

# HUNAS FALLS HOTELS PLC

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Company Registration Number PQ 72



**Interim Report - 2nd Quarter  
Period Ended 30th September 2016**

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**HUNAS FALLS HOTELS PLC**  
**STATEMENT OF FINANCIAL POSITION**

Audited As at 31.03.2016 Rs'000		Unaudited As at 30.09.2016 Rs'000	Unaudited As at 30.09.2015 Rs'000
	<b>ASSETS</b>		
	<b>Non-Current Assets</b>		
384,818	Property, Plant & Equipment	373,644	385,051
	<b>CURRENT ASSETS</b>		
4,428	Inventories	4,062	4,613
7,714	Trade & Other Receivables	9,772	9,433
4,239	Advance & Prepayment	2,088	3,409
1,504	Tax Recoverable	1,680	1,373
9,907	Cash and Short Term Deposits	18,489	6,079
<u>27,793</u>		<u>36,091</u>	<u>24,908</u>
<b><u>412,611</u></b>	<b>Total Assets</b>	<b><u>409,735</u></b>	<b><u>409,959</u></b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Capital and Reserves</b>		
82,500	Stated Capital	82,500	82,500
44,957	Reserves	44,957	44,957
216,030	Retained Earnings	223,106	214,995
<b><u>343,487</u></b>	<b>Total Equity</b>	<b><u>350,563</u></b>	<b><u>342,452</u></b>
	<b>Non-Current Liabilities</b>		
30,059	Deferred Tax Liability	30,059	28,206
3,287	Employment Benefit Liability	3,686	2,986
516	Grants & Subsidies	425	607
<b><u>33,862</u></b>		<b><u>34,170</u></b>	<b><u>31,798</u></b>
	<b>Current Liabilities</b>		
33,109	Trade and Other Payables	24,721	33,190
282	Unclaimed Dividends	281	286
1,873	Bank Overdrafts	-	2,233
<b><u>35,263</u></b>		<b><u>25,002</u></b>	<b><u>35,708</u></b>
<b><u>412,611</u></b>	<b>Total Equity and Liabilities</b>	<b><u>409,735</u></b>	<b><u>409,959</u></b>

The Statement of Financial Position as at 30th September 2016 and The Statement of Profit or Loss & Comprehensive Income, Statement of Changes in Equity and Cash flow Statement for the quarter then ended are drawn up from the unaudited Financial Statements of the company, and they provide the information required by the Colombo Stock Exchange.

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No: 07 of 2007



Aruna Dikkumbura  
Chief Financial Officer - Amaya Leisure PLC.  
(Managing Agent)

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.M. Pandithage  
Chairman



L.T. Samarawickrama  
Managing Director

27th October 2016  
Colombo.

**HUNAS FALLS HOTELS PLC**  
**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**

Audited year ended 31.03.16 Rs'000		Unaudited 03 Months ended 30.09.16 Rs'000	Unaudited 03 Months ended 30.09.15 Rs'000	Variance Favorable/ (Unfavorable)	Unaudited 06 Months ended 30.09.16 Rs'000	Unaudited 06 Months ended 30.09.15 Rs'000	Variance Favorable/ (Unfavorable)
151,264	<b>Revenue</b>	56,506	51,350	10%	81,160	78,293	4%
(28,312)	Cost of Sales	(11,141)	(10,241)	-9%	(19,827)	(18,774)	-6%
<b>122,953</b>	<b>Gross Profit</b>	<b>45,365</b>	<b>41,109</b>	10%	<b>61,333</b>	<b>59,519</b>	3%
3,440	Other Income	458	353	30%	842	629	34%
(14,511)	Marketing & Promotional Expenses	(5,859)	(4,799)	-22%	(9,370)	(8,385)	-12%
(103,302)	Administrative Expenses	(23,619)	(24,454)	3%	(45,819)	(46,701)	2%
(246)	Finance Costs	-	(96)	100%	-	(245)	100%
83	Finance Income	48	14	>100%	90	26	>100%
<b>8,417</b>	<b>Profit/(Loss) before Tax</b>	<b>16,392</b>	<b>12,127</b>	35%	<b>7,076</b>	<b>4,842</b>	46%
(1,936)	Income Tax Expense	-	-	-	-	-	-
<b>6,480</b>	<b>Net Profit/(Loss) for the period</b>	<b>16,392</b>	<b>12,127</b>	35%	<b>7,076</b>	<b>4,842</b>	46%
<b>Other Comprehensive Income</b>							
(687)	Actuarial Gain/(Loss) on Defined Benefits Obligation	-	-	-	-	-	-
83	Income Tax Effect	-	-	-	-	-	-
(603)	<b>Total Other Comprehensive Income for the Period, Net of Tax</b>	-	-	-	-	-	-
<b>5,877</b>	<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>16,392</b>	<b>12,127</b>	35%	<b>7,076</b>	<b>4,842</b>	46%
<b>1.15</b>	Earnings per Share for the period - (Basic) Rs.	<b>2.91</b>	<b>2.16</b>		<b>1.26</b>	<b>0.86</b>	

