



CITY HOUSING AND REAL ESTATE COMPANY PLC
Condensed Interim Financial Statements
Period Ended 30 September 2016

Statements of Profit or Loss and Other Comprehensive Income

	Group					
	For the three months ended 30 September			For the six months ended 30 September		
	2016	2015	Variance	2016	2015	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Revenue	453,436	3,687,486	-88%	11,414,065	42,687,486	-73%
Cost of sales	-	(1,531,229)	-100%	(9,811,283)	(34,472,464)	-72%
Gross profit	453,436	2,156,257	-79%	1,602,782	8,215,022	-80%
Net Service charge income/(Loss)	84,204	133,820	-37%	107,937	431,652	-75%
Other income	10,061,827	15,000	66979%	10,066,827	106,600	9344%
Administrative expenses	(11,416,714)	(15,107,480)	-24%	(19,907,938)	(30,377,549)	-34%
Distribution expenses	(4,250)	(97,873)	-96%	(116,310)	(116,203)	0%
Results from operating activities	(821,496)	(12,900,276)	-94%	(8,246,702)	(21,740,478)	-62%
Net finance income/(costs)	2,200,203	717,149	207%	2,202,529	1,213,605	81%
Share of loss of equity accounted investees	-	-		-	-	
Profit before taxation	1,378,707	(12,183,127)	-111%	(6,044,173)	(20,526,873)	-71%
Income tax expense	-	-		-	-	
Profit for the period	1,378,707	(12,183,127)	-111%	(6,044,173)	(20,526,873)	-71%
Other comprehensive income (OCI)						
Net gain/(loss) on available-for-sale investments	917,406	-		917,406	-	
Actuarial gain/(Loss) on employee benefits	-	-		-	-	
Other comprehensive income for the period, net of tax	917,406	-		917,406	-	
Total comprehensive income for the period	2,296,113	(12,183,127)		(5,126,766)	(20,526,873)	
Profit attributable to:						
Equity shareholders of the parent	1,378,707	(12,183,127)		(6,044,173)	(20,526,873)	
Non controlling interest	-	-		-	-	
Profit for the year	1,378,707	(12,183,127)		(6,044,173)	(20,526,873)	
Total comprehensive income attributable to:						
Equity shareholders of the parent	2,296,113	(12,183,127)		(5,126,766)	(20,526,873)	
Non controlling interest	-	-		-	-	
Total comprehensive income for the period	2,296,113	(12,183,127)		(5,126,766)	(20,526,873)	
Earnings Per Share (Rs.)	0.10	(0.91)		(0.45)	(1.53)	

Explanatory notes are given on page 7

Statements of Profit or Loss and Other Comprehensive Income

	Company					
	For the three months ended 30 September			For the six months ended 30 September		
	2016 Rs.	2015 Rs.	Variance %	2016 Rs.	2015 Rs.	Variance %
Revenue	453,436	3,687,486	-88%	11,414,065	42,687,486	-73%
Cost of sales	-	(1,531,229)	-100%	(9,811,283)	(34,472,464)	-72%
Gross profit	453,436	2,156,257	-79%	1,602,782	8,215,022	-80%
Net Service charge income/(Loss)	84,204	133,820	-37%	107,937	431,652	-75%
Other income	5,291,827	15,000	35179%	5,291,827	106,600	4864%
Administrative expenses	(6,518,494)	(9,291,440)	-30%	(10,208,196)	(17,995,390)	-43%
Distribution expenses	(4,250)	(97,873)	-96%	(116,310)	(116,203)	0%
Results from operating activities	(693,275)	(7,084,236)	-90%	(3,321,959)	(9,358,319)	-65%
Net finance income/(costs)	975,111	(364,097)	-368%	570,947	(866,579)	-166%
Share of loss of equity accounted investees	-	-		-	-	
Profit before taxation	281,835	(7,448,333)	-104%	(2,751,012)	(10,224,898)	-73%
Income tax expense	-	-		-	-	
Profit for the period	281,835	(7,448,333)	-104%	(2,751,012)	(10,224,898)	-73%
Other comprehensive income (OCI)						
Net gain/(loss) on available-for-sale investments	917,406	-		917,406	-	
Actuarial Gain/(Loss) on employee benefits	-	-		-	-	
Other comprehensive income for the period, net of tax	917,406	-		917,406	-	
Total comprehensive income for the period	1,199,242	(7,448,333)		(1,833,606)	(10,224,898)	
Earnings Per Share (Rs.)	0.02	(0.56)		(0.21)	(0.76)	

