

Siyapatha Finance PLC

PUBLICATION OF FINANCIAL STATEMENTS IN TERMS OF SECTION 29 (5) OF FINANCE BUSINESS ACT NO.42 OF 2011.

Key Financial Data for the year ended 31 December

In Rupees Thousands

	Current Year	Previous Year
	From 01.01.2021 to 31.12.2021 (Audited)	From 01.01.2020 to 31.12.2020 (Audited)
Interest Income	6,786,436	6,814,216
Interest Expenses	(2,813,728)	(3,856,315)
Net Interest Income	3,972,708	2,957,901
Other Income	1,360,895	765,479
Gains/(Losses) from Trading Activities	-	-
Operating Expenses (Excluding Impairment)	(1,789,998)	(1,462,546)
Impairment	(1,618,176)	(1,356,264)
Profit Before Tax	1,925,429	904,570
Taxes	(830,886)	(495,079)
Profit After Tax	1,094,543	409,491

Key Financial Data as at 31 December

In Rupees Thousands

	31-Dec-2021 (Audited)	31-Dec-2020 (Audited)
Assets		
Cash and Bank Balance	250,277	292,036
Due from Related Parties	3,976	5,600
Loans (Excluding Due from Related Parties)	39,404,388	38,611,280
Investment in Equity	56	56
Property, Plant & Equipment	1,992,215	1,353,815
Other Assets	1,099,336	1,288,873
Total Assets	42,750,248	41,551,660
Liabilities		
Due to Banks	7,872,161	8,037,211
Due to Related Parties	3,129,004	2,974,555
Deposits from Customers	17,114,923	17,279,614
Other Borrowings	6,267,615	6,288,476
Other Liabilities	2,140,451	1,845,839
Total Liabilities	36,524,154	36,425,695
Equity		
Stated Capital	2,346,095	1,522,881
Share Application Money Pending Allotment	-	700,000
Statutory Reserve Fund	240,000	185,000
Retained Earnings	3,515,495	2,600,133
Other Reserves	124,504	117,951
Total Equity	6,226,094	5,125,965
Total Liabilities and Equity	42,750,248	41,551,660
Net Assets Value Per Share (Rs.)	67.69	67.26

Selected Key Performance Indicators

Item	31-Dec-2021		31-Dec-2020	
	Required	Actual	Required	Actual
Regulatory Capital Adequacy (%)				
Tier 1 Capital Adequacy Ratio	7.00%	14.74%	6.50%	9.77%
Total Capital Adequacy Ratio	11.00%	21.36%	10.50%	14.18%
Capital Funds to Deposit Liabilities Ratio	10.00%	58.88%	10.00%	37.59%
Quality of Loan Portfolio (%)				
Gross Non-Performing Loans Ratio		16.30%		18.07%
Net Non-Performing Loans Ratio		4.47%		5.98%
Net Non-Performing Loans to Core Capital Ratio		31.11%		47.93%
Provision Coverage Ratio		56.55%		51.45%
Profitability (%)				
Net Interest Margin		9.29%		7.12%
Return on Assets		4.50%		2.18%
Return on Equity		17.58%		7.99%
Cost to Income Ratio		33.56%		39.28%
Liquidity (%)				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		133.88%		152.62%
Liquid Assets to External Funds		8.24%		5.58%
Memorandum Information				
Number of Branches		40		40
External Credit Rating (Fitch Ratings)		A/(ka)		A/(ka)
Regulatory penalties imposed last 6 months				
Amount (Rs' Million)		N/A		1

The Company has not had any regulatory restrictions on deposits, borrowings and lending during 2021 and 2020.

CERTIFICATION:

We, the undersigned, being the Managing Director, the Head of Finance and the Head of Compliance of Siyapatha 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 (CBSL);
- the information contained in these statements have been extracted from the unaudited Financial Statements of Siyapatha Finance PLC unless indicated as audited.

(Sgd)
Ananda Seneviratne
Managing Director
11 February 2022

(Sgd)
Ruwan Wanniarachchi
Head of Finance
11 February 2022

(Sgd)
Mahika Rajakaruna
Head of Compliance
11 February 2022

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SIYAPATHA FINANCE PLC

Report on the audit of the financial statements

We have audited the financial statements of Siyapatha Finance PLC (the Company), which comprise the statement of financial position as at 31 December 2021, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion
We conducted our audit in accordance with Sri Lanka Auditing Standards (SLASs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in the context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Provision for credit impairment on financial assets carried at amortised cost Provision for credit impairment on financial assets carried at amortised cost as stated in Note 40.4.1 is determined by management in accordance with the accounting policies described in Note 3.1.8. This was a key audit matter due to: <ul style="list-style-type: none">materiality of the reported provision for credit impairment which involved complex calculations anddegree of management judgment, significance of assumptions and level of estimation uncertainty associated with its measurement	We assessed the alignment of the company's provision for credit impairment computations and underlying methodology including consideration of COVID-19 impacts and related industry responses with its accounting policies, based on the level available information up to the date of our report. Our audit procedures included amongst others the following: <ul style="list-style-type: none">We evaluated the design, implementation and operating effectiveness of controls over estimation of impairment, which included assessing the level of oversight, review and approval of provision for credit impairment policies and procedures by the Board and managementWe checked the completeness and accuracy of the underlying data used in the impairment computation by agreeing details to relevant source documents and accounting records of the company. We also checked the underlying calculations.In addition to the above, the following procedures were performed:<ul style="list-style-type: none">For loans and advances assessed on an individual basis for impairment:<ul style="list-style-type: none">We assessed the reasonableness and timeliness of Management's internal assessments of credit quality based on the borrower's particular circumstancesWe evaluated the reasonableness of key inputs used in the provision for credit impairment made with particular focus on the ongoing impact of COVID-19. Such evaluations were carried out considering value and timing of cash flow forecasts, elevated risk indicators, signs of recovery and other relevant factors.For financial assets assessed on a collective basis for impairment:<ul style="list-style-type: none">We tested the key calculations used in the provision for credit impairment.We assessed whether judgments, estimates and assumptions used by the Management in the underlying methodology and the management overlays were reasonable. Our testing included evaluating the reasonableness of forward-looking information used, economic scenarios considered and probability weighting assigned to each of those scenariosWe assessed the adequacy of the related financial statement disclosures set out in Note 40.4.1
Information Technology (IT) systems and controls over financial reporting A significant part of the client's financial reporting process is primarily reliant on multiple IT systems with automated processes and internal controls. Further, key financial statement disclosures are prepared using data and reports generated by IT systems, that are compiled and formulated with the use of spreadsheets. Accordingly, IT systems and related internal controls over financial reporting was considered a key audit matter.	Our audit procedures included the following: <ul style="list-style-type: none">We obtained an understanding of the internal control environment of the processes relating to financial reporting and related disclosures.We identified and tested checked relevant controls of key IT systems related to the Company's financial reporting process.We involved our internal specialist resources to evaluate the design and operating effectiveness of IT controls, including those related to user access and change managementWe checked key source data of the reports used to generate key disclosures for accuracy and completeness, including review of the general ledger reconciliations.We also obtained a high-level understanding, primarily through inquiry of the cyber security risks affecting the company and the actions taken to address these risks. Further, we checked changes if any have been made to security monitoring procedures, given the increase in remote workers including the client's monitoring on remote workers activities.

