



DOLPHIN HOTELS PLC.

INTERIM CONDENSED FINANCIAL STATEMENTS

SECOND QUARTER 2016/17

Dolphin Hotels PLC
Quarter ended 30 September 2016

Contents

Page No.

Financial Statements

Statement of Financial Position	2
Statement of Profit or Loss	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

Investor Information

8-9

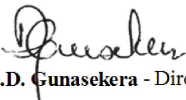
Dolphin Hotels PLC

STATEMENT OF FINANCIAL POSITION


As at Rs.'000	30.09.2016	30.09.2015	31.03.2016
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2,038,701	1,714,861	2,030,428
Intangible Assets	658	769	788
Other Financial Assets	4,000	4,000	4,000
Deferred Tax Asset	3,199	3,460	3,297
	2,046,558	1,723,090	2,038,514
Current Assets			
Inventories	11,135	9,590	10,611
Trade and Other Receivables	135,032	115,520	164,323
Taxation Recoverable	4,200	5,536	-
Other Financial Assets	9,329	-	-
Cash and Cash Equivalents	106,498	170,816	115,803
	266,194	301,462	290,737
Total Assets	2,312,752	2,024,552	2,329,251
EQUITY AND LIABILITIES			
Equity			
Stated Capital	316,215	316,215	316,215
Other Component of Equity	686,888	351,213	681,304
Other Revenue Reserve	2,840	2,840	2,840
Retained Earnings	816,976	669,711	807,296
Total Equity	1,822,919	1,339,979	1,807,654
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	101,818	177,190	144,101
Deferred Tax Liabilities	81,281	73,854	80,733
Employee Benefit Liability	19,995	19,460	18,278
	203,094	270,504	243,112
Current Liabilities			
Trade and Other Payables	184,228	176,012	180,647
Income Tax Liabilities	-	158	9,230
Other Current Financial Liabilities	-	2,333	-
Dividends Payable	1,426	1,705	1,426
Interest Bearing Loans and Borrowings	72,366	165,625	69,215
Bank Overdraft	28,719	68,236	17,967
	286,739	414,069	278,485
Total Equity and Liabilities	2,312,752	2,024,552	2,329,251
Net Assets per share (Rs.)	57.65	42.38	57.17


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
 Colombo
 03 November 2016


W.D.U. Perera - Director

Dolphin Hotels PLC
STATEMENT OF PROFIT OR LOSS

	3 Months Ended 30.09.2016	3 Months Ended 30.09.2015	Variance %	6 Months Ended 30.09.2016	6 Months Ended 30.09.2015	Variance %
<i>Rs.'000</i>						
Revenue	204,020	201,383	1%	372,233	361,859	3%
Cost of Sales	(73,326)	(70,313)	4%	(121,034)	(114,677)	6%
Gross Profit	130,694	131,070	0%	251,199	247,182	2%
Other Operating Income and Gains	1,568	19,421	100%	1,628	19,421	100%
Sales and Marketing Expenses	(5,121)	(1,466)	249%	(9,485)	(7,963)	19%
Administrative Expenses	(100,380)	(92,301)	9%	(203,030)	(190,736)	6%
Operating Profit	26,761	56,724	-53%	40,312	67,904	-41%
Finance Cost	(1,839)	(3,834)	-52%	(4,000)	(6,419)	-38%
Finance Income	9,861	846	1066%	10,452	1,346	677%
Exchange Gain/(Loss)	(5,573)	(18,192)	-69%	-	-	
Profit before tax	29,210	35,544	-18%	46,764	62,831	-26%
Income Tax Expense	372	(4,737)	-108%	(5,462)	(3,096)	76%
Profit for the Period	29,582	30,807	-4%	41,302	59,735	-31%
Earnings per share (Rs.)	0.94	0.97		1.31	1.89	

The above figures are provisional & subject to audit

Dolphin Hotels PLC

STATEMENT OF COMPREHENSIVE INCOME

	3 Months Ended 30.09.2016	3 Months Ended 30.09.2015	6 Months Ended 30.06.2016	6 Months Ended 30.06.2015
	Rs.	Rs.	Rs.	Rs.
Profit for the Period	29,582	30,807	41,302	59,735
Other Comprehensive Income				
Net Movement on Cash Flow Hedge	(1,467)	(10,396)	5,585	(24,207)
Other Comprehensive Income for the Period, Net of Tax	(1,467)	(10,396)	5,585	(24,207)
Total Comprehensive Income for the Period, Net of Tax	28,115	20,411	46,887	35,527