**Notes**

1 Operating Profit / (Loss) is after charging following

<b>26,572</b>	Depreciation	<b>6,103</b>	<b>6,097</b>		<b>12,164</b>	<b>12,073</b>	
	2 Stated Capital						
<b>82,500</b>	Issued & Fully Paid 5,625,000 Ordinary Shares	<b>82,500</b>	<b>82,500</b>		<b>82,500</b>	<b>82,500</b>	

3 These Interim Financial Statements have been prepared in accordance with the same accounting policies and methods set out in the Annual Financial Statements for the year ended 31st March 2016 and are in compliance with the Sri Lanka Accounting Standard (LKAS - 34) - Interim Financial Reporting.

4 There has not been a significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2016

5 Figures in brackets indicate deductions.

6 Where necessary, comparative figures have been re - classified to conform with the current period's presentation.

7 There are no distinguishable components to be identified as segments for the Company.

8 No Circumstances have arisen since the balance sheet date, which would require adjustments to or disclosure in the Financial Statements.

**9 Basis of Preparation of Summserised Financial Report**

The interim condensed Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2016.

The Financial Statements for the year ended 31st March 2016 have been prepared in accordance with Sri Lanka Accounting Standards SLFRS and LKAS (hereafter "SLFRS"), as issued by the Institute of Chartered Accountants of Sri Lanka

The Interim condensed Financial Statements are presented in Sri Lankan Rupees and all values are rounded to the nearest thousand except when otherwise indicated.

**HUNAS FALLS HOTELS PLC**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Stated Capital Rs.'000</b>	<b>Revaluation Reserve Rs.'000</b>	<b>Retained Earnings Rs.'000</b>	<b>Total Rs.'000</b>
<b>Balance as at 1st April 2015</b>	82,500	44,957	210,208	337,665
Prior year adjustment - Super gain tax - FY 2013/14	-	-	(55)	(55)
<b>Adjusted Balance</b>	<u>82,500</u>	<u>44,957</u>	<u>210,153</u>	<u>337,610</u>
Profit/(Loss) for the period	-	-	4,842	4,842
<b>Balance as at 30th September 2015</b>	<u><u>82,500</u></u>	<u><u>44,957</u></u>	<u><u>214,995</u></u>	<u><u>342,452</u></u>
<b>Balance as at 1st April 2016</b>	82,500	44,957	216,030	343,487
Profit/(Loss) for the period	-	-	7,076	7,076
<b>Balance as at 30th September 2016</b>	<u><u>82,500</u></u>	<u><u>44,957</u></u>	<u><u>223,106</u></u>	<u><u>350,563</u></u>

**HUNAS FALLS HOTELS PLC****STATEMENT OF CASH FLOWS**

<b>Audited year ended 31.03.16 Rs'000</b>		<b>Unaudited period ended 30.09.16 Rs'000</b>	<b>Unaudited period ended 30.09.15 Rs'000</b>
	<b>Cash Flows From Operating Activities</b>		
8,417	Profit/(Loss) Before Tax	7,076	4,842
	<b>Adjustments for</b>		
26,572	Depreciation	12,164	12,073
(40)	(Profit)/Loss on Disposal of Property, Plant & Equipment	(20)	(11)
246	Finance Costs	-	245
(83)	Finance Income	(90)	(26)
673	Provision for Employee Benefit Liability	612	554
(182)	Amortization of Grants & Subsidies	(91)	(91)
<b>35,603</b>	<b>Operating Profit before Working Capital Changes</b>	<b>19,651</b>	<b>17,586</b>
265	(Increase)/Decrease in Inventories	366	80
1,893	(Increase)/Decrease in Trade & Other Receivables	(2,058)	173
(1,850)	(Increase)/Decrease in Advances & Prepayment	2,151	(1,020)
9,077	Increase/(Decrease) in Trade and other Payables	(8,388)	9,135
<b>44,988</b>	<b>Cash Generated from Operations</b>	<b>11,722</b>	<b>25,954</b>
(132)	Income Tax / ESC Paid	(175)	-
(55)	Super Gain Tax Paid	-	-
(246)	Interest Paid	-	(245)
(757)	Employee Benefit Liability Costs Paid	(213)	(284)
<b>43,798</b>	<b>Net Cash flows From/ (Used in) Operating Activities</b>	<b>11,334</b>	<b>25,426</b>
	<b>Cash Flows from / (Used in) Investing Activities</b>		
(20,424)	Acquisition of Property, Plant & Equipment	(990)	(5,894)
83	Proceeds from sale of Property, Plant & Equipment	20	16
307	Finance Income Received	90	26
<b>(20,033)</b>	<b>Net Cash Flows (Used in) Investing Activities</b>	<b>(880)</b>	<b>(5,853)</b>
	<b>Cash Flows from / (Used in) financing Activities</b>		
(4)	Dividends paid	-	-
<b>(4)</b>	<b>Net Cash Flows from (Used in) Financing Activities</b>	<b>-</b>	<b>-</b>
<b>23,761</b>	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>10,454</b>	<b>19,572</b>
<b>(15,726)</b>	<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>8,035</b>	<b>(15,726)</b>
<b>8,035</b>	<b>Cash and Cash Equivalents at the end of the period</b>	<b>18,489</b>	<b>3,846</b>
	<b>Analysis of Cash and Cash Equivalents at the end of the period</b>		
9,907	Cash & Bank Balances	18,489	6,079
(1,873)	Bank Overdraft	-	(2,233)
<b>8,035</b>		<b>18,489</b>	<b>3,846</b>