Other information included in the 2021 Annual Report
Management is responsible for the other information. The other information comprises the Company's 2021 annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and those charged with governance for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SLASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be brought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal and Regulatory Requirements
As required by section 153 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing the independent auditor's report is 1984.

11 February 2022
Colombo



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සියපත පිනාණ්ණ
Siyapatha Finance
(Finance Company of Sri Lanka)

No. 111, Dudley Senanayake Mawatha, Colombo 8.
T.P. : 011-7605605 Email: info@siyapatha.lk
Company Registration No. PB 917 PQ
Incorporated date : 3rd March 2005

Fitch rating: 'A' Stable outlook

Licensed by the Monetary Board of the Central Bank of Sri Lanka, in terms of Finance Business Act No.42 of 2011.

Explanations/Glossary

Capital Adequacy ratios	Indicates the ability of the financial institution to absorb losses without affecting depositors and creditors. This ratio is computed by dividing capital by risk weighted assets as specified by the Direction, and high ratio indicates better loss absorption capacity.
Non-Performing Loans ratio	Indicates level of non-paying loans and advances included in the total loans portfolio of the financial institution. High ratio indicates poor assets quality and high credit risk.
Provision Coverage ratio	Indicates the adequacy level of provision to cover problem loans and advances. A higher ratio with a higher capital adequacy ratio means that the financial institution can withstand future credit losses better, including unexpected losses beyond the loan loss provision.
Net Interest Margin	Indicates profitability of the core business operation of the financial institution. i.e. granting loans and advances and accepting deposits.
Cost to income ratio	Represents operating expense, excluding impairment charges on loans and advances as a percentage of net revenue (net interest income and other income). Lower ratio will result in higher profitability.
Liquid Assets	A liquid asset is an asset that can easily be converted into cash.
Cap	Maximum limit imposed by the CBSL.
Downsizing	Gradual reduction of the business operation imposed by the CBSL.
Freezing	An order of CBSL that is in place preventing further transactions of the Company.
Tier 1 Capital	Represents permanent shareholder equity and reserves.
Total Capital	Represents Tier 1 and supplementary capital including instruments with characteristics of equity and debt, revaluation gains, impairment allowances.
Risk Weighted Assets	Sum of on-balance sheet risk weighted assets and the total credit equivalent of risk weighted off-balance sheet assets.
Tier 1 Capital ratio	Tier 1 capital as a percentage of risk weighted assets.
Total Capital ratio	Total capital as a percentage of risk weighted assets.
Capital Funds	Paid up capital, permanent free reserves and any other securities approved by the CBSL.

Non-Performing Loan	A loan in which the borrower has defaulted and hasn't made scheduled payments of principal or and / interest as per the stipulated guidelines issued by CBSL.
Net Interest Margin	Annualized net interest income (interest income less interest expenses) as a percentage of total net assets (as at end of period).
Return on Assets	Annualized profit before tax as a percentage of total net assets (as at end of period).
Return on Equity	Annualized profit after tax as a percentage of total capital (as at end of period).
External Funds	Includes only deposits and borrowings.

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2011 අංක 42 මූල්‍ය ව්‍යාපාර පනතේ 29(5) කොටසට අනුකූලව සිදු කරන මූල්‍ය ප්‍රකාශනය

දෙසැම්බර් 31 ඒ අවසාන වසර සඳහා ප්‍රධාන මූල්‍ය දත්ත

	වර්තමාන කාලසීමාව	පෙර කාලසීමාව
	01.01.2021 සිට 31.12.2021 දක්වා (වසරයක සඳහා)	01.01.2020 සිට 31.12.2020 දක්වා (වසරයක සඳහා)
පොළී ආදායම	6,786,436	6,814,216
පොළී වැය	(2,813,728)	(3,856,315)
මුද්‍රා පොළී ආදායම	3,972,708	2,957,901
වෙනත් ආදායම්	1,360,895	765,479
වෙළඳ කටයුතු වලින් ලැබෙන ආදායම (අහඹු)	-	-
වෙළඳ මුද්‍රා (වාරික/වාර්ෂික)	(1,789,998)	(1,462,546)
වාරික/වාර්ෂික	(1,818,176)	(1,356,264)
මුද්‍රා පොළී ආදායම	1,925,429	904,570
විදුලි	(830,886)	(495,079)
මුද්‍රා පොළී ආදායම	1,094,543	409,491