The above figures are provisional & subject to audit

Dolphin Hotels PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Other Components of Equity		Other Revenue Reserves	Retained Earnings	Total
		Asset Revaluation Reserve	Cash Flow Hedge Reserve			
<i>Rs.'000</i>						
Balance as at April 01, 2015 (Restated)	316,215	270,119	61,534	2,840	701,499	1,352,207
Effect of Changes in Accounting Policies - Prior Year		45,310			(45,310)	
Balance as at April 01, 2015 (Restated)	316,215	315,429	61,534	2,840	656,189	1,352,207
Net Profit for the period	-	-		-	59,735	59,735
Other Comprehensive Income						
Net Movement on cash flow Hedge	-	-	(24,588)	-	-	(24,588)
Total Comprehensive Income	-	-	(24,588)	-	59,735	35,147
Transfer of excess depreciation on revaluation surplus	-	(1,216)	-	-	1,216	-
Deferred tax attributable to revaluation surplus	-	54	-	-	-	54
Dividends	-	-	-	-	(47,429)	(47,429)
Balance as at September 30, 2015	316,215	314,267	36,946	2,840	669,711	1,339,979
Balance as at April 01, 2016	316,215	649,925	31,379	2,840	807,296	1,807,654
Net Profit for the period	-	-		-	41,302	41,302
Other Comprehensive Income						
Net Movement on cash flow Hedge	-	-	5,585	-	-	5,585
Total Comprehensive Income	-	-	5,585	-	41,302	46,887
Dividends	-	-	-	-	(31,622)	(31,622)
Balance as at September, 2016	316,215	649,925	36,963	2,840	816,975	1,822,919

Dolphin Hotels PLC
STATEMENT OF CASH FLOWS

	30.09.2016	30.09.2015
<i>Rs '000s</i>		
Cash Flows generated from Operating Activities		
Net Profit before Income Tax	46,764	62,831
Adjustments for		
Depreciation	27,124	39,008
Amortisation/ Impairment of Intangibles	131	298
Finance Income	(1,123)	(1,346)
Foreign currency (gain)/ loss	(10,879)	(19,259)
Finance costs	4,000	6,257
Employee Benefit Liability	1,951	1,835
Impairment of debtors	710	-
Loss on disposal of property, plant & equipment	(78)	(325)
	68,600	89,299
Working Capital Adjustments		
(Increase) / decrease in inventories	(524)	(1,016)
(Increase) / decrease in trade and other receivables	19,251	(9,455)
Increase/ (Decrease) in Trade and Other Payables	3,581	8,019
Cash generated from / (used in) operations	90,908	86,847
Finance costs paid	(4,000)	(6,257)
Defined benefit plan costs paid	(233)	(165)
Taxes paid	(15,982)	(8,291)
Net cash from operating activities	70,693	72,134
Cash Flows From / (Used in) Investing Activities		
Purchase of property, plant & equipment	(35,397)	(51,794)
(Increase)/ Decrease in Investment	(10,050)	-
Loans Given / (settled) by related parties	10,050	101,100
Proceeds from disposal of property, plant & equipment	78	534
Interest Income received	1,123	1,346
Net cash flows (used in) / from investing activities	(34,196)	51,186
Net Cash Flows From / (Used in) Financing Activities		
Dividend paid	(31,621)	(47,428)
Loans obtained / interest capitalised during the period	3,000	-
Repayment of interest bearing loans & borrowings	(27,933)	(16,851)
Net cash flows used in financing activities	(56,554)	(64,279)
Net increase / (decrease) in cash and cash equivalents	(20,057)	59,041
Cash and cash equivalents at the beginning of the period	97,836	43,540
Cash and cash equivalents at the end of the period	77,779	102,581
Analysis of Cash & Cash Equivalents		
Cash in hand & at bank	106,498	170,817
Bank Overdraft	(28,719)	(68,236)
	77,779	102,581

The above figures are provisional and subject to audit

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 2016. 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 2015/16
- 4 No circumstances have arisen after the reporting date, which would require adjustments to or disclosure in the Financial Statements.
- 5 Exchange gains/losses arising from operations have been classified under Other Operating Income / Administration Expenses and Exchange Gains / Losses arising from financing activities have been classified under Finance Income / Cost. The effect of this change on the current interim financial statements are as follows; (Refer Note 6 for reclassification of comparative information.)

