

COMMERCIAL CREDIT AND FINANCE PLC

Un Audited Financial Statements for the 6 months ended 30th September 2018

(Published in accordance with Section 29 (5) of the Finance Business Act No. 42 of 2011)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Company Rs.(000)		Group Rs.(000)	
	As at 30 th September 2018	As at 30 th September 2017	As at 30 th September 2018	As at 30 th September 2017
Assets				
Cash and Bank Balances	1,751,234	3,863,072	2,021,529	4,002,535
Reverse Repurchase Agreements	2,282,108	2,530,587	2,456,449	2,530,587
Placement with Banks	2,401,260	1,791,426	2,120,367	1,960,029
Financial Investments - Held for Trading	-	3,459,036	-	3,459,036
Financial assets at fair value through profit or loss	2,691,851	-	2,899,318	-
Loans and Receivables	30,404,074	35,034,456	30,859,306	35,370,672
Lease Rentals Receivable & Stock out on Hire	32,416,396	29,536,268	40,690,817	34,026,803
Financial Investments - Available for Sale	4,310	142,910	4,055	234,693
Other Financial Assets	896,761	978,139	896,761	978,139
Inventories	103,804	166,142	103,804	166,142
Other Assets	353,379	805,497	445,827	879,565
Investment in Subsidiaries	1,599,288	1,599,288	-	-
Investment Property	2,207,535	1,612,414	2,207,535	1,612,414
Property, Plant and Equipment	1,686,193	1,501,995	1,763,766	1,551,575
Intangible Assets & Goodwill	179,127	170,255	927,904	921,769
Prepaid Rent	8,188	8,311	8,188	8,311
Deferred Tax Asset	246,878	1,091,782	255,300	1,144,321
Total Assets	79,232,386	84,291,579	87,660,927	88,846,593
Liabilities				
Due to Banks	10,247,258	9,209,998	10,476,572	9,395,867
Due to Customers	52,121,070	56,169,134	54,346,864	57,409,211
Debt Instruments issued and other Borrowed Funds	2,939,185	3,437,353	7,585,511	5,358,871
Other Financial Liabilities	1,686,684	1,776,949	1,686,684	1,776,949
Other Liabilities	570,168	519,706	1,231,415	1,084,579
Post Employment Benefit Obligations	179,795	117,358	194,424	129,768
Current Tax Liabilities	435,309	2,132,157	516,948	2,227,561
Total Liabilities	68,179,469	73,362,654	76,038,418	77,382,805
Shareholders' Funds				
Stated Capital	2,150,640	2,150,640	2,150,640	2,150,640
Reserves	8,902,276	8,778,285	9,465,552	9,308,296
Total Shareholders' Funds	11,052,917	10,928,925	11,616,192	11,458,936
Non - controlling interest	-	-	6,316,747	4,852
Total Liabilities & Shareholders' Funds	79,232,386	84,291,579	87,660,927	88,846,593
Commitments & Contingencies	1,078,039	1,511,256	1,078,039	1,511,256

SELECTED PERFORMANCE INDICATORS

	As at 30 th September 2018	As at 30 th September 2017
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	7,683,148	8,880,257
Total Capital Base, Rs. '000	9,407,012	9,593,562
"Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 6%)"	8.58	13.11
"Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10%)"	10.51	14.16
Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%)	21.21	18.73
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	4,801,440	5,529,001
Gross Non-Performing Accommodations Ratio, %	7.00	7.37
Net Non-Performing Accommodations Ratio, %	(1.56)	1.4
Profitability (%)		
Interest Margin	15.96	15.72
Return on Assets (before Tax)	2.76	3.74
Return on Equity (after Tax)	16.50	20.66
Regulatory Liquidity (Rs. '000)		
Required minimum amount of Liquid Assets	5,642,441	5,893,675
Available amount of Liquid Assets	7,149,862	10,233,646
Required minimum amount of Government Securities	4,778,922	4,420,704
Available amount of Government Securities	4,869,776	5,471,379
Memorandum information		
Number of employees	3,381	3319
Number of branches	62	62
Number of service centers	55	55
Number of pawning centers	1	1

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Company Rs.(000)		Group Rs.(000)	
	"From 1 st April 2018 to 30 th September 2018"	"From 1 st April 2017 to 30 th September 2017"	"From 1 st April 2018 to 30 th September 2018"	"From 1 st April 2017 to 30 th September 2017"
Income				
Interest Income	10,046,332	9,934,942	11,234,374	10,560,296
Interest Expense	(4,433,445)	(4,671,494)	(4,820,265)	(4,854,671)
Net Interest Income	5,612,887	5,263,448	6,414,109	5,705,625
Fee & Commission Income	936,446	886,115	950,869	854,029
Net Income from Real Estate	13,302	14,098	13,302	14,098
Total Operating Income	6,562,635	6,163,661	7,378,279	6,573,752
Impairment Charges of Loans and Advances, Lease and Financial Assets	(1,996,628)	(1,568,444)	(2,150,106)	(1,595,992)
Net Operating Income	4,566,007	4,595,217	5,228,173	4,977,760
Operating Expenses				
Personnel Costs	(1,683,076)	(1,530,760)	(1,835,756)	(1,609,335)
Depreciation	(168,123)	(120,000)	(182,259)	(130,319)
Other Operating Expense	(1,205,344)	(1,038,865)	(1,293,323)	(1,109,127)
Profit before Value added tax on Financial Services	1,509,464	1,905,591	1,916,836	2,128,979
Value Added Tax on Financial Services	(392,459)	(420,831)	(470,579)	(473,246)
Operating profit/(loss) after VAT	1,117,005	1,484,761	1,446,257	1,655,733
Profit Before Income Tax	1,117,005	1,484,761	1,446,257	1,655,733
Income Tax	(238,537)	(467,141)	(363,975)	(551,474)
Profit for the Period	878,468	1,017,619	1,082,282	1,104,259
Profit Attributable to:				
Equity holders of the parent	878,468	1,017,619	1,081,372	1,103,563
Non - Controlling interest	-	-	910	696
	878,468	1,017,619	1,082,282	1,104,259
Earning per Share (LKR)			3.40	3.47

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Company Rs.(000)		Group Rs.(000)	
	"From 1 st April 2018 to 30 th September 2018"	"From 1 st April 2017 to 30 th September 2017"	"From 1 st April 2018 to 30 th September 2018"	"From 1 st April 2017 to 30 th September 2017"
Profit for the period	878,468	1,017,619	1,082,282	1,104,259
Net Gains/(losses) on remeasuring Available-for-sale financial assets	(19,602)	(18,435)	(19,910)	(18,290)
Total Comprehensive Income for the period	858,866	999,185	1,062,372	1,085,969

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and the Financial Officer of Commercial Credit & 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.)
R. S. Egodage
Chief Executive Officer
12/11/2018

(Sgd.)
M. A. D. J. Deshapriya
Chief Financial Officer
12/11/2018

CITY OFFICE

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**COMMERCIAL
CREDIT**