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SINGER INDUSTRIES (CEYLON) PLC

INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 30TH JUNE 2018

STATEMENT OF FINANCIAL POSITION

As at 30th June	Note	2018 Rs'000	2017 Rs'000	December 2017 Rs'000
A S S E T S				
Non-Current Assets				
Property, Plant & Equipment		943,650	952,183	947,370
Investment Property		200,000	150,000	200,000
Investment in Equity Accounted Investee		69,715	61,735	68,549
Other Receivables		754	1,791	853
		1,214,119	1,165,709	1,216,772
Current Assets				
Inventories		119,137	150,759	97,606
Trade and Other Receivables		1,070	6,065	1,920
Amounts Due from Related Parties		81,801	84,897	101,031
Prepayments		3,936	1,053	3,502
Income Tax Recoverable		6,770	-	5,119
Investment in Fixed Deposits		130,003	116,061	122,905
Cash and Cash Equivalents		8,096	517	17,934
		350,813	359,352	350,017
Total Assets		1,564,932	1,525,061	1,566,789
E Q U I T Y A N D L I A B I L I T I E S				
Equity				
Stated Capital	2	38,463	38,463	38,463
Capital Reserves		655,523	890,077	655,523
Revenue Reserves		456,232	440,160	503,843
Total Equity		1,150,218	1,368,700	1,197,829
Non-Current Liabilities				
Deferred Tax Liabilities		239,258	10,454	238,641
Employee Benefits		55,056	45,511	51,524
		294,314	55,965	290,165
Current Liabilities				
Trade and Other Payables		54,750	82,187	59,259
Provisions		7,333	8,358	7,639
Amounts due to Related Parties-Non Trade		703	-	5,552
Income Tax Payable		-	1,938	-
Dividend Payable		3,290	1,517	1,168
Loans and Borrowings		54,324	6,396	5,177
		120,400	100,396	78,795
Total Liabilities		414,714	156,361	368,960
Total Equity and Liabilities		1,564,932	1,525,061	1,566,789
Net Assets per Share		299.05	355.85	311.42

I certify that the Financial Statements of the Company comply with the requirements of the Companies Act No 7 of 2007.

(sgd.)

Chamil Ranaweera
Chief Finance Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of the Board by,

(sgd.)

H.A. Pieris
Director

Colombo
08th August 2018

(Sgd.)

K.D.Kospelwatta
Director

Interim Financial Statements For the Period Ended 30th June 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Period Ended 6/30/2018 Rs'000	Period Ended 6/30/2017 Rs'000	Variance Rs'000	Variance %
Revenue	352,013	347,334	4,678	1%
Cost of Sales	(354,657)	(347,781)	(6,876)	2%
Gross Profit	(2,644)	(447)	(2,198)	492%
Other Income	10,478	5,500	4,978	110%
Administrative Expenses	(6,246)	(3,605)	(2,642)	73%
Distribution Cost	(1,827)	(1,791)	(36)	2%
Finance Income	8,359	7,038	1,321	19%
Finance Cost	(1,963)	(113)	(1,850)	1641%
Net Finance Income	6,396	6,925	(528)	-8%
Share of Profit of Equity Accounted Investee (Net of Income Tax)	1,167	1,193	(26)	-2%
Profit Before Taxation	7,324	7,775	(451)	-6%
Income Tax Expense	(3,780)	(1,843)	(1,937)	105%
Profit for the Period	3,544	5,932	(2,388)	-40%
Other Comprehensive Income				
Remeasurements of Defined Benefit Liability/ (Asset)	-	-	-	-
Related Tax	-	-	-	-
Other Comprehensive Income - (Net of Tax)	-	-	-	-
Total Comprehensive Income	3,544	5,932	(2,388)	-40%
Basic Earnings per Share	0.92	1.54		

Share Prices

	Period Ended 6/30/2018	Period Ended 6/30/2017
Highest	Rs.168.00	Rs.172.50
Lowest	Rs.127.10	Rs.126.00
Last Traded Price	Rs.139.90	Rs.151.50

Interim Financial Statements For the Period Ended 30th June 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended 6/30/2018 Rs'000	Quarter Ended 6/30/2017 Rs'000	Variance Rs'000	Variance %
Revenue	134,641	123,921	10,720	9%
Cost of Sales	(135,139)	(133,085)	(2,054)	2%
Gross Profit	(498)	(9,164)	8,666	95%
Other Income	7,801	2,582	5,219	202%
Administrative Expenses	(3,334)	(1,669)	(1,665)	100%
Distribution Cost	(248)	(721)	473	-66%
Finance Income	4,372	3,382	990	29%
Finance Cost	(1,600)	(41)	(1,559)	3802%
Net Finance Income	2,772	3,341	(569)	-17%
Share of Profit of Equity Accounted Investee (Net of Income Tax)	570	592	(22)	-4%
Profit Before Taxation	7,063	(5,039)	12,102	240%
Income Tax Expense	(2,863)	1,576	(4,439)	-282%
Profit for the Quarter	4,200	(3,463)	7,663	221%
<u>Other Comprehensive Income</u>				
Remeasurements of Defined Benefit Liability/ (Asset)	-	-	-	-
Related Tax	-	-	-	-
Other Comprehensive Income - (Net of Tax)	-	-	-	-
Total Comprehensive Income for the Quarter	4,200	(3,463)	7,663	221%
Basic Earnings per Share	1.09	(0.90)		

Accounting Policies of Interim Accounts are the same as in 2017 Annual Financial Statements.
Figures in brackets indicate deductions.