<b>Market Value of Shares 2nd quarter</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	(Rs)	(Rs)
Closing	<b>59.80</b>	60.00
Highest	<b>65.00</b>	68.50
Lowest	<b>51.00</b>	46.00

**Ratio**

Net Assets per share (Rs.)	<b>62.32</b>	60.89
	(Rs. 61.06 as at 31st March 2016)	

**Share trading for the period ended.**

Number of transactions	75	157
Number of Share traded	4,868	27,349
Value of Share traded (Rs)	267,417	1,706,268

**FIRST TWENTY SHAREHOLDERS AS AT 30.09.2016**

No	Name of the Shareholder	No.of Shares as at 30.09.2016	%
1	Carbotels (Private) Limited	2,824,820	50.22
2	Amaya Leisure PLC	899,000	15.98
3	Jetwing Hotels Management Services (Pvt) Ltd	281,720	5.01
4	Negombo Hotels Limited	206,736	3.68
5	Blue Oceanic Beach Hotel (Private) Limited	152,799	2.72
6	Mr.S.C.Ganegoda	138,323	2.46
7	Mr.W.A.D.U.C.Perera	98,900	1.76
8	St.Andrews Hotel Limited	76,399	1.36
9	Bansei Securities Finance (Pvt) Ltd/R.C.J.Goonewardene	55,862	0.99
10	Dee Investments (Pvt) Ltd	52,300	0.93
11	N J Cooray (Builders) ( Pvt) Ltd	46,298	0.82
12	Jet Travels (Private) Limited	45,839	0.81
13	Yala Safari Beach Hotel (Private) Limited	31,018	0.55
14	Mr.K.N Karunaratne	21,737	0.39
15	The Nuwara Eliya Hotels Company PLC	16,000	0.28
16	Mr.B.M.T.Fernando	15,994	0.28
17	Mr.N.J.H.M.Cooray	15,279	0.27
18	People's Leasing & Finance PLC/L.P.Hapangama	15,200	0.27
19	Mr.S.A Obeyesekere	12,584	0.22
20	People's Leasing & Finance PLC/L.H.L.M.P.Haradasa	12,498	0.22
	<b>TOTAL</b>	<b>5,019,306</b>	<b>89.23</b>

There were no non voting shares as at 30th September 2016.

The percentage of shares held by public as per Colombo Stock Exchange Rules as at 30th September 2016 was 31.32 %

No.of shareholders representing Public Holding 2,208

**Directors Shareholding as at 30.09.2016**

Name of Director	No. of Shares as at 30.09.16
Mr.S.C.Ganegoda	138,323
<b>Total</b>	<b>138,323</b>

**HUNAS FALLS HOTELS PLC**  
**CORPORATE INFORMATION**

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NAME OF COMPANY	Hunas Falls Hotels PLC Company Number PQ 72
LEGAL FORM	A Quoted Public Company with Limited Liability incorporated in Sri Lanka in 1989
BOARD OF DIRECTORS	A.M Pandithage L.T Samarawickrama S.C Ganegoda S.J. Wijesinghe C.J.Wickramasinghe D.E.Silva S.B.Rangamuwa J.P.Van Twest B.C.S.A.P.Gooneratne Chairman Managing Director
SECRETARIES	Hayleys Group Services (Private) Limited 400, Deans Road Colombo 10 Phone: +94 11 2627650
AUDITORS	Messrs Ernst & Young Chartered Accountants 201,De Saram Place Colombo 10
HOTEL OPERATION & MARKETING	Amaya Leisure PLC Level 27, East Tower World Trade Centre Echelon Square Colombo 01. Phone: +94 11 4767800
REGISTERED OFFICE	400, Deans Road, Colombo 10.