



THE FORTRESS RESORTS PLC

**INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 TH SEPTEMBER 2021**

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 TH SEPTEMBER

	As.At 30.09.2021	As.At 31.03.2021 Audited	Change %
	Rs. 000	Rs. 000	
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	1,239,078	1,268,099	(2)
Right to use of Assets	43,117	47,997	(10)
Intangible Assets	2,264	2,893	(22)
	<u>1,284,459</u>	<u>1,318,989</u>	(3)
Current Assets			
Inventories	16,997	18,330	(7)
Trade and Other Receivables	14,393	16,396	(12)
Advances and Prepayments	24,058	28,152	(15)
Short Term Deposits	408,694	639,756	(36)
Cash and Cash equivalents	8,329	9,235	(10)
	<u>472,471</u>	<u>711,869</u>	(34)
Total Assets	<u>1,756,930</u>	<u>2,030,858</u>	(13)
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits	393,275	487,909	19
Equity attributable to Equity Holders of the Parent	<u>1,502,142</u>	<u>1,596,776</u>	6
Non Controlling Interest	1	1	-
Total Equity	<u>1,502,143</u>	<u>1,596,777</u>	6
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	63,787	149,927	57
Retirement Benefit Obligation	19,211	17,592	(9)
Deferred Tax Liability	11,197	22,394	50
Government grants	-	3,290	100
	<u>94,195</u>	<u>193,203</u>	51
Current Liabilities			
Trade and Other Payables	36,108	44,234	18
Contract Liabilities	24,553	25,914	5
Interest Bearing Loans and Borrowings	87,779	145,677	40
Government grants	9,380	15,056	38
Income Tax Payables	2,772	9,997	72
	<u>160,592</u>	<u>240,878</u>	33
Total Equity and Liabilities	<u>1,756,930</u>	<u>2,030,858</u>	13
Net Asset Value per Share (Rs.)	13.55	14.40	

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

Sgd

Chief Financial 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,

Sgd
Director

Sgd
Director

Colombo
29 th October 2021

Note :The above figures for the interim period are not audited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH SEPTEMBER

Note :The above figures for the interim period are not audited
: Figures in brackets indicate deductions

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

COMPANY, STATEMENT OF FINANCIAL POSITION AS AT 30 TH SEPTEMBER

	As.At 30.09.2021 Rs. 000	As.At 31.03.2021 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			
Other Receivables	98,584	101,092	(2)
Cash and Cash Equivalents	26	26	-
	<u>98,610</u>	<u>101,118</u>	(2)
Total Assets	<u>1,098,620</u>	<u>1,101,128</u>	-
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits/(losses)	(12,031)	(9,733)	24
Total Equity	<u>1,096,836</u>	<u>1,099,134</u>	-
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	-	-	-
Retirement Benefit Obligation	-	-	-
	<u>-</u>	<u>-</u>	-
Current Liabilities			
Trade & Other Payables	1,784	1,994	11
Bank Overdraft	-	-	-
	<u>1,784</u>	<u>1,994</u>	11
Total Equity and Liabilities	<u>1,098,620</u>	<u>1,101,128</u>	-
Net Asset value per share (Rs.)	9.89	9.91	-

