

THE URBAN GETAWAY

Interim Condensed Financial Statements
For the Quarter Ended 30 Sep 2016

Trans Asia Hotels PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Quarter ended 30th September			Six months ended 30th September		
		2016	2015	Change %	2016	2015	Change %
Continuing operations							
Rendering of services		845,928	508,270	66	1,503,990	952,679	58
Revenue		845,928	508,270	66	1,503,990	952,679	58
Cost of sales		(325,819)	(248,537)	(31)	(600,502)	(477,142)	(26)
Gross profit		520,109	259,733	100	903,488	475,537	90
Other operating income		3,598	4,433	(19)	6,685	4,353	54
Administrative expenses		(183,981)	(159,747)	(15)	(348,231)	(319,485)	(9)
Distribution expenses		(64,972)	(43,311)	(50)	(112,977)	(71,481)	(58)
Other operating expenses		(78,763)	(90,592)	13	(144,720)	(156,958)	8
Results from operating activities		195,991	(29,484)	765	304,245	(68,034)	547
Finance cost		(4,768)	(1)	(476,900)	(8,039)	(1)	(803,800)
Finance income		2,815	819	244	4,531	5,206	(13)
Net finance income		(1,953)	818	(339)	(3,508)	5,205	(167)
Profit / (Loss) before tax		194,038	(28,666)	777	300,737	(62,829)	579
Tax expense	5	(26,221)	(8,981)	(192)	(42,225)	(7,131)	(492)
Profit / (Loss) for the period		167,817	(37,647)	546	258,512	(69,960)	470
Other comprehensive income							
Other comprehensive income for the period, net of tax		-	-	-	-	-	-
Total comprehensive income for the period, net of tax		167,817	(37,647)	546	258,512	(69,960)	470
Earnings per share					Rs. 1.29	Rs. (0.35)	

Note: All values are in Rupees '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

STATEMENT OF FINANCIAL POSITION

As at	30.09.2016	31.03.2016
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	3,713,711	3,775,142
Leasehold property	787,654	793,856
Investment property	1,905,000	1,905,000
Intangible assets	1,051	1,375
Other financial assets	6,281	6,757
Other non-current assets	1,029	1,029
Total non current assets	6,414,726	6,483,159
Current assets		
Inventories	34,792	38,738
Trade and other receivables	397,259	415,855
Other current assets	45,549	46,074
Amounts due from related parties	79,099	65,002
Short term investments	151,729	-
Cash in hand and at bank	105,376	125,646
Total current assets	813,804	691,315
Total assets	7,228,530	7,174,474
EQUITY AND LIABILITIES		
Stated capital	1,112,880	1,112,880
Revenue reserves	3,050,224	2,979,145
Other components of equity	1,599,677	1,611,112
Total equity	5,762,781	5,703,137
Non-current liabilities		
Interest Bearing Borrowings	302,672	359,897
Employees Benefits	117,468	118,603
Deferred tax liabilities	344,224	344,722
Total non-current liabilities	764,364	823,222
Current liabilities		
Trade and other payables	301,490	315,755
Other current liabilities	143,895	117,095
Loans and borrowings	110,063	83,053
Amounts due to related parties	26,380	37,188
Current tax liability	54,176	11,453
Bank overdrafts	65,381	83,571
Total current liabilities	701,385	648,115
Total Liabilities	1,465,749	1,471,337
Total equity and liabilities	7,228,530	7,174,474

	Rs.	Rs.
Net assets per share	28.81	28.52

Note All values are in Rupees '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures are not audited.

