

EVOLVING



HOTEL SIGIRIYA PLC.

INTERIM CONDENSED FINANCIAL STATEMENTS

THIRD QUARTER 2017/18

Hotel Sigiriya PLC

Quarter ended 31st December 2017

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Hotel Sigiriya PLC

STATEMENT OF FINANCIAL POSITION

As at	31.12.2017	31.12.2016	31.03.2017
	Rs.	Rs.	Audited Rs.
ASSETS			
Non-current assets			
Property, plant and equipment	352,444,460	363,553,176	362,826,093
Leasehold property	1,993,272	2,101,023	2,068,695
Intangible assets	18,816,883	16,813,856	22,389,946
Other non current financial assets	4,000,000	4,000,000	4,000,000
	377,254,615	386,468,055	391,284,734
Current assets			
Inventories	9,150,821	5,756,433	5,026,115
Trade and other receivables	38,121,193	46,449,459	42,361,369
Taxation recoverable	537,010	-	-
Other current financial assets	68,433,585	43,439,358	58,019,773
Cash and cash equivalents	33,720,189	18,551,258	23,401,317
	149,962,798	114,196,508	128,808,574
Total Assets	527,217,413	500,664,563	520,093,308
EQUITY AND LIABILITIES			
Equity			
Stated capital	97,650,000	97,650,000	97,650,000
Revaluation Reserve	149,223,769	149,223,769	149,223,769
Retained earnings	161,323,183	137,285,850	168,221,560
Total equity	408,196,952	384,159,619	415,095,329
Non-current liabilities			
Deferred tax liabilities	21,353,966	23,577,751	19,349,484
Employee benefit obligation	8,820,843	7,744,122	8,363,745
	30,174,809	31,321,873	27,713,229
Current liabilities			
Trade and other payables	79,664,846	75,210,412	66,801,601
Income tax liability	-	275,730	341,850
Dividends payable	1,571,238	1,272,456	1,805,688
Bank Overdraft	7,609,568	8,424,473	8,335,611
	88,845,652	85,183,071	77,284,750
Total Equity and Liabilities	527,217,413	500,664,563	520,093,308
Net Assets Per Share (Rs.)	69.67	65.57	70.85

The above figures are provisional & subject to audit.

These Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.


K.D.D. Gunasekera - Director Finance

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of the board by,


A.N. Esufally - Chairman


W.M.De.F. Arakularatne - Director

Colombo
7th February 2018

Hotel Sigiriya PLC

STATEMENT OF PROFIT OR LOSS

	03 Months Ended 31.12.2017 Rs.	03 Months Ended 31.12.2016 Rs.	Variance %	09 Months Ended 31.12.2017 Rs.	09 Months Ended 31.12.2016 Rs.	Variance %
Revenue	79,026,158	69,301,919	14%	220,449,676	224,922,604	-2%
Cost of sales	(21,033,412)	(14,197,318)	48%	(60,486,802)	(55,331,048)	9%
Gross profit	57,992,746	55,104,601	5%	159,962,874	169,591,556	-6%
Other operating income	2,412,445	2,013,923	20%	4,383,217	4,125,470	6%
Sales and marketing costs	(2,324,092)	(1,627,946)	43%	(7,730,522)	(5,315,662)	45%
Administrative expenses	(52,714,471)	(46,206,386)	14%	(149,010,866)	(132,195,934)	13%
Operating profit	5,366,628	9,284,192	-42%	7,604,703	36,205,430	-79%
Finance costs	(6,816)	(6,772)	1%	(15,387)	(40,495)	-62%
Finance income	(1,102,514)	1,547,657	-171%	2,947,057	4,080,077	-28%
Exchange (Loss)/ Gain	-	-		-	-	
Profit before tax	4,257,298	10,825,077	-61%	10,536,373	40,245,012	-74%
Income tax expense	45,387	(139,684)	-132%	(5,716,750)	(4,216,719)	36%
Profit for the period	4,302,685	10,685,393	-60%	4,819,623	36,028,293	-87%
Earnings per share	0.73	1.82		0.82	6.15	

The above figures are provisional & subject to audit.

