



CT Land Development PLC

Annual Report 2013



Majestic City



A Member of the CT Holdings Group

CREATING VALUE SINCE 1928

Financial Calendar

Financial Statements For 2012/13

INTERIM REPORTS

1st Quarter 30th June 2012	- 10th August 2012
2nd Quarter 30th September 2012	- 9th November 2012
3rd Quarter 31st December 2012	- 8th February 2013
4th Quarter 31st March 2013	- 31st May 2013

Annual Report for the year ended 31st March 2013	- 2nd September 2013
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MEETINGS

183rd Board Meeting	- 18th May 2012
184th Board Meeting	- 10th August 2012
185th Board Meeting	- 9th November 2012
186th Board Meeting	- 8th February 2013

DIVIDENDS

For the Y/E 31st March 2013	- Interim Re. 0.80 per share (paid on 26th February 2013)
	- Final Rs.1.20 per share (payable on 14th October) subject to shareholder approval

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C T LAND DEVELOPMENT PLC

CT Land Development PLC is the owning company of *Majestic City*, Sri Lanka's premier shopping mall-cum-entertainment complex ... the vision of the founder chairman, the late Mr. Albert A. Page. *Majestic City* today is Sri Lanka's most sought after 'Destination Center' incorporating a diverse range of shopping outlets, a food zone, supermarket, children's amusement center, banks and the popular Majestic Cineplex.

C T Land is part of the C T Holdings Group of Companies and we take pride in continuing Mr. Page's pioneering vision of growth and success in every activity we undertake.

Our Business model at C T Land is not based on providing mere retail space. It is much, much more.

We enable our tenants to provide their customers with an atmosphere that makes every shopping “expedition” to Majestic City a memorable voyage of discovery.

How else can one explain that so many Sri Lankans of all ages keep coming back to the one and only Majestic City.

CORPORATE INFORMATION

Legal Form

A Quoted Public Company with Limited liability incorporated under the Companies Act No. 17 of 1982 on 9th March 1983 and re-registered under the Companies Act No. 07 of 2007.

Registration No.

P Q 159

Registered Office

10, Station Road, Colombo 4

Contact Details

Tele: 011 2588827

Fax: 011 2592427

E-mail: ctland@sltnet.lk

Stock Exchange Listing

Colombo Stock Exchange

Board of Directors

R. Selvaskandan (*Chairman*)

J. C. Page (*Deputy Chairman/Managing Director*)

A. T. P. Edirisinghe

S. C. Niles

Anthony A. Page

L. R. Page

V. R. Page (*Resigned w.e.f. 10.09.2012*)

Dr. T. Senthilverl

A. D. M. De Alwis

Sunil Mendis (*Appointed w.e.f. 08.02.2013*)

Company Secretary / Legal Consultant

(Ms.) Charuni Gunawardana

Management

J. C. Page (*Deputy Chairman/Managing Director*)

A. D. M. De Alwis (*Executive Director/General Manager*)

S. C. Niles (*Finance Director*)

A. C. Hewage (*Accounts Executive*)

Audit Committee

A. T. P. Edirisinghe (*Chairman*)

Anthony A. Page

R. Selvaskandan (*Resigned w.e.f. 08.02.2013*)

Sunil Mendis (*Appointed w.e.f. 08.02.2013*)

Remuneration Committee

A. T. P. Edirisinghe (*Chairman*)

R. Selvaskandan (*Resigned w.e.f. 08.02.2013*)

Sunil Mendis (*Appointed w.e.f. 08.02.2013*)

Auditors

KPMG

Chartered Accountants

Tax Consultants

PriceWaterhouse Coopers

Chartered Accountants

Bankers

People's Bank

Commercial Bank of Ceylon PLC

Holding Company

C T Holdings PLC

DIRECTORS' PROFILE

Mr. R. Selvaskandan (Chairman)*

Mr. Selvaskandan is an Attorney-at-Law (SL) and Solicitor (England & Wales and Hong Kong) and was a senior partner of a leading law firm in Hong Kong prior to joining the property sector of the C T Holdings Group. He is the Deputy Chairman of C T Properties Ltd and a partner of Varners in addition to his other responsibilities. He has more than 26 years' experience in legal work and management in Sri Lanka, UK and Hong Kong.

Mr. J. C. Page (Deputy Chairman/Managing Director)

Mr. Joseph Page is also a Director of C T Holdings PLC, Managing Director Ceylon Theaters (Private) Ltd and a Director of C T Properties Ltd. He is also a Director of several other Companies with the C T Holdings Group. He has over 30 years of management experience in the private sector.

Mr. A. T. P. Edirisinghe*

Mr. Priya Edirisinghe is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, a Fellow member of the Chartered Institute of Management Accountants (UK) and holds a Diploma in Commercial Arbitration. Having retired from professional practice, he is now the Consultant/Advisor of HLB Edirisinghe & Co., Chartered Accountants and is the Managing Director of PE Management Consultants (Pvt.) Ltd. He counts over 43 years' experience of which 27 years in the public practice and 16 years in the private sector having held senior positions. He serves on the Boards of some other quoted companies where in some Companies he also serves as Chairman/Member of the Audit Committee and as a member of the Remuneration Committee.

Mr. Anthony A. Page**

Mr. Anthony Page is the Chairman of C T Holdings PLC and counts 41 years of management experience in a diverse array of businesses. He serves on the Boards of many group as well as other companies. He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka. He has served as a member of the Board of the Colombo Stock Exchange and as a Council Member of the Employers' Federation of Ceylon.

Mr. L. R. Page**

Mr. Louis Page is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a Fellow Member of the Chartered Institute of Management Accountants UK. He has been involved in the operations of the C T Holdings Group in a non-executive capacity in setting and review of policy framework and in decision making. He functions as the Deputy Chairman of C T Holdings PLC, Chairman of Cargills (Ceylon) PLC and as a Director of several other group Companies.

Dr. T. Senthilverl*

Dr. T. Senthilverl is also a director of many quoted public Companies including Vidullanka PLC, CW Mackie PLC, Amana Takaful PLC, SMB Leasing PLC, The Finance Company PLC, FLC Hydro Power PLC and Nawaloka Hospitals PLC. He is also engaged in projection, construction and management of irrigation tanks, and development, industrial turnkey projects, air and sea cargo, logistics and trading.

Mr. Sunil Mendis*

Desamanya Sunil Mendis was formerly the Chairman of the Hayleys Group, and the former Governor of the Central Bank of Sri Lanka. He possesses over 45 years of wide and varied commercial experience most of which has been in very senior positions. He also serves on the boards of several other group companies.

Mr. A. D. M. De Alwis

Mr. Mahendra de Alwis is an Associate Member of the Engineering Institution in UK. He possesses over 26 years of engineering management experience in the private sector.

Mr. S. C. Niles

Mr. Sanjay Niles is an Associate Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants UK. He is also Director Group Corporate Affairs of C T Holdings PLC and a Director of C T Properties Ltd.

* *Independent Director*

** *Non-Executive Director*

CHAIRMAN'S STATEMENT

I am pleased to present the Annual Report and audited Financial Statements for the year ended 31st March, 2013.

Financial Results

The attached Financial Statements are the first prepared under Sri Lanka Accounting Standards (SLFRS and LKAS). The impact due to the change in the accounting standards is given in detail in notes 2.2 & 30 to these Financial Statements.

One significant change is in the revenue recognition of rental income. In accordance with LKAS 17 rental income is accounted on the straight line basis over the period of the rental agreements. The company presently enters into four year rolling lease agreements, the next renewal of which will take place on 1st January, 2015. Due to the change in the basis of revenue recognition the annual increases built into these agreements are not reflected in the revenue line of the statement of comprehensive income. All other income such as advertising revenue, car parking income etc is shown at invoiced amounts in the statement of comprehensive income.

In accordance with the Company's policy, investment property was re-valued as at 31st March 2013. The increase on fair value of the investment property has been accounted in the statement of comprehensive income under other income.

Finance cost for the year remained at approximately the same level as the previous year. However, the borrowings continued to decline during the year due to the improved cash flows of the Company.

The total comprehensive income for the year amounted to Rs. 260.9m for the year, an increase of Rs. 1.3m over the previous year.

Investments

In accordance with the accounting standards, the profit of Ceylon Theatres (Pvt) Ltd has been accounted as an Equity Accounted Investee. Accordingly the current presentation includes separate columns for Equity and Investees and Company. Ceylon Theatres (Pvt) Ltd made a profit of Rs. 1.5m for the current year compared to Rs. 0.7m in the previous year. The Company's holding in Ceylon Theatres amounted to 48.39% at the reporting date.

Ceylon Theatres is proceeding with plans to set up a Cineplex in a group development in northern Sri Lanka at the cost of approximately Rs.100 Mn. It will include three screens including a 3D facility. Plans are also under way to upgrade and expand the other cinemas owned by the company with a view to providing patrons with a unique experience.

Borrowings

At the end of the year, the total borrowings of the Company (including Bank Overdrafts) had reduced to Rs 24m compared to Rs 128m at the end of the previous year.

Appropriations

The Company declared an interim dividend of Rs 0.8. per share from the profits of the current year. The Directors are pleased to recommend a final dividend of the Rs 1.20 per share which is payable on 14th October 2013 subject to shareholder approval. The proposed final dividend out of the profits of the current year has not been reflected as a liability in the Financial Statements.

Future

While looking back with satisfaction at the performance of the Company for the current year, we look forward with optimism to the future. The Management will continue to focus on providing the best possible facilities in order to give our customers a pleasant shopping and entertainment experience.

Acknowledgements

On behalf of the Board of Directors I wish to place on record my sincere thanks to our tenants, bankers and most importantly the customers of the Majestic City for their support and patronage. I wish to thank my colleagues on the Board and the staff of the Company for their cooperation and assistance.

I also take this opportunity to thank the shareholders of the company for their continued support.



R. Selvaskandan
Chairman

2nd September 2013

CORPORATE GOVERNANCE

Compliance with good practices of Corporate Governance has been an area of emphasis within the company and the overall Group. It encompasses development and adherence to good practices and continuous improvement in all areas of the Company.

Guidelines on Corporate Governance have been issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka. The provisions of Section 7.10 of the Listing Rules – “Corporate Governance” also set out the Corporate Governance Requirements of listed companies. The Directors hereby confirm that the Company is in compliance with the said section of the Listing Rules as at 31st March 2013.

Details of the Company’s compliance with the listing rules are set out below in detail.