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



G D S Peiris
Sector Financial Controller

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



A D Gunewardene
Director



J R F Peiris
Director

26th October 2016

STATEMENT OF CASH FLOWS

For the six months ended 30th September

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	300,737	(62,829)
Adjustments for:		
Finance income	(4,531)	(5,206)
Finance expenses	8,039	1
Depreciation of property, plant and equipment	106,371	99,244
(Profit) / Loss on disposal of property, plant and equipment	(2,570)	(2,610)
Amortisation of leasehold properties	6,202	6,202
Amortisation of intangible assets	324	696
Provision for gratuity	6,742	10,107
Unrealised loss on foreign exchange	(2,700)	22,500
Share based payment expenses	1,132	572
Profit before working capital changes	419,746	68,677
(Increase) / Decrease in inventories	3,946	867
(Increase) / Decrease in trade and other receivables	18,596	76,433
(Increase) / Decrease in other current assets	(13,572)	(3,724)
(Increase) / Decrease in other non-current assets	476	(1,814)
Increase / (Decrease) in trade and other payables	(14,265)	49,297
Increase / (Decrease) in other current liabilities	15,992	(34,846)
Cash generated from operations	430,919	154,890
Finance income received	4,531	5,206
Finance expenses paid	(8,039)	(1)
Tax paid	-	(28,000)
Gratuity paid	(7,876)	(9,649)
Net cash flow from operating activities	419,535	122,446
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Purchase and construction of property, plant and equipment	(46,946)	(425,227)
Proceeds from sale of Property, plant and equipment	4,576	3,667
Net cash used in investing activities	(42,370)	(421,560)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Dividend paid	(200,000)	(400,000)
Repayment of long term borrowing	(27,516)	401,400
Net cash flow from / (used in) financing activities	(227,516)	1,400
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	149,649	(297,714)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	42,075	412,133
CASH AND CASH EQUIVALENTS AT THE END	191,724	114,419
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Favourable balances		
Short term investments	151,729	95,132
Cash in hand and at bank	105,376	122,489
	257,105	217,621
Unfavourable balances		
Bank overdrafts	(65,381)	(103,202)
Total cash and cash equivalents	191,724	114,419

Note : All values are in Rupees '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures are not audited.

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Other Components of Equity Other Capital Reserve	Revaluation Reserve	Revenue Reserve	Total Equity
As at 1st April 2015	1,112,880	5,971	1,633,722	3,235,192	5,987,765
Loss for the period	-	-	-	(69,960)	(69,960)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(69,960)	(69,960)
Transferred to accumulated profit	-	-	(12,567)	12,567	-
Share based payments	-	572	-	-	572
Transaction with owners of the company, recognized directly in equity					
Final dividend paid - 2014/2015	-	-	-	(400,000)	(400,000)
As at 30th September 2015	1,112,880	6,543	1,621,155	2,777,799	5,518,377
As at 1st April 2016	1,112,880	6,817	1,604,295	2,979,145	5,703,137
Profit for the period	-	-	-	258,512	258,512
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	258,512	258,512
Transferred to accumulated profit	-	-	(12,567)	12,567	-
Share based payments	-	1,132	-	-	1,132
Transaction with owners of the company, recognized directly in equity					
Final dividend paid - 2015/2016	-	-	-	(200,000)	(200,000)
As at 30th September 2016	1,112,880	7,949	1,591,728	3,050,224	5,762,781

Note : All values are in Rupees '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures are not audited.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**1 CORPORATE INFORMATION**

Trans Asia Hotels PLC, is a public limited liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

2 APPROVAL OF FINANCIAL STATEMENTS

The interim condensed financial statements of the Company for the six months ended 30th September 2016 were authorised for issue by the Board of Directors on 26th October 2016.

3 BASIS OF PREPARATION

The interim condensed financial statements of the Company have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2016. The accounting policies are applied consistently.

The interim condensed financial statements are presented in Sri Lankan Rupees and all values are rounded to the nearest thousand except when otherwise indicated.

4 OPERATING SEGMENTS

For management purposes the Company is organised into operating segments based on their products and services and has two reportable operating segments as follows:

Leisure

The principal activity of the Company which is hoteliering remained unchanged. The Company owns Cinnamon Lakeside Hotel, a five star hotel situated in Colombo.

Property

The Company also derives rental income from the Investment Property adjoining the hotel.

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

For the six months ended 30th September 2016

	Hotel	Investment Property	Total
Total revenue	1,473,325	30,665	1,503,990
Other operating income	6,685	-	6,685
Expenses	(1,201,988)	(4,442)	(1,206,430)
Net finance income	(3,508)	-	(3,508)
Profit & Loss before taxation	274,514	26,223	300,737
Segment assets	5,323,530	1,905,000	7,228,530
Segment liabilities	1,465,749	-	1,465,749

For the Quarter ended 30th September 2016

	Hotel	Investment Property	Total
Total Revenue	830,595	15,333	845,928
Other operating income	3,598	-	3,598
Expenses	(651,478)	(2,057)	(653,535)
Net Finance Income	(1,953)	-	(1,953)
Profit & Loss before taxation	180,762	13,276	194,038

5 TAX EXPENSE

For the six months ended 30th September

	2016 Rs. 000'	2015 Rs. 000'
Income statement		
Current income tax	42,723	6,327
Deferred tax expense / (reversal)	(498)	804
	42,225	7,131

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONT'D)**6 RELATED PARTY TRANSACTIONS****Transactions with related companies**

The Company's immediate Parent is Asian Hotels and Properties PLC and Ultimate Parent is John Keells Holdings PLC.

