

Siyapatha Finance PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

INCOME STATEMENT

In LKR, 000

For the year ended	31-Dec-16 (Audited)	31-Dec-15 (Audited)	Change
Interest Income	2,838,994	1,973,921	865,073
Less: Interest Expenses	(1,620,782)	(824,699)	796,083
Net Interest Income	1,218,213	1,149,223	68,990
Fee and Commission Income	139,442	86,385	53,057
Fee and Commission Expenses	(2,139)	(6,252)	(4,113)
Net Fee and Commission Income	137,303	80,133	57,170
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	175,471	152,182	23,289
Total Operating Income	1,530,987	1,381,538	149,449
Impairment for loans and other losses			
Individual impairment	(19,710)	(37,890)	(18,180)
Collective impairment	(59,479)	(11,385)	48,094
Others	-	-	-
Net Operating Income	1,451,798	1,332,263	119,536
Personnel Expenses	(439,719)	(329,553)	110,166
Depreciation and amortization	(49,926)	(32,441)	17,484
Other Expenses	(318,466)	(317,810)	656
Operating Profit before VAT & NBT on Financial Services	643,688	652,458	(8,771)
VAT & NBT on Financial Services	(128,500)	(93,305)	35,194
Operating Profit after VAT & NBT on Financial Services	515,188	559,153	(43,965)
Share of profits of Associate and Joint Ventures	-	-	-
Profit before taxation	515,188	559,153	(43,965)
Tax Expenses	(187,905)	(174,629)	13,276
Profit for the Period	327,283	384,524	(57,241)
Earnings Per Share (Rs)	6.14	7.32	(1.18)

SELECTED PERFORMANCE INDICATORS

Item	As at 31st December 2016	As at 31st December 2015
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	1,930,362	1,611,132
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	2,530,362	2,411,132
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 5%)	10.62%	12.20%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 10%)	13.93%	18.26%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	86.74%	222.78%
Statutory Liquid Assets Ratio (minimum requirement, 7.5%)	7.56%	7.67%
* 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.		
Asset Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	538,312	304,065
Gross Non-Performing Accommodations Ratio, %	2.64%	2.93%
Net Non-Performing Accommodations Ratio, %	0.54%	0.90%
Impairment Provision on Total Accommodations, %	2.11%	2.05%
Profitability (%)		
Net Interest Margin	7.89%	10.41%
Net Interest Yield	6.93%	8.96%
Cost to Income Ratio	52.99%	48.58%
Return on Average Total Assets (before Tax)	2.85%	4.17%
Return on Average Total Assets (after Tax)	1.81%	2.87%
Return on Average Total Equity (after Tax)	18.35%	25.91%
Regulatory Liquidity (Rs. '000)		
Required minimum amount of liquid assets**	735,129	475,478
Required minimum amount of Government securities***	762,830	590,992
Available amount of liquid assets	817,852	632,165
Available amount of Government securities	769,234	593,429
** Required minimum amount of liquid assets equals to 10 % of total liabilities less Shareholders' Funds and Secured Borrowings as at 31 December 2016 & 31 December 2015 respectively.		
*** Required minimum amount of government securities equals to 7.5% of the average of month end deposit liabilities and borrowings of the twelve months of the preceding financial year.		
Memorandum information		
Number of employees	390	328
Number of branches	24	20
Number of service centers	-	-
Number of pawning centers	-	-
Number of Directors		
- Executive	1	-
- Non Executive	9	9
Ownership - Fully owned subsidiary of Sampath Bank PLC		

STATEMENT OF FINANCIAL POSITION

In LKR, 000

As at	31-Dec-16 (Audited)	31-Dec-15 (Audited)
Assets		
Cash and cash equivalents	149,084	82,833
Placements with banks	20,248	47,237
Securities purchased under Repurchase Agreements	777,438	601,679
Loans and Receivables - Leases	13,851,890	9,230,730
Loans and Receivables - Hire Purchase	837,561	2,083,571
Loans and Receivables - Others	4,491,907	2,214,943
Financial Investments - Available for Sale	56	56
Financial Investments - Held - to - maturity	4,288	4,274
Property, Plant & Equipment	358,131	124,697
Intangible Assets	8,489	14,889
Other Debtors & Prepayments	291,648	234,417
Total Assets	20,790,740	14,639,327
Liabilities		
Due to banks	11,032,500	9,968,710
Due to other customers	3,362,662	1,233,041
Debt securities issued	2,593,233	99,693
Income Taxation Payable	61,258	75,663
Deferred Taxation Liability	170,088	102,306
Other Liabilities	595,598	508,921
Retirement Benefit Obligations	23,012	19,259
Subordinated term debts	1,022,027	1,020,602
Total liabilities	18,860,378	13,028,195
Shareholders' Funds		
Stated Capital	576,975	525,000
Statutory Reserve Fund	86,422	70,059
Accumulated Profit/ (Loss)	1,266,965	1,016,073
Total Shareholders' Funds	1,930,362	1,611,132
Total Liabilities and Shareholders' Funds	20,790,740	14,639,327
Contingent liabilities and commitments	1,045,384	558,986

STATEMENT OF COMPREHENSIVE INCOME

In LKR, 000

For the year ended	31-Dec-16 (Audited)	31-Dec-15 (Audited)
Profit for the year	327,283	384,524
Other Comprehensive Income/Expenses net of Tax		
Actuarial gain/(losses) on defined benefit plan	(3,165)	(2,749)
Deferred Tax effect on Actuarial gain/(losses)	886	770
Total of Other Comprehensive Income for the year, net of tax	(2,279)	(1,980)
Total of Comprehensive Income for the year	325,004	382,545

CERTIFICATION

We, the undersigned, being the Managing Director of Siyapatha Finance PLC and the Non- Executive Director (Siyapatha Finance PLC)/ Group Finance Director (Executive) 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 has been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd)
Saman Herath
Managing Director
Siyapatha Finance PLC
16th February 2017

(Sgd)
Ranjith Samaranayake
Non- Executive Director (Siyapatha Finance PLC)
/ Group Finance Director - Executive
(Sampath Bank PLC)
16th February 2017