Share Prices

	2nd Quarter of 2018	2nd Quarter of 2017
Highest	Rs.155.00	Rs.172.50
Lowest	Rs.138.00	Rs.126.00
Last Traded Price	Rs.139.90	Rs.151.50

STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company				
		Capital Reserves	Revenue Reserves		
	Stated Capital Rs'000	Revaluation Reserve Rs'000	General Reserve Rs'000	Retained Earnings Rs'000	Total Equity Rs'000
Balance as at 1st January 2017	38,463	890,077	61,484	397,745	1,387,769
<u>Total Comprehensive Income for the Six Month ended 30th June 2017</u>					
Profit for the Six months	-	-	-	5,932	5,932
<u>Other Comprehensive Income</u>	-	-	-	-	-
Revaluation Land & Building	-	-	-	-	-
Related tax	-	-	-	-	-
Other Comprehensive Income for the six Months	-	-	-	-	-
Transactions with the owners of the Company, recognised directly in the equity					
Dividend of Rs. 6.50/- per share for 2016	-	-	-	(25,001)	(25,001)
Realisation of Revaluation Surplus	-	-	-	-	-
Balance as at 30th June 2017	38,463	890,077	61,484	378,676	1,368,700
<u>Total Comprehensive Income for the Six Month ended 31st December 2017</u>					
Profit for the Six months	-	-	-	62,478	62,478
<u>Other Comprehensive Income</u>					
Revaluation Land & Building	-	-	-	-	-
Actuarial Loss on Retirement Benefit Obligation	-	-	-	(1,282)	(1,282)
Related tax	-	-	-	359	359
Deferred tax on revaluation of land	-	(232,425)	-	-	-
Other Comprehensive Income for the six Months	-	(232,425)	-	(923)	(233,348)
	-	(232,425)	-	61,554	(170,871)
Realisation of Revaluation Surplus	-	(2,129)	-	2,129	-
Balance as at 31st December 2017	38,463	655,523	61,484	442,360	1,197,829
Profit for the Six months	-	-	-	3,544	3,544
<u>Other Comprehensive Income</u>					
Revaluation Land & Building	-	-	-	-	-
Related tax	-	-	-	-	-
Other Comprehensive Income for the six months	-	-	-	-	-
Transactions with the owners of the Company, recognised directly in the equity					
Dividend of Rs.13.40 per share for 2017	-	-	-	(51,156)	(51,156)
Realisation of Revaluation Surplus	-	-	-	-	-
Balance as at 30th June 2018	38,463	655,523	61,484	394,748	1,150,217

Interim Financial Statements For the Period Ended 30th June 2018

STATEMENT OF CASH FLOW

For the period ended 30th June	2018 Rs. '000	2017 Rs. '000
Cash Flows From Operating Activities		
Profit Before Income Tax Expense	7,324	7,775
<i>Adjustments for;</i>		
Share of (Profit)/Loss of Equity Accounted Investee	(1,167)	(1,193)
Depreciation on Property , Plant & Equipment	3,721	4,391
Gain on Disposal of Property, Plant & Equipment	-	(300)
Change in Fair Value of Investment Property	-	-
Impairment of machineries	-	-
Interest Income	(8,359)	(7,038)
Interest Expense	1,963	113
Provision/(reversal) for Obsolete Inventories	-	-
Provision for Employee Benefits	5,163	1,653
Operating Profit before Working Capital Changes	8,644	5,401
(Increase)/Decrease in Inventories	(21,531)	(24,313)
(Increase)/ Decrease in Trade and Other Receivables	517	(180)
(Increase)/Decrease in Trade Dues from Related Companies	19,933	26,306
Increase /(Decrease) in Trade and Other Payables	(10,368)	(6,271)
Cash Generated from Operations	(2,805)	943
Interest Paid	(1,963)	(113)
Retiring Gratuity Paid	(1,631)	(667)
Income Tax Paid	(4,812)	(2,636)
Net Cash Flows from/(used in) Operating Activities	(11,211)	(2,472)
Cash Flows from Investing Activities		
Gain on Disposal of Property, Plant & Equipment	-	300
(Investment)/Withdrawal of Fixed Deposits	(7,099)	(5,737)
Interest Income received	8,359	7,038
Net Cash Flows from/(used in) Investing Activities	1,260	1,601
Cash Flows From Financing Activities		
Dividends Paid	(49,034)	(21,901)
Net Cash Flows used in Financing Activities	(49,034)	(21,901)
Net Increase/(Decrease) in Cash and Cash Equivalents	(58,985)	(22,772)
Cash and Cash Equivalents at the beginning of the year	12,757	16,893
Cash and Cash Equivalents at the end of the period	(46,228)	(5,879)

Notes to the Financial Statements

1 Interim Financial Statements

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the period ended 31st December 2017, are in compliance with Sri Lanka Accounting Standards -LKAS 34 - "Interim Financial Reporting".