	6 Months Ended 30.09.2016 Rs.'000
Exchange gains/(losses)	(10,879)
Other operating income and gain	2,020
Finance income	8,858

- 6 Reconciliation of Comparative Information

The following expenses including exchange gains/losses have been reclassified for better representation in line with current year figures.

	As previously reported 30.09.2015	Reclassification	Reclassified 30.09.2015
--	--	-------------------------	------------------------------------

Statement of Comprehensive Income (Rs.'000)

	As previously reported 30.09.2015	Reclassification	Reclassified 30.09.2015
Revenue	361,528	331	361,859
Cost of Sales	(95,824)	(18,853)	(114,677)
Sales and Marketing Expenses	(13,966)	6,003	(7,963)
Administrative Expenses	(203,255)	12,519	(190,736)
Exchange Gain/(Loss)	19,259	(19,259)	-
Finance Cost	(6,257)	(162)	(6,419)
Other Operating Income and Gains	-	19,421	19,421

Dolphin Hotels PLC

INVESTOR INFORMATION

	30.09.2016	30.09.2015	31.03.2016
Earnings per share (Rs.)	1.31	1.89	6.58
Debt equity ratio (%)	11.13	30.85	12.79
Interest cover (Times)	12.69	10.79	17.08
No. of shares representing Stated Capital	31,621,477	31,621,477	31,621,477
Highest market price (Rs.)	45.90	60.00	64.00
Lowest market price (Rs.)	39.70	51.60	41.20
Last traded price (Rs.)	42.50	56.00	42.00

The above figures are provisional and subject to audit

DOLPHIN HOTELS PLC

DIRECTORS' SHAREHOLDING

	30.09.2016
	No. of Shares
A N Esufally	450,007
B S M De Silva	204,700
A R Gamage (Ms)	20,416
W.D.U.Perera	NIL

LIST OF 20 MAJOR SHAREHOLDERS

	30.09.2016	
Name	No. of Shares	%
Serendib Hotels PLC	20,507,578	64.85
Hemtours (Pvt) Ltd.	1,691,747	5.35
Freudenberg Shipping Agencies Ltd.	986,424	3.12
Mr. J R De Silva	602,122	1.90
Mr. R C J Goonewardene	543,209	1.72
Mr. A N Esufally	450,007	1.42
Hemas Holdings PLC	376,808	1.19
D.S.L.Investments (Pvt) Ltd.	298,000	0.94
Mr. S P Kannangara (Deceased)	210,000	0.66
Seylan Bank Ltd. / B S M De Silva	204,700	0.65
Peoples Leasing & Finance PLC/L.P.Hapangama	196,438	0.62
Mr. A. Sithampalam	179,300	0.57
Intercom Ltd	162,500	0.51
Mr. A P Somasiri	150,000	0.47
Hatton National Bank PLC/A.L.M. Nazar	146,999	0.46
Rosewood (Pvt) Ltd	143,866	0.45
Alliance Finance Company PLC	129,038	0.41
Waldock Mackenzie Ltd/ H S D Soysa	100,075	0.32
DFCC Bank A/C 1	100,000	0.32
Mr. J.C.L.De Mel	98,300	0.31
	27,277,111	86.26
Shares held by the balance shareholders	4,344,366	13.74
	31,621,477	100.00

PUBLIC HOLDING

	%	Number of Shareholders
Shares held by the Public as at 30th Sptember 2016	25.95	1655

DOLPHIN HOTELS PLC

CORPORATE INFORMATION

Legal Form

A quoted public company with limited Liability
Incorporated in Sri Lanka in 1981
Company Registration No. PQ 224

Directors

Mr. A.N. Esufally – Chairman
Mr. B.S.M. De Silva
Mrs. A.R. Gamage
Mr.D.T.R.De Silva (Resigned w.e.f. 31.08.2016)
Mr. W.D.U.Perera

Registered Office

Hemas House
75, Braybrooke Place
Colombo 02
Tel: + 94 (11) 4790500-6
Fax: + 94 (11) 2438933

[E-mail : inquiries@serendibleisure.lk](mailto:inquiries@serendibleisure.lk)

[Website : www.serendibleisure.com](http://www.serendibleisure.com)

Secretaries

Hemas Corporate Services (Pvt) Ltd.
Level 9, Hemas House
75, Braybrooke Place
Colombo 02
Tel: + 94 (11) 4731731
Fax: + 94 (11) 4731777

Managing Agent

Serendib Leisure Management Ltd.