Hotel Sigiriya PLC

STATEMENT OF COMPREHENSIVE INCOME

	03 Months Ended 31.12.2017 Rs.	03 Months Ended 31.12.2016 Rs.	09 Months Ended 31.12.2017 Rs.	09 Months Ended 31.12.2016 Rs.
Profit for the Period	4,302,685	10,685,393	4,819,623	36,028,293
Other Comprehensive Income	-	-	-	-
Other Comprehensive Income for the Period, Net of Tax	-	-	-	-
Total Comprehensive Income for the Period, Net of Tax	<u>4,302,685</u>	<u>10,685,393</u>	<u>4,819,623</u>	<u>36,028,293</u>

The above figures are provisional & subject to audit.

Hotel Sigiriya PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Revaluation Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at April 01, 2016	97,650,000	149,223,769	159,847,557	406,721,326
Net profit/(loss) for the period	-		36,028,293	36,028,293
Total comprehensive income for the period	-	-	36,028,293	36,028,293
Dividend			(58,590,000)	(58,590,000)
Balance as at December 31, 2016	97,650,000	149,223,769	137,285,850	384,159,619
Balance as at April 01, 2017	97,650,000	149,223,769	168,221,560	415,095,329
Net profit/(loss) for the period	-		4,819,623	4,819,623
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	4,819,623	4,819,623
Dividend	-	-	(11,718,000)	(11,718,000)
Balance as at December 31, 2017	97,650,000	149,223,769	161,323,183	408,196,952

Hotel Sigiriya PLC

STATEMENT OF CASH FLOWS

	09 Months Ended 31.12.2017 Rs.	09 Months Ended 31.12.2016 Rs.
Cash Flows generated from Operating Activities		
Net Profit before Income Tax	10,536,373	40,245,012
Adjustments for		
Depreciation	19,350,171	14,460,373
Amortisation of intangible assets	3,573,063	421,589
Amortisation of leasehold property	75,423	96,970
Finance income	(2,947,057)	(4,080,077)
(Gain)/loss on disposal of property, plant & equipment	-	(584,367)
(Write backs)/ Write offs	141,253	-
Finance costs	15,387	40,495
Exchange (Gain)/Loss	(1,010,471)	(1,663,799)
Provision for defined benefit plans	1,080,000	1,052,000
	30,814,142	49,988,196
Working capital adjustments		
(Increase) / decrease in inventories	(4,124,706)	(1,099,136)
(Increase) / decrease in trade and other receivables	4,446,153	(1,703,272)
Increase / (decrease) in trade and other payables	13,603,429	15,083,692
Cash generated from operations	44,739,018	62,269,480
Interest paid	(15,387)	(40,495)
Defined benefit obligation paid	(622,901)	(1,912,338)
Income tax paid	(4,587,407)	(8,845,552)
Net cash generated from operating activities	39,513,323	51,471,095
Cash Flows From / (Used in) Investing Activities		
Purchase of property, plant & equipment	(8,968,547)	(18,325,732)
Purchase of intangible assets	-	(16,389,887)
Proceeds from sale of property, plant & equipment	-	3,500,000
Loans given to related parties	25,282,161	(43,000,000)
Investment in Financial Assets	(35,776,629)	-
Loans settlements from Related Parties	-	-
Interest received	2,947,057	4,080,077
Net cash flows used in investing activities	(16,515,958)	(70,135,542)
Net Cash Flows From / (Used in) Financing Activities		
Dividend paid	(11,952,450)	(58,598,775)
Net cash flows used in financing activities	(11,952,450)	(58,598,775)
Net increase / (decrease) in cash and cash equivalents	11,044,915	(77,263,222)
Cash and cash equivalents at the beginning of the period	15,065,706	87,390,007
Cash and cash equivalents at the end of the period	26,110,621	10,126,785
Analysis of Cash & Cash Equivalents		
Cash at Bank and on hand	33,720,189	18,551,258
Bank Overdraft	(7,609,568)	(8,424,473)
	26,110,621	10,126,785

The above figures are provisional & subject to audit.

