

Siyapatha Finance PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

INCOME STATEMENT

In LKR, 000

For the year ended	31-Dec-15 (Audited)	31-Dec-14 (Audited)	Change
Interest Income	1,973,921	1,837,546	136,375
Less: Interest Expenses	(824,699)	(778,661)	46,038
Net Interest Income	1,149,222	1,058,885	90,336
Fee and Commission Income	86,385	46,534	39,851
Fee and Commission Expenses	(6,252)	(12,271)	(6,019)
Net Fee and Commission Income	80,133	34,263	45,870
Net gain/(loss) from trading	-	-	-
Net gain/(loss) from financial instruments designated at fair value through profit or loss	-	-	-
Net gain/(loss) from financial investments	-	-	-
Other Operating Income	152,182	105,091	47,091
Total Operating Income	1,381,537	1,198,239	183,298
Impairment (Charges)/ Reversal for loans and other losses			
Individual impairment	(87,551)	(97,138)	(9,587)
Collective impairment	38,276	(86,079)	(124,355)
Others	-	-	-
Net Operating Income	1,332,262	1,015,022	317,240
Personnel Expenses	(329,553)	(234,721)	94,832
Depreciation and amortization	(32,441)	(27,935)	4,506
Other Operating Expenses	(317,810)	(285,274)	32,536
Operating Profit/ (loss) before Value Added Tax & NBT on Financial Services	652,458	467,091	185,368
VAT & NBT on Financial Services	(93,305)	(61,536)	31,770
Operating Profit/ (loss) after Value Added Tax & NBT on Financial Services	559,153	405,555	153,598
Share of profits of Associate and Joint Ventures	-	-	-
Profit/ (loss) before Taxation from Operations	559,153	405,555	153,598
Tax Expenses	(174,629)	(145,379)	29,250
Profit/ (loss) for the Period	384,524	260,177	124,347
Earnings Per Share (Rs)	7.32	4.96	2.37

SELECTED PERFORMANCE INDICATORS

Item	As at 31st December 2015	As at 31st December 2014
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	1,611,132	1,311,644
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	2,411,132	1,967,466
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 5%)	12.20%	13.98%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 10%)	18.26%	20.98%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	222.78%	-
Statutory Liquid Assets Ratio (minimum requirement, 7.5%)	7.53%	7.91%
* The capital funds to deposit liabilities ratio is computed on the following basis: Capital funds as a percentage of average of month end deposit liabilities during last three months. This ratio did not apply to the company as at 31 December 2014, since it had not commenced mobilization of fixed deposits.		
Asset Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	304,065	371,902
Gross Non-Performing Accommodations Ratio, %	2.93%	3.71%
Net Non-Performing Accommodations Ratio, %	0.90%	1.53%
Impairment Provision on Total Accommodations, %	2.05%	2.21%
Profitability (%)		
Net Interest Margin	10.41%	11.93%
Net Interest Yield	8.96%	10.35%
Cost to Income Ratio	48.58%	45.82%
Return on Average Total Assets (before Tax)	4.17%	3.93%
Return on Average Total Assets (after Tax)	2.87%	2.52%
Return on Average Total Equity (after Tax)	25.91%	21.83%
Regulatory Liquidity (Rs.'000)		
Required minimum amount of liquid assets**	475,478	172,469
Required minimum amount of Government securities***	590,992	469,343
Available amount of liquid assets	632,165	495,179
Available amount of Government securities	593,429	481,819
** Required minimum amount of liquid assets equals to 10% of Total Liabilities less Shareholders' Funds and Secured Borrowings.		
*** Required minimum amount of government securities equals to 7.5% of the average month end deposit liabilities and borrowings of the twelve months of the preceding financial year.		
Memorandum information		
Number of employees	328	253
Number of branches	20	13
Number of service centers	-	2
Number of pawning centers	-	3
Number of Directors		
- Executive	-	-
- Non Executive	9	9
Ownership - Fully owned subsidiary of Sampath Bank PLC		

STATEMENT OF FINANCIAL POSITION

In LKR, 000

As at	31-Dec-15 (Audited)	31-Dec-14 (Audited)
Assets		
Cash and cash equivalents	82,833	12,484
Placements with banks	47,237	76,171
Securities purchased under Repurchase Agreements	601,679	489,685
Factoring Receivables	1,157,136	996,440
Gold Loan Receivables	770,839	-
Pawning Receivables	-	456,193
Loan Receivables	286,968	506,526
Lease Receivables	9,230,730	3,383,597
HP Receivables	2,083,571	4,250,553
Other Assets	234,417	127,074
Financial investments- Available for Sale	56	56
Financial investments- Held - to - Maturity	4,274	4,198
Intangible Assets	14,889	17,097
Property, Plant & Equipment	124,697	97,716
Total Assets	14,639,326	10,417,790
Liabilities		
Bank Overdraft	163,583	83,921
Debt Instruments Issued and Other borrowed funds	12,158,462	8,528,922
Other Liabilities	508,921	299,606
Deferred Tax Liabilities	102,306	69,983
Income Tax Payable	75,663	111,179
Retirement Benefit Obligations	19,259	12,535
Total liabilities	13,028,194	9,106,146
Shareholders' Funds		
Stated Capital	525,000	525,000
Statutory Reserve Fund	70,059	50,831
Accumulated Profit/ (Loss)	1,016,073	735,813
Total Shareholders' Funds	1,611,132	1,311,644
Total Liabilities and Shareholders' Funds	14,639,326	10,417,790
Contingent liabilities and commitments	315,071	228,058

STATEMENT OF COMPREHENSIVE INCOME

In LKR, 000

For the year ended	31-Dec-15 (Audited)	31-Dec-14 (Audited)
Profit for the Period	384,524	260,177
Other Comprehensive Income/Expenses Net of Tax		
Actuarial gain/(losses) on defined benefit plan	(2,749)	(1,263)
Deferred Tax effect on Actuarial losses	770	354
Total of Other Comprehensive Income for the period, net of taxes	(1,979)	(909)
Total of Comprehensive Income for the period	382,545	259,268

CERTIFICATION

We, the undersigned, being the Chief Executive Officer- Siyapatha Finance PLC and the Non- Executive Director (Siyapatha Finance PLC)/ Group Chief Financial Officer / Executive Director of Sampath Bank 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)
Roshan Nanayakkara
Chief Executive Officer
Siyapatha Finance PLC
18 February 2016

(Sgd)
Ranjith Samaranayake
Non- Executive Director (Siyapatha Finance PLC)
/ Group Chief Financial Officer / Executive Director
(Sampath Bank PLC)
18 February 2016