

35 years of trust and excellence



# COLOMBO TRUST FINANCE PLC

## FINANCIAL STATEMENTS

COLOMBO TRUST FINANCE PLC

For the period ended 30th September 2016

### Income Statement

| In Rupees Thousand  | 01.04.2016 to 30.09.2016 | 01.04.2015 to 30.09.2015 |
|---|--------------------------|--------------------------|
| Interest Income   | 76,135                   | 78,136                   |
| Interest Expense  | (32,168)                 | (35,635)                 |
| <b>Net Interest Income</b>  | <b>43,967</b>            | <b>42,501</b>            |
| Fee and commission income   | 907                      | 1,568                    |
| Fee and commission expenses   | (257)                    | (173)                    |
| <b>Net fee and commission income</b>  | <b>650</b>               | <b>1,395</b>             |
| Net gain/(loss) from financial instruments at fair value through profit or loss   | 270                      | 169                      |
| Net gain/(loss) from financial investments  | 2,961                    | 2,517                    |
| Other operating income  | 3,672                    | 5,100                    |
| <b>Total operating income</b>   | <b>51,520</b>            | <b>51,682</b>            |
| Impairment expenses for loans and advances and other losses                       | (800)                    | (8,357)                  |
| <b>Net operating income</b>   | <b>50,720</b>            | <b>43,325</b>            |
| <b>Personnel Cost</b>   | <b>(21,348)</b>          | <b>(20,028)</b>          |
| <b>Depreciation and amortization</b>  | <b>(3,378)</b>           | <b>(2,097)</b>           |
| <b>Other expenses</b>   | <b>(18,341)</b>          | <b>(16,194)</b>          |
| <b>Operating profit/(loss) before Value Added Tax (VAT) On Financial Services</b> | <b>7,653</b>             | <b>5,006</b>             |
| Value Added Tax (VAT) on financial services                                       | (2,387)                  | (1,606)                  |
| <b>Operating profit/(loss) after VAT on Financial Services</b>                    | <b>5,266</b>             | <b>3,400</b>             |
| Share of profits of associates and joint ventures                                 | -                        | -                        |
| <b>Profit/(loss) before tax</b>   | <b>5,266</b>             | <b>3,400</b>             |
| Tax expenses  | -                        | -                        |
| <b>Profit/(loss) for the Period</b>   | <b>5,266</b>             | <b>3,400</b>             |
| <b>Earnings/(loss) per share for the period</b>                                   | <b>0.23</b>              | <b>0.18</b>              |

(Figures in brackets indicate deductions.)

### Selected Performance Indicators

| Item  | As at 30.09.2016 | As at 30.09.2015 |
|---|------------------|------------------|
| <b>Regulatory Capital Adequacy</b>  |                  |                  |
| Core Capital (Tier I Capital), Rs. '000   | 428,158          | 315,338          |
| Total Capital Base, Rs. '000  | 428,158          | 315,338          |
| Risk Weighted Assets, Rs. '000  | 1,081,844        | 1,061,179        |
| <b>Core Capital Adequacy Ratio</b><br>(As a % of Risk Weighted Assets - Minimum requirement - 5%)   | 39.58%           | 29.72%           |
| <b>Total Capital Adequacy Ratio</b><br>(As a % of Risk Weighted Assets - Minimum requirement - 10%) | 39.58%           | 29.72%           |
| <b>Capital Funds to Deposit Liabilities Ratio</b><br>(Minimum requirement, 10%)                     | 74.89%           | 48.24%           |
| <b>Assets Quality (quality of loan portfolio)</b>   |                  |                  |
| Gross Non-Performing Accommodations, Rs. '000   | 106,434          | 108,429          |
| Gross Non-Performing Accommodations Ratio, %  | 9.56%            | 10.04%           |
| Net-Non Performing Accommodations Ratio, %  | 0.88%            | 1.73%            |
| <b>Profitability</b>  |                  |                  |
| Interest Margin, %  | 8.49%            | 7.30%            |
| Return on Assets (Before Taxes), %  | 0.93%            | 0.58%            |
| Return on Equity (After Taxes), %   | 2.37%            | 2.05%            |
| <b>Regulatory Liquidity (Rs. '000)</b>  |                  |                  |
| Required minimum amount of Liquid Assets  | 67,229           | 83,759           |
| Available amount of Liquid Assets   | 87,635           | 125,855          |
| Required minimum amount of Government Securities  | 59,057           | 57,506           |
| Available amount of Government Securities   | 68,193           | 84,986           |
| <b>Memorandum Information</b>   |                  |                  |
| Number of employees   | 41               | 44               |
| Number of branches  | 02               | 02               |

