

HUNTER AND COMPANY PLC

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019



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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group	For the Quarter ended 31st March			For the year ended 31st March		
	2019	2018	Change	2019	2018	Change
	Rs.	Rs.	%	Rs.	Rs.	%
REVENUE	1,079,329,531	1,050,355,995	3	3,426,839,101	3,344,233,826	2
COST OF SALES	(713,863,600)	(710,922,665)	0	(2,342,400,657)	(2,253,051,212)	4
GROSS PROFIT	365,465,931	339,433,330	8	1,084,438,444	1,091,182,614	(1)
Other Operating Income	14,580,247	3,059,864	376	24,816,731	19,517,539	27
Establishment & Administration Expenses	(95,326,776)	(82,090,857)	16	(383,874,940)	(341,232,960)	12
Selling & Distribution Expenses	(208,617,846)	(202,390,010)	3	(638,828,700)	(635,192,136)	1
PROFIT FROM OPERATIONS	76,101,556	58,012,327	31	86,551,535	134,275,057	(36)
Finance Income	5,241,150	4,739,149	11	16,968,287	20,837,176	(19)
Finance Cost	(19,259,834)	(15,747,671)	22	(73,432,375)	(48,244,810)	52
PROFIT/(LOSS) BEFORE TAX	62,082,872	47,003,805	32	30,087,447	106,867,423	(72)
Income Tax Expenses	(4,649,434)	(4,082,590)	14	(25,271,747)	(24,907,303)	1
PROFIT/(LOSS) FOR THE PERIOD	57,433,438	42,921,215	34	4,815,700	81,960,120	(94)
OTHER COMPREHENSIVE INCOME						
Gains on Revaluation on Land & Buildings	-	7,661,930,091	-	-	7,661,930,091	-
Deferred tax Component - Gains on revaluation of Land and Buildings	-	(3,305,582,819)	-	-	(3,305,582,819)	-
Actuarial Gain/(Loss) on Retirement Benefit Obligation	(3,046,863)	(14,520,808)	(79)	(3,046,863)	(14,520,808)	(79)
Deferred Tax - Actuarial Loss/(Gain)	842,859	4,065,826	(79)	842,859	4,065,826	(79)
Change in fair Value of AFS Investments	-	-	-	-	-	-
Other Comprehensive Income for the period net of Tax	(2,204,004)	4,345,892,290	-	(2,204,004)	4,345,892,290	-
TOTAL COMPREHENSIVE INCOME	55,229,434	4,388,813,505		2,611,696	4,427,852,410	
Profit/(Loss) attributable to :						
Equity Holders of the Parent	46,572,697	32,452,359	44	11,555,117	75,874,576	(85)
Non-controlling interest	10,860,741	10,468,856	4	(6,739,417)	6,085,544	(211)
	57,433,438	42,921,215	47	4,815,700	81,960,120	(296)
Total Comprehensive Income attributable to :						
Equity Holders of the Parent	44,639,202	4,008,351,985	(99)	9,621,622	4,044,407,216	(100)
Non-controlling interest	10,590,233	380,461,520	(97)	(7,009,925)	383,445,194	(102)
	55,229,434	4,388,813,505	(196)	2,611,696	4,427,852,410	(202)
Basic Earnings/(Deficits) per Share	9.05	6.31		2.25	14.75	

Note :

The above figures are not audited.

Notes on page 07 to 08 form an integral part of these financial statements.

Figures in brackets indicate deductions.

COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company	For the Quarter ended 31st March			For the year ended 31st March		
	2019	2018	Change	2019	2018	Change
	Rs.	Rs.	%	Rs.	Rs.	%
REVENUE	236,224,880	229,942,433	3	935,807,018	868,602,607	8
COST OF SALES	(138,886,896)	(138,808,253)	0	(546,475,593)	(525,948,847)	4
GROSS PROFIT	97,337,984	91,134,180	7	389,331,425	342,653,760	14
Other Operating Income	9,924,566	1,776,030	459	13,159,650	25,626,982	(49)
Establishment & Administration Expenses	(44,232,408)	(38,366,871)	15	(204,486,593)	(178,524,086)	15
Selling & Distribution Expenses	(60,824,260)	(55,169,637)	10	(137,640,269)	(115,277,012)	19
PROFIT FROM OPERATIONS	2,205,882	(626,298)	452	60,364,213	74,479,644	(19)
Finance Income	5,013,206	4,693,673	7	19,416,000	22,485,846	(14)
Finance Cost	(4,396,036)	(1,656,699)	165	(15,702,239)	(7,746,413)	103
PROFIT BEFORE TAX	2,823,052	2,410,675	17	64,077,974	89,219,077	(28)
Income Tax Expenses	(2,491,887)	(2,582,590)	(4)	(20,814,200)	(18,264,641)	14
PROFIT/(LOSS) FOR THE PERIOD	331,165	(171,915)	293	43,263,774	70,954,436	(39)
OTHER COMPREHENSIVE INCOME						
Gains on Revaluation on Land & Buildings	-	3,057,033,334	-	-	3,057,033,334	-
Deferred tax Component - Gains on revaluation of Land and Buildings	-	(1,306,001,586)	-	-	(1,306,001,586)	-
Actuarial Gain/(Loss) on Retirement Benefit Obligation	(1,047,343)	(650,796)	61	(1,047,343)	(650,796)	61
Deferred Tax - Actuarial Loss/(Gain)	293,256	182,223	61	293,256	182,223	61
Change in fair Value of AFS Investments	-	-	-	-	-	-
Other Comprehensive Income for the period net of Tax	(754,087)	1,750,563,175	-	(754,087)	1,750,563,175	-
TOTAL COMPREHENSIVE INCOME	(422,922)	1,750,391,260	(100)	42,509,687	1,821,517,611	(98)
Basic Earnings/ (Deficits) per Share	0.06	(0.03)		8.41	13.79	

Note :

The above figures are not audited.

Notes on page 07 to 08 form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2019

	GROUP		COMPANY	
	Un-audited	Audited	Un-audited	Audited
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non Current Assets				
Property, Plant and Equipment	12,579,364,641	12,571,401,388	4,767,282,598	4,752,183,304
Intangible Assets	117,481	579,983	117,481	579,983
Capital work-in-progress	1,686,150	1,926,815	-	-
Investments in Subsidiaries	-	-	56,710,046	56,710,046
	12,581,168,272	12,573,908,186	4,824,110,125	4,809,473,333
CURRENT ASSETS				
Inventories	803,811,128	888,365,655	265,204,113	261,040,533
Trade and Other Receivables	1,164,168,347	1,080,567,693	242,739,959	232,469,852
Other Current Financial Assets	10,540	10,540	10,540	10,540
Amounts Due from Related Parties	-	-	145,267,945	134,122,134
Cash and Cash Equivalents	241,482,185	193,150,339	112,369,068	104,887,741
	2,209,472,200	2,162,094,227	765,591,625	732,530,800
TOTAL ASSETS	14,790,640,472	14,736,002,413	5,589,701,750	5,542,004,133
EQUITY AND LIABILITIES				
Equity attributable to Shareholders				
Stated Capital	137,290,000	137,290,000	137,290,000	137,290,000
Capital Reserves	7,993,589,349	7,993,589,349	3,434,907,999	3,434,907,999
Revenue Reserves	1,246,304,069	1,248,258,697	504,415,163	473,481,727
Total Equity attributable to Equity Holders	9,377,183,418	9,379,138,046	4,076,613,162	4,045,679,726
Non-controlling Interest	941,471,038	948,941,023	-	-
Total Equity	10,318,654,456	10,328,079,069	4,076,613,162	4,045,679,726
Non Current Liabilities				
Interest Bearing Borrowings	120,755,819	162,186,419	-	-
Deferred Tax Liability	3,402,101,673	3,405,476,227	1,324,710,816	1,325,597,150
Retirement Benefit obligations	60,573,960	51,594,948	18,955,745	15,846,636
	3,583,431,452	3,619,257,594	1,343,666,561	1,341,443,786
Current Liabilities				
Trade and Other Payables	414,364,587	374,199,155	63,500,852	82,968,542
Dividends Payable	4,812,633	4,195,035	3,061,829	2,444,448
Current Income Tax Payable	7,431,424	11,471,654	22,243,269	19,265,376
Short Term Interest Bearing Borrowings	43,371,290	38,338,905	-	-
Bank Overdraft	418,574,630	360,461,001	80,616,077	50,202,255
	888,554,564	788,665,750	169,422,027	154,880,621
TOTAL EQUITY AND LIABILITIES	14,790,640,472	14,736,002,413	5,589,701,750	5,542,004,133
Net Assets per Share	1,822.58	1,822.96	792.34	786.33

The above figures are not audited.

Notes on page 07 to 08 form an integral part of these financial statements.