දෙසැම්බර් 31 දිනට ප්‍රධාන මූල්‍ය දත්ත

	2021 දෙසැම්බර් 31 දිනට (වසරයක සඳහා)	2020 දෙසැම්බර් 31 දිනට (වසරයක සඳහා)
වත්කම්		
මුදල් සහ බැංකු ණය	250,277	292,036
සම්බන්ධ කරුවන්ගෙන් ලැබිය යුතු ණය (සම්බන්ධ කරුවන්ගෙන් ලැබිය යුතු ණය හැර)	39,404,388	38,611,280
නිමිත්ත ප්‍රාග්ධන ආදායම	56	56
වෙළඳ, වර්ධන හා උපකාරණ වටිනාකම්	1,992,215	1,353,815
වෙනත් වත්කම්	1,099,336	1,288,873
මුළු වත්කම්	42,750,248	41,551,660
වගකීම්		
බැංකුවලට වෙහෙර යුතු සම්බන්ධ කරුවන්ගෙන් ලැබිය යුතු ගනුදෙනුකරුවන්ගේ වත්කම්	7,972,161	8,037,211
වෙනත් වත්කම්	3,129,004	2,974,555
වෙනත් ණය හැර	17,114,923	17,279,614
වෙනත් වත්කම්	6,267,815	6,286,476
වෙනත් වත්කම්	2,140,451	1,845,839
මුළු වගකීම්	36,524,164	36,425,695
නිමිත්ත ප්‍රාග්ධන		
ප්‍රාග්ධන ප්‍රාග්ධන	2,346,095	1,522,881
කොටස් වෙළඳපොළ සඳහා අයිති කොටස් ආදායම් කළ මුදල්	-	700,000
ව්‍යවස්ථාපිත වාරික ආදායම	240,000	185,000
වෙනත් වත්කම්	3,515,495	2,600,133
වෙනත් වත්කම්	124,504	117,951
මුළු නිමිත්ත ප්‍රාග්ධන	6,226,094	5,125,965
මුළු වත්කම් හා නිමිත්ත ප්‍රාග්ධන	42,750,248	41,551,660
කොටසට මුද්‍රා වත්කම් (වෙ.)	67.69	67.26

තෝරාගත් ප්‍රධාන කාර්ය සාධන දර්ශක

අයිතමය	2021 දෙසැම්බර් 31 දිනට		2020 දෙසැම්බර් 31 දිනට	
	අවසරය	තරය	අවසරය	තරය
විධායක ප්‍රතිඵල ප්‍රමාණාංග (KPI)				
විට මාරු කිරීමේ ප්‍රමාණාංග (අනුපාතය)	7.00%	14.74%	6.50%	9.77%
මුද්‍රා ප්‍රාග්ධන ප්‍රමාණාංග (අනුපාතය)	11.00%	21.36%	10.50%	14.18%
අරමුදල් ප්‍රාග්ධන ප්‍රමාණාංග (අනුපාතය)	10.00%	58.88%	10.00%	37.59%
ආයතනික ගුණාත්මකභාවය (K)				
දළ අලුතින් ආදායම		16.30%		18.07%
දළ අලුතින් ආදායම		4.47%		5.98%
දළ අලුතින් ආදායම		31.11%		47.93%
වර්ධනය වූ ආදායම		56.55%		51.45%
ආගමනීයභාවය (%)				
දළ අලුතින් ආදායම		9.29%		7.12%
වත්කම් මත ප්‍රතිභවය		4.50%		2.18%
වත්කම් මත ප්‍රතිභවය		17.58%		7.99%
ආදායම මත වර්ධනය		33.56%		39.28%
ද්‍රවශීලතාවය (%)				
වර්ධන ද්‍රවශීලතාවය (වර්ධන ද්‍රවශීලතාවය)		133.68%		152.62%
ද්‍රවශීලතාවය (වර්ධන ද්‍රවශීලතාවය)		8.24%		5.58%
නාමික තොරතුරු				
නාමික තොරතුරු		40		40
බැංකු ණය (වෙ.)		A/(ka)		A/(ka)
විධායක අධිකාරියේ විධිමත් පරීක්ෂණ මාස 6 කද පවතින අතර දඩ ප්‍රමාණය (වැටුප් මිලියන)				1

2021 සහ 2020 කාලය තුළ කාර්යාල, ණය හැරීමේ සහ වෙනත් සම්බන්ධයෙන් සාකච්ඡා කිරීම සඳහා සාකච්ඡා කළේය.

සාකච්ඡා කිරීම
සියලුම ගිණුම් සිවිලි කිරීමේදී සාකච්ඡා කළේය. මූල්‍ය ප්‍රධානියා සහ අනුකූල ප්‍රධානියා වන අතර සාකච්ඡා කළේය.

(අ) මූල්‍ය ප්‍රකාශනයේ මූලික මත බැංකුව විසින් නිකුත් කර ඇති අනුකූලතාව හා අවට දත්තවල වැදගත් අනුකූලතාව සඳහා සාකච්ඡා කළේය.

(ආ) සියලුම ගිණුම් සිවිලි කිරීමේදී මුද්‍රා ප්‍රාග්ධන ප්‍රමාණය, මුද්‍රා ප්‍රාග්ධන ප්‍රමාණය වන අතර සාකච්ඡා කළේය.

(අත්සන් කළේ) අත්සන් කළේය
(අත්සන් කළේ) අත්සන් කළේය
(අත්සන් කළේ) අත්සන් කළේය

INDEPENDENT AUDITORS' REPORT

EY
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SIYAPATHA FINANCE PLC
Report on the audit of the financial statements
Opinion
We have audited the financial statements of Siyapatha Finance PLC (the Company) which comprise the statement of financial position as at 31 December 2021, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.
Basis for opinion
We conducted our audit in accordance with Sri Lanka Auditing Standards (SLASs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter, our description of how we addressed the matter is provided in that context.
We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Provision for credit impairment on financial assets carried at amortised cost Provision for credit impairment on financial assets carried at amortised cost as stated in Note 48.4.1 is determined by management in accordance with the accounting policies described in Note 5.1.6. This was a key audit matter because: <ul style="list-style-type: none">materiality of the reported provision for credit impairment which involved complex calculations; anddegree of management judgement, significance of assumptions and level of estimation uncertainty associated with measurement. Key areas of significant judgement, estimates and assumptions used by management in the assessment of the provision for credit impairment included the following: <ul style="list-style-type: none">management intends to incorporate the probable ongoing impact of COVID-19 and related industry exposures such as government stimulus packages and debt moratorium relief measures granted by the government;the incorporation of forward-looking information to reflect current and anticipated future economic factors, including judgments relating to the ongoing impact of COVID-19, with the multiple economic scenarios and the probability weighting determined for each of those scenarios.	We assessed the alignment of the company's provision for credit impairment calculations and underlying methodology including consideration of COVID-19 impacts and related industry exposures with its accounting policies, based on the best available information up to the date of our report. Our audit procedures included amongst others the following: <ul style="list-style-type: none">We evaluated the design, implementation and operating effectiveness of controls over provision of credit impairment, which included assessing the level of oversight, review and approval of provision for credit impairment policies and procedures by the Board and management.We checked the completeness and accuracy of the underlying data used in the impairment calculation by agreeing details to relevant source documents and supporting records of the company. We also checked the underlying calculations.In addition to this, the following procedures were performed: <ul style="list-style-type: none">For loans and advances assessed on an individual basis for impairment: We assessed the reasonableness and appropriateness of management's original assessments of (credit) quality based on the borrower's creditworthiness.We analysed the reasonableness of the inputs used in the provision for credit impairment model with particular focus on the ongoing impact of COVID-19. Such evaluations were carried out considering value and timing of cash flow forecasts, related risk indicators, data of recovery action and collateral values.For financial assets assessed on an collective basis for impairment: <ul style="list-style-type: none">We tested the key calculations used in the provision for credit impairment.We assessed whether judgements, estimates and assumptions used by the Management in the underlying methodology and the management controls were reasonable. Our testing included evaluating the reasonableness of forward-looking information used, economic scenarios considered and probability weighting assigned to each of those scenarios.We assessed the adequacy of the related financial statement disclosures set out in note 48.4.1.
Information Technology (IT) systems and controls over financial reporting An important part of the client's financial reporting process is primarily reliant on multiple IT systems with automated processes and internal controls. Further, key financial statement disclosures are prepared using data and reports generated by IT systems, that are compiled and formatted with the use of spreadsheets. Accordingly, IT systems and related internal controls over financial reporting was considered a key audit matter.	Our audit procedures included the following: <ul style="list-style-type: none">We obtained an understanding of the internal control environment of the processes relating to financial reporting and related disclosures.We identified and tested selected relevant controls of key IT systems related to the Company's financial reporting process.We reviewed our internal auditors' work to evaluate the design and operating effectiveness of IT controls, including those related to user access and change management.We checked key source data of the reports used to generate key disclosures for accuracy and completeness, including review of the general ledger reconciliations.We also obtained a high level understanding, primarily through inquiry of the substantially entire company and the actions taken to address these risks. Further, we checked changes in key data used in the financial reporting process, given the increase in total assets including the client's expansion on remote workers activities.