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

Sgd
Chief Financial 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,

Sgd
Director

Sgd
Director

Colombo
29 th October 2021

Note :The above figures for the interim period are not audited

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

COMPANY STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH SEPTEMBER

	FOR 3 MONTHS ENDED		Change	YEAR TO DATE		Change
	30.09.2021	30.09.2020	%	30.09.2021	30.09.2020	%
	Rs. 000	Rs. 000		Rs. 000	Rs. 000	
Revenue	-	-		-	-	-
Cost of Sales	-	-		-	-	-
Gross Profit	-	-		-	-	-
Other Income and Gains	-	-	-	-	-	-
Selling and Marketing Expenses	-	-		-	-	
Administrative Expenses	(1,677)	(2,102)	20	(2,298)	(2,798)	18
Finance Cost	-	-	-	-	(1)	-
Finance Income	-	-		-	-	-
Profit/(Loss) before Tax	(1,677)	(2,102)	20	(2,298)	(2,799)	18
Income Tax Expenses	-	-	-	-	-	-
Profit /(Loss) for the period	<u>(1,677)</u>	<u>(2,102)</u>	20	<u>(2,298)</u>	<u>(2,799)</u>	18
Other Comprehensive Income/(Loss)	-	-		-	-	
Total Comprehensive Income/(Loss) for the period	<u>(1,677)</u>	<u>(2,102)</u>	20	<u>(2,298)</u>	<u>(2,799)</u>	18
Basic Earnings / (Loss) per share for the period	(0.02)	(0.02)	20	(0.02)	(0.03)	18

Note :The above figures for the interim period are not audited
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THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
30 TH SEPTEMBER

Group	Attributable to the equity holders of the parent			
	Stated Capital	Accumulated	Non Controlling	Total
	Rs. 000	Profit Rs. 000	Interest Rs. 000	Rs. 000
Balance as at 01st April 2021	1,108,867	487,909	1	1,596,777
Loss for the Period	-	(94,634)	-	(94,634)
				-
Balance as at 30 th September 2021	<u>1,108,867</u>	<u>393,275</u>	<u>1</u>	<u>1,502,143</u>
Balance as at 01st April 2020	1,108,867	662,810	1	1,771,678
Loss for the Period	-	(100,598)	-	(100,598)
Balance as at 30 th september 2020	<u>1,108,867</u>	<u>562,212</u>	<u>1</u>	<u>1,671,080</u>
Company	Stated Capital	Accumulated	Total	
	Rs. 000	Profit/(Losses) Rs. 000	Rs. 000	
Balance as at 01st April 2021	1,108,867	(9,733)	1,099,134	
Loss for the Period	-	(2,298)	(2,298)	
Balance as at 30 th September 2021	<u>1,108,867</u>	<u>(12,031)</u>	<u>1,096,836</u>	
Balance as at 01st April 2020	1,108,867	(5,324)	1,103,543	
Loss for the Period	-	(2,799)	(2,799)	
Balance as at 30 th september 2020	<u>1,108,867</u>	<u>(8,123)</u>	<u>1,100,744</u>	

Note :The above figures for the interim period are not audited
:Figures in brackets indicate deductions

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED
30 TH SEPTEMBER

	FOR THE PERIOD ENDED		FOR THE PERIOD ENDED	
	Group		Company	
	2021	2020	2021	2020
	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Cash Flows From / (Used in) Operating Activities				
Profit/(Loss) before tax	(101,769)	(104,002)	(2,298)	(2,799)
Adjustments for				-
Depreciation	33,955	36,177	-	-
Amortisation of intangible assets	628	774	-	-
Depreciation of Right of Use assets	4,880	3,860	-	-
Finance Cost	6,967	6,826	-	-
Finance Income	(16,958)	(36,163)	-	-
Provision for Defined Benefit Obligation	1,967	2,096	-	-
Operating Profit/(Loss) before Working Capital Changes	(70,330)	(90,432)	(2,298)	(2,799)
(Increase)/ Decrease in Inventories	1,333	2,339	-	-
(Increase)/ Decrease in Trade and Other Receivables and prepayments	6,096	30,340	2,508	2,008
Increase/(Decrease) in Trade and Other Payables and Contract Liabilities	(9,486)	3,004	(210)	(213)
Cash Generated from / (Used in) Operations	(72,387)	(54,749)	-	(1,004)
Finance Cost Paid	(7,234)	(6,751)	-	-
Defined Benefit Obligation paid	(348)	(1,926)	-	-
Income Tax paid	(11,286)	(3,245)	-	-
Net Cash From / (used in) Operating Activities	(91,255)	(66,671)	-	(1,004)
Cash Flows from / (Used in) Investing Activities				
Proceeds from Disposal of Property Plant and Equipment	-	253	-	-
Acquisition of Property, Plant and Equipment	(5,074)	(4,931)	-	-
Investment in Fixed deposits	(30,342)	(41,000)	-	-
Withdrawal of Fixed Deposits	246,341	35,000	-	-
Finance Income Received	32,061	12,958	-	-
Net Cash from/(Used in) Investing Activities	242,986	2,280	-	-
Cash Flows from (Used in) Financing Activities				
Proceeds from Bank loans	-	52,000	-	-
Repayments of interest bearing loans and borrowings	(140,775)	-	-	-
Principal Payments under Finance Lease Liabilities	(3,320)	(2,959)	-	-
Net Cash from/(Used in) Financing Activities	(144,095)	49,041	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	7,636	(15,350)	-	(1,004)
Cash and Cash Equivalents at the beginning of the Period	693	15,766	26	1,030
Cash and Cash Equivalents at the end of the period	8,329	416	26	26