Figures in brackets indicate deductions.

I certify that the financial statements comply with the requirements of the Companies Act No.7 of 2007.

Sgd.

S. B. A. Perera

Chief Financial Officer

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

Sgd.

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M. F. Dossa

Chairman

Sgd.

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L. R. P. Dossa

Managing Director

May 30, 2019

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st March, 2019

Group	Attributable to equity holders of parent					Non Controlling Interest	Total
	Stated Capital	Revaluation Reserves	Available-for-sale Reserves	General Reserves	Retained Earnings		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1st April 2018	137,290,000	7,993,589,349	5,724	4,285,733	1,243,967,240	948,941,023	10,328,079,069
Profit/ (Loss) for the period	-	-	-	-	11,555,117	(6,739,417)	4,815,700
Other Comprehensive Income	-	-	-	-	(1,933,496)	(270,508)	(2,204,004)
Dividend paid by the Company	-	-	-	-	(11,576,250)	-	(11,576,250)
Dividend paid by Subsidiary	-	-	-	-	-	(460,060)	(460,060)
As at 31st March 2019	137,290,000	7,993,589,349	5,724	4,285,733	1,242,012,612	941,471,038	10,318,654,456
As at 1st April 2017	137,290,000	4,016,421,251	5,724	4,285,733	1,196,021,872	569,118,662	5,923,143,242
Profit for the period	-	-	-	-	75,874,576	6,085,544	81,960,120
Other Comprehensive Income	-	3,977,168,098	-	-	(8,635,458)	377,359,650	4,345,892,290
Dividend paid by the Company	-	-	-	-	(19,293,750)	-	(19,293,750)
Dividend paid by Subsidiary	-	-	-	-	-	(3,622,833)	(3,622,833)
As at 31st March 2018	137,290,000	7,993,589,349	5,724	4,285,733	1,243,967,240	948,941,023	10,328,079,069

Company	Stated Capital	Capital Reserves	Available-for-sale Reserves	General Reserves	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1st April 2018	137,290,000	3,434,907,999	5,724	4,105,662	469,370,341	4,045,679,726
Profit for the period	-	-	-	-	43,263,774	43,263,774
Other Comprehensive Income	-	-	-	-	(754,087)	(754,087)
Dividend Paid	-	-	-	-	(11,576,250)	(11,576,250)
As at 31st March 2019	137,290,000	3,434,907,999	5,724	4,105,662	500,303,777	4,076,613,162
As at 1st April 2017	137,290,000	1,683,876,251	5,724	4,105,662	418,178,228	2,243,455,865
Profit for the period	-	-	-	-	70,954,436	70,954,436
Other Comprehensive Income	-	1,751,031,748	-	-	(468,573)	1,750,563,175
Dividend Paid	-	-	-	-	(19,293,750)	(19,293,750)
As at 31st March 2018	137,290,000	3,434,907,999	5,724	4,105,662	469,370,341	4,045,679,727

Note :

The above figures are not audited.

