
PROVISIONAL FINANCIAL STATEMENTS

QUARTER ENDED 31ST MARCH 2019



KELSEY DEVELOPMENTS PLC



REVIEW OF OPERATIONS

Kelsey Developments PLC recorded a consolidated loss after tax of Rs. 223.3Mn for the year ended 31st March 2019 compared to a loss after tax of Rs. 95.8Mn in the corresponding period of the previous year.

During the twelve months period, the Company has recognised a revenue of Rs. 252Mn from the sales in Verdant Villas project, Negombo and Templer's Square project, Mount Lavinia. Further, the Company has secured reservations with an expected sales value of Rs.575Mn which will be recognized in following years.

The Company has inventories of Rs. 1.5Bn at present and focusing its efforts on the sales of its existing projects.

(Sgd.)

Dinesh Schaffter

Managing Director



STATEMENT OF COMPREHENSIVE INCOME

For the period	Group			
	3 Months ended January ~ March		12 Months ended April ~ March	
	2019 Unaudited	2018 Unaudited	2019 Unaudited	2018 Audited
Revenue	16,500	172,436	252,012	768,955
Cost of sales	(9,892)	(131,221)	(190,948)	(613,153)
Gross profit	6,608	41,215	61,064	155,802
Other income	(83)	201	49,328	2,928
Less:				
Administrative expenses	(18,214)	(23,724)	(84,731)	(116,231)
Selling and distribution expenses	(32,798)	(1,196)	(41,769)	(9,780)
Other expenses	(1,500)	(8,577)	(1,501)	(6,234)
(Loss) / Profit from operations	(45,987)	7,919	(17,609)	26,485
Net finance expenses	(48,674)	(36,986)	(201,616)	(167,906)
Loss before taxation	(94,661)	(29,067)	(219,225)	(141,421)
Income tax (expenses)/reversal	(4,027)	48,634	(4,027)	45,662
(Loss) / Profit for the period	(98,688)	19,567	(223,252)	(95,759)
Other comprehensive income for the period	1,707	-	1,707	1,494
Total comprehensive income for the period	(96,981)	19,567	(221,545)	(94,265)
Loss attributable to :				
Equity holders of the parent	(98,688)	19,567	(223,252)	(92,666)
Non controlling interests	-	-	-	(3,093)
	(98,688)	19,567	(223,252)	(95,759)
Total comprehensive income attributable to :				
Equity holders of the parent	(96,981)	19,567	(221,545)	(91,172)
Non controlling interests	-	-	-	(3,093)
	(96,981)	19,567	(221,545)	(94,265)
Basic (loss)/earnings per share (Rs.)	(5.66)	1.12	(12.81)	(5.32)

Figures in brackets indicate deductions.

Note: All values are in Rupees '000s unless otherwise stated.



STATEMENT OF COMPREHENSIVE INCOME

For the period	Company			
	3 Months ended January ~ March		12 Months ended April ~ March	
	2019 Unaudited	2018 Unaudited	2019 Unaudited	2018 Audited
Revenue	-	-	-	923
Cost of sales	-	-	-	-
Gross profit	-	-	-	923
Other income	-	-	-	20
Less:				
Administrative expenses	(340)	(377)	(1,257)	(1,599)
Selling and distribution expenses	-	-	-	-
Other expenses	-	(24,318)	-	(16,500)
Loss from operations	(340)	(24,695)	(1,257)	(17,156)
Net finance income	3,551	(227)	9,588	-
Profit/ (loss) before taxation	3,211	(24,922)	8,331	(17,156)
Income tax expenses	-	-	-	-
Profit / (loss) for the period	3,211	(24,922)	8,331	(17,156)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	3,211	(24,922)	8,331	(17,156)
Basic earnings / (loss) per share (Rs.)	0.18	(1.43)	0.48	(0.98)

Figures in brackets indicate deductions.

Note: All values are in Rupees '000s unless otherwise stated.



STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	31 Mar 2019 Unaudited	31 Mar 2018 Audited	31 Mar 2019 Unaudited	31 Mar 2018 Audited
ASSETS				
Non-current assets				
Intangible assets	-	8,694	-	-
Property, plant & equipments	18,947	25,677	-	-
Investments in subsidiaries	-	-	194,946	299,952
Deferred tax assets	25,956	45,516	-	-
	44,903	79,887	194,946	299,952
Current assets				
Inventories	1,520,740	1,498,775	31,536	31,536
Trade and other receivables	9,850	22,527	113	26
Amounts due from related parties	81,130	194	80,319	2,643
Income tax receivables	6,773	15,328	498	19
Cash and cash equivalents	1,846	18,063	123	476
	1,620,339	1,554,887	112,589	34,700
TOTAL ASSETS	1,665,242	1,634,774	307,535	334,652
EQUITY & LIABILITIES				
Capital and reserves				
Stated Capital - Ordinary Share Capital	232,390	232,390	232,390	232,390
Preference Share Capital	300,000	-	-	-
Capital reserves	15,000	15,000	-	-
Other reserves	7,500	7,500	7,500	7,500
Retained earnings/(losses)	(361,490)	(139,945)	951	(7,380)
Total equity	193,400	114,945	240,841	232,510
Non-current liabilities				
Long term loans & borrowings	265,731	375,106	-	-
Defined benefit obligations	4,476	7,242	4,476	6,016
	270,207	382,348	4,476	6,016
Current liabilities				
Advances, trade and other payables	280,992	103,919	540	5,584
Unclaimed dividend	517	517	517	517
Amounts due to related parties	510,233	599,459	61,161	90,025
Short term loans and borrowings	384,836	427,583	-	-
Bank overdrafts	25,057	6,003	-	-
	1,201,635	1,137,481	62,218	96,126
TOTAL EQUITY AND LIABILITIES	1,665,242	1,634,774	307,535	334,652

Note: The above figures are subject to audit.
All values are in rupees '000 unless otherwise stated.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)
Amila Waddeniya
Finance Manager

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

(Sgd.)
A.D.E.I. Perera
Chairman

28th May 2019

(Sgd.)
Dinesh Schafter
Managing Director



STATEMENT OF CHANGES IN EQUITY

Group
For the period ended 31st March 2019

	Attributable to equity holders of parent						Non-Controlling Interest	Total Equity
	Stated Capital	Preference share Capital	Capital Reserve	Other Reserves	Retained Earnings Reserves	Total		
Balance as at 1st April 2017 (Audited)	232,390	-	15,000	7,500	(36,721)	218,169	23,470	241,639
Total comprehensive income for the period								
Loss for the period	-	-	-	-	(92,665)	(92,665)	(3,094)	(95,759)
Other comprehensive income, net of tax					1,494	1,494	-	1,494
Total comprehensive income	-	-	-	-	(91,171)	(91,171)	(3,094)	(94,265)
Transactions with equity holders								
Dividend paid	-	-	-	-	(17,429)	(17,429)	-	(17,429)
Total transactions with equity holders	-	-	-	-	(17,429)	(17,429)	-	(17,429)
Change in ownership interests								
Change in ownership interests without change in control	-	-	-	-	5,376	5,376	(20,376)	(15,000)
Total Change in ownership interests	-	-	-	-	5,376	5,376	(20,376)	(15,000)
Balance as at 31st March 2018	232,390	-	15,000	7,500	(139,945)	114,945	-	114,945
Balance as at 1st April 2018 (Audited)	232,390	-	15,000	7,500	(139,945)	114,945	-	114,945
Total comprehensive income for the period								
Loss for the period	-	-	-	-	(223,252)	(223,252)	-	(223,252)
Other comprehensive income, net of tax	-	-	-	-	1,707	1,707	-	1,707
Total comprehensive income	-	-	-	-	(221,545)	(221,545)	-	(221,545)
Transactions with equity holders								
Issue of Preference shares	-	300,000	-	-	-	300,000	-	300,000
Total transactions with equity holders	-	300,000	-	-	-	300,000	-	300,000
Balance as at 31st March 2019	232,390	300,000	15,000	7,500	(361,490)	193,400	-	193,400