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

Cash at Bank & In Hand	8,329	4,885	26	26
Bank Overdraft	-	(4,469)	-	-
	8,329	416	26	26

Note :The above figures for the interim period are not audited

:Figures in brackets indicate deductions

THE FORTRESS RESORTS PLC
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 TH SEPTEMBER 2021

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

1. Market Price of Ordinary Shares

	30.09.2021	30.09.2020
	Rs.	Rs.
Highest Price Per Share for the Quarter	12.60	11.50
Lowest Price Per Share for the Quarter	9.80	9.50
Last Traded	12.10	10.20

2. Financial year of the Company / Group ends on 31st March . Interim figures are for three months ended 30 th September 2021

3. The Statement of Financial Position of the Company and Group as at 30 th September 2021 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 '000' rupees unless otherwise stated.

6. Impact to interim financial statement on COVID 19 - Having presented the outlook of the company in the group to the Board of "The Fortress Resorts PLC" and after due consideration of the range and likelihood of outcomes ,the Directors are satisfied that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing and presenting these financial statement. In determining the above significant management Judgment , estimate and assumptions the impact of the COVID 19 pandemic has been considered as of reporting date.

7. Subsidiaries.

The Subsidiaries and its controlling percentages of the Group,which have been consolidated are as follows

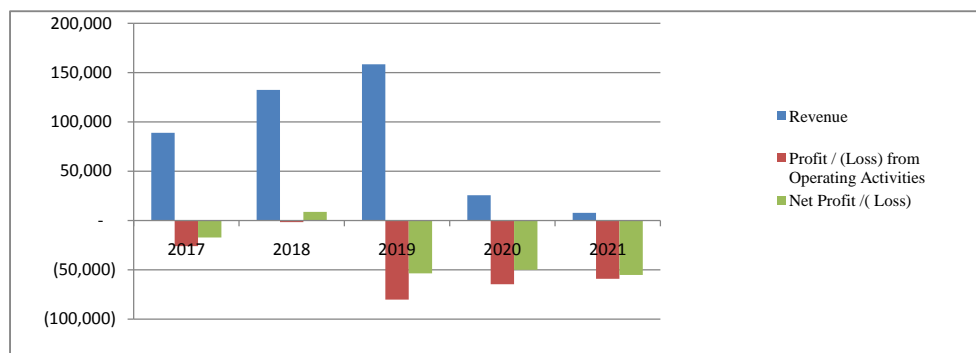
Subsidiaries	2021	2020	Nature of the Operations
Direct holding			
La Forteresse (Private) Limited	100%	100%	Operations of Small Luxury Hotel
Indirect holding			
Summer Season Mirissa (Private) Limited	99.99%	99.99%	Operation not yet commenced

Investment in subsidiaries are carried at cost less impairments (if any) in the separate financial statements

8. Net Assets value per Share has been calculated, for all periods, based on the number of shares in issue as at 30 th September 2021, amounting to 110,886,684.

9. 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 st March 2021.