*** The Interim Financial Statements are provisional and subject to audit.**

2 General

	30th June 2018	30th June 2017
Stated Capital	38,463,000	38,463,000
Number of Shares - Ordinary Shares	3,846,300	3,846,300
Voting Rights	One vote per ordinary share	One vote per ordinary share

3 Commitments and Contingencies

3.1 Capital Expenditure Commitments

The company does not have significant capital commitments as at the reporting date.

3.2 Contingencies :

Financial Commitments

The company does not have significant financial commitments as at the reporting date.

4 Events Occurring after the Reporting Date

There have been no materials events occurring after the date of Statement of Financial Position that require adjustment to or disclose in the financial statements.

5 Related Party Disclosure

The Company carries out transaction in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24) - "Related Party Disclosure".

Interim Financial Statements For the Period Ended 30th June 2018

Notes to the Financial Statements

6 Twenty Largest Shareholders

		June 2018	
	Name	No of Shares	%
1	Singer (Sri Lanka) PLC	3,373,967	87.72%
2	J.B.Cocoshell (Pvt) Ltd	32,392	0.84%
3	Union Investments Private Ltd	31,800	0.83%
4	Mr.Udayathilaka Indrapala Suriyabandara	25,383	0.66%
5	Mr. - Gajath Chrysantha Goonetilleke	11,506	0.30%
6	Mr. - Abdul Latiff Mohammed Hussain	10,000	0.26%
7	Mrs.- Zohra Taher Jafferjee	8,423	0.22%
8	Mrs. - Colombage Dona Danushika Kumari	6,750	0.18%
9	Mr. - Sivarajah Nishyanthan	6,000	0.16%
10	Mr. - Withanage Don Duleep Rohan Mahatantila	6,000	0.16%
11	Mr. - Sivarajah Aravinthan	5,100	0.13%
12	The Incorporated Trustees of the Church Of Ceylon	5,000	0.13%
13	Mrs. - Marina Jayanthi Thambinayagam	5,000	0.13%
14	Mr. - Shyamsunder Ramanathan	4,742	0.12%
15	Mr. - Adasooriya Mudiyansele Ranjith Adasooriya	4,600	0.12%
16	Mr.- Roshan De Silva	4,400	0.11%
17	Mr. - Abdul Nasser Majeed	4,127	0.11%
18	Mr. - Loku Narangodage Sarath Kumara Samarasinghe	4,104	0.11%
19	Mr. - Anushka Randika Jayasinghe	3,979	0.10%
20	Mr. - Piyal Dushantha Hennayake	3,700	0.10%
	Total	3,556,973	0.92

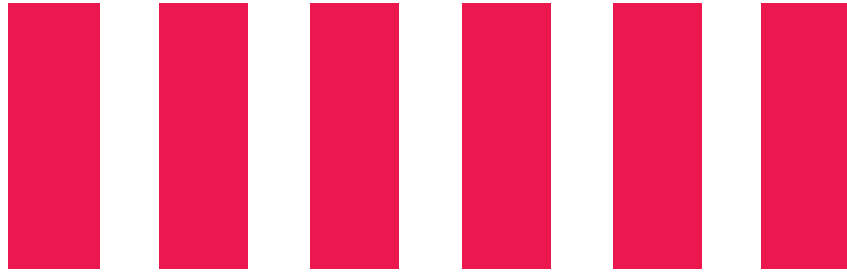
7 Director's and CEO's Shareholdings as at :

		30th June 2018	30th June 2017
	Name of the Director	No of Shares	No of Shares
	Mr. A.M.Pandithage (Chairman)	-	-
	Mr. H A Pieris	-	-
	Mr. V G K Vidyaratne	100	100
	Mr. G J Walker (Resigned with effect from 4th July 2018)	-	-
	Mr. K D Kospelwatta	200	200
	Mr. Dilip Kumar De Silva Wijeyeratne	-	-
	Mr. Noel Joseph	-	-
	Mr. M.H.Jamaldeen	-	-
	Mr. Gamini Gunaratne	-	-
	Mr. S.C.Ganegoda	-	-
	Mr. A C M Irzan (Alternate Director) (Resigned with effect from 4th July 2018)	-	-

8	No. of Shareholders	No. of Shares	%
	Shares held by public	1003	472,033
			12.27

9 Company Secretary

Hayleys Group Service (Private) Limited
Contact No: 0112627650



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**Interim Financial Statements For the Period Ended 30th
June 2018**