Subject	Compliance Status	Remarks
1. Non – Executive Directors		
(a) The Board shall include at least two non-executive directors; or one third of the total number of Directors whichever is higher.	Complied	The Board of Directors consists of nine Directors of whom six are Non-Executive Directors.
2. Independent Directors		
(a) Two or 1/3 of Non-Executive Directors appointed to the Board of Directors, whichever is higher shall be ‘independent’.	Complied	Four Directors out of the six Non-Executive Directors are independent.
(b) The Board shall require each Non-Executive Director to submit a declaration annually of his/her independence or non-independence in the prescribed format.	Complied	All Non- Executive Directors submit signed declarations of independence / Non independence annually.
3. Disclosures relating to Directors		
(a) The Board shall make a determination annually as to the independence or non-independence of each non-executive director and set out in the annual report the names of directors determined to be ‘independent’.	Complied	Dr. T. Senthilverl, Mr. A T P Edirisighe, Mr. R. Selvaskandan and Mr. Sunil Mendis are independent Directors of the company.
(b) In the event a director does not qualify as independent’ but if the board, taking account of all the circumstances, is of the opinion that the director is nevertheless ‘independent’, the board shall specify the criteria not met and the basis for its determination in the annual report.	Complied	Mr. A T P Edirisighe has served in the Board for more than nine (09) years. Further, Mr. R Selvaskandan, Mr. A T P Edirisighe and Mr. Sunil Mendis serve as Directors of the holding Company, C T Holdings PLC, and other Group Companies. The Board of Directors, having considered their credentials and integrity has resolved that they are deemed independent Directors.
(c) The Board shall publish in its annual report a brief resumé of each director on its Board.	Complied	Disclosed in the Annual Report.
(d) Upon appointment of a new director to its board, the company shall forthwith provide to the Exchange a brief resumé of such director for dissemination to the public.	Complied	The resume of Mr. Sunil Mendis was disseminated.

CORPORATE GOVERNANCE

Subject	Compliance Status	Remarks
4. Remuneration Committee (a) A listed company shall have a remuneration committee comprising a minimum of two independent non-executive directors or exclusively by non-executive directors a majority of whom shall be independent, whichever shall be higher. One non-executive director shall be appointed as Chairman of the Committee by the Board.	Complied	The Remuneration Committee consists of two independent Directors. The Chairman of the Remuneration Committee is an Independent Non-Executive Director.
(b) The Remuneration Committee shall recommend the remuneration payable to the executive directors and Chief Executive Officer, to the Board.	Complied	Disclosed in the Remuneration Committee Report.
(c) The annual report should set out the names of directors comprising the remuneration committee, contain a statement of the remuneration policy and set out the aggregate remuneration paid to executive and non-executive directors.		Mr. A T P Edirisinghe, and Mr. Sunil Mendis make up the Remuneration Committee. Remuneration paid to Directors is disclosed in Notes to the accounts.
5. Audit Committee (a) A listed company shall have an audit committee comprising a minimum of two independent non-executive; or exclusively by non-executive directors a majority of whom shall be independent whichever shall be higher. One non-executive director shall be appointed chairman of the committee by the Board. Unless otherwise determined by the audit committee the chief executive officer and the chief financial officer of the listed company shall attend audit committee meetings. The chairman or one member of the committee should be a Member of a recognised professional accounting body.	Complied Complied Complied	The Audit Committee consists of three Non-Executive Directors, two of whom are Independent. The Chairman of the Audit Committee is an Independent Non-Executive Director. The Deputy Chairman / Managing Director and Finance Director attend all Audit Committee meetings. Other Executive Directors is may be invited to attend as required. Chairman is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and Chartered Institute of Management Accountants, UK.
(b) Functions of the Audit Committee The annual report should set out the names of Directors comprising the Audit Committee.	Complied Complied	Disclosed in the Report of the Audit Committee. M/s A T P Edirisinghe, Anthony A Page and Sunil Mendis make up the Audit Committee. Disclosed in the Report of the Audit Committee.
The committee shall make a determination of the independence of the auditors and shall disclose the basis for such determination in the annual report.	Complied	Disclosed in the Report of the Audit Committee.
The annual report shall contain a report by the audit committee, setting out the manner of compliance, during the period to which the annual report relates.	Compliant	Disclosed in the Report of the Audit Committee.

CORPORATE GOVERNANCE

Audit Committee Report

The Audit Committee of C T Land Development PLC is appointed by the Board of Directors of the Company and reports directly to the Board. It consists of three Non-Executive Directors – Messrs A. T. P. Edirisinghe (Chairman), Anthony A. Page and Sunil Mendis, The Chairman of the Audit Committee and Mr. Anthony A. Page are Fellows of the Institute of Chartered Accountants of Sri Lanka. The composition of the members of the Audit Committee satisfies the criteria as specified In the Standards on Corporate Governance for listed Companies. They are:

Name	Non-Executive Directors
Mr. A. T. P. Edirisinghe FCMA, FCA – Chairman	Independent
Mr. Anthony A. Page FCA	
Mr. R. Selvaskandan	Independent (Resigned w.e.f. 08.02.2013)
Mr. S. Mendis	Independent (Appointed w.e.f. 08.02.2013)

The Audit Committee is empowered to examine all matters pertaining to the financial affairs of the Company and assist the Board of Directors in effectively discharging their duties. The Committee also reviews the process of external reporting of financial information to ensure compliance with presentation and disclosure requirements in accordance with prevailing legal and accounting framework and best practice.

This Audit Committee also reviews the adequacy and proper continuous functioning of the Internal Control Procedures of the Company to obtain reasonable assurances that the financial statements of the Company accurately reflect the state of affairs of the Company and the results for the period to which it relates. An independent internal audit is also carried out. Internal audit reports are reviewed and discussed with management with a view to further strengthening the internal control environment within the Company.

The Committee is also empowered to liaise directly with the External Auditors of the Company and study all matters brought to the attention of the Management by the External Auditors. The Committee met with the External Auditors once, to review matters pertaining to the Financial Statements for the current year.

The regular Audit Committee meeting were held twice during the year, in addition to the meeting with the external auditors referred to above. It was attended by all members of the Committee. In addition, where required, the quarterly financial statements were circulated, discussed and recommended to the Board prior to Board approval. In all instances, the Audit Committee obtained relevant declarations from CEO, Company Secretary, Legal Officer stating that the respective financial statements are in conformity with the applicable Accounting Standards, Company Law and other Statutes including Corporate Governance Rules and that the presentation of such Financial Statements are consistent with those of the previous quarter or year as the case may be, and further states any departures from financial reporting, statutory requirements and Group policies, (if any).

The Deputy Chairman and Finance Director attend all audit committee meetings and other Senior Managers attend such meetings as and when requested to do so by the Audit Committee. The company Secretary acts as the Secretary to the Committee.

The Audit Committee is of the opinion that the control procedures and environment within the Company provide reasonable assurance regarding the monitoring of the operations, accuracy of the financial statements and safeguarding of assets of the Company.

The Audit Committee has assessed the independence and performance of the external Auditors, M/s K P M G, Chartered Accountants, and recommended to the Board of Directors that they be re-appointed as Auditors of the Company for the year ending 31st March 2014, subject to the approval by the shareholders at the Annual General Meeting.



A. T. P. Edirisinghe
Chairman – Audit Committee
2nd September 2013

CORPORATE GOVERNANCE

Remuneration Committee Report

The Remuneration Committee of C T Land Development PLC consists of the following Non-Executive Directors –

Mr. A. T. P. Edirisinghe (*Chairman*)

Mr. R. Selvaskandan (*Resigned w.e.f. 08.02.2013*)

Mr. Sunil Mendis (*Appointed w.e.f. 08.02.2013*)

The Deputy Chairman / Managing Director of the Company may also be invited to join in the deliberations as required.

The Committee is tasked studying and recommending appropriate remuneration packages for the Executive Directors in line with applicable market values. The committee also maintains the process of consultation with regard to the setting up of remuneration / compensation structures. After deliberations, its recommendations are forwarded for approval by the Board of Directors.

The Committee is authorised to carry out periodic reviews to ensure that the remunerations are in line with market conditions.

The Committee met once during the year.



A. T. P. Edirisinghe

Chairman – Remuneration Committee

2nd September 2013

ANNUAL REPORT OF THE BOARD OF DIRECTORS

In compliance with the provisions of the Companies Act No. 07 of 2007, the Directors present their Report on the state of affairs of the Company together with the audited Financial Statements of the Company for the year ended 31st March 2013. The Report also provides information as required by the Listing Rules of the Colombo Stock Exchange, best accounting practices and other disclosures deemed relevant to the stakeholders of the Company.

Principal Activity

The principal activity of the Company is property development as approved by the Urban Development Authority.

Review of Operations

A review of the operations during the financial year and the performance of the Company are given in the Chairman's Statement appearing on page 05 of the Annual Report. It forms an integral part of this report.

Financial Statements

The audited financial statements of the Company for the financial year ended 31st March 2013 are given on pages 14 to 39 and form an integral part of the Annual Report of the Board.

Accounting policies

The Accounting Policies adopted in preparation of the Financial Statements are given in Note 1 to 3 to the Financial Statements. Changes in the Accounting policies during the financial year are given in note 2.2 to the financial statements.

Property, Plant & Equipment

The movement of property, plant and equipment is shown in Note 12 to the financial statements. Investment properties are stated at market value as at 31st March 2013.

Stated Capital

The Stated Capital of the Company as at 31st March 2013 was Rs. 487.5 Mn comprising 48.75 Mn Ordinary Shares.

Directors

Mr. Sunil Mendis was appointed as a Director of the Company with effect from 8th February 2013. Mr. V. R. Page resigned on 10th September 2012.

All other Directors indicated on pages 3 & 4 have been Directors of the Company throughout the year under review.

Messrs. Anthony A. Page, L. R. Page and S. C. Niles retire under Articles 103 & 104 of the Articles of Association of the Company and being eligible to offer themselves for re-election Mr. Sunil Mendis who was appointed as a Director to fill a casual vacancy until the AGM is eligible for election as a Director as per Article 110.

The re-election of the retiring Directors has the unanimous support of the other Directors.

Details of attendance at meetings

Name	Board Meetings		AGM	
	Held	Attended	Held	Attended
Mr. R. Selvaskandan	4	4	1	1
Mr. J. C. Page	4	4	1	1
Mr. A. T. P. Edirisinghe	4	4	1	1
Mr. S. C. Niles	4	4	1	1
Mr. Anthony A. Page	4	4	1	1
Mr. L. R. Page	4	0	1	0
Mr. V. R. Page	2	0	0	0
Dr. T. Senthilvel	4	4	1	1
Mr. A. D. M. De Alwis	4	4	1	1
Mr. Sunil Mendis	1	1	0	0

Directors' Interests in Contract

Directors' interest in Contracts of the Company are included in Note 25 to the Financial Statements under related party transactions. The Directors have declared their interests at meetings of the Board. The Directors have no direct or indirect interest, in any other contract or proposed contract with the Company.

Dividends

The Board has recommended a final dividend of Rs. 1.20 per share amounting to Rs. 58.50 Mn.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Directors' Shareholdings

Share interest of the Directors in the shares of the Company at the Balance Sheet date were as follows.