### Statement of Comprehensive Income

| In Rupees Thousand                                  | 01.04.2016 to 30.09.2016 | 01.04.2015 to 30.09.2015 |
|---|--------------------------|--------------------------|
| <b>Profit/(Loss) for the Period</b>                 | <b>5,266</b>             | <b>3,400</b>             |
| <b>Other comprehensive income, net of tax</b>       |                          |                          |
| Revaluation surplus                                 | -                        | -                        |
| Actuarial gains and losses on defined benefit plans | -                        | -                        |
| <b>Total Comprehensive Income for the Period</b>    | <b>5,266</b>             | <b>3,400</b>             |

### Statement of Financial Position

| In Rupees Thousand                                    | As at 30.09.2016 | As at 30.09.2015 |
|---|------------------|------------------|
| <b>ASSETS</b>   |                  |                  |
| Cash and Cash Equivalents                             | 16,307           | 38,054           |
| Investment in Repurchase Agreement                    | 28,945           | 45,209           |
| Assets held for sale                                  | 1,723            | 1,723            |
| Financial assets at fair value through profit or loss | 1,470            | 2,245            |
| Loans and receivables-Leases                          | 283,095          | 282,098          |
| Loans and receivables-Hire purchase                   | 71,699           | 158,424          |
| Loans and receivables-Other                           | 656,540          | 552,585          |
| Financial investments - Available-for-sale            | 346              | 346              |
| Financial investments - Held to Maturity              | 41,470           | 41,698           |
| Property, Plant & Equipment                           | 44,474           | 48,714           |
| Intangible assets                                     | 8,942            | 9,575            |
| Other assets  | 17,180           | 26,976           |
| Deferred tax assets                                   | 9,802            | 5,063            |
| <b>Total Assets</b>                                   | <b>1,181,993</b> | <b>1,212,710</b> |
| <b>LIABILITIES</b>                                    |                  |                  |
| Due to banks  | 148,864          | 163,469          |
| Due to customers                                      | 571,530          | 693,731          |
| Retirement Benefit Obligations                        | 3,823            | 3,515            |
| Other liabilities                                     | 10,165           | 19,070           |
| <b>Total Liabilities</b>                              | <b>734,382</b>   | <b>879,785</b>   |
| <b>CAPITAL AND RESERVES</b>                           |                  |                  |
| Stated Capital  | 309,889          | 193,591          |
| Statutory Reserve Fund                                | 11,123           | 11,123           |
| Retained Earnings                                     | 52,411           | 54,023           |
| Other reserves  | 74,188           | 74,188           |
| <b>Total equity</b>                                   | <b>447,611</b>   | <b>332,925</b>   |
| <b>Total Equity and Liabilities</b>                   | <b>1,181,993</b> | <b>1,212,710</b> |

Amounts stated are in net of impairment and depreciation

### CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and Manager Finance of Colombo Trust Finance PLC certify jointly that:

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- the information contained in these statements have been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd.)

K.M.U. Koswatta  
Manager Finance  
Date :- 11.10.2016

(Sgd.)

W.L.S. Fonseka  
Chief Executive Officer  
Date :- 11.10.2016

(Sgd.)

P.S. Mathavan  
Director  
Date :- 11.10.2016

(Sgd.)

S.M.G. Dunuwille  
Director  
Date :- 11.10.2016

Licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011  
Date of Incorporation - 25th November 1981.

Head Office: No.21, Kumara Veediya, Kandy. Tel: 081 2 22 46 19

Branches: No.123, Hunupitiya Lake Road, Colombo 2. Tel: 011 4 317 317

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