Hotel Sigiriya PLC

NOTES TO THE FINANCIAL STATEMENTS

- 1 The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS- 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.
- 2 The accounting policies have been consistently applied by the Company and unaudited previous quarter's figures have been restated wherever necessary for better presentation and to be comparable with those of the current period.
- 3 There has been no significant change in the nature of the contingent liabilities as disclosed in the Annual Report of 2016/17.
- 4 No circumstances have arisen after the reporting date, which would require adjustments to or disclosure in the Financial Statements.

Hotel Sigiriya PLC

INVESTOR INFORMATION

	31.12.2017	31.12.2016	31.03.2017
Earnings / (Loss) per Share (Rs.)	0.82	6.15	11.45
Debt/Equity Ratio (%)	1.9	2.2	2.0
Interest Cover (Times)	686	995	1,582
Quick Asset Ratio (Times)	2	1	2
No. of shares representing Stated Capital	5,859,000	5,859,000	5,859,000
Market Price - Highest (Rs.)	69.70	113.00	103.90
- Lowest (Rs.)	61.60	96.00	91.00
- Last Traded (Rs.)	62.00	100.00	97.30

The above figures are provisional & subject to audit.

Hotel Sigiriya PLC

DIRECTORS' SHAREHOLDING

	31.12.2017
	No. of Shares
B S M De Silva	19,500
A R Gamage (Mrs)	2,100
W M De F Arsakularatne	NIL
A N Esufally	NIL
W D U Perera	NIL

LIST OF 20 MAJOR SHAREHOLDERS

	31.12.2017	
Name	No. of Shares	%
Serendib Hotels PLC	3,696,047	63.08
Bansei Securities Capital (Pvt) Ltd./ R C J Goonewardene	334,047	5.70
Freudenberg Shipping Agencies Ltd.	248,511	4.24
Mr. J R De Silva	128,675	2.20
Rosewood (Pvt) Ltd - Account No.1	125,789	2.15
Bansei Securities Capital (Pvt) Ltd./ Dawi Investment Trust (Pvt) Ltd	85,175	1.45
Mr. E J De Soysa	70,000	1.19
Merchant Bank of Sri Lanka PLC/ Mr. P S M Fernando	60,085	1.03
Mr. D S D De Lanerolle	54,020	0.92
Mr. N Balasingam	52,100	0.89
Mercantile Investments & Finance PLC	38,900	0.66
Mrs. J K P Singh	37,575	0.64
Alliance Finance Company PLC	35,000	0.60
Dr. S Yaddehige	33,888	0.58
People's Leasing & Finance PLC /Dr.H.S.D.Soyasa & Mrs.G.Soyasa	29,300	0.50
Mr. B V Selvanayagam	27,719	0.47
Mr. A M E Fernando	25,000	0.43
Ms. E K N Selvadurai	25,000	0.43
Mr. K C Vignarajah	23,326	0.40
Dawi Investment Trust (Pvt) Ltd	20,000	0.34
	5,150,157	87.90
Shares held by the balance shareholders	708,843	12.10
	5,859,000	100.00

MINIMUM PUBLIC HOLDING REQUIREMENT AS PER SECTION 7.13.1 OF CSE LISTING RULES

Category	Float Adjusted Market Capitalization (Rs.)	Public Holding Percentage	No. of Shareholders	Option
Ordinary (Voting) Shares	132,763,886	36.55%	853	5

Hotel Sigiriya PLC

CORPORATE INFORMATION

LEGAL FORM

A quoted public company with Limited Liability
Incorporated in Sri Lanka in 1971
Company Registration No. PQ 81

Directors

Mr. A N Esufally – Chairman
Mrs. A R Gamage
Mr. B S M De Silva
Mr. W D U Perera
Mr. W M De F Arakularatne

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Managing Agent

Serendib Leisure Management Ltd.