

LOLC DEVELOPMENT FINANCE PLC FINANCIAL STATEMENTS



For The Period Ended 30th September 2021

INCOME STATEMENT - FOR THE PERIOD ENDED 30TH SEPTEMBER

	2021 Rs. '000 (Unaudited)	2020 Rs. '000 (Unaudited)
Interest income	2,249,487	2,153,680
Interest expense	(663,100)	(858,592)
Net interest income	1,586,387	1,295,087
Other operating income	135,269	103,980
Total operating income	1,721,656	1,399,067
Impairment for loans and other losses		
Individual impairment	-	-
Collective impairment	(478,331)	(480,565)
Net operating income	1,243,325	918,502
Personnel expenses	(384,351)	(343,949)
Depreciation and amortization	(49,310)	(50,939)
Other expenses	(442,238)	(448,617)
Operating profit before Value Added Tax (VAT) NBT and DRL	367,426	74,999
VAT on financial services, NBT and DRL	(74,741)	(31,989)
Profit before tax	292,685	43,009
Tax expenses	(86,268)	(12,034)
Profit for the year	206,416	30,975
Other comprehensive income, net of tax		
Net gains/(losses) on investments in financial assets at fair value through other comprehensive income	(18,621)	4,649
Other comprehensive income for the period, net of taxes	(18,621)	4,649
Total comprehensive income for the period	187,795	35,622
Basic earnings per ordinary share (Rs.)	0.87	0.13

Figures in brackets indicate deductions

SELECTED PERFORMANCE INDICATORS

Item	As at 30.09.2021	As at 30.09.2020
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), RS.'000	2,812,920	2,662,316
Total Capital Base.Rs '000	2,902,316	2,783,977
Core Capital Adequacy Ratio,as % of Risk Weighted Assets (Minimum requirement 6%)	11.30%	11.07%
Total Capital Adequacy Ratio,as % of Risk Weighted Assets	11.66%	11.58%
Capital Funds to Deposit Liabilities Ratio (Minimum requirement 11%)	40.81%	87.82%
Assets Quality(Quality of Loan Portfolio)		
Gross Non-Performing Accommodations,RS.'000	2,845,464	1,731,293
Gross Non-Performing Accommodations Ratio,%	14.44%	9.83%
Net-non performing Accommodations Ratio,%	4.51%	1.53%
Net-non performing loans to Core capital Ratio, %	28.21%	9.26%
Provision coverage Ratio, %	67.93%	85.76%
Profitability(%)		
Net Interest Margin	17.05%	15.74%
Return on Assets(before tax)	1.42%	0.23%
Return on Equity (after Tax)	6.88%	1.15%
Cost to Income Ratio	50.88%	60.29%
Regulatory Liquidity (Rs. '000)		
Required minimum amount of Liquid Assets	899,764	492,345
Available amount of Liquid Assets	1,851,197	992,839
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	205.74%	201.66%
Liquid Assets to External Funds	11.24%	8.41%
Required minimum amount of Government Securities	1,108,734	658,754
Available amount of Government Securities	1,680,094	734,103
Memorandum information		
Number of employees	872	829
Number of branches	45	46
Number of service centers	19	19
External Credit Rating	A- (Stable)	A- (Stable)

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

	As at 30.09.2021 (Unaudited)	As at 30.09.2020 (Unaudited)
Assets		
Cash and cash equivalents	202,416	297,214
Placements with banks	-	896,408
Securities purchased under resale agreements	1,079,673	-
Financial assets measured at fair value through other comprehensive income/ financial investments - Available for sale	615,149	734,114
Financial assets at amortised cost/ lease rental receivables and hire purchases	8,938,538	5,597,618
Financial assets at amortised cost/ loans and receivables	8,829,383	10,527,403
Amount due from related companies	7,258	5,892
Other receivables	597,162	414,497
Inventory	11,971	15,873
Deferred tax assets	22,466	3,021
Right to Use Asset	163,220	192,093
Investment properties	33,500	28,000
Property, plant and equipment	91,104	101,116
Total assets	20,591,840	18,813,249
Liabilities		
Due to banks	218,749	74,616
Financial liabilities at amortised cost/Due to customers	7,354,806	3,071,772
Interest bearing loans and borrowings	9,111,138	8,739,887
Current tax liabilities	230,049	103,401
Amounts due to related companies	28,659	3,621,248
Obligation on lease liability	194,649	209,892
Accrued charges and other payables	403,329	255,068
Employee benefits	48,836	39,801
Total liabilities	17,590,215	16,115,685
Equity		
Stated capital	1,493,088	1,493,088
Other reserves	93,753	113,474
Retained earnings	1,414,784	1,091,002
Equity attributable to shareholders of the Company	3,001,625	2,697,564
Total equity and liabilities	20,591,840	18,813,249
Net assets value per ordinary share (Rs.)	12.61	11.34

Figures in brackets indicate deductions

We, the undersigned, being the Director/Chief Executive Officer, Senior Manager of finance and the Compliance Officer of LOLC Development Finance PLC 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 Licensed Finance Company.

08 November 2021
Colombo.

(sgd)
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Mr.Rohana Kumara
Director/Chief Executive Officer

(sgd)
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Mr. Gayan Herath
Senior Manager - Finance/
Compliance Officer

LOLC DEVELOPMENT FINANCE PLC

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