

SERENDIB FINANCE LIMITED

(A FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC)

PUBLICATION OF INTERIM FINANCIAL STATEMENT AS PER CENTRAL BANK GUIDELINE NO.02 OF 2006

STATEMENT OF FINANCIAL POSITION

As at 30 th September	2018 Rs.	2017 Rs.
ASSETS		
Cash and cash equivalents	11,144,779	16,607,238
Placements with banks	215,169	206,518
Loans and receivables - Lease	2,425,090,744	2,400,921,841
Loans and receivables - Hire Purchase	5,875,425	57,756,779
Loans and receivables - Others	1,163,164,095	2,186,529,961
Securities purchased under resale agreements	81,016,243	79,295,178
Financial investments - Available for sale	238,660,808	194,700,311
Property, plant and equipment	195,703,052	202,613,544
Intangible assets	11,234,751	8,246,494
Deferred tax assets	126,328,902	-
Other assets	31,209,758	28,091,441
Total assets	4,289,643,726	5,174,969,305
LIABILITIES		
Due to banks	3,090,724,737	4,287,902,372
Current tax liabilities	-	16,823,405
Deferred tax liabilities	-	40,022,393
Other liabilities	58,985,760	75,123,866
Total liabilities	3,149,710,497	4,419,872,036
SHAREHOLDERS' FUNDS		
Stated capital	1,279,999,980	580,000,001
Statutory reserve fund	22,028,859	22,028,859
Retained earnings	(246,868,871)	57,825,087
Other reserves	84,773,261	95,243,321
Total equity	1,139,933,229	755,097,268
Total liabilities and equity	4,289,643,726	5,174,969,305

SELECTED PERFORMANCE INDICATORS

As at 30 th September	2018	2017
Regulatory Capital Adequacy		
Core capital (Tier 1 capital), (Rs.'000)	937,744	680,002
Total capital base, (Rs.'000)	937,744	680,002
Core capital adequacy ratio; core capital as % of risk weighted assets (minimum requirement, 5%)	20.07%	13.91%
Total capital adequacy ratio; total capital as % of risk weighted assets (minimum requirement, 10%)	20.07%	13.91%
Capital funds to total deposit liabilities ratio (minimum requirement, 10%)	N/A	N/A
Assets Quality (Quality of Loan Portfolio)		
Gross non performing accommodation (Rs.'000)	1,842,925	766,124
Gross non performing accommodation ratio (%)	37.75%	14.58%
Net non performing accommodation ratio (%)	11.33%	1.62%
Profitability (%)		
Interest margin	7.40%	6.99%
Return on assets (before tax)	-7.82%	-0.70%
Return on equity (after tax)	-19.46%	-5.23%
Regulatory Liquidity (Rs.'000)		
Required minimum amount of liquid assets	-	-
Available amount of liquid assets	324,207	290,686
Required minimum amount of government securities	319,461	273,849
Available amount of government securities	319,553	273,872
Memorandum Information		
Number of employees	111	117
Number of branches	4	5
Number of service centers	6	6
Number of pawning centers	-	-

STATEMENT OF PROFIT OR LOSS

For the 06 months ended 30 th September	2018 Rs.	2017 Rs.
Interest income	379,785,783	491,175,354
Interest expenses	(224,723,437)	(311,346,832)
Net interest income	155,062,346	179,828,521
Fee and commission income	35,461,817	43,697,257
Fee and commission expenses	(9,620,520)	(7,000,064)
Net fee and commission income	25,841,298	36,697,192
Other operating income	777,581	1,247,141
Total operating income	181,681,225	217,772,855
Impairment for loans and other losses		
Collective impairment	(448,316,488)	(168,580,555)
Net operating income	(266,635,263)	49,192,300
Operating expenses		
Personnel expenses	(43,750,678)	(45,062,199)
Depreciation and amortization	(5,312,630)	(5,767,034)
Other operating expenses	(35,661,901)	(35,654,079)
Operating profit / (loss) before value added tax on financial services	(351,360,472)	(37,291,012)
Value added tax on financial services	-	(1,060,928)
Profit / (loss) before taxation	(351,360,472)	(38,351,940)
Income tax expense	127,538,427	(3,053,446)
Profit / (loss) for the period	(223,822,046)	(41,405,385)
Earnings per share		
Basic loss per ordinary share	(3.78)	(1.35)

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the 06 months ended 30 th September	2018 Rs.	2017 Rs.
Profit / (loss) for the period	(223,822,046)	(41,405,385)
Other comprehensive income		
Revaluation surplus of property, plant and equipment	-	-
Actuarial gains / (losses) on defined benefit plans	-	-
Net change in fair value of available-for-sale financial assets	-	-
Less: Tax expense / (income) relating to components of other comprehensive income	-	-
Total other comprehensive income, net of tax	-	-
Total comprehensive income for the period, net of tax	(223,822,046)	(41,405,385)

Certification

We, the undersigned, being the Chief Executive Officer and the Chief Financial Officer of Serendib Finance Limited certify jointly that;

(A) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka,

(B) The information contained in these statements have been extracted from the unaudited financial statements of the Company.

.....(Sgd.)

Chief Executive Officer

Date:- 27.11.2018

.....(Sgd.)

Chief Financial Officer



FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC

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