	As at 31.3.2013	As at 31.3.2012
R. Selvaskandan	—	—
J. C. Page	610,804	610,804
A. T. P. Edirisinghe	3,000	3,000
S. C. Niles	2,000	2,000
Anthony A. Page	629,264	629,264
L. R. Page	268,487	268,487
Dr. T. Senthilvel	290,349	290,349
A. D. M. De Alwis	—	—
Sunil Mendis	—	—
V. R. Page	—	453,062

Donations

During the year the Company made charitable donations amounting to Rs. 25,000 (2012 - Rs. 55,000/-).

Going Concern

The Directors are satisfied that the Company has adequate resources to continue its operations in the foreseeable future. The financial statements of the Company have accordingly been prepared on a going concern basis.

Auditors

Messrs. KPMG Chartered Accountants retire at the end of the meeting and have expressed their willingness to be re-appointed. A resolution to re-appoint them as Auditors and authorizing the Directors to fix their remuneration will be proposed at the Annual General Meeting.

The fees paid to the Auditors are disclosed in note 07 to the Financial Statements.

As far as the Directors are aware, the Auditors do not have any relationship (other than that of an auditor) with the Company.

For and on behalf of the Board of Directors



R. Selvaskandan
Chairman



A. T. P. Edirisinghe
Director



Charuni Gunawardana
Secretary

Colombo

2nd September 2013

DIRECTORS' RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS

The Companies Act No. 07 of 2007 places the responsibility on the Directors to prepare Financial Statements for each year comprising a balance sheet and statements of income, cash flows and changes in equity along with the accounting policies and notes thereto, which give a true and fair view of the affairs of the Company at the Balance Sheet date and the results for that financial year.

The Directors confirm that the Financial Statements have been prepared in accordance with all applicable laws and the Sri Lanka. Accounting Standards which have been selected and applied consistently and judgements and estimates have been made which are reasonable and prudent.

The Directors are responsible for ensuring that the Company keeps accounting records, which correctly record and explain the Company's transactions, will at any time enable the financial position of the Company to be determined with reasonable accuracy, will enable the Board to prepare Financial Statements in accordance with the Companies Act and will enable the Financial Statements of the Company to be readily and properly audited.

The Directors are also responsible for taking reasonable steps to manage the resources of the Company and to design and implement appropriate internal control systems with a view to protect the Company from undue risks and loss. The financial reporting systems have also been reviewed by the Board through the management accounts submitted at Board Meetings.

The Financial Statements of the Company give a true and fair view of the state of affairs of the Company and the profit for the year ended 31st March 2013. The Financial Statements of the Company have been signed by two Directors of the Company. The Annual Report has also been signed by two Directors and the Company Secretary of the Company on 2nd September 2013.

The Directors also confirm that in preparing the Financial Statements for the year ended 31st March 2013 published on pages 14 to 39 of this report, appropriate accounting policies have been selected and applied on a consistent basis with material departures (if any) disclosed in the Financial Statements and rationale for the same provided.

The Directors confirm that all statutory payments due and payable to all statutory and regulatory authorities have been made by the Company up to date.

The Directors confirm that they have discharged their obligations as set out in this statement.

By order of the Board of Directors



Charuni Gunawardana

Company Secretary

2nd September 2013.

INDEPENDENT AUDITORS' REPORT



KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
Colombo 00300,
Sri Lanka.

Tel : +94 - 11 542 6426
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Internet : www.lk.kpmg.com

TO THE SHAREHOLDERS OF C T LAND DEVELOPMENT PLC

Report on the Financial Statements

We have audited the accompanying financial statements of C T Land Development Plc ("the Company") and the Company and its equity accounted investee ("the Entity and Investee"), which comprise the statements of financial position as at March 31, 2013, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes set out on pages 14 to 39 of this Annual Report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

Opinion - Company

In our opinion, so far as appears from our examination, the Company separately and also with its equity accounted investee maintained proper accounting records for the year ended March 31, 2013 and the financial statements give a true and fair view of the financial position as at March 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Report on Other Legal and Regulatory Requirements

These financial statements also comply with the requirements of Sections 151(2) of the Companies Act No. 07 of 2007.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka.

2nd September 2013

KPMG, a Sri Lankan Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

M.R. Mihular FCA
T.J.S. Rajakariyer FCA
Ms. S.M.B. Jayasekara ACA
G.A.U. Karunaratne ACA
P.Y.S. Perera FCA
W.W.J.C. Perera FCA
W.K.D.C. Abeyrathne ACA
R.M.D.B. Rajapakse ACA
C.P. Jayatilake FCA
Ms. S. Joseph FCA
S.T.D.L. Perera FCA
Ms. B.K.D.T.N. Rodrigo ACA
Principals - S.R.I. Perera ACMA, LLB, Attorney-at-Law, H.S. Goonewardene ACA

STATEMENT OF COMPREHENSIVE INCOME

For the Year ended 31 st March	Note	Entity and Investee		Company	
		2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
Revenue	4	399,256	383,050	399,256	383,050
Other Income	5	135,911	81,596	135,911	81,596
Personnel Cost	6	(39,826)	(34,975)	(39,826)	(34,975)
Depreciation	12	(7,955)	(10,109)	(7,955)	(10,109)
Other Operating Cost		(128,784)	(113,922)	(128,784)	(113,922)
Results from Operating Activities	7	358,601	305,640	358,601	305,640
Finance Costs	8	(13,946)	(13,383)	(13,946)	(13,383)
Share of Profit of Equity Accounted Investee	14	528	221	–	–
Profit before Taxation		345,184	292,478	344,655	292,257
Income Tax Expenses	9	(84,091)	(33,793)	(84,091)	(33,793)
Profit for the Year		261,093	258,685	260,564	258,464
Other Comprehensive Income; Net of Income Tax					
Defined benefit plan actuarial gain / (losses)		(340)	891	(340)	891
Share of the Comprehensive Income of Equity Accounted Investee		216	142	–	–
Other Comprehensive Income for the Year, Net of Income Tax		(124)	1,033	(340)	891
Total Comprehensive Income for the year		260,969	259,718	260,224	259,355
<i>Earnings Per Share Rs.</i>	10	5.36	5.31	5.34	5.30
<i>Dividends Per Share Rs.</i>	11	1.60	1.20	1.60	1.20

Figures in brackets indicate deductions

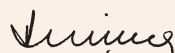
The notes on pages 18 to 39 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

		Entity and investee			Company		
As at		31 st March 2013	31 st March 2012	1 st April 2011	31 st March 2013	31 st March 2012	1 st April 2011
	Note	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000)
ASSETS							
Non Current Assets							
Property, Plant & Equipment	12	37,415	40,759	28,165	37,415	40,759	28,165
Investment Properties	13	2,850,000	2,714,260	2,530,000	2,850,000	2,714,260	2,530,000
Equity Accounted Investee	14	38,608	37,863	–	37,500	37,500	–
Investments	15	115,000	115,000	115,000	115,000	115,000	115,000
		3,041,023	2,907,882	2,673,165	3,039,915	2,907,519	2,673,165
Current Assets							
Trade and Other Receivables	16	82,562	95,409	112,896	82,562	95,409	112,896
Cash and Cash Equivalents	17	6,607	10,641	9,644	6,607	10,641	9,644
		89,169	106,050	122,540	89,169	106,050	122,540
Total Assets		3,130,192	3,013,932	2,795,705	3,129,084	3,013,569	2,795,705
EQUITY AND LIABILITIES							
Equity							
Stated Capital	18	487,500	487,500	487,500	487,500	487,500	487,500
Retained Earnings		2,116,994	1,934,025	1,732,807	2,115,886	1,933,662	1,732,807
		2,604,494	2,421,525	2,220,307	2,603,386	2,421,162	2,220,307
Non Current Liabilities							
Employee Benefits	19	15,541	12,555	11,524	15,541	12,555	11,524
Deferred Tax Liabilities	20	292,971	260,668	269,623	292,971	260,668	269,623
Interest Bearing Loans & Borrowings	21	–	15,625	–	–	15,625	–
Security Deposits	22	139,013	135,952	139,259	139,013	135,952	139,259
Deferred Interest		10,206	9,168	2,156	10,206	9,168	2,156
		457,731	433,968	422,562	457,731	433,968	422,562
Current Liabilities							
Interest Bearing Loans & Borrowings	21	15,625	37,500	–	15,625	37,500	–
Trade and Other Payables	23	25,002	41,525	34,019	25,002	41,525	34,019
Income tax Payable	24	18,837	4,570	21,896	18,837	4,570	21,896
Loans due to Related Companies	21	–	–	75,000	–	–	75,000
Bank Overdraft (Secured)	17	8,503	74,844	21,921	8,503	74,844	21,921
		67,967	158,439	152,836	67,967	158,439	152,836
Total Equity and Liabilities		3,130,192	3,013,932	2,795,705	3,129,084	3,013,569	2,795,705

The notes on pages 18 to 39 form an integral part of these financial statements.

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



S. C. Niles
Finance Director

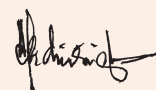
The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

The Financial Statements have been approved by the Board on 2nd September 2013

Signed for and on behalf of the Board:



R. Selvaskandan
Chairman
Colombo



A. T. P. Edirisinghe
Director

STATEMENT OF CHANGES IN EQUITY

	Entity and Investee		
	Stated Note Rs. '000	Retained Capital Rs. '000	Total Earnings Rs. '000
Balance as at 1st April 2011 as previously reported under SLAS	487,500	1,723,274	2,210,774
Effect of first time adopting of SLFRS	—	9,533	9,533
Restated balance as at 1st April 2011	487,500	1,732,807	2,220,307
<i>Total comprehensive income</i>			
- Profit for the year	—	258,685	258,685
<i>Other comprehensive income</i>			
- Defined benefit plan actuarial gains (losses)	—	891	891
- Share of other comprehensive income of equity accounted investee	—	142	142
Dividends paid	—	(58,500)	(58,500)
Balance as at 31st March 2012	487,500	1,934,025	2,421,525
<i>Total comprehensive income</i>			
- Profit for the year	—	261,093	261,093
<i>Other comprehensive income</i>			
- Defined benefit plan actuarial gains (losses)	—	(340)	(340)
- Share of other comprehensive income of equity accounted investee	—	216	216
Dividends Paid	—	(78,000)	(78,000)
Balance as at 31st March 2013	487,500	2,116,994	2,604,494

	Company		
	Stated Note Rs. '000	Retained Capital Rs. '000	Total Earnings Rs. '000
Balance as at 31st March 2011 as previously reported under SLAS	487,500	1,723,274	2,210,774
Effect of first time adoption of SLFRSs	—	9,533	9,533
Re-stated balance as at 1st April 2011	487,500	1,732,807	2,220,307
<i>Total comprehensive income</i>			
- Profit for the year	—	258,464	258,464
<i>Other comprehensive income</i>			
- Defined benefit plan actuarial gains (losses)	—	891	891
Dividends paid	—	(58,500)	(58,500)
Balance as at 31st March 2012	487,500	1,933,662	2,421,162
<i>Total comprehensive income</i>			
- Profit for the year	—	260,564	260,564
<i>Other comprehensive income</i>			
- Defined benefit plan actuarial gains (losses)	—	(340)	(340)
Dividends Paid	—	(78,000)	(78,000)
Balance as at 31st March 2013	487,500	2,115,886	2,603,386