For the six months ended 30th September

	2016	2015
	Rs. 000'	Rs. 000'
<u>Ultimate Parent John Keells Holdings PLC</u>		
(Receiving) / rendering of services	(9,636)	(7,234)
Rent received / (paid)	12,452	12,571
<u>Parent Asian Hotels and Properties PLC</u>		
(Receiving) / rendering of services	134	
Rent received / (paid)	-	-
Transactions with Companies under common control of John Keells Holdings PLC		
(Purchases) / sales of goods	(9,297)	2,350
(Receiving) / rendering of services	(32,961)	(40,056)
Rent received / (paid)	18,839	18,720
Transactions with related parties - Associates		
(Receiving) / rendering of services	(511)	-
Interest received / (paid)	-	-
Compensation of key management personnel		
Short term employee benefits	3,150	3,525
Key management personnel		
Rendering services	160	651
Post employment benefit plan		
Contributions to the provident fund	-	-

Interim Condensed Financial Statements

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONT'D)**7 SHARE INFORMATION****7.1 Public shareholdings**

The percentage of shares held by the public as at 30th Sep 2016 was 7.65% (30th June 2016 was 7.65%) The number of public shareholders as at 30th Sep 2016 was 1,378 (30th June 2016 was 1,378)

7.2 Directors' shareholdings

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

As at	30.09.2016	30.06.2016
Mr. S. C. Ratnayake – Chairman	400	400
Mr. A. D. Gunewardene	400	400
Mr. J. R. F. Peiris	400	400
Mr. N. L. Gooneratne	589,281	589,281
Mr. C. J. L. Pinto (Joint account with Mrs. M.R.C. Pinto)	7,400	7,400
Mr. E. H. Wijenaikie	Nil	Nil
Ms. J. C. Ponniah	Nil	Nil
Mr. R. J. Karunarajah	400	400
Mr. Krishan Niraj Jayasekara Balendra	Nil	Nil

7.3 Twenty largest shareholders of the Company are as follows:

As at	Number of shares			
	30.09.2016	%	30.06.2016	%
1 John Keells Holdings Plc	97,284,256	48.64%	97,284,256	48.64%
2 Asian Hotels And Properties Plc	86,823,028	43.41%	86,823,028	43.41%
3 Bank of Ceylon A/C Ceybank Unit Trust	5,357,987	2.68%	5,346,141	2.67%
4 Employees Provident Fund	4,296,200	2.15%	4,296,200	2.15%
5 Prof. D. N. L. Alwis	600,107	0.30%	600,107	0.30%
6 Mr. N. L. Gooneratne	589,281	0.29%	589,281	0.29%
7 Mr. A. N. G. Wijeyekoon	572,960	0.29%	572,960	0.29%
8 Employees Trust Fund Board	571,941	0.29%	571,941	0.29%
9 Bank of Ceylon A/C Ceybank Century Growth Fund	525,268	0.26%	516,568	0.26%
10 Bank of Ceylon No.1 Account	477,200	0.24%	477,200	0.24%
11 Ellawala Exports (Pvt) Ltd	358,400	0.18%	358,400	0.18%
12 Mr. G. L. A. Ondaatjie	250,199	0.13%	250,199	0.13%
13 Mr. D. Gonsalkorale	161,200	0.08%	161,200	0.08%
14 Mrs. B. J. E. Severin	72,800	0.04%	72,800	0.04%
15 Mr. R. D. Ranathunga	50,112	0.03%	50,112	0.03%
16 Mr. N. P. Tippala Gamage	49,500	0.02%	49,500	0.02%
17 Mr. G. P. Gunawardane	48,468	0.02%	48,468	0.02%
18 Mr. A.S. Chatoor (TEA) (Pvt) Ltd	42,955	0.02%	48,699	0.02%
19 Mrs.M.I. Wijeyekoon	40,000	0.02%	40,000	0.02%
20 Mr. H. A. Van Starrex	38,320	0.02%	38,320	0.02%

7.4 Stated capital

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

As at	30.09.2016	30.06.2016
Ordinary shares	200,000,000	200,000,000

7.5 Net assets per share

Net assets per share have been calculated, for all periods, based on the number of shares in issue as at 30th September 2016.

7.6 Market price per share

For the quarter ended 30th September

	30.09.2016	30.09.2015
Highest	Rs. 96.00	Rs. 94.00
Lowest	81.00	80.20
Last traded	94.60	89.90

8 DIVIDENDS PAID

Final dividend of Rs. 1.00 per share for financial year ended 31st March 2016 was paid on 14th June 2016.

9 CONTINGENCIES, CAPITAL AND OTHER COMMITMENTS

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31st March 2016.

10 EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to the date of the financial position, which require disclosure in the interim condensed financial statements

Cinnamon
LAKESIDE
Colombo