Other information included in the 2021 Annual Report
Management is responsible for the other information. The other information comprises the Company's 2021 annual reports expected to be made available to all the holders of the auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and those charged with governance for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control management systems as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements
Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they may reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLASs, we exercise professional judgement and maintain professional scepticism throughout the audit.

1. identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forged internal controls, misrepresentation, or the override of internal controls.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that is fairly presented.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation prohibits public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the consequences of doing so would reasonably be expected to outweigh the benefits to be derived from such communication.

Report on Other Legal and Regulatory Requirements
As required by section 153(2) of the Companies Act No. 37 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing the independent auditor's report is 1884.

15 February 2022
Colombo

හෝ. 111, බිබිලි සේනාරත්න මාවත, කොළඹ 8.
දුරකථන: 011-7605605 රජමිල: info@siyapathafin.com.lk
සමහර මුදලක්දීම අංකය, PB 917 PQ
සංස්කරණ දිනය - 2005 මාර්තු 3

මේ ලේඛනය කිරීම: 'A' ස්ථාවර
2011 අංක 42 මූල්‍ය ව්‍යාපාර පනතට අනුකූලව මුද්‍රා කළ බැංකු මුදල්
මුදල් මණ්ඩල විසින් බලපත්‍ර ලබා ඇත.

සියලුම ගිණුම් සිවිලි
සියලුම ගිණුම් සිවිලි
Siyapatha Finance
(Financial Conduct Authority of Sri Lanka)

පැහැදිලි කිරීම/වචනාවලිය

<p>ප්‍රාග්ධන ප්‍රමාණාත්මකතා අවශ්‍යතා අනුපාත</p>	<p>මෙමඟින් තැන්පතුකරුවන්ට සහ ණය හිමියන්ට බලපෑමක් නොමැතිව අලාභ අවශෝෂණය කර ගැනීමට මූල්‍ය ආයතනයට ඇති හැකියාව පෙන්නුම් කරයි. මෙම අනුපාතය ගණනය කරනු ලබන්නේ ශ්‍රී ලංකා මහ බැංකුව විසින් නිකුත් කර ඇති විධානයේ නියම කර ඇති පරිදි ප්‍රාග්ධනය, අවදානම් මත බර තැබූ වත්කම් වලින් බෙදීමෙනි. ආයතනයේ ප්‍රාග්ධන ප්‍රමාණාත්මක අවශ්‍යතා අනුපාත ඉහළ අගයක් දරයි නම්, එම ආයතනයේ පාඩු දැරීමේ හැකියාව ඉහළ බව මෙමඟින් පෙන්නුම් කරයි.</p>
<p>අක්‍රීය ණය අනුපාතය</p>	<p>මූල්‍ය ආයතනයේ සමස්ත ණය කළඹෙහි ඇතුළත්ව ඇති නොගෙවූ ණය සහ අත්තිකාරම්වල අනුපාතය පෙන්නුම් කරයි. මෙම අනුපාතය ඉහළ අගයක් පැවතීමෙන් වත්කම්වල පවතින දුර්වලතාවය සහ ඉහළ ණය අවදානම පෙන්නුම් කරයි.</p>
<p>වෙන්කිරීම් ආවරණ අනුපාතය</p>	<p>තැවත ගෙවීමේ ගැටලු පවතින ණය සහ අත්තිකාරම් ආවරණය කිරීම සඳහා ආයතනය මඟින් සිදු කර ඇති වෙන්කිරීම් වල ප්‍රමාණාත්මකතාවය මෙමඟින් නිරූපණය කරයි. මෙම අනුපාතයේ සහ ප්‍රාග්ධන ප්‍රමාණාත්මකතා අවශ්‍යතා අනුපාතයේ ඉහළ අගයන් පැවතීම යනු මූල්‍ය ආයතනයට ණය අලාභ ද ඇතුළුව අනාගතයේ දී සිදුවන ණය පාඩුවලට වඩාත් හොඳින් ඔරොත්තු දිය හැකි බවයි.</p>
<p>ඉද්ධ පොලී ආන්තිකය</p>	<p>මූල්‍ය ආයතනයේ මූලික ව්‍යාපාර මෙහෙයුම් වල ලාභදායීත්වය මෙමඟින් පෙන්නුම් කරයි. එනම් ණය සහ අත්තිකාරම් ලබාදීම සහ තැන්පතු බාරගැනීම</p>
<p>ආදායම් මත පිරිවැය අනුපාතය</p>	<p>භානිකරණ ගාස්තු රහිත මෙහෙයුම් වියදම, ඉද්ධ ආදායමේ (ඉද්ධ පොලී ආදායම සහ වෙනත් ආදායම්) ප්‍රතිශතයක් ලෙස. මෙම අනුපාතය අඩු අගයක් පැවතීම ඉහළ ලාභදායීත්වයකට හේතු වේ.</p>
<p>ද්‍රවශීල වත්කම්</p>	<p>ද්‍රවශීල වත්කම් යනු කෙටි කාල සීමාවකදී පහසුවෙන් මුදල් බවට පරිවර්තනය කල හැකි වත්කම් වේ.</p>
<p>සීමාවන්</p>	<p>ශ්‍රී ලංකා මහ බැංකුව විසින් නියම කරන ලද උපරිම සීමාවන් වේ.</p>
<p>අඩු කිරීම්</p>	<p>ශ්‍රී ලංකා මහ බැංකුව විසින් පනවන ලද විධානවලට අනුකූලව අදාළ ව්‍යාපාර මෙහෙයුම් අඩු කිරීම.</p>
<p>අත්හිටුවීම්</p>	<p>ශ්‍රී ලංකා මහ බැංකුවේ නියෝග මත මුදල් සමාගමේ අදාළ ගනුදෙනු අත්හිටුවීම</p>
<p>පළමු ස්ථරයේ ප්‍රාග්ධනය</p>	<p>කොටස් හිමියන්ගේ ස්ථිර කොටස් සහ ස්ථිර සංචිත මෙමඟින් නිරූපණය කරයි</p>
<p>සමස්ත ප්‍රාග්ධනය</p>	<p>පළමු ස්ථරයේ ප්‍රාග්ධනය සහ අතිරේක ප්‍රාග්ධනය (හිමිකම් ප්‍රාග්ධනය සහ ණයවල විවිධ ස්වරූපයන් සහිත උපකරණ, ප්‍රත්‍යාගණනය ලාභ, භානිකරණ දීමනා වැනි අතිරේක ප්‍රාග්ධනයට ඇතුළත් වේ.</p>
<p>අවදානම් මත බර තැබූ වත්කම්</p>	<p>ශේෂ පත්‍රයේ සඳහන් අවදානම් මත බර තැබූ වත්කම් සහ මුළු ණය කළඹට සමාන අවදානම් මත බර තැබූ ශේෂ පත්‍රයෙන් පරිබාහිර වත්කම් යන ද්විත්වයේ එකතුව වේ.</p>