Statement of Financial Position

As at	Group			Company		
	30 Sep 2016 Rs.	30 Sep 2015 Rs. (Audited)	31 March 2016 Rs. (Audited)	30 Sep 2016 Rs.	30 Sep 2015 Rs. (Audited)	31 March 2016 Rs. (Audited)
ASSETS						
Non - current assets						
Property, plant and equipment	49,861,382	47,585,258	44,585,423	49,273,249	42,979,605	42,209,493
Investment in Subsidiary	-	-	-	20,000,000	20,000,000	20,000,000
Investment in Associate	4,845,699	4,887,258	4,845,699	7,600,000	7,600,000	7,600,000
Available for Sale-Investments	24,790,711	24,996,905	23,077,862	24,478,211	24,684,405	22,765,362
Employee Benefits Plan	349,907	114,893	-	349,907	114,893	-
Deferred Tax Asset	6,211,751	5,752,846	5,629,442	5,243,581	5,243,581	5,254,258
Total Non Current Assets	86,059,451	83,337,160	78,138,425	106,944,949	100,622,484	97,829,113
Current assets						
Trade and Other Receivables	37,642,374	47,276,076	43,473,338	2,810,897	9,171,459	6,160,412
Inventories	126,592,040	125,179,235	103,443,560	126,592,040	110,941,003	103,443,559
Amounts Due from Related Parties	56,221,871	55,917,994	54,921,871	14,421,871	14,421,871	14,421,871
Cash and cash equivalents	57,202,649	112,450,522	93,315,280	16,831,369	36,532,465	44,423,169
Total Current Assets	277,658,935	340,823,827	295,154,050	160,656,178	171,066,798	168,449,012
Total Assets	363,718,386	424,160,987	373,292,475	267,601,127	271,689,282	266,278,126
EQUITY						
Stated Capital	133,798,500	133,798,500	133,798,500	133,798,500	133,798,500	133,798,500
Reserves	30,279,447	30,279,447	30,279,447	30,279,447	30,279,447	30,279,447
Retained Earnings	(72,358,427)	(69,991,432)	(67,231,661)	(93,313,078)	(94,268,107)	(91,503,060)
Total equity attributable to equity holders of the company	91,719,520	94,086,515	96,846,286	70,764,869	69,809,840	72,574,887
Non controlling interest	70	70	70	-	-	-
Total equity	91,719,590	94,086,585	96,846,356	70,764,869	69,809,840	72,574,887
LIABILITIES						
Non - current liabilities						
Interest Bearing Borrowings	4,490,235	8,924,660	6,462,253	4,490,235	8,924,660	6,462,253
Retirement Benefit Obligation	1,465,759	2,223,710	2,543,788	-	-	346,029
Total Non-current liabilities	5,955,995	11,148,370	9,006,041	4,490,235	8,924,660	6,808,282
Current liabilities						
Interest Bearing Borrowings	11,635,602	10,368,220	10,368,220	-	-	-
Other Borrowings	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Amount due to Related companies	3,750,000	3,750,000	3,750,000	73,704,777	27,360,123	66,667,620
Trade and Other Payables	235,413,048	258,229,754	235,698,819	103,397,095	120,492,472	103,938,677
Current tax liability	244,151	2,135,601	1,129,623	244,151	2,622,298	1,288,660
Bank Balances Overdrawn	-	29,442,457	1,493,416	-	27,479,889	-
Total Current liabilities	266,042,801	318,926,032	267,440,078	192,346,022	192,954,782	186,894,957
Total liabilities	271,998,796	330,074,402	276,446,119	196,836,258	201,879,442	193,703,239
Total equity and liabilities	363,718,386	424,160,987	373,292,475	267,601,127	271,689,282	266,278,126
Net Asset Value Per Share (Rs.)	6.86	7.03	7.24	5.29	5.22	5.42

Explanatory notes are given on page 7

Accountant certified that these condensed financial statements have been prepared in accordance with the requirements of the companies Act No. 07 of 2007.

