

LOLC DEVELOPMENT FINANCE PLC FINANCIAL STATEMENTS



For the six months ended 30th September 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the Six months ended	
	30.09.2019 Rs. '000 (Unaudited)	30.09.2018 Rs. '000 (Unaudited) (Restated)
Interest income	1,930,415	2,232,819
Interest expense	(738,148)	(740,990)
Net interest income	1,192,267	1,491,829
Net fees and commission income	121,401	58,758
Other operating income	5,747	11,168
Total operating income	1,319,415	1,561,755
(Impairment) / reversal of impairment for loans and other losses		
Individual impairment	-	-
Collective impairment	(156,858)	(517,034)
Written off	(27,286)	(78,610)
Net operating income	1,135,272	966,111
Personnel expenses	(437,014)	(455,242)
Depreciation on property, plant and equipment	(28,850)	(32,793)
Other operating expenses	(526,118)	(516,466)
Operating profit/(loss) before taxes on financial services	143,290	(38,390)
VAT on financial services	(69,315)	(48,227)
Profit/(loss) before income tax expense	73,975	(86,617)
Tax expenses	(20,713)	-
Profit/(loss) for the period	53,262	(86,617)
Other comprehensive income		
Net gains/(losses) on investments in financial assets at fair value through other comprehensive income	4,099	(25,152)
Total other comprehensive income for the period, net of taxes	4,099	(25,152)
Total comprehensive income for the period	57,361	(111,769)
Earnings per share on profit		
Basic earnings per share (Rs.)	0.22	(0.36)

Figures in brackets indicate deductions

Comparative information:

Comparative figures have been re-stated where necessary, to conform to the current period presentation. These figures in the Interim financial statements have been re-stated due to the adoption of SLFRS 09.

ICRA Lanka reaffirms the Issuer and Issuer Ratings of LOLC Development Finance PLC A-(Stable).

CERTIFICATION :

We, the undersigned, being the Chief Executive Officer of LOLC Development Finance PLC, the Director of LOLC Development Finance PLC and the Assistant Manager - Finance of LOLC Development 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)
Mr. Rohana Kumara
Chief Executive Officer/Director

(sgd)
Mr. Ravi Tissera
Director

(sgd)
Mr. Gayan Herath
Assistant Manager - Finance

STATEMENT OF FINANCIAL POSITION

	As at 30.09.2019 Rs. '000 (Unaudited)	As at 30.09.2018 Rs. '000 (Unaudited) (Restated)
Assets		
Cash and cash equivalents	446,878	198,127
Placements with banks	1,201,115	1,203,588
Securities purchased under resale agreements	225,499	-
Financial assets measured at fair value through other comprehensive income	670,969	917,602
Financial assets at amortised cost/ lease rental receivables and hire purchases	2,596,534	1,047,314
Financial assets at amortised cost/ loans and receivables	10,456,996	10,521,410
Amount due from related companies	5,799	5,441
Other receivables	272,822	106,760
Inventory	35,010	729
Deferred tax assets	-	6,636
Property, plant and equipment	159,820	172,623
Total assets	16,071,442	14,180,230
Liabilities		
Due to banks	281,551	531,925
Financial liabilities at amortised cost/ deposits from depositors	2,471,931	2,103,414
Interest bearing loans and borrowings	8,425,761	8,379,177
Current tax liabilities	48,413	28,902
Amount due to related companies	1,965,846	350,315
Accrued charges and other payables	230,428	136,874
Employee benefits	25,734	35,823
Deferred tax liabilities	5,384	-
Total liabilities	13,455,048	11,566,430
Equity		
Stated capital	1,493,088	1,493,088
Statutory reserve fund	103,732	103,732
Retained earnings	1,014,690	1,017,661
Other reserves	4,884	(681)
Total equity	2,616,394	2,613,800
Total equity and liabilities	16,071,442	14,180,230

Figures in brackets indicate deductions

SELECTED PERFORMANCE INDICATORS (As per regulatory reporting)

Items	As at 30.09.2019	As at 30.09.2018
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	2,558,248	2,801,187
Total Capital Base, Rs. '000	2,764,859	2,989,705
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 6%)	12.52%	15.27%
Total Capital Adequacy Ratio, as% of Risk Weighted Assets (Minimum requirement, 10%)	13.54%	16.30%
Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%)	105.84%	124.26%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	1,093,914	652,658
Gross Non-Performing Accommodations Ratio, %	7.71%	5.18%
Net-non performing Accommodations Ratio, %	0.00%	0.00%
Profitability (%)		
Interest Margin	14.13%	16.16%
Return on Assets (before tax)	0.46%	-0.61%
Return on Equity (after tax)	2.04%	-3.31%
Regulatory Liquidity (Rs.'000)		
Required minimum amount of Liquid Assets	788,235	789,076
Available amount of Liquid Assets	1,203,716	1,100,862
Required minimum amount of Government Securities	858,390	906,733
Available amount of Government Securities	896,456	914,436
Memorandum information		
Number of employees	881	994
Number of branches	31	16
Number of service centers	39	60

LOLC DEVELOPMENT FINANCE PLC

No. 100/1, Sri Jayawardanepura Mawatha, Rajagiriya, Sri Lanka
Tel: 011 5889300 | Fax: 011 2698614 | E-mail: info@braclanka.com | Web: www.lankaorix.com