පළමු ස්ථර ප්‍රාග්ධන අනුපාතය	පළමු ස්ථර ප්‍රාග්ධනය, අවදානම් මත බර තැබූ වත්කම් වල ප්‍රතිශතයක් ලෙස නිරූපණය කිරීම
සමස්ත ප්‍රාග්ධන අනුපාතය	සමස්ත ප්‍රාග්ධනය, අවදානම් මත බර තැබූ වත්කම් වල ප්‍රතිශතයක් ලෙස නිරූපණය කිරීම
අරමුදල් ප්‍රාග්ධනය	ගෙවන ලද ප්‍රාග්ධනය, ස්ථිර නිදහස් සංචිත සහ ශ්‍රී ලංකා මහ බැංකුව විසින් අනුමත කරන ලද වෙනත් සුරැකුම්පත්
අක්‍රීය ණය	ශ්‍රී ලංකා මහ බැංකුව විසින් නිකුත් කරන ලද මාර්ගෝපදේශයන්ට අනුකූලව ණයගැතියා විසින් ගිවිසුම් ගත පරිදි වාරිකයන්හි මුල් ප්‍රාග්ධනය හෝ සහ /පොළිය නියමිත පරිදි ගෙවා නොමැතිව පැහැර හැර ඇති ණය මුදලකි.
ශුද්ධ පොලී ආන්තිකය	ඇස්තමේන්තුගත වාර්ෂික ශුද්ධ පොලී ආදායම (පොලී ආදායමෙන් පොලී වියදම අඩු කිරීමෙන් පසු) මුළු ශුද්ධ වත්කම් හි ප්‍රතිශතයක් ලෙස දැක්වේ. (කාල සීමාව අවසානයේ)
වත්කම් මත ප්‍රතිලාභ	බදු වලට පෙර ඇස්තමේන්තුගත වාර්ෂික ලාභය මුළු ශුද්ධ වත්කම්වල ප්‍රතිශතයක් ලෙස නිරූපණය වේ. (කාල සීමාව අවසානයේ)
හිමිකම් මත ප්‍රතිලාභ	බදු පසු ඇස්තමේන්තුගත වාර්ෂික ලාභය මුළු ප්‍රාග්ධනයේ ප්‍රතිශතයක් ලෙස (කාල සීමාව අවසානයේ) නිරූපණය වේ
බාහිර අරමුදල්	තැන්පතු සහ ණය ගැනීම් පමණක් අන්තර්ගත වේ.

சியபத பினான்ஸ் பீனல்சீ

2011 ஆம் ஆண்டின் நிதி வணிகச் சட்ட இல. 42 இன் பிரிவு 29 (5) இன் அடிப்படையில் நிதிநிலை அறிக்கைகளை வெளியிடுதல்

டிசம்பர் 31-இல் முடிவடைந்த காலப்பகுதிகளான முக்கிய நிதியியல் தரவுகள் ரூப. அடர்த்திகளில்

	நடைமுறை ஆண்டு	முன்னைய ஆண்டு
	01.01.2021 இலிருந்து 31.12.2021 வரை	01.01.2020 இலிருந்து 31.12.2020 வரை
வட்டி வருமானம்	6,786,436	6,814,216
வட்டி செலவு	(2,813,728)	(3,856,315)
தேறிய வட்டி வருமானம்	3,972,708	2,957,901
ஏனைய வருமானம்	1,360,895	765,479
வித்தகப்படுத்தல் நடவடிக்கைகளிலிருந்து இலாபம்/(நட்டம்)	-	-
தொகுப்பு செலவுகள் (பெறுபதி இழப்பு நீக்கலாக)	(1,789,998)	(1,462,546)
பெறுபதி இழப்பு	(1,618,176)	(1,356,264)
வரிக்கு முன்னான இலாபம்	1,925,429	904,570
வரிகள்	(830,886)	(495,079)
வித்தகப் பின்னான இலாபம்	1,094,543	409,491