10. Graphical Analysis of Seasonality performance - For the Quarter



11. The percentage of the shares held by public as at 30 th September 2021 was 14.899% Comprising of 2,025 Shareholders. (30 th September 2020 -18.192% Comprising 2,052 shareholders)

12. The float adjusted market capitalization as at 30 th September 2021 - Rs.199,906,435.30

13. The Float adjusted market capitalization of the company falls under Option 2 of Rule 7.13.1(b) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 TH SEPTEMBER 2021

14. 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 2021 and are in compliance with the Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

15. The number of shares held by the Board of Directors as of 30 th September 2021 are as follows:

	Name of the Director	No of Shares	%
1	Mr. Dhammika Perera	10,329,317	9.315
2	Mr.K.D.H Perera -Managing Director	Nil	-
3	Mr.J.A.S.S. Adhihetty	13,741	0.012
4	Mr. Malik J. Fernando	833,333	0.752
5	Mr. Merrill J. Fernando	2,124,400	1.916
6	Mr.L.N.De Silva Wijeyeratne	Nil	-
7	Mr.Jan P Van Twest	Nil	-
8	Mr.C.V.Cabraal	Nil	
9	Mr.C.U Weerawardena	Nil	-
10	Mr.R.E.U.De Silva	Nil	
11	Ms.A.A.K Amarasinghe (Alternate Director to Mr.Dhammika Perera)	Nil	-
12	Mr.R.N.Malinga (Alternate Director to Malik J Fernando)	Nil	-

16. Twenty largest shareholders of the company as of 30 th September 2021 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	20,618,257	18.594
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	MR. A P L FERNANDO	1,141,186	1.029
10	MRS N U D ARIYARATNA	843,483	0.761
11	MR. MALIK J FERNANDO	833,333	0.752
12	MR D C FERNANDO	833,333	0.752
13	DR.D.JAYANNTHA	621,000	0.560
14	SEYLAN BANK PLC/BERTRAM MANSON AMARASEKARA	550,000	0.496
15	MR.M.P.D COORAY	456,104	0.411
16	FREUDENBERG SHIPPING AGENCIES LIMITED	451,416	0.407
17	MR.D J DE SILVA WIJERATHNE	425,000	0.383
18	MOTOR SERVICE STATION (PRIVATE) LTD	394,727	0.356
19	ANVERALLY AND SON (PVT) LTD A/C NO 1	373,810	0.337
20	ROYAL CEREMICS LANKA PLC	336,100	0.303

Corporate Information

Name of the Company

The Fortress Resorts PLC

Company Registration No
PQ 207

Legal Form

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

Registered Office

Level 29, West Tower
World Trade Center, Echelon Square
Colombo 01.

Board Of Directors

Mr. Dhammika Perera (Chairman)
(Alternate Director Ms.A A K Amarasinghe)
Mr.K D H Perera (Managing Director)
Mr. J A S S Adhihetty
Mr. Malik J Fernando
(Alternate Director Mr.R N Malinga)
Mr. Merril J Fernando
Mr. L N De Silva Wijeyeratne
Mr.Jan Peter Van Twest
Mr.C V Cabraal
Mr.C U Weerawardena
Mr. R.E.U.De Silva

Subsidiary Companies

La Forteresse (Private) Limited
Summer Season Mirissa (Pvt) Ltd

Hotel

The Fortress Resorts & Spa, Koggala
Telephone : 091 4389400
Fax : 091 4389458
Email: info@thefortress.lk

Secretaries

P W Corporate Secretarial (Pvt) Ltd.
No.3/17, Kynsey Road.
Colombo 08.
Telephone : 011 4640360-3
Fax : 011 4740588
Email: pwcs@pwcs.lk

External Auditors

Ernst & Young
Chartered Accountants
201,De Seram Place,
Colombo 10.

Internal Auditors

BDO Partners
Chartered Accountants
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha
Colombo 02.

Bankers

Bank of Ceylon
Sampath Bank PLC
Pan Asia Banking Corporation PLC