Notes on page 07 to 08 form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

For the year ended 31st March, 2019

Group	Group		Company	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) Before Tax	30,087,447	106,867,423	64,077,974	89,219,077
Adjustments for ;				
Provision for Gratuity	12,463,345	10,141,935	3,912,015	3,304,199
Depreciation & Amortisation	58,340,435	40,462,188	3,980,542	4,930,989
Provision for Bad Debts	2,250,413	4,670,230	-	4,670,230
Finance Cost	73,432,375	48,244,810	15,702,239	7,746,413
Finance Income	(16,968,287)	(20,837,176)	(19,416,000)	(19,023,990)
Profit/(Loss) from Sale of Property, Plant & Equipment	(12,847,008)	-	(4,734,783)	(3,621,739)
Operating Profit before Working Capital changes	146,758,720	189,549,410	63,521,987	87,225,179
Changes in:				
Inventories	84,554,527	(5,131,338)	(4,163,580)	74,073,156
Trade and Other Receivables	(85,851,067)	(52,807,486)	(10,270,108)	(43,112,364)
Trade and Other Payables	40,783,028	(63,066,528)	(18,850,309)	(27,718,998)
Dues from Related Parties	-	-	(11,145,811)	(22,956,484)
Cash generated from Operations	186,245,208	68,544,058	19,092,179	67,510,489
Gratuity paid	(6,531,196)	(4,245,826)	(1,850,250)	(1,039,000)
Taxes paid	(31,843,672)	(32,228,732)	(18,429,386)	(9,616,367)
Net Cash from (used in) Operating Activities	147,870,340	32,069,500	(1,187,457)	56,855,122
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(65,998,958)	(120,026,005)	(18,617,332)	(1,031,133)
Investment in Biological Assets	240,665	-	-	-
Proceeds from Sale of Property, Plant and Equipment	13,004,783	-	4,734,783	3,621,739
Finance Income received	16,968,287	20,837,176	19,416,000	19,023,990
Net Cash from (used in) Investing Activities	(35,785,223)	(99,188,829)	5,533,451	21,614,596
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Proceeds/(Repayments) of Long term borrowings (Net)	(36,398,215)	70,431,565	-	-
Finance cost paid	(73,432,375)	(48,244,810)	(15,702,239)	(7,746,413)
Dividend paid	(12,036,310)	(23,104,981)	(11,576,250)	(19,352,021)
Net Cash from/(used in) Financing Activities	(121,866,900)	(918,226)	(27,278,489)	(27,098,434)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(9,781,783)	(68,037,555)	(22,932,495)	51,371,284
Cash and Cash Equivalents at the beginning of the period	(167,310,662)	(99,273,107)	54,685,486	3,314,202
Cash and Cash Equivalents at the end of the Period	(177,092,445)	(167,310,662)	31,752,991	54,685,486
NOTE A				
Cash and Cash Equivalents at the Beginning of the period				
Cash and Bank Balances	193,150,339	155,274,730	104,887,741	89,177,143
Less; Bank Overdraft	(360,461,001)	(254,547,837)	(50,202,255)	(85,862,941)
	(167,310,662)	(99,273,107)	54,685,486	3,314,202
NOTE B				
Cash and Cash Equivalents at the end of the period				
Cash and Bank Balances	241,482,185	193,150,339	112,369,068	104,887,741
Less; Bank Overdraft	(418,574,630)	(360,461,001)	(80,616,077)	(50,202,255)
	(177,092,445)	(167,310,662)	31,752,991	54,685,486

Note :

The above figures are not audited.

Notes on page 07 to 08 form an integral part of these financial statements.

Figures in brackets indicate deductions.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the year ended 31st March, 2019

01. CORPORATE INFORMATION

Hunter & Company PLC is a limited liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the Company and the principal place of business are located at No. 130, Front Street, Colombo 11.

02. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The financial statements for the year ended 31st March 2019, includes "the Company" referring to Hunter & Company PLC., as the holding Company and "the Group" referring to the Companies whose accounts have been consolidated therein.

03. APPROVAL OF FINANCIAL STATEMENTS

The interim financial statements of the Group and the Company for the year ended 31st March 2019 were authorized for issue by the Board of Directors on 30th May 2019.

04. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Sri Lanka Accounting Standards - LKAS 34 interim financial reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2018.

Accordingly the accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. The presentation and classification of the financial statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.

05. CONTINGENCIES, CAPITAL AND OTHER COMMITMENTS

There has been no significant change in the nature of the contingencies and other commitments.

06. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events subsequent to the reporting date, which require disclosure in the interim financial statements.

07. DIVIDENDS PAID

The final ordinary dividend of Rs. 2.25 per share for the year ended 31st March 2018 was paid on 05th October 2018, after it was approved at the Annual General Meeting on the 28th September 2018. Total dividend paid was Rs. 11,576,250.

08. SEGMENTS INFORMATION

FOR THE YEAR ENDED 31ST MARCH 2019	Retail/Wholesale Trade and Others	Manufacturing	Total
	Rs.	Rs.	Rs.
Total Turnover	1,090,251,275	2,491,944,838	3,582,196,113
Less: Inter Segment Sales/Rendering of Services	(155,340,128)	(16,884)	(155,357,011)
Sales to Customers Outside the Company	934,911,147	2,491,927,954	3,426,839,101
Depreciation and Amortization	3,980,542	54,359,893	58,340,435
Net Finance Cost / (Income)	2,209,130	(58,673,217)	(56,464,088)
Profit/(Loss) Before Tax	70,696,688	(40,609,240)	30,087,448
Property, Plant and Equipment	7,917,144,782	4,662,219,860	12,579,364,641
Intangible Assets	117,481	-	117,481
Current Assets	682,140,954	1,527,331,245	2,209,472,199
Current Liabilities	171,712,921	716,841,644	888,554,565