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Signed on behalf of the Board

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(Signed)
Janaka Ratnayake
(Chairman)

.....
(Signed)
Yasas Vitharana
(Director)

Date : 25th Oct 2016

Statement of Changes in Equity

Group	Stated capital	Revaluation Reserve	Available for sales reserve	Retained Earnings	Non Controlling Interest	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 April 2015	133,798,500	30,279,447	-	(49,464,559)	-	114,613,388
Net profit for the period				(20,526,873)		(20,526,873)
Other comprehensive income				-		
Total comprehensive income	133,798,500	30,279,447	-	(69,991,432)	-	94,086,515
Transactions with owners of the company, recognised directly in equity	-	-	-	-	-	-
Balance as at 30 September 2015	133,798,500	30,279,447	-	(69,991,432)	-	94,086,515
Balance as at 1 April 2016	133,798,500	30,279,447	-	(67,231,661)	70	96,846,356
Net profit for the period	-	-	-	(6,044,173)	-	(6,044,173)
Other comprehensive income	-	-	-	917,406	-	917,406
Total comprehensive income	133,798,500	30,279,447	-	(72,358,427)	70	91,719,590
Transactions with owners of the company, recognised directly in equity	-	-	-	-	-	-
Balance as at 30 September 2016	133,798,500	30,279,447	-	(72,358,427)	70	91,719,590

Company	Stated capital	Revaluation Reserve	Available for sales reserve	Retained Earnings	Non Controlling Interest	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 April 2015	133,798,500	30,279,447	-	(84,043,209)	-	80,034,738
Net profit for the period				(10,224,898)		(10,224,898)
Other comprehensive income				-		
Total comprehensive income	133,798,500	30,279,447	-	(94,268,107)	-	69,809,840
Transactions with owners of the company, recognised directly in equity	-	-	-	-	-	-
Balance as at 30 September 2015	133,798,500	30,279,447	-	(94,268,107)	-	69,809,840
Balance as at 1 April 2016	133,798,500	30,279,447	-	(91,479,472)	-	72,598,475
Net profit for the period				(2,751,012)		(2,751,012)
Other comprehensive income				917,406		917,406
Total comprehensive income	133,798,500	30,279,447	-	(93,313,078)	-	70,764,869
Transactions with owners of the company, recognised directly in equity	-	-	-	-	-	-
Balance as at 30 September 2016	133,798,500	30,279,447	-	(93,313,078)	-	70,764,869

Explanatory notes are given on page 7

Statement of Cash Flow

For the year Ended 30 September	Group		Company	
	2016 Rs.	2015 Rs.	2,016 Rs.	2015 Rs.
Cash flows from operating activities				
Profit before taxation	(6,044,173)	(20,526,873)	(2,751,012)	(10,224,898)
Adjustments for:				
Depreciation	1,873,753	3,267,868	375,065	1,007,725
Employee benefits	732,000	168,000	-	-
Profit on sale of property, plant and equipment	(9,775,000)	-	(5,055,000)	-
interest Cost	812,216	856,854	812,216	856,854
interest Income	(3,077,723)	(2,091,717)	(1,394,513)	-
Reversal of Impairment Provision	-	208,316	-	-
Operating profit before working capital changes	(15,478,928)	(18,117,552)	(8,013,243)	(8,360,319)
Changes in working capital				
- (Increase) / decrease in inventories	(23,148,480)	(1,411,577)	(23,148,480)	(1,313,518)
- Increase in trade and other receivables	6,203,576	2,193,551	3,349,515	384,051
- (Increase) / decrease in related company receivables	(1,300,000)	122,048	-	-
- Decrease in trade and other payables	(797,394)	7,381,924	(541,582)	8,483,449
- Increase / (decrease) in related company payables	-	-	7,037,157	1,016,161
Cash generated from operations	(34,521,225)	(9,831,606)	(21,316,634)	209,824
Taxes paid	(1,044,509)	-	(1,044,509)	-
Interest paid	(812,216)	-	(812,216)	-
Net cash generated from/(used in) operating activities	(36,377,951)	(9,831,606)	(23,173,359)	209,824
Cash flows from investing activities				
Addition to property, plant and equipment	(8,200,000)	(226,180)	(8,200,000)	(183,390)
Employee Plan Asset	(695,936)	-	(695,936)	-
Finance income received	3,077,723	2,091,717	1,394,513	-
Proceeds from disposal of property, plant and equipment	9,775,000	-	5,055,000	-
Net cash generated from / (used in) investing activities	3,956,787	1,865,537	(2,446,423)	(183,390)
Cash flows from financing activities				
Net proceeds from / (repayment of) short term borrowings	(2,198,052)	(2,888,031)	(1,972,018)	(2,888,031)
Net cash generated from / (used in) financing activities	(2,198,052)	(2,888,031)	(1,972,018)	(2,888,031)
Increase / (decrease) in cash and cash equivalents	(34,619,215)	(10,854,100)	(27,591,800)	(2,861,597)
Movement in cash and cash equivalents				
At the beginning of the year	91,821,864	93,862,164	44,423,169	11,914,175
Movement during the year	(34,619,215)	(10,854,100)	(27,591,800)	(2,861,597)
At the end of the period	57,202,649	83,008,064	16,831,369	9,052,578