டிசம்பர் 31-இல் உள்வாறு முக்கிய நிதியியல் தரவுகள் ரூப. அடர்த்திகளில்

	31-டிசம்பர்-2021	31-டிசம்பர்-2020
	(கனடாக்கல்)	(கனடாக்கல்)
சொத்துக்கள்		
காக மற்றும் வங்கி மீதிகள்	250,277	292,036
தொடர்பான தரப்பினரிடமிருந்து வர வேண்டியவை	3,976	5,600
கடன்கள் (தொடர்பான தரப்பினரிடமிருந்து வரவேண்டியவை நீக்கலாக)	39,404,388	38,611,280
பங்குநீர் மூலத்தொகையின் முதலீடுகள்	56	56
சொத்துக்கள், பொதுக்கள் மற்றும் சாதனங்கள்	1,992,215	1,353,815
ஏனைய சொத்துக்கள்	1,099,336	1,288,873
மொத்த சொத்துக்கள்	42,750,248	41,551,860
பொறுப்புக்கள்		
வங்கிகளுக்கு செலுத்தவேண்டியவை	7,872,161	8,037,211
தொடர்பான தரப்பினருக்கு செலுத்தவேண்டியவை	3,129,004	2,974,555
வாங்குகையாளர்களிடமிருந்து வரவேண்டியவை	17,114,923	17,279,814
ஏனைய கடன்பாடுகள்	6,267,615	6,288,476
ஏனைய பொறுப்புக்கள்	2,140,451	1,845,839
மொத்தப் பொறுப்புக்கள்	36,524,154	36,425,695
பங்குநீர் மூலத்தம்		
கூடுபட்ட மூலத்தம்	2,346,095	1,522,881
பங்குநீர் பரிசீலனை (நிர்வாகத்திற்காக ஒதுக்கீடு நிலைப்படுத்தப்பட்ட பணம்)	-	700,000
நிதி ஒதுக்க நிதியம்	240,000	185,000
பிடித்துவைக்கப்பட்ட வருவாய்கள்	3,515,495	2,600,133
ஏனைய ஒதுக்கங்கள்	124,504	117,951
மொத்த பங்குநீர் மூலத்தம்	6,226,094	5,125,965
மொத்தப் பொறுப்புக்கள் மற்றும் உரிமைப் பங்கு	42,750,248	41,551,860
பங்குநீர் மூலத்தம்		
பங்குநீர் மூலத்தம்	67.69	67.26

விநிதிநிலை அறிக்கை மூலக்கூறுகள்

விடயம்	31-டிசம்பர்-2021		31-டிசம்பர்-2020	
	தேவையளவு	உண்மை	தேவையளவு	உண்மை
ஒழுங்குமுறைப்படுத்தல் மூலத்தம் போதுமைய (%)				
அடுத்த 1 மூலத்தம் போதுமைய விதிமீறல்	7.00%	14.74%	6.50%	9.77%
மொத்த மூலத்தம் போதுமைய விதிமீறல்	11.00%	21.36%	10.50%	14.18%
வெவ்வேறு பொறுப்புக்களுக்கான மூலத்தம் நிதியம் விதிமீறல்	10.00%	58.88%	10.00%	37.59%
கடன் சொத்துப்படிப்பின் தரம் (%)				
மொத்தச் சொத்துக்கள் கடன்களின் விதிமீறல்		16.30%		18.07%
தேறிய சொத்துக்கள் கடன்களின் விதிமீறல்		4.47%		5.98%
மைய மூலத்தம் வித்தகத்திற்கான தேறிய சொத்துக்கள்		31.11%		47.93%
கடன்களின் விதிமீறல்		56.55%		51.45%
ஒதுக்கப் பாதுகாப்பு விதிமீறல்				
இலாபத்தன்மை (%)				
தேறிய வட்டி இலாபம்		9.29%		7.12%
சொத்துக்கள் மீதான வருவாய்		4.50%		2.18%
பங்குநீர் மூலத்தம் மீதான வருவாய்		17.58%		7.99%
வருமானத்திற்கான செலவு விதிமீறல்		33.56%		39.28%
தீர்வுத்தன்மை (%)				
தேவையளவு தீர்வுச் சொத்துக்களுக்கான கிடைக்கத்தக்க தீர்வுச் சொத்து (குறைந்தபட்சம் 100%)		133.88%		152.62%
வெளிநாட்டு நிதிநிலை அறிக்கை தீர்வுச் சொத்துக்கள்		8.24%		5.58%
விஞ்ஞானத் தகவல்கள்				
கிளைகளின் எண்ணிக்கை		40		40
வெளிநாட்டு கொடுக்கல் தரம் (Fitch தரப்படுத்தல்)		A(ka)		A(ka)
கடந்த 6 மாதங்களில் விதிக்கப்பட்ட ஒழுங்குமுறைப்படுத்தல் அபாயங்கள்				
தொகை (₹ மில்லியன்)		0/ந		1

2021 மற்றும் 2020 ஆம் ஆண்டுகளில் வைப்புகள், கடன் வாங்குதல் மற்றும் கடன் வாங்குதலில் நிறுவனம் எந்தவிதமான ஒழுங்குமுறை கட்டுப்பாடுகளையும் கடைபிடிக்கவில்லை.

உறுதியளிப்புகள்:

சீமே கையொப்பமிட்ட சியபத பினான்ஸ் பீனல்சீயின் முகாமைப் பணிப்பாளர், நிதிநிலை அறிக்கை மற்றும் இணக்கத்தலைவர் ஆகிய நபர்கள் கூட்டாக பின்வருவனவற்றை உறுதிப்படுத்துகின்றனர்:

- (அ) மேற்கூறப்பட்ட கூற்றுக்கள் இலாபக்க மத்திய வங்கியினால் பரிந்துரைக்கப்பட்ட படிமம் மற்றும் வருவிலக்கணங்களுடன் இணங்கிச் செல்லும் விதத்தில் தயாரிக்கப்பட்டிருக்கின்றன;
- (ஆ) இக்கூற்றுக்களில் அடங்கியுள்ள தகவல்கள் கணக்காய்வு செய்யப்பட்டவை எனக் குறிப்பிடப்பட்டுள்ளனவென்றால், சியபத பினான்ஸ் பீனல்சீயின் கணக்காய்வு செய்யப்பட்ட நிதியியல் கூற்றுக்களிலிருந்து பிரித்தெடுக்கப்பட்டவையாகும்.