The notes on pages 18 to 39 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 st March	Entity and investee		Company	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax	345,184	292,478	344,655	292,257
Adjustments for				
Depreciation	7,955	10,109	7,955	10,109
Profit/(Loss) on Sale of Property, Plant & Equipment	(2,411)	1,326	(2,411)	1,326
Change in Fair Value of Investment Properties	(132,825)	(82,003)	(132,825)	(82,003)
Provision for Defined Benefit Obligation	2,718	1,922	2,718	1,922
Share of profit of Equity Accounted Investees	(528)	(221)	–	–
Finance Cost	12,517	12,122	12,517	12,122
Operating profit before Working capital changes	232,610	235,733	232,610	235,733
<i>Adjustment for Working Capital Changes</i>				
(Increase)/Decrease in Trade & Other Receivables	12,847	17,487	12,847	17,487
(Increase)/Decrease in Trade & Other Payables	(14,243)	9,253	(14,243)	9,253
Increase in Security Deposits	3,061	(3,307)	3,061	(3,307)
Cash Generated from / (Used in) Operating Activities	234,276	259,166	234,276	259,166
Interest Paid	(12,517)	(8,559)	(12,517)	(8,559)
Interest Paid-Group Company	–	(3,563)	–	(3,563)
Gratuity Payment	(72)	–	(72)	–
Income Tax paid	(37,521)	(60,074)	(37,521)	(60,074)
Net Cash Generated from / (Used in) Operating Activities	184,166	186,970	184,166	186,970
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(4,611)	(25,355)	(4,611)	(25,355)
Improvements to Investment Properties	(2,915)	(102,257)	(2,915)	(102,257)
Proceeds on Disposal of Property, Plant & Equipment	2,411	1,326	2,411	1,326
Purchase of Investments	–	(37,500)	–	(37,500)
Net cash Generated from / (Used in) Investing Activities	(5,116)	(163,786)	(5,116)	(163,786)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividends Paid	(80,280)	(60,247)	(80,280)	(60,247)
Repayment of Interest Bearing Loans & Borrowings	(36,463)	56,582	(36,463)	56,582
Repayment of Related Party Loans	–	(71,444)	–	(71,444)
Net Cash Generated from / (Used in) Financing Activities	(116,744)	(75,110)	(116,744)	(75,110)
Net Increase/(Decrease) In Cash & Cash Equivalents during the Year	62,307	(51,926)	62,307	(51,926)
Cash & Cash Equivalents at the Beginning of the Year	(64,203)	(12,277)	(64,203)	(12,277)
Cash & Cash Equivalents at the End of the Year (Note 17)	(1,896)	(64,203)	(1,896)	(64,203)

The notes on pages 18 to 39 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

GROUP ACCOUNTING POLICIES

1. REPORTING ENTITY

C T Land Development PLC, is a “Public Quoted Company” with limited liability incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company’s registered office is situated at No 10, Station Road, Colombo 04.

The Company is in the business of development of property, administration & maintenance.

The Company is a subsidiary of C T Holdings PLC.

The staff strength of the Company as at 31st March 2013 is 20 (2012 - 23)

2. BASIS OF PREPARATION

2.1. Statement of compliance

The financial statements have been prepared in accordance with the new Sri Lanka Accounting Standards (SLFRS), and the requirements of the Companies Act, no 07 of 2007, of Sri Lanka Accounting and Auditing Standards Act, no 15 of 1995, and amendments thereto.

The financial statements of C T Land Development Plc for the year ended 31 March 2013 were authorized for issue by the Board of Directors on 2nd September 2013.

2.2. First Time Adoption of SLFRS

The financial statements, for the year ended 31 March 2013, were the first financial statements prepared in accordance with the new Sri Lanka Accounting Standards (SLFRS and LKAS).

In preparing these financial statements, the opening statement of financial position was prepared as at 1 April 2011, the date of transition to SLFRS. Note No. 30 summarizes and explains the principal adjustments made in restating the financial statements as at 1 April 2011 and 31 March 2012.

2.3. Basis of measurement

The Financial Statements have been prepared on the historical cost basis, except for the following.

- Investment Properties are measured at cost at the time of acquisition and subsequently at revalued amounts (fair value model)
- The liability for defined benefit obligation is actuarially valued and recognized at the present value of the defined benefit obligation.
- Security Deposits are measured at fair value

The financial statements have been prepared on a going concern basis.

2.4. Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees, which is the Company’s functional currency.

2.5. Use of estimates and Judgements

The preparation of financial statements in conformity with LKASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following notes.

- Note 13 - Investment Property
- Note 20 - Deferred Taxation
- Note 19 - Defined Benefit Obligations.

NOTES TO THE FINANCIAL STATEMENTS

Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening SLFRS / LKAS statement of financial position at 1 April 2011 for the purposes of the transition to SLFRSs / LKASs.

3.1 Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes

- the cost of materials and direct labour
- any other costs directly attributable to bringing the asset to a working condition for their intended use
- and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalized as a part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

Reclassification of Investment Property

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognized in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognized in the statement of changes in equity and presented in the revaluation reserve in equity. Any loss is recognized in the statement of changes in equity and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognized immediately in profit or loss.

Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance is expensed as incurred.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain and loss arising from derecognition of an item of property, plant & equipment is included in profit and loss when the item is derecognized. When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost of inspection is derecognized.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

	Depreciation	Useful Life
Buildings	2%	50
Plant & Machinery	5%	20
Furniture and Equipment	10%	10
Motor Vehicles	25%	04

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Fully depreciated property, plant and equipment are retained in the financial statement until such time when they are no longer in use.

3.2 Impairment

The carrying values Property, plant and equipment are reviewed for impairment indicators annually or when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indications exist and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognized in profit or loss unless it reverses a previous revaluation surplus for the same asset. The recoverable amount of an asset is the higher of its fair value less cost to sell or its value in use.

Impairment losses in respect of assets other than goodwill recognized in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.3 Equity Accounted Investee

Equity accounted investee are those entities in which the company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the company holds between 20 and 50 percent of the voting power of another entity. Equity accounted investee is accounted for using the equity method. The financial statements include the company's share of income and expenses and equity movements of equity accounted investee from the date that significant influence commences until the date significant influence ceases. When the company's share of losses exceeds its investment in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the company has incurred obligations or has made payments on behalf of the investee.

The company's equity accounted investee is set out in Note 14 to the financial statements.

3.4 Investment Property

Investment Properties are those which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. An external, independent valuation company, having an appropriate recognized professional qualification and recent experience in the location and category of property being valued, values the portfolio every year. The fair values are based on open market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Valuations reflect, where appropriate; the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting of vacant accommodation and the market's general perception of their credit-worthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property.

It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices and where appropriate counter notices have been served validly and within the appropriate time.

Any gain or loss arising from a change in fair value is recognized in profit or loss. Rental income from investment property is accounted for as described in the accounting policy.

NOTES TO THE FINANCIAL STATEMENTS

When an item or property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized directly in equity if it is a gain. Upon disposal of the item, the gain is transferred to retained earnings. Any loss arising in this manner is recognized in profit or loss immediately.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

When the company begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property, which is measured based on fair value model, and is not reclassified as property, plant and equipment during the redevelopment.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the company holds it to earn rentals or for capital appreciation or both, any such property interest under an operating lease classified as an investment property is carried at fair value. Lease payments are accounted for as described in the accounting policy.

3.5 Investment Property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development (development projects) and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property. At the date of transfer, the difference between fair value and cost is recorded as income in profit or loss.

All costs directly associated with the purchase and construction of a property and all subsequent capital expenditure for the development qualifying as acquisition costs are capitalized. Related borrowing costs are recognized in profit or loss as they are incurred.

3.6 Financial Instruments

3.6.1 Non derivative financial assets

The company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The company has the following non-derivative financial asset:

- Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

3.6.2 Non derivative financial liabilities

The company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The company has the following other financial liabilities: loans and borrowings, bank overdrafts, trade & other payables and security deposits.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short term deposits. Company overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as components of cash and cash equivalents for the purpose of presenting the Statement of Cash flows.

The statement of Cash flows is prepared under the "indirect" method as per Sri Lanka Accounting Standard (LKAS) - 07 - Statement of Cash flows.

3.8 Stated Capital

Ordinary Shares

Company's Stated Capital comprises of ordinary shares, which are classified as equity.

3.9 Provisions

A Provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.10 Employee Benefits

3.10.1 Employee benefits

3.10.1.1 Defined benefit plan

Defined Benefit Plan is a post-employment benefit plan other than Defined Contribution Plan.

The liability recognised in the statement of financial position in respect of Defined Benefit Plan is the present value of the defined benefit obligation at the statement of financial position date. The defined benefit obligation is calculated annually by independent actuaries, using projected unit credit method, as recommended by LKAS 19 Employee Benefit. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that apply to the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability. The assumptions based on which the results of the actuarial valuation were determined are included in the note 18 to the Financial Statements. This liability is not externally funded and the item is grouped under non-current liabilities in the statement of financial position. However, under the Payment of Gratuity Act No. 12 of 1983 the liability to an employee arises only on completion of five years of continued service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The company recognizes all actuarial gains and losses arising from defined benefit plans in Other Comprehensive Income and expenses related to defined benefit plans in staff expenses in Statement of Comprehensive Income.

3.10.1.2 Defined contribution plan.

Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay any further amounts. Obligations for contributions to Employees Provident Fund and Employees Trust Fund covering all employees are recognised as an expense in the statement of comprehensive income, as incurred.

NOTES TO THE FINANCIAL STATEMENTS

3.10.2 (a) Employees' Provident Fund

The company and employees contribute 12% and 8% respectively on the salary of each employee to the Employee's Provident Fund (Note 6)

3.10.2 (b) Employees' Trust Fund

The company contributes 3% of the salary of each employee to the Employees' Trust Fund. The total amount recognized as an expense to the Company for contribution to ETF is disclosed in the noted to financial statements. (Note 6)

3.11 Commitments and Contingencies.

Commitments and contingencies as at the statement of financial position date is disclosed in Note 28 to the financial statements.

3.12 Events occurring after the Reporting Date.

All material and important events which occur after the statement of financial position date have been considered and disclosed in Note 27 or adjusted as applicable.

3.13 Turnover

3.13.1 Rental Income

The turnover of the company represents the gross rental, service charge, car park income and sundry income.

Rental income from investment property leased out under operating lease is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

3.13.2 Service Charge and car park income

Service charge and car park income are recognized on accruals basis in the profit or loss.