Company
For the period ended 31st March 2019

	Stated capital	Other reserves	Retained earnings	Total
Balance as at 1st April 2017 (Audited)	232,390	7,500	27,206	267,096
Total comprehensive income for the period				
Loss for the period	-	-	(17,156)	(17,156)
Total comprehensive income	-	-	(17,156)	(17,156)
Transactions with equity holders				
Dividend paid	-	-	(17,429)	(17,429)
Total transactions with equity holders	-	-	(17,429)	(17,429)
Balance as at 31st March 2018	232,390	7,500	(7,380)	232,510
Balance as at 1st April 2018 (Audited)	232,390	7,500	(7,380)	232,510
Total comprehensive income for the period				
Profit for the period	-	-	8,331	8,331
Total comprehensive income	-	-	8,331	8,331
Balance as at 31st March 2019	232,390	7,500	951	240,841

The figures in brackets indicate deductions.

Note: All values are in Rupees '000s unless otherwise stated.



STATEMENT OF CASH FLOWS

For the period ended	Group		Company	
	31 Mar 2019 Unaudited	31 Mar 2018 Audited	31 Mar 2019 Unaudited	31 Mar 2018 Audited
Cash flows from operating activities				
Net profit / (loss) before taxation	(219,225)	(141,421)	8,331	(17,156)
Adjustments for:				
Depreciation	6,011	11,322	-	-
Provision for defined benefit obligations	1,340	1,670	-	-
Gain on disposal of Subsidiary	(7,502)	-	-	-
(Gain)/loss on sale of fixed assets	-	4,507	-	(20)
Finance income	(11,666)	(1,133)	(9,588)	-
Finance expenses	213,282	169,040	-	-
Less: Impairment provision for Twid Capital (Pvt) Limited	-	-	-	16,500
Operating profit / loss before working capital changes	(17,760)	43,985	(1,257)	(676)
Changes in inventories	(31,524)	266,496	-	(2)
Changes in trade and other receivables	9,201	(5,207)	(87)	256
Changes in amounts due from related parties	(37,672)	3,805	2,332	8,675
Changes in amounts due to related parties	213,350	103,503	(3,864)	35,425
Changes in advances, trade and other payables	183,156	(347,427)	(5,044)	(10,062)
Cash from/(used in) operations	318,751	65,155	(7,920)	33,616
Gratuity paid	(4,920)	(112)	(1,540)	-
Finance Expenses paid	(211,240)	(167,389)	-	-
Income tax paid	(2,508)	(14,987)	(481)	(3,856)
Net cash from/(used in) operating activities	99,754	(117,333)	(9,941)	29,760
Cash flows from investing activities				
Acquisition of property, plant and equipment	(786)	(18,496)	-	-
Investment in subsidiaries	-	-	-	-
Acquisition of subsidiary, net of cash acquired	-	-	-	-
Cash receipts on disposal of fixed assets	-	102,490	-	20
Proceeds from disposal of investment in subsidiaries-net of cash disposed	4,962	-	-	-
Finance income received	11,666	1,133	9,588	-
Net cash from / (used in) investing activities	15,842	85,127	9,588	20
Cash flows from financing activities				
Proceeds from interest bearing loans and borrowings	331,000	400,000	-	-
Repayment of interest bearing loans and borrowings	(481,867)	(222,357)	-	-
Leased capital repayment	-	(282)	-	-
Dividend paid	-	(17,429)	-	(17,429)
Acquisition of Non controlling interest	-	(15,000)	-	(15,000)
Net cash flows from / (used in) financing activities	(150,867)	144,932	-	(32,429)
Net increase / (decrease) in cash and cash equivalents	(35,271)	112,726	(353)	(2,649)
Cash and cash equivalents at the beginning of the period	12,060	(100,666)	476	3,125
Cash and cash equivalents at the end of the period	(23,211)	12,060	123	476

The figures in brackets indicate deductions
 Note : All values are in rupees '000s unless otherwise stated.