(ஒப்பம்) ஆளுநர் செனவிரத்தன முகாமைப் பணிப்பாளர் 11 பெப்ரவரி 2022	(ஒப்பம்) ருவன் வண்ணி ஆராச்சி நிதிநிலை அறிக்கை 11 பெப்ரவரி 2022	(ஒப்பம்) மலுரினா ராஜகருணா இணக்கத்தலைவர் 11 பெப்ரவரி 2022
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கயாடீன் கணக்காய்வாளரின் அறிக்கை

KEY AUDIT MATTER
Building a better working world
INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF SIYAPATHA FINANCE PLC
Report on the audit of the financial statements
Opinion
We have audited the financial statements of Siyapatha Finance PLC (the Company), which comprise the statement of financial position as at 31 December 2021, income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.
Basis for opinion
We conducted our audit in accordance with Sri Lanka Auditing Standards (SLASs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provides the basis for our opinion.
We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Provision for credit impairment on financial assets carried at amortised cost Provision for credit impairment on financial assets carried at amortised cost as stated in Note 40.1 is determined by management in accordance with the accounting policies described in Note 3.18. This was a key audit matter due to: • materiality of the related provision for credit impairment which involved complex calculations and • degree of management judgement, significance of assumptions and level of estimation uncertainty associated with its measurement. Key areas of significant judgements, estimates and assumptions used by management in the assessment of the provision for credit impairment included the following: • management overlays to incorporate the probable ongoing impacts of COVID-19 and related industry responses such as government stimulus packages and debt moratorium relief measures granted by the company; • the incorporation of forward-looking information to reflect current and anticipated future external factors, including judgments related to the ongoing impact of COVID-19, both in the multiple economic scenarios and the probability weighting determined for each of these scenarios.	We assessed the alignment of the company's provision for credit impairment calculations and underlying methodology including consideration of COVID-19 impacts and related industry responses with its accounting policies, based on the best available information up to the date of our report. Our audit procedures included amongst others the following: • We evaluated the design, implementation and operating effectiveness of controls over estimation of impairment, which included assessing the level of oversight, review and approval of provision for credit impairment policies and procedures by the Board of Directors; • We checked the completeness and accuracy of the underlying data used in the impairment computation by signing details to relevant source documents and accounting records of the company. We also checked the underlying calculations; • In addition to the above, the following procedures were performed: • For loans and advances assessed on an individual basis for impairment: - We assessed the reasonableness and timeliness of Management's internal assessments of credit quality based on the borrower's particular circumstances - We evaluated the reasonableness of key inputs used in the provision for credit impairment made with particular focus on the ongoing impact of COVID-19. Such evaluations were carried out considering value and timing of cash flow forecasts, elevated risk indicators, status-of-recovery analysis and collateral value. • For financial assets assessed on a collective basis for impairment: • We tested the key calculations used in the provision for credit impairment. • We assessed whether judgements, estimates and assumptions used by Management in the underlying methodology and the management overlays were reasonable. Our testing included evaluating the reasonableness of forward-looking information used, economic scenarios considered and probability weighting assigned to each of those scenarios. • We assessed the adequacy of the related financial statement disclosures set out in notes 40.1.
Information Technology (IT) systems and controls over financial reporting Significant part of the client's financial reporting process is primarily reliant on multiple IT systems with automated processes and internal controls. Further, key financial statement disclosures are prepared using data and reports generated by IT systems, that are compiled and furnished with the use of spreadsheets. Accordingly, IT systems and related internal controls over financial reporting was considered a key audit matter.	Our audit procedures included the following: • We obtained an understanding of the internal control environment of the processes relating to financial reporting and related disclosures. • We identified and tested relevant controls of key IT systems related to the Company's financial reporting process. • We involved our internal specialized resources to evaluate the design and operating effectiveness of IT controls, including those related to user access and change management. • We checked by source data of the reports used to generate key disclosures for accuracy and completeness, including review of the general ledger reconciliations. • We also obtained a high-level understanding, primarily through inquiry of the cybersecurity risks affecting the Company and the actions taken to address those risks. Further, we checked changes if any have been made to security monitoring procedures, given the increase in remote workers including the client's monitoring on remote workers activities.

Other information included in the 2021 Annual Report
Management is responsible for the other information. The other information comprises the Company's 2021 annual report as expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
Responsibilities of management and those charged with governance for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.
Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it not a guarantee that an audit conducted in accordance with SLASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
As part of an audit in accordance with SLASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
1. identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misstatements, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the
circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the fair presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships that may appear to be, or be perceived to be, a threat to our independence, and where applicable, related safeguards.
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
Report on Other Legal and Regulatory Requirements
As required by section 183 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.
CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 384.
11 February 2022
Colombo

இல. 111, டீவீ சேனாநாயக்க மாவட்டம், கொழும்பு 8.
விலாசம்: 011-7605605 இமெயில்: info@siyapatha.lk
கம்பனிப் பதிவு இல. PB 917 PQ
கூட்டிவைக்கப்பட்ட திகதி: 3 மார்ச் 2005

2011 ஆம் ஆண்டின் 42-வது இடத்தில் நிதி அறிக்கை உள்ளதற்கான தீர்மானம் பின்பற்றி வங்கியின் துணைப் பணிப்பாளர் அறிக்கைக்கூட்டி

கிசலத் இலாபத்
சியபத பினான்ஸ்
Siyapatha Finance
(Finance Company of Sri Lanka Group)