3.13.3 Other income

Dividends

Dividend income is recognized when the right to receive income is established.

Others

Other income is recognized on an accruals basis. Net gains and losses of a revenue nature on the disposal of plant and equipment and other non-current assets including investments have been accounted for in profit or loss, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

3.14 Expenses

Expenses are recognized in profit or loss as they are incurred, in the period to which they relate.

3.15 Finance Cost

Finance cost comprise interest expense on borrowings, interest on overdrafts and other charges.

3.16 Taxation

3.16.1 Current Taxes

The provision for Income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No 10 of 2006 and subsequent amendments thereon.

3.16.2 Deferred Taxation

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

NOTES TO THE FINANCIAL STATEMENTS

- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Additional taxes that arise from the distribution of dividends by the company are recognized at the same time as the liability to pay the related dividend is recognized.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.17 Earnings per share

The company presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.18 Directors' Responsibility Statement

The Board of Directors of the Company is responsible for the preparation and presentation of these financial statements. Please refer to page 12 for the statement of the Directors' Responsibility for financial reporting.

3.19 Financial Risk Management

The company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- operational risk.

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit Risk

Credit risk is the risk of financial loss to the company if a tenant or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from tenants.

Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each tenant.

The Board of Directors has established a credit policy under which each new tenant is analysed individually for creditworthiness. The Company's review includes review of financial position and bank references.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

NOTES TO THE FINANCIAL STATEMENTS

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance when this is effective

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 st March	Entity and Investee / Company	
	2013 Rs. '000	2012 Rs. '000
4. Revenue		
Rental Income	313,228	312,795
Service Charges	64,308	53,902
Car Park Income	15,262	13,671
Sundry Income	6,459	2,682
	399,256	383,050
5. Other Income		
Change in Fair Value of Investment Property	132,824	82,003
(Loss)/Profit on Disposal of Property, Plant and Equipment	2,412	(1,326)
Interest on Group Company Loans	675	919
	135,911	81,596
6. Personnel Cost		
Personnel Expenses include the following		
Salaries and Wages	30,119	26,163
Contribution to Employees Provident Fund	2,643	2,338
Contribution to Employees Trust Fund	687	584
Provision for Staff Retirement Benefits	2,718	1,922
Other	3,659	3,968
	39,826	34,975
7. Results from Operating Activities		
Results from operating activities are stated after deducting all operating expenses including the following.		
Directors Emoluments	22,488	17,650
Audit Fees	280	245
Depreciation	7,955	10,109
Legal Fees	178	64
Professional Fees	1,209	1,127
8. Finance Cost		
Interest on Bank Overdraft	9,008	5,795
Interest on Group Company Loans	—	3,563
Interest on Bank Loan	4,938	4,025
	13,946	13,383
9. Income Tax Expenses		
9.1. Tax recognised in the income statement		
a) Current Tax		
Current Year	51,788	42,748
Adjustment for Prior Years	—	—
	51,788	42,748
b) Deferred Tax Expense		
Origination and Reversal of Taxable Temporary Differences	33,140	(8,667)
Change in Recognized Deductible Temporary Differences	(837)	(288)
Reduction in Tax Rate	—	—
	32,303	(8,955)
Total Tax Expense	84,091	33,793

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 st March	Entity and Investees		Company	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
9.2 Reconciliation of Accounting profit and Taxable Income				
Profit Before Tax	345,184	292,478	344,655	292,257
Add: Disallowable Expenses	13,107	12,815	13,107	12,815
Less: Allowable Expenses	(39,971)	(70,342)	(39,971)	(70,342)
Less: Exempt Income	(528)	(221)	–	–
Less: Income from other sources				
Interest Income - Inter Company Loan	(675)	(919)	(675)	(919)
Change in Fair Value of Investment Properties	(132,825)	(82,003)	(132,825)	(82,003)
Business Income	184,291	151,808	184,291	151,808
Income from Other Sources	675	919	675	919
Statutory Income	184,966	152,727	184,966	152,727
Assessable Income	184,966	152,727	184,966	152,727
Less: Deductions	(10)	(55)	(10)	(55)
Total Taxable Income	184,956	152,672	184,956	152,672
Tax Liability				
Taxable Income at 28% (2012 - 28%)	51,788	42,748	51,788	42,748
Total Taxable Liability	51,788	42,748	51,788	42,748
9.3 Reconciliation of Effective Tax Rate				
Profit before Income Tax	344,655	259,499	344,655	292,257
Less: Income from Other Sources	(675)	(919)	(675)	(919)
Profit from Business	343,980	258,580	343,980	291,338
Income Tax Using the Domestic Tax Rate	28% 96,312	72,402	96,312	72,402
Disallowable Expenses	4% 3,669	3,573	3,669	3,573
Change in fair value of investment properties	(39%) (37,190)	(22,961)	(37,190)	(22,961)
Allowable Expenses	(12%) (11,192)	(10,523)	(11,192)	(10,523)
Income from Other Sources	0.2% 189	257	189	257
Other Temporary Differences	– 32,303	(8,955)	32,303	(8,955)
(Over) / Under Provided in Prior Years	–	–	–	–
Total Income Tax Expenses (Note 9.1)	18% 84,091	33,793	84,091	33,793
10. Earnings per Share				
The earnings per share is calculated based on the profit attributable to Ordinary Shareholders of the Company divided by the average number of Ordinary Shares in issue during the year.				
Profit attributable to the Equity Holders of the company (Rs. 000)	261,093	258,685	260,564	258,464
Weighted Average number of ordinary shares in issue during the year (000)	48,750	48,750	48,750	48,750
Basic Earnings Per Share (Rs.)	5.36	5.31	5.34	5.30
Diluted earnings per share is same as computed above.				
11. Dividends per Share				
Dividends per share is based on the dividends paid during the year covered by the financial statements				
Final 2011/12 Re. 0.80 per share (2010/11 - Re . 0.60 per share) (Rs. 000)	39,000	29,250	39,000	29,250
Interim 2012/13 Re. 0.80 per share (2011/12 - Re. 0.60 per share) (Rs. 000)	39,000	29,250	39,000	29,250
	78,000	58,500	78,000	58,500
Dividends per share (Rs.)	1.60	1.20	1.60	1.20

NOTES TO THE FINANCIAL STATEMENTS

12. Property, Plant & Equipment

	Entity and Investee / Company						
	Buildings	Plant & Machinery	Furniture & Equipments	Motor Vehicles	Total 2013	Total 2012	Total 2011
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cost/Valuation							
As at 1 st April	11,222	30,631	28,249	32,094	102,196	101,479	98,358
Additions	—	—	4,611	—	4,611	16,459	3,122
Disposals	—	—	—	(6,466)	(6,466)	(13,210)	—
Adjustments	—	—	—	—	—	(2,532)	—
As at 31 st March	<u>11,222</u>	<u>30,631</u>	<u>32,860</u>	<u>25,628</u>	<u>100,341</u>	<u>102,196</u>	<u>101,480</u>
Accumulated Depreciation							
As at 1 st April	3,837	24,706	12,182	20,712	61,437	73,314	66,557
Charge for the year	224	727	2,988	4,016	7,955	10,109	6,758
Disposals	—	—	—	(6,466)	(6,466)	(11,385)	—
Adjustments	—	—	—	—	—	(10,601)	—
As at 31 st March	<u>4,061</u>	<u>25,433</u>	<u>15,170</u>	<u>18,262</u>	<u>62,926</u>	<u>61,437</u>	<u>73,315</u>
Carrying Value							
As at 31 st March 2011	—	—	—	—	—	—	<u>28,165</u>
As at 31 st March 2012	<u>7,385</u>	<u>5,925</u>	<u>16,067</u>	<u>11,382</u>	—	<u>40,759</u>	—
As at 31 st March 2013	<u>7,161</u>	<u>5,198</u>	<u>17,690</u>	<u>7,366</u>	<u>37,415</u>	—	—

Property, Plant and Equipment includes fully depreciated assets having a gross amount of Rs. 18,671,784 (2012 - Rs. 25,442,923).

	Land Rs. '000	Buildings Rs. '000	Total Rs. '000
13. Investment Properties			
As at 1 st April 2010	1,362,052	1,137,948	2,500,000
Additions during the year	—	14,572	14,572
Change in Fair Value	33,948	(18,520)	15,428
Balance as at 01 April 2011	<u>1,396,000</u>	<u>1,134,000</u>	<u>2,530,000</u>
Additions during the year	—	110,327	110,327
Adjustments	—	(8,070)	(8,070)
Change in Fair Value	142,000	(59,997)	82,003
Balance as at 31st March 2012	<u>1,538,000</u>	<u>1,176,260</u>	<u>2,714,260</u>
Additions during the year	—	2,916	2,916
Adjustments	—	—	—
Change in Fair Value	32,500	100,324	132,824
Balance as at 31st March 2013	<u>1,570,500</u>	<u>1,279,500</u>	<u>2,850,000</u>

Investment Property comprises a number of commercial properties that are leased to third parties and to a number of related companies. Each of the lease contains an initial non cancellable period of 4 years. Subsequent renewals are negotiated with the lessee. No contingent rents are charged.

In accordance with LKAS 40, a property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the company holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

The carrying amount of investment property is the fair value of property as determined by a registered independent appraiser having an appropriate recognized professional qualification and recent experience in the location and the category of the property being valued. Fair values were determined having regard to recent market transactions for similar properties in the same location as the company's investment property.

13.1 Investment Property

Address	Extent	Name of the Valuer	Date of Valuation	Market Value
No. 10, Station Road, Colombo 04	1A-2R-17.25P	Mr. T Weeratne (Incorporated Valuer)	5 th April 2013	2,850,000

NOTES TO THE FINANCIAL STATEMENTS

14 Share of profit of equity accounted investees - Entity and Investees

The Entity and Investees' share of profit/(loss) in its equity accounted investees for the year was Rs. 744,433/- (2012 - Rs 362,925/-).

In 2013 and 2012, the Entity and Investees did not receive any dividends from any of its equity accounted investees.

Summary of financial information for equity accounted investees are as follows.

