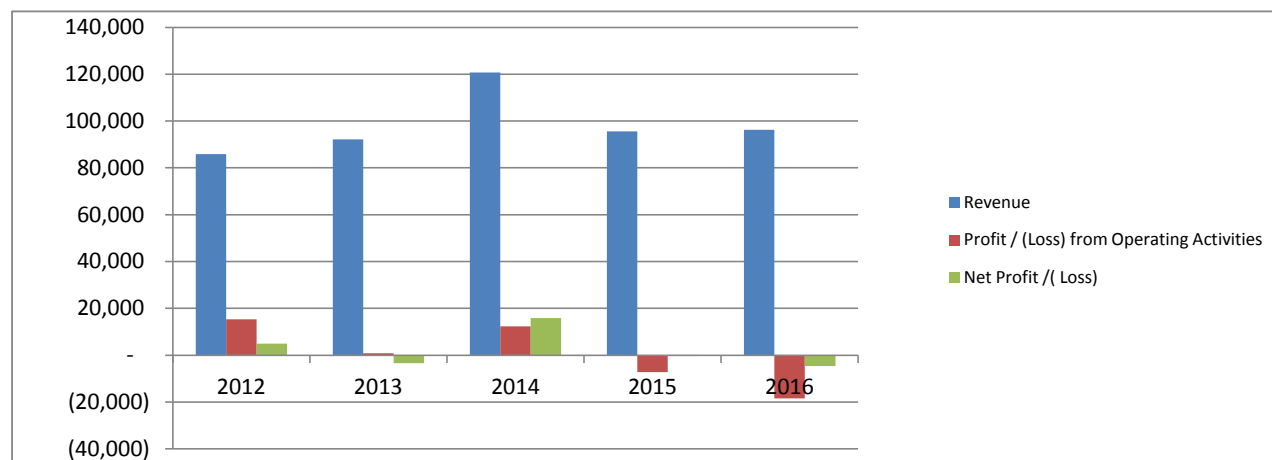
5. All values included in these Financial Statements are in Rs."000" unless otherwise stated.

6. There have been no other material events that took place since 30 th June 2016, 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 2016, 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 2016.

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 2016 was 18.172% Comprising of 2,142 Shareholders. (30 th June 2015 -18.132 %)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 TH JUNE 2016

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 2016 and are in compliance with the Sri Lanka Accounting Standard 34 - Interim Financial Reporting.
12. The number of shares held by the Board of directors as of 30 th June 2016 are as follows:

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

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

	Name of the Share Holder	No of Shares	%
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	PAN ASIA BANKING CORPORATION PLC /ALMAR INTERNATIONAL (PVT) LTD	1,249,600	1.127
10	FREUDENBERG SHIPPING AGENCIES LIMITED	1,047,658	0.945
11	MRS N U D ARIYARATNA	843,483	0.761
12	MR D C FERNANDO	833,333	0.752
13	MR. MALIK J FERNANDO	833,333	0.752
14	MR. A P L FERNANDO	560,006	0.505
15	SEYLAN BANK PLC/BERTRAM MANSON AMARASEKARA	550,000	0.496
16	DEE INVESTMENTS (PVT) LTD	394,375	0.356
17	MOTOR SERVICE STATION (PRIVATE) LTD	346,932	0.313
18	ROYAL CERAMICS LANKA PLC	336,100	0.303
19	SEYLAN BANK PLC/A.M. NIMESHA ANURUDDHA ABHEYKON	294,451	0.266
20	NATIONAL DEVELOPMENT BANK PLC /SAKUVI INVESTMENT	284,166	0.256

CORPORATE INFORMATION

STATUTORY STATUS

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

COMPANY REGISTRATION NO

PQ 207

BOARD OF DIRECTORS

Mr. Dhammika Perera
Mr. J.A.S.S.Adhihetty (Managing Director)
Mr. W. A.C.J. Wickramasinghe
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
Ms.A.A.K. Amarasinghe (Alternate Director to Mr.Dhammika Perera)
Mr.H.Somashantha (Alternate Director to Mr.L.T.Samarawickrama)
Mr.W.D.N.H.Perera (Alternate Director to Mr.P.B.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 Seram Place
Colombo 10

BANKERS

Bank of Ceylon
Hatton National Bank PLC
Sampath Bank PLC
Pan Asia Banking Corporation PLC