

# **SERENDIB LAND PLC**

**QUARTERLY FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED AND YEAR ENDED MARCH 31,2013**

**Registered Office**

NO.9/5,THAMBIAH AVENUE  
COLOMBO 07.

**SERENDIB LAND PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**YEAR ENDED MARCH 31, 2013**

	Unaudited		Variance	Unaudited	Audited	Variance
	3 months	3 months	%	Year	Year	%
	ended	ended		31.03.13	31.03.12	
	31.03.13	31.03.12		Rs.	Rs.	
	Rs.	Rs.				
<b>Revenue</b>	3,285,000	2,880,000	14.06	<b>13,005,000</b>	11,520,000	12.89
Direct Operating Expenses	(211,019)	(261,019)	19.16	<b>(844,074)</b>	(833,198)	(1.31)
<b>Gross profit</b>	3,073,982	2,618,981	17.37	<b>12,160,926</b>	10,686,802	13.79
Other operating income						
Other Income	196,697	58,365	237.01	<b>591,417</b>	222,441	165.88
Changes in fair Value of Investment Property	-	17,777,834	(100.00)	-	17,777,834	(100.00)
Administrative expenses	(637,065)	(490,858)	(29.79)	<b>(1,682,800)</b>	(1,485,120)	(13.31)
<b>Profit from operations</b>	<u>2,633,614</u>	<u>19,964,322</u>	(86.81)	<b><u>11,069,543</u></b>	<u>27,201,957</u>	(59.31)
Finance costs	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>-</u>	-
<b>Profit Before taxation</b>	2,633,614	19,964,322	(86.79)	<b>11,069,543</b>	27,201,957	(59.31)
Income Tax Expenses/(Reversal)	(271