	Ownership	Current assets	Non current assets	Total assets	Current liabilities	Non current liabilities	Total liabilities	Net assets	Income	Expenses	Total Comprehensive Income	Entity and Investee share of Profit
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
2012												
Ceylon Theatres (Pvt) Ltd	48.39%	21,788	78,502	100,290	20,009	7,151	27,159	73,131	126,877	(126,127)	750	363
		21,788	78,502	100,290	20,009	7,151	27,159	73,131	126,877	(126,127)	750	363
2013												
Ceylon Theatres (Pvt) Ltd	48.39%	22,701	74,208	96,910	16,482	5,758	22,240	74,669	195,107	(193,568)	1,538	744
		22,701	74,208	96,910	16,482	5,758	22,240	74,669	195,107	(193,568)	1,538	744

	Entity and Investees						Company		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)	Rs. (000)
Ceylon Theatres (Pvt) Ltd.	38,608	37,863	-	37,500	37,500	-	37,500	37,500	-
	38,608	37,863	-	37,500	37,500	-	37,500	37,500	-

	Company	No. of Shares	Entity and Investee/Company		
			2013	2012	2011
15 Investment					
As at 01 April	CT Properties Ltd	11,500,000	115,000	115,000	115,000
Additions / disposals		(13.37%)	-	-	-
Fair value gain/loss			-	-	-
As at 31 March			115,000	115,000	115,000

Unquoted shares of CT Properties Ltd is classified as available-for-sale financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 st March	Entity and Investee / Company		
	2013 Rs. '000	2012 Rs.'000	2011 Rs.'000
16. Trade and Other Receivables			
Trade and Other Receivables due from Related Parties (Note 25)	–	9,180	7,241
Loans to Directors	–	100	–
Trade Receivables	57,736	62,663	37,051
Other Receivables	25,962	24,602	69,740
	<u>83,698</u>	<u>96,545</u>	<u>114,032</u>
Less: Provision for doubtful debts	(1,136)	(1,136)	(1,136)
	<u>82,562</u>	<u>95,409</u>	<u>112,896</u>
17. Cash and Cash Equivalents			
Cash and Bank Balances	6,607	10,641	9,644
Bank overdrafts used for Cash Management Purposes	(8,503)	(74,844)	(21,921)
Cash and Cash Equivalents in the Statement of Cash Flows	<u>(1,896)</u>	<u>(64,203)</u>	<u>(12,277)</u>
18. Stated Capital			
48,750,000 Fully paid Ordinary Shares	<u>487,500</u>	<u>487,500</u>	<u>487,500</u>
The holders of ordinary shares are entitled to one vote per individual present at meetings of the shareholders and one vote per share in case of a poll and are also entitled to receive dividends as declared from time to time			
19. Employee Benefits Obligations			
19.1 The amount recognised in the Statement of Financial position			
Present Value of Defined Benefit Obligations - (Note 19.1.a)	15,541	12,555	11,524
Provision for Defined Benefit Obligations	<u>15,541</u>	<u>12,555</u>	<u>11,524</u>
19.1 (a) Movement in the Present Value of Defined Benefit Obligations			
Liability for Defined Benefit Obligations as at 1 st April	12,555	11,524	6,992
Current Service Cost	1,289	661	4,532
Interest Cost	1,429	1,261	–
Actuarial (Gain) / Loss Immediately Recognised	340	(891)	–
Payments Made	(72)	–	–
Liability for Defined Benefit Obligations as at 31 st March	<u>15,541</u>	<u>12,555</u>	<u>11,524</u>
19.1 (b) Amount Recognized in the Statement of Comprehensive Income			
Current Service Cost	1,289	661	4,532
Interest Cost	1,429	1,261	–
Provision for Staff Retirement Benefits (Note 6)	<u>2,718</u>	<u>1,922</u>	<u>4,532</u>
19.1 (c) Amount Recognized in Other Comprehensive Income			
Actuarial (Gain) / Loss Immediately Recognized in Other Comprehensive Income	340	(891)	–
	<u>340</u>	<u>(891)</u>	<u>–</u>
19.1 (d) Actuarial Assumptions			
The following are the principal actuarial assumptions at the reporting date			
Normal Retirement Age	60	55	55
Rate of Discount	11%	11%	11%
Salary Increase	8%	8%	8%

Assumptions regarding future mortality are based on 67/70 mortality table, issued by the Institute of Actuaries, London.

The demographic assumptions underlying the valuation are with respect to the retirement age, early withdrawal from service and retirement on medical grounds.

NOTES TO THE FINANCIAL STATEMENTS

20. Deferred Tax Liabilities

	Entity and Investee / Company					
	Assets		Liabilities		Net	
	2013	2012	2013	2012	2013	2012
Property, Plant and Equipment	–	–	297,323	264,183	297,323	264,183
Retirement Benefit Obligation	(4,352)	(3,515)	–	–	(4,352)	(3,515)
Net Deferred Tax (Asset) / Liabilities	<u>(4,352)</u>	<u>(3,515)</u>	<u>297,323</u>	<u>264,183</u>	<u>292,971</u>	<u>260,668</u>

	Balance as at 1 st April 2011	Recognised in Profit or Loss	Balance as at 31 st March 2012	Recognised in Profit or Loss	Balance as at 31 st March 2013
20.2 Movement in deferred tax balances during year					
Property Plant and Equipment and Investment Property	272,850	(8,667)	264,183	33,140	297,323
Defined Benefit Obligations	(3,227)	(288)	(3,515)	(837)	(4,352)
Net deferred tax (assets) liability	<u>269,623</u>	<u>(8,955)</u>	<u>260,668</u>	<u>32,303</u>	<u>292,971</u>

As at 31 st March	Entity and Investee / Company		
	2013 Rs. '000	2012 Rs.'000	2011 Rs.'000
21. Interest Bearing Loans and Borrowings			
<i>Non current portion of interest bearing loans and borrowings</i>			
Secured Bank Loans	–	15,625	–
<i>Current Portion of Interest Bearing loans and borrowings</i>			
Secured Bank Loans	15,625	37,500	–
Loans from Related Party (Note 25)	–	–	71,444
Deferred Interest	–	–	3,556
	<u>15,625</u>	<u>53,125</u>	<u>75,000</u>

The Bank Loan is secured over the land, building and investment property of C T Land Development PLC

22. Security Deposits

Related Companies	2,897	3,104	3,190
Others	136,116	132,848	136,069
	<u>139,013</u>	<u>135,952</u>	<u>139,259</u>

23. Trade & Other Payable

Trade Creditors	16,426	26,977	16,097
Other Payables	4,693	9,436	15,220
Accrued Expenses	3,883	5,112	2,702
	<u>25,002</u>	<u>41,525</u>	<u>34,019</u>

24. Income Tax Payable

As at 1 st April	4,570	21,896	21,247
Less: Payments Made During the Year	(37,521)	(51,871)	(43,491)
ESC Recoverable	–	(6,641)	(2,712)
WHT Paid	–	(1,562)	(3,645)
Provision Made During the Year	51,788	42,748	50,497
Income Tax Payable Balance as at 31 st March	<u>18,837</u>	<u>4,570</u>	<u>21,896</u>

NOTES TO THE FINANCIAL STATEMENTS

25. Related Party Transactions

Parent and the Ultimate Controlling Party

The Company is a subsidiary of C T Holdings PLC, the ultimate parent, which owns 51.89% of controlling interest of the Company.

25.1 Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, Key Management Personnel are those having authority for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors, and their immediate family members have been classified as Key Management Personnel of the Company.

Immediate family member is defined as spouse or dependent. Dependent is defined as anyone who depends on the respective Director for more than 50% of his / her financial needs.

The following Directors are directors of C T Holdings PLC as well.

Mr. R. Selvaskandan

Mr. J. C. Page

Mr. A. T. P. Edirisinghe

Mr. Anthony A. Page

Mr. L. R. Page

Mr. V. R. Page

Mr. Sunil Mendis

Key Management Personnel have transacted with the company during the year as follows

a. Loans given to Key Management Personnel

There are no loans given to directors during the year.

b. Key Management Personnel compensation for the period comprised of the following.

	2013	2012	2011
Short term employee benefits	22,428	17,650	15,795
Post employment benefits	15,201	12,277	9,842
	<u>37,689</u>	<u>29,927</u>	<u>25,635</u>

In addition to their salaries, the Company also provides non cash benefits to Directors and Executive Officers. Directors' Emoluments are disclosed in Note 7 to the Financial Statements.

c. Key Management Personnel and Directors transactions

Directors of the company directly control 3.7% of the voting shares of the company.

Number of key management personnel and their related parties hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Company during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably expected to be available, on similar transactions to non-key management personnel of related entities on an arm's length basis

There are no other transactions and outstanding balances with key management personnel except for the items mentioned in Note No. 25.1(b).

NOTES TO THE FINANCIAL STATEMENTS

The aggregate value of transactions and outstanding balances related to Other Related Parties are as follows.

Parties Accommodated	Director / Key Management Personnel (Relationship)	Transaction	Transaction value for the year ended 31 st March		Balance outstanding as at 31 st March Due from / (Due to)	
			2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000
Cargills (Ceylon) PLC	Mr J C Page (<i>Director</i>)	Rental & Service Charges	19,329	16,157	—	—
	Mr A T P Edirisinghe (<i>Director</i>)	Loan Repayment		75,000	—	—
	Mr Anthony A Page (<i>Director</i>)	Security Deposits	—	—	(1,401)	(1,401)
	Mr L R Page (<i>Chairman</i>)	Interest Expenses	—	3,563	(437)	(437)
	Mr V R Page (<i>Deputy Chairman</i>)					
	Mr. Sunil Mendis (<i>Director</i>)					
Cargills Food Processors (Pvt) Ltd	Mr A T P Edirisinghe (<i>Director</i>)	Rental & Service Charges	9,975	9,005	—	—
	Mr Anthony A Page (<i>Director</i>)	Security Deposits	—	—	(379)	(379)
	Mr V R Page (<i>Director</i>)					
Millers Ltd	Mr V R Page (<i>Director</i>)	Rental & Service Charges	1,221	3,378	—	—
		Security Deposits		—	(153)	(153)
Ceylon Theatres (Pvt) Ltd	Mr Anthony A Page (<i>Chairman</i>)	Rental & Service Charges	20,003	14,003	—	—
	Mr J C Page (<i>Managing Director</i>)					
	Mr S C Niles (<i>Director</i>)	Expenses Reimbursement	—	—	—	490
	Mr A D M de Alwis (<i>Director</i>)	Security Deposits	—	—	(500)	500
C T Real Estates (Pvt) Ltd	Mr R Selvaskandan (<i>Director</i>)	Rental & Service Charges	1402	2,214		
	Mr J C Page (<i>Director</i>)	Loan	—	—	—	8,174
	Mr L R Page (<i>Director</i>)	Interest Income	—	919	—	(205)
	Mr V R Page (<i>Chairman</i>)					
C T Smith Stockbrokers (Pvt) Ltd	Mr Anthony A Page (<i>Chairman</i>)	Rental & Service Charges	6,566	3,996	—	420
	Mr A T P Edirisinghe (<i>Director</i>)	Security Deposits	—	—	(328)	(328)
C T Capital (Pvt) Ltd	Mr Anthony A Page (<i>Chairman</i>) Mr S C Niles (<i>Director</i>)	Rental & Service Charges	2,247	2,903	—	—
Comtrust Asset Management (Pvt) Ltd	Mr Anthony A Page (<i>Chairman</i>)	Rental & Service Charges	2,829	1,662	—	—
	Mr J C Page (<i>Director</i>)	Security Deposits	—	—	(138)	(138)
	Mr S C Niles (<i>Director</i>)					
C T Smith Holdings (Pvt) Ltd	Mr Anthony A Page (<i>Chairman</i>)	Rental & Service Charges	1,640	128	—	—
	Mr L R Page (<i>Director</i>)					
	Mr A T P Edirisinghe (<i>Director</i>)					
Horana Plantation PLC	Mr Anthony A Page (<i>Chairman</i>)	Purchases	—	44	—	—
	Mr V R Page (<i>Director</i>)					
	Mr Sunil Mendis (<i>Director</i>)					

The rental and service charges are from the related parties who have occupied the investment property.