விளக்கங்கள்/ சொற்றொகுதி

மூலதன போதுமை விகிதம்	வைப்பாளர்களையும் கடன் வழங்கியோரையும் பாதிக்காமல் இழப்புக்களை நிதியியல் நிறுவனங்கள் ஈர்த்துக்கொள்வதற்கான இயலாற்றலை எடுத்துக் காட்டுகின்றது. இவ்விகிதமானது பணிப்புரையில் குறித்துரைக்கப்பட்டவாறு, இடர்நேர்வு நிறையேற்றப்பட்ட சொத்துக்களினால் மூலதனத்தினை வகுப்பதன் மூலம் கணிக்கப்படுவதுடன் உயர்ந்த விகிதம் இழப்புக்களை சிறந்த முறையில் ஈர்த்துக் கொள்ளும் இயலாவினை எடுத்துக்காட்டுகின்றது.
செயற்படாக் கடன்களின் விகிதம்	நிதியியல் நிறுவனங்களின் மொத்தக் கடன் சொத்துப்பட்டியலில் உள்ளடக்கப்பட்டுள்ள செலுத்தப்படாத கடன்கள் மற்றும் முற்பணங்களின் மட்டத்தினை எடுத்துக் காட்டுகிறது. உயர்ந்த விகிதம் மோசமான சொத்துக்களின் தரத்தினையும் உயர்ந்த கொடுகடன் இடர்நேர்வுகளையும் எடுத்துக்காட்டுகின்றது.
ஒதுக்கு பாதுகாப்பு விகிதம்	பிரச்சனைகளுக்குரிய கடன்களையும் முற்பணங்களையும் உள்ளடக்கத்தக்க விதத்தில் ஒதுக்குகள் போதுமான மட்டத்தில் இருப்பதனை எடுத்துக்காட்டுகிறது. உயர் மூலதன போதுமை விகிதத்துடன் கூடிய உயர்விகிதம் என்பது கடன் இழப்பு ஒதுக்குகளுக்கு அப்பால் எதிர்பாராமல் ஏற்படும் இழப்புக்கள் உட்பட எதிர்கால கொடுகடன் இழப்புக்களைச் சிறந்த முறையில் எதிர்த்து நிற்கக்கூடிய நிதியியல் நிறுவனமொன்று எனப் பொருள்படும்.
தேறிய வட்டி இலாபம்	நிதியியல் நிறுவனத்தின் மைய வியாபாரத் தொழிற்பாடுகளின் இலாபத்தன்மையினை எடுத்துக்காட்டுகிறது. அதாவது கடன்கள் மற்றும் முற்பணங்களை வழங்குதல் மற்றும் வைப்புக்களை ஏற்றுக்கொள்ளல்.
வருமானத்திற்கான செலவு விகிதம்	தொழிற்பாட்டு செலவை பிரதிநிதித்துவப்படுத்துகிறது, தேறிய வருவாயின் சதவீதமொன்றாக கடன்கள் மற்றும் முற்பணங்கள் மீதான சேத இழப்பு அறவீடுகள் நீங்கலாக (தேறிய வட்டி வருமானம் மற்றும் ஏனைய வருமானம்) உயர்வான இலாபத்தன்மையில் குறைவான விகிதம் ஏற்படும்.
திரவச் சொத்துக்கள்	திரவச் சொத்து என்பது இலகுவாக காசாக மாற்றிக் கொள்ளக்கூடிய சொத்தொன்றாகும்.
உச்ச எல்லை	இலங்கை மத்திய வங்கியினால் விதிக்கப்பட்ட உச்ச எல்லை.
அளவினைக் குறைத்தல்	இலங்கை மத்திய வங்கியினால் விதிக்கப்பட்டவாறு வியாபாரத் தொழிற்பாடுகளைப் படிப்படியாகக் குறைத்தல்.
முடக்குதல்	கம்பனியின் மேலும் இடம்பெறக்கூடிய கொடுக்கல்வாங்கல்களை தடை செய்வதற்காக நடைமுறைக்கிடப்படுகின்ற மத்திய வங்கியின் கட்டளையொன்று.
அடுக்கு 1 மூலதனம்	நிரந்தரமான பங்குடமையாளர் பங்குரிமை மூலதன ஒதுக்குகளை எடுத்துக்காட்டுகிறது.

மொத்த மூலதனம்	அடுக்கு 1 இனையும் பங்குரிமை மூலதனம் மற்றும் படுகடன் பண்புகளுடன் கூடிய சாதனங்கள் மீள்மதிப்பீட்டு இலாபம், பெறுமதி இழப்புப் படிகள் என்பனவற்றை உள்ளடக்கிய துணை நிரப்பு மூலதனத்தினையும் பிரசன்னப்படுத்துகிறது.
இடர்நேர்வு நிறையேற்றப்பட்ட சொத்துக்கள்	ஐந்தொகையிலுள்ள இடர்நேர்வு நிறையேற்றப்பட்ட சொத்துக்கள் மற்றும் இடர்நேர்வு நிறையேற்றப்பட்ட ஐந்தொகைக்கு வெளியேயான சொத்துக்களுக்கு சமமான மொத்தக் கொடுகடன் என்பனவற்றின் கூட்டுத்தொகையாகும்.
அடுக்கு 1 மூலதன விகிதம்	இடர்நேர்வு நிறையேற்றப்பட்ட சொத்துக்களின் சதவீதமாக அடுக்கு 1 மூலதனம்.
மொத்த மூலதன விகிதம்	இடர்நேர்வு நிறையேற்றப்பட்ட சொத்துக்களின் சதவீதமாக மொத்த மூலதனம்.
மூலதன நிதியம்	இலங்கை மத்திய வங்கியினால் ஒப்புதலளிக்கப்பட்ட செலுத்தப்பட்ட மூலதனம், நிரந்தர கட்டற்ற ஒதுக்குகள் மற்றும் வேறு ஏதேனும் பிணையங்கள்.
செயற்படாக் கடன்கள்	கடன்பாட்டாளர் ஒருவர் செலுத்தத்தவறிய கடன் அத்துடன் இலங்கை மத்திய வங்கியினால் விடுக்கப்பட்ட குறித்துரைக்கப்பட்ட வழிகாட்டல்களின் படி முதல் அல்லது அத்துடன்/ வட்டியை அட்டவணையின் படி செலுத்தாமல் இருப்பது.
தேறிய வட்டி இலாபம்	மொத்தத் தேறிய சொத்துக்களின் சதவீதமாக (காலமுடிவில் உள்ளவாறு) ஆண்டு மயப்படுத்தப்பட்ட தேறிய வட்டி வருமானம் (வட்டிச் செலவுகளைக் கழித்த வட்டிவருமானம்) காலமுடிவில் உள்ளவாறு.
சொத்துக்களின் மீதான வருவாய்	மொத்த தேறிய சொத்துக்களின் சதவீதமாக ஆண்டு மயப்படுத்தப்பட்ட வரிக்கு முன்னரான இலாபம் (காலமுடிவில் உள்ளவாறு).
பங்குரிமை மூலதனம் மீதான வருவாய்	மொத்த மூலதனத்தின் சதவீதமாக ஆண்டு மயப்படுத்தப்பட்ட வரிக்குப்பின்னரான இலாபம் (காலமுடிவில் உள்ளவாறு).
வெளிவாரி நிதியம்	வைப்புக்கள் மற்றும் கடன்பாடுகளை மாத்திரம் உள்ளடக்குகிறது.