Explanatory notes are given on page 7

Explanatory Notes

- 1 The result for the period ended 30 September 2016 and the Statement of Financial Position as at 30 September 2016 are provisional and subject to audit.

- 2 The Condensed Interim Financial Statements of the Group and the Company have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Condensed Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 March 2016.

- 3 Where appropriate, the previous year's figures have been reclassified to conform to the current classification.

- 4 There have been no significant change in the nature and the value of the contingencies and commitments which were disclosed in the annual report for the year ended 31 March 2016.

- 5 No events have occurred since the Reporting date which would require any adjustments to or disclose in the financial statements.

Investor Relations Supplements**General**

Stated capital	133,798,500
Issued shares	13,379,850
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

Stock exchange listing

The issued ordinary shares of City Housing & Real Estate Company PLC are listed in the Colombo Stock Exchange.

Share valuation

The market price per share recorded during the quarter ended 30 September	2016 Rs.	2015 Rs.
Highest	12.00	19.20
Lowest	9.00	15.30
Last Traded price	9.50	16.70

Top 20 shareholders

The holdings of the top 20 shareholders as at	30-Sep-16		30-Sep-15	
	Number of shares	%	Number of shares	%
The Finance Company PLC	3,298,950	24.66%	3,298,950	24.66%
Ceylinco Capital Investment Co(Pvt) Ltd	2,279,826	17.04%	2,279,826	17.04%
Mr.J.W.M.J.P.K.Ratnayake	1,404,609	10.50%	1,404,609	10.50%
Mr. J.L.B Kotelawala	797,634	5.96%	797,634	5.96%
Mr. J.L.B Kotelawala & S.P.C.Kotelawala (Jointly)	234,000	1.75%	234,000	1.75%
Ms S.P.C.Kotelawala	225,900	1.69%	225,900	1.69%
Mr M.S.M.A.Farook	135,400	1.01%	33,010	2.47%
Mr W.L.Gunasena	125,798	0.94%	212,000	1.58%
Finance And Guarantee Property Developers (Pvt) Ltd.	117,500	0.88%	117,500	0.88%
Mr. Peiris	99,007	0.74%	-	0.00%
Mr.Liyanaarachchi	89,000	0.67%	200,000	1.34%
Almar Trading Co (Pvt) Ltd	81,501	0.61%	81,501	0.61%
Mr Zameek	78,750	0.59%	78,750	0.59%
Mr. Padma Kumara	67,899	0.51%	-	0.00%
Oxford Garment Industries Ltd	67,500	0.50%	67,500	0.50%
Merchant Bank of Sri Lanka Plc/ S M Pathirana	67,450	0.50%	65,000	0.49%
Asha Financial Services Ltd - Mr C.N.Pakianathan	66,383	0.50%	63,033	0.50%
New Interiors (pvt) Ltd	56,250	0.42%	56,250	0.42%
M.K.N.Gayanthi	54,279	0.41%	-	0.00%
J.F.Pereira (Deceased)	54,000	0.40%	-	0.00%
	9,401,636	70.28%	9,215,463	70.98%

Public holding

The percentage of shares held by the public and number of public shareholders as at 30 September 2016 is 47.42%

Directors' shareholdings

The Directors' shareholdings in the Company were as follows as at 30 September		2016	2015
Mr.J.W.M.J.P.K Ratnayake	Chairman	1,404,609	1,441,049
Mr. W.A.Y.Vitharana	Director	-	-
Mr.J.W.R.L.B.Ratnayake	Director	-	-
Mr.M.S.S.Paramananda	Director	-	-
Mr.H.K.K.S Hiswella	Director	-	-
Mrs.P.I.A.Gayathri Bimba	Director	-	-
Total		1,404,609	1,441,049