NOTES TO THE FINANCIAL STATEMENTS

26. Litigation and Claims

There are no Litigation and Claims against the Company as at the Balance Sheet date.

27. Events after the reporting date

The Board of Directors of the Company recommends a final ordinary dividend of Rs. 1.20 per share for the year 2013 and to be approved at the Annual General Meeting.

No circumstances have arisen since the reporting date which would require adjustments to or disclosure in the financial statements other than those disclosed above

28. Commitments and Contingencies

Capital expenditure approved by the Board of Directors for which provision has not been made in these account amounted to approximately.

	2013 Rs. 000	2012 Rs. 000
Approved and contracted for	Nil	7,900

There are no other significant capital expenditure commitments other than those shown above.

29. Capital Commitments

There were no material capital commitments outstanding as at the reporting date .

30. Explanation of transition to SLFRS

As stated in note 2.1, these are the Company's first financial statements prepared in accordance with SLFRSs. The accounting policies set out in note 3 have been applied in preparing the financial statements for the period ended 31st March 2013, the comparative information presented in these financial statements for the year ended 31 March 2012 and in the preparation of an opening SLFRS statement of financial position at 1 April 2011 (the Company's date of transition).

In preparing its opening SLFRS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with SLASs (previous GAAP). An explanation of how the transition from previous GAAP to SLFRSs has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation of Comprehensive Income	Note	Company		
		Previous	Effect of	SLFRS
		GAAP	Transition to	
		2012	SLFRS	
For the Year ended 31 st March		Rs. '000	Rs. '000	2012
				Rs. '000
Revenue	1	349,401	33,649	383,050
Other Income		81,596	–	81,596
Personnel Cost	2	(34,084)	(891)	(34,975)
Depreciation		(10,109)	–	(10,109)
Other Operating Cost		(113,922)	–	(113,922)
Results from Operating Activities		272,882	32,758	305,640
Finance Costs		(13,383)	–	(13,383)
Profit before Taxation		259,499	32,758	292,257
Income Tax Expenses		(33,793)	–	(33,793)
Profit for the Year		225,706	32,758	258,464
Other Comprehensive Income:				
Gain/(loss) on actuarial valuation	2	–	891	891
Other Comprehensive income for the period net of income tax		–	891	891
Total Comprehensive Income for the year		225,706	33,649	259,355

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation of Equity	Note	Company					
		Previous	Effect of	SLFRS	Previous	Effect of	SLFRS
		GAAP	Transition		GAAP	Transition	
		2011	SLFRSs	2011	2012	SLFRSs	2012
		Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
ASSETS							
Non Current Assets							
Property, Plant & Equipment		28,165	–	28,165	40,759	–	40,759
Investment Properties		2,530,000	–	2,530,000	2,714,260	–	2,714,260
Equity Accounted Investees		–	–	–	37,500	–	37,500
Investments		115,000	–	115,000	152,500	–	152,500
		<u>2,673,165</u>	<u>–</u>	<u>2,673,165</u>	<u>2,907,519</u>	<u>–</u>	<u>2,907,519</u>
Current Assets							
Trade and Other Receivables	1	103,363	9,533	112,896	52,227	43,182	95,409
Cash and Cash Equivalents		9,644	–	9,644	10,641	–	10,641
		<u>113,007</u>	<u>9,533</u>	<u>122,540</u>	<u>62,868</u>	<u>43,182</u>	<u>106,050</u>
Total Assets		<u>2,786,172</u>	<u>9,533</u>	<u>2,795,705</u>	<u>2,970,387</u>	<u>43,182</u>	<u>3,013,569</u>
EQUITY AND LIABILITIES							
Equity							
Stated Capital		487,500	–	487,500	487,500	–	487,500
Retained Earnings	7	1,723,274	9,533	1,732,807	1,890,480	43,182	1,933,662
		<u>2,210,774</u>	<u>9,533</u>	<u>2,220,307</u>	<u>2,377,980</u>	<u>43,182</u>	<u>2,421,162</u>
Non Current Liabilities							
Employee Benefits		11,524	–	11,524	12,555	–	12,555
Deferred Tax Liabilities		269,623	–	269,623	260,668	–	260,668
Interest Bearing Loans & Borrowings		–	–	–	15,625	–	15,625
Security Deposits	3	141,415	(2,156)	139,259	145,120	(9,168)	135,952
Deferred Interest	3	–	2,156	2,156	–	9,168	9,168
		<u>422,562</u>	<u>–</u>	<u>422,562</u>	<u>433,968</u>	<u>–</u>	<u>433,968</u>
Current Liabilities							
Interest Bearing Loans & Borrowings		–	–	–	37,500	–	37,500
Trade and Other Payables		34,019	–	34,019	41,525	–	41,525
Income Tax Payable		21,896	–	21,896	4,570	–	4,570
Loans Due to Related Companies	4	75,000	(3,556)	(3,556)	–	–	–
Deferred Interest	4	–	3,556	3,556	–	–	–
Bank Overdraft (Secured)		21,921	–	21,921	74,844	–	74,844
		<u>152,836</u>	<u>–</u>	<u>152,836</u>	<u>158,439</u>	<u>–</u>	<u>158,439</u>
Total Equity and Liabilities		<u>2,786,172</u>	<u>9,533</u>	<u>2,795,705</u>	<u>2,970,387</u>	<u>43,182</u>	<u>3,013,569</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 01

Revenue & Trade receivable

The company's main revenue source is Rent income from renting out property on an operating leases at Majestic city. The rent agreements include an incremental rent payments over the lease period.

As per LKAS 17 - Leases, "Lease income from operating leases shall be recognized in income on a straight – line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use of benefit derive from the leased asset is diminished".

Similarly, increases (or decreases) in rental payments over a period of time, other than contingent lease payments, are reflected in the determination of the lease income, which is recognized on a straight-line basis.

Statement of comprehensive Income	As at	
	01 April 2011	31 March 2012
		Rs. (000)
As reported under previous GAAP		349,401
Effect of straight lining of lease rent		33,649
As reported Under SLFRS		<u>383,050</u>
Statement of Financial Position	As at	
	01 April 2011	31 March 2012
As reported under previous GAAP	103,363	52,227
Effect of straight lining of lease rent	<u>9,533</u>	<u>43,182</u>
As reported Under SLFRS	<u>112,896</u>	<u>95,409</u>

Note 02

Personnel Cost

As per previous GAAP actuarial gains (losses) has been classified under personnel cost. Under SLFRS it has been classified under other comprehensive income.

	As at
Statement of comprehensive Income	1 March 2012
Personnel Cost	
As reported under previous GAAP	(34,084)
Gain/(loss) on actuarial valuation	(891)
As reported Under SLFRS	<u>(34,975)</u>
Statement of Other Comprehensive Income	
As reported under previous GAAP	–
Gain/(loss) on actuarial valuation	891
As reported Under SLFRS	<u>891</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 03

Security Deposits and Deferred Interest

The company obtains a security deposit before renting out the property. In accordance with SLFRS these deposits are to be fair valued at initial recognition. The fair value of the security deposits are determined by discounting the security deposits using market rates (4 year bond rate). The difference between the Fair value and the original deposit value is recognised as deferred interest and amortised over the deposit period (lease period).

	As at 01 April 2011	As at 31 March 2012
Statement of Financial Position		
As reported under previous GAAP	141,415	145,120
Deferred interest	(2,156)	(9,168)
As reported Under SLFRS	<u>139,259</u>	<u>135,952</u>
Statement of Financial Position		
As reported under previous GAAP	—	—
Deferred interest	2,156	9,168
As reported Under SLFRS	<u>2,156</u>	<u>9,168</u>

Note 04

Loans from Related Parties

The company had provided a loan to a related company at a concession rate. In accordance with SLFRS, these loans are fair valued at initial recognition. The fair value of the loan are determined by discounting expected future cash flows using market rates of similar loans.

The difference between the cost and fair value of the loan is recognised as Deferred Interest.

	As at 01 April 2011	As at 31 March 2012
Statement of Financial Position		
As reported under previous GAAP	75,000	—
Deferred Interest	(3,556)	—
As reported under SLFRS	<u>71,444</u>	<u>—</u>
Statement of Financial Position		
As reported under previous GAAP	—	—
Deferred Interest	3,556	—
As reported under SLFRS	<u>3,556</u>	<u>—</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 05

Investments

The Company holds 13.37% of the ordinary shares of C T Properties Ltd. The Directors of the Company do not consider that it can exercise significant influence over C T Properties Ltd as the other shareholders has the control to manage the operations of that company.

Under previous GAAP long term investments were measured and recorded at cost. Under SLFRS Company designated such investments as available-for-sale and measured at fair value. Based on the valuation of the investment undertaken at the reporting date, there is no significant fair value gain or loss on the said investment. Accordingly, there are no fair value gains/losses recognized in the books of accounts of the company for the year.

Note 06

Share of profit of equity accounted investee

As per LKAS 28, an entity that has no subsidiaries, but that has an investment in an associate and/or a jointly controlled entity, must prepare individual financial statements, in which event such investments are accounted for using the equity method.

The company has a 48.39% holding in Ceylon Theatres (Pvt) Limited. The Directors of the Company consider that they can exercise significant influence over the respective company, but not control as the other shareholders govern the operations of the said company.

Accordingly Company elected to treat this investment as associate and retrospectively accounted in line with LKAS 28, Investment In Associate. Further this is the first financial statements prepared on this basis and the effect of same in the Entity and Investee Financial Statement is as follows.