FOR THE YEAR ENDED 31ST MARCH 2018	Retail/Wholesale Trade and Others	Manufacturing	Total
	Rs.	Rs.	Rs.
Total Turnover	1,031,565,000	2,444,296,479	3,475,861,479
Less: Inter Segment Sales	(131,627,653)	-	(131,627,653)
Sales to Customers Outside the Company	899,937,347	2,444,296,479	3,344,233,826
Depreciation and Amortization	5,155,669	35,306,519	40,462,188
Net Finance Cost / (Income)	29,174,955	(56,582,589)	(27,407,634)
Profit/(Loss) Before Tax	85,198,031	21,669,392	106,867,423
Property, Plant and Equipment	8,051,758,983	4,669,392,405	12,721,151,388
Intangible Assets	579,983	-	579,983
Current Assets	654,020,211	1,508,074,276	2,162,094,487
Current Liabilities	152,704,851	635,961,159	788,666,010

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the year ended 31st March, 2019

09. SHARE INFORMATION

08.1 Stated Capital

Stated capital is represented by number of shares in issue as given below:

As at	31.03.2019	31.03.2018
Ordinary shares	5,145,000	5,145,000

08.2 Net assets per share

Net assets per share have been calculated, for all periods, based on the number of shares in issue as at 31st March 2019.

As at	31.03.2019		31.03.2018	
	Rs.	Cts.	Rs.	Cts.
Group	1,822.58		1,822.96	
Company	792.34		786.33	

08.3 Market price per share

For the three months ended 31st March,	2019		2018	
	Rs.	Cts.	Rs.	Cts.
Highest	448.50		500.00	
Lowest	375.00		341.00	
Last traded	400.00		495.00	

08.4 Public share holdings

Percentage of shares held by the public and the number of public shareholders is as given below

As at	31.03.2019	31.03.2018
Public shareholding (%)	29.676%	29.676%
Public shareholders	743	758
Compliant under option 5 - Float adjusted market capitalization (LKR)	610,741,200	755,792,235

The Float adjusted market capitalization of the Company falls under Option 5 of Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

08.5 Directors' share holdings

The number of shares held by the Board of Directors are as follows:

As at	31.03.2019		31.03.2018	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
MR. M.F.DOSSA	600	0.012	600	0.012
MRS. L.R.P.DOSSA	3,617,447	70.310	3,617,447	70.310
MR. L.C.R. DE C.WIJETUNGE	100	0.002	100	0.002
MR. D.H.J.GUNAWARDENA	Nil	Nil	Nil	Nil
MR. N.C.PEIRIS	Nil	Nil	Nil	Nil
MR. S.R.S. DE SARAM	Nil	Nil	Nil	Nil
MR. Y.KANAGASABAI	Nil	Nil	Nil	Nil

08.6 Twenty largest shareholders of the Company:

As at	31.03.2019	
	No. of Shares	% of Shareholding
1 MRS L.R.P. DOSSA	3,617,447	70.310
2 MR T.T.T. AL-NAKIB	653,545	12.703
3 MR K.C. VIGNARAJAH	211,119	4.103
4 MRS A.T.T.T. ALNAKIB	133,630	2.597
5 SAMPATH BANK PLC/MRS.PRIYANI DHARSHINI RATNAGOPAL	100,000	1.944
6 MIS M.M. HUNTER	81,250	1.579
7 HATTON NATIONAL BANK PLC/CAPITAL TRUST HOLDINGS LIMITED	41,648	0.809
8 BANK OF CEYLON NO. 1 ACCOUNT	27,100	0.527
9 MR A.F. GEBBIE	24,662	0.479
10 MR R. RATNA GOPAL	16,200	0.315
11 MRS C.A.D.S. WOODWARD	14,900	0.290
12 ENTERPRISE CEYLON CAPITAL (PRIVATE) LIMITED (STOCK DEALER)	13,976	0.272
13 MR M.M.M. MIZVER	7,933	0.154
14 MR G.C. GOONETILLEKE	7,715	0.150
15 MRS S. VIGNARAJAH	7,609	0.148
16 HATTON NATIONAL BANK PLC/SHAKIR ASGERALLY LUKMANJEE	7,600	0.148
17 MCBRIDGE BLUE (PRIVATE) LIMITED	7,500	0.146
18 MR M.M.M. MILFER	6,693	0.130
19 EXPORTERS & CONSUMERS CONSORTIUM (PRIVATE) LTD	5,062	0.098
20 DR S YADDEHIGE	5,000	0.097