NOTES TO THE FINANCIAL STATEMENTS

1. Net assets per share

As at 31st March

Group		Company	
2019	2018	2019	2018
Rs.	Rs.	Rs.	Rs.
11.10	6.59	13.82	13.34

2. Market price per share

As at 31st March

	2019	2018
Highest market price recorded	34.00	47.90
Lowest market price recorded	20.00	33.00
Closing market price recorded	25.10	33.00

3. The above figures are provisional and subject to audit. The interim condensed Financial Statements for the twelve months ended 31st March 2019 have been prepared in accordance with LKAS 34 Interim Financial Reporting.

The Interim Condensed Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements for the year ended 31 March 2018.

4. The presentation and classification of figures for the corresponding period of the previous year have been reclassified to be comparable with those of the current year where necessary.
5. There have been no significant changes in the nature of the Contingent Liabilities which were disclosed in the Audited Financial Statements for the year ended 31 March 2018.
6. The number of shares represented by stated capital as at 31st March 2019 are 17,429,274 shares. (31st March 2018 -17,429,274).
7. On 31 July 2018, Kelsey Developments PLC disposed its fully owned subsidiary, Pre Fab Engineering Projects (Pvt) Ltd for a consideration of Rs. 105 Mn to Nextventures Limited (related party company).
8. On 28th February 2019, Kelsey Homes (Pvt) Limited issued Three Million (3,000,000), 16% Cumulative Preference Shares of Rs.100/- each, redeemable at the option of the issuer to Dunamis Capital PLC.
9. There have been no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.



INVESTOR INFORMATION

List of twenty major shareholders as at 31st March 2019

Names of shareholders	No of Shares	Holding %
01. Dunamis Capital Plc	13,925,990	79.90
02. Janashakthi PLC Account No. 1	1,075,797	6.17
03. Pan Asia Banking Corporation PLC/Mrs. M. Mathews	827,099	4.75
04. Mr. T. Ono	321,055	1.84
05. Dr. R.M.S. Fernando	218,400	1.25
06. Mr. K.C. Vignarajah	58,538	0.34
07. Mr. A.H. Munasinghe	58,325	0.33
08. Mr. A.R. Ranaweera Kaluarachchige	50,001	0.29
09. Mr. R.J.S. Jayamaha	50,000	0.29
10. Mrs. M.B.H.H.K. Silva	40,916	0.23
11. Mr. K. Kondo	33,674	0.19
12. Dr. S.D. Rajamantri	25,492	0.15
13. Mrs. S. Vignarajah	18,215	0.10
14. Mrs. N.H.M.L. Perera	16,875	0.10
15. Mr. D.J. Galhindarachchi	6,700	0.10
16. Mr. W.M.L.F.S. Fernando	16,000	0.09
17. Mr. S.J.M. Jayamaha	16,000	0.09
18. Mr. G.C.W. De Silva	15,000	0.09
19. Mr. E.M.A. Weerasinghe	14,250	0.08
20. Mr. M.D.M. Wijegoonewardena	11,500	0.07
	16,809,827	96.45

Disclosure in accordance with the section 7.4 (b) (ii) - Appendix 7B (a) (Item 4) of CSE Listing Rules (as at 31st March 2019)

Float adjusted market capitalisation	40,116,437
Public holding percentage	9.17%
Number of public share holders	1,066

The Company has not complied with the Minimum Public Holding requirement under option 5 of section 7.13.1 (a) of CSE Listing rules.

Shareholdings of the Board of Directors

Name	Designation	No of Shares As at 31 March 2019	Holdings %
Mr. A. D. E. I. Perera	Chairman	-	-
Mr. D. Schaffter	Managing Director	-	-
Mr. C. L. De Silva	Director	-	-
Mr. P. A. Schaffter	Director	-	-
Mr. R. Schaffter	Director	-	-