Statement of Financial Position

Equity Accounted Investee	
As reported under previous GAAP	37,500
Share of profit of equity accounted associate	363
As reported Under - Equity and Investee	<u>37,863</u>

Statement of Comprehensive Income

As report under previous GAAP	-
Share of profit of equity accounted associate	363
As reported Under SLFRS - Equity and Investee	<u>363</u>

Note 07

Reconciliation of Retained Earnings

The above changes increased/(decreased) retained earnings as follows:

Statement of Financial Position	As at 01 April 2011	As at 31 March 2012
As reported under previous GAAP	1,723,274	1,890,480
Revenue/Trade receivables(Note 01)	9,533	43,182
As reported under SLFRS	<u>1,732,807</u>	<u>1,933,883</u>

THREE YEAR SUMMARY

	Entity and investee		
Year ended 31 st March (In Rs. '000)	2013	2012	2011

OPERATING RESULTS

Revenue	399,256	383,050	
Results from Operating Activities	358,601	305,640	
Finance Cost	(13,946)	(13,383)	
Profit before Taxation	345,184	292,478	
Total Comprehensive Income for the year	260,969	259,718	

ASSETS

Non Currents Assets	3,041,023	2,907,882	2,673,165
Current Assets	89,169	106,050	122,540

EQUITY AND LIABILITIES

Stated Capital	487,800	487,500	487,500
Reserves	2,116,994	1,934,025	1,732,807
Borrowings	15,625	53,125	–
Deferred Liabilities	292,971	260,668	269,623
Security Deposit	149,218	145,120	141,415
Current Liabilities	52,342	120,939	152,836

KEY INDICATORS

Earning per Share (Rs.)	5.36	5.31	
Net Assets per Share (Rs.)	53.42	48.67	45.54
Market price per Share (Rs.)	24.10	24.20	32.90

OTHERS

Market Capitalisation (Rs.'000)	1,174,875	1,179,750	1,603,875
Price Earning Ratio (times)	4.50	4.54	
Dividend Rate per Share (Rs.)	1.60	1.20	1.20
Interest Cover (times)	25.71	20.39	
Current Ratio (times)	1.31	0.67	0.80
Dividend Yield	6.63	4.96	3.65
Equity to Total Assets(%)	83.20	80.34	79.41
Number of shares in issue ('000)	48,750	48,750	48,750

INFORMATION TO SHAREHOLDERS AND INVESTORS

1. Stock Exchange Listing

The issued ordinary shares of C T Land Development PLC are listed with the Colombo Stock Exchange

2. Distribution of Shareholdings

Size of Shareholding	31 st March 2013				31 st March 2012			
	Shareholders		Holdings		Shareholders		Holdings	
	Number	%	Number	%	Number	%	Number	%
1 - 1,000	2,605	72.56	791,010	1.62	2,712	72.03	865,570	1.77
1,001 - 5,000	691	19.25	1,695,239	3.48	740	19.65	1,705,035	3.50
5,001 - 10,000	129	3.59	986,874	2.03	145	3.85	1,106,704	2.27
10,001 - 50,000	125	3.49	2,483,280	5.09	125	3.32	2,514,219	5.16
50,001 - 100,000	17	0.47	1,261,834	2.59	18	0.48	1,227,205	2.52
100,001 - 500,000	15	0.42	4,470,052	9.17	18	0.48	5,025,024	10.31
500,001 - 1,000,000	4	0.11	2,253,519	4.62	4	0.11	2,852,931	5.85
1,000,001 - Over	4	0.11	34,808,192	71.40	3	0.08	33,453,312	68.62
	3,590	100.00	48,750,000	100.00	3,765	100.00	48,750,000	100.00

3. Analysis of Shareholders

Categories of Shareholders	31 st March 2013			31 st March 2012		
	Non-Residents	Residents	Total	Non-Residents	Residents	Total
Individuals	838,417	9,353,113	10,191,530	923,986	9,554,126	10,478,112
Institutions and Corporate Holdings	283,885	38,274,585	38,558,470	103,350	38,168,538	38,271,888
	1,122,302	47,627,698	48,750,000	1,027,336	47,722,664	48,750,000

4. Top 20 Shareholders

The holdings of the top 20 shareholders as at 31st March 2013 is given below

	31 st March 2013		31 st March 2012	
	No of Shares	%	No. of Shares	%
C T Holdings Plc	25,298,407	51.89	25,298,407	51.89
Bank of Ceylon A/C Ceybank Unit Trust	4,317,688	8.86	4,054,905	8.32
Seylan Bank PLC/Thirugnanasambander Senthilverl	4,100,000	8.41	4,100,000	8.41
Bank of Ceylon A/C Ceybank Century Growth Fund	1,092,097	2.24	944,500	1.94
Tudawe Brothers Limited	668,363	1.37	668,363	1.37
Mr. A. A. Page	654,264	1.34	629,264	1.29
Mr. J. C. Page	610,804	1.25	610,804	1.25
Mrs. C. K. Muttukumar	505,113	1.04	485,113	1.00
Dee Investments (Pvt) Ltd	460,800	0.95	460,800	0.95
Mr. V. R. Page	453,062	0.93	453,062	0.93
Dr. A. C. Visvalingam	408,449	0.84	398,150	0.82
Merrill J. Fernando & Sons (Pvt) Limited	392,535	0.81	392,535	0.81
E. W. Balasuriya & Co (Pvt) Ltd	389,149	0.80	337,500	0.69
Mrs. T. Selvaratnam	375,813	0.77	375,813	0.77
Sampath Bank Limited-Account No 3	325,000	0.67	325,000	0.67
David Pieris Motor Company Limited	298,000	0.61	300,000	0.62
Dr. T. Senthilverl	290,349	0.60	290,349	0.60
Mrs. J. N. Mather	270,618	0.56	268,620	0.55
Mr. L. R. Page	268,487	0.55	268,487	0.55
Mr. M. M. Udeshi	205,449	0.42	205,450	0.42
	41,384,447	84.89	40,867,122	83.83
Others 3,570 Shareholdres	7,365,553	15.11	7,882,878	16.17
Total	48,750,000	100.00	48,750,000	100.00

INFORMATION TO SHAREHOLDERS AND INVESTORS

5. Share Valuation

The market value of each Ordinary share on 31st March 2013 was Rs. 24.10 (2012 - Rs. 24.20). The highest and lowest values recorded during the twelve month ended 31st March 2013 were Rs. 28.20 and Rs. 24.00 respectively. The highest value was recorded on 5th February 2013. The lowest value was recorded on 21st March 2013.

6. Share Trading

For the year ended 31 st March	2013	2012
No. of transactions	593	605
No. of shares traded	431,292	1,514,767
Value of shares traded (Rs.)	11,300,837	41,014,447

7. Dividends

Interim dividend of Re. 0.60 per share paid on 26th February 2013.

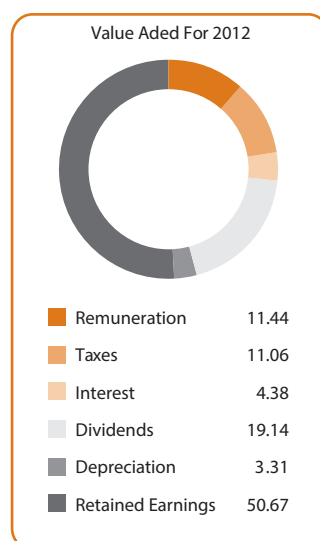
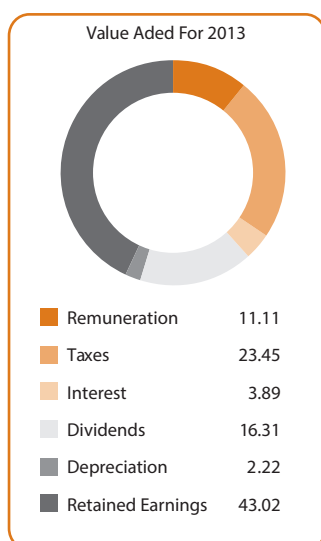
Proposed final dividend of Rs. 1.20 per share to be paid on 14th October 2013 subject to approval of shareholders.

8. Public Holders

The percentage of shares held by the public as at 31st March 2013 was 37.15% (2011-37.57%)

STATEMENT OF VALUE ADDED

For the year ended 31 st March	%	2013 Rs. '000	%	2012 Rs. '000
Creation of Value Added				
Revenue		399,257		383,050
Operating Expenses		(176,565)		(159,006)
Value Added from Operations		222,691		224,044
Other Income		3,086		(407)
Change in Fair Value of Investment Properties		132,825		82,003
Total Value Added		358,603		305,640
Distribution of Value Added				
To Associates				
Salaries, wages and other related cost	11.11	39,827	11.44	34,975
To Government				
as Income Taxes	14.44	51,788	13.99	42,748
as Deferred Taxes	9.01	32,303	(2.93)	(8,955)
		84,091		33,793
To Lenders of Capital				
as Interest	3.89	13,946	4.38	13,383
To Shareholders				
as Dividends	16.31	58,500	19.14	58,500
Retained for Growth				
Depreciation	2.22	7,955	3.31	10,109
Retained Earnings	43.02	154,284	50.67	154,880
		162,239		164,989
	100.00	358,603	100.00	305,640



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirtieth Annual General Meeting of the Company will be held at the Sri Lanka Foundation Institute, No. 100, Independence Square Colombo 7 on 3rd October 2013 at 9.30 a.m. in order to:

1. receive and consider the Report of the Directors and the Statement of Accounts for the year ended 31st March 2013 with the Report of the Auditors thereon.
2. declare a Dividend as recommended by the Directors.
3. re-elect Directors who are due to retire by rotation and are eligible for re-election:
 - (a) Mr. Anthony A. Page
 - (b) Mr. L. R. Page
 - (c) Mr. S. C. Niles
4. Elect Mr. Sunil Mendis as a Director.
5. authorise the Directors to determine contributions to Charities
6. To authorise the Directors to determine the remuneration of the Auditors, Messrs, KPMG who are deemed reappointed as auditors at the General meeting of the Company in terms of Section 158 of the Companies Act No. 7 of 2007.

By order of the Board,



Charuni Gunawardana
Secretary

Colombo
2nd September 2013

PROXY OF FORM

For the use at the Thirtieth Annual General Meeting

(Before completing this form please see notes on the reverse hereof)

I/We.....

.....

of

.....

(a) member (s) of C T Land Development PLC hereby appoint

..... of

or failing him/her the Chairman of the Meeting as my/our proxy to vote for me us and me/our behalf at the Thirtieth Annual General Meeting of the Company to be held on 3rd October 2013 and at any adjournment thereof.

(Please indicate how you wish your vote to be cast by placing an "X" in the space provided below. The resolutions are as indicated in the Notice of Meeting in the Annual Report. Except as indicated by you, the Proxy will exercise his/her discretion both as to voting and whether or not to abstain from voting on all resolutions at the Meeting).

Ordinary Resolutions

Resolution No.	1	2	3 (a)	3 (b)	3 (c)	4	5	6
For								
Against								

.....
Signature of Member (s)

.....
Date

PROXY FORM

Instructions as to completion of the Proxy Form

1. The Form of Proxy must be signed by the member or by his /her attorney duly authorised in writing.
2. In the case of a company, the Form of Proxy must be either under its Common Seal or under the hand of an officer or attorney duly authorised.
3. In the case of joint holders, only one need sign. The votes of the senior holder who tenders a vote will alone be counted.
4. To be valid this Form must be filled up, signed and deposited at the Registered Office of the Company at 10, Station Road, Colombo 4 not less than 48 hours before the time appointed for holding the Meeting.



CT Land Development PLC

10, Station Road, Colombo 4.

Tel. 2 508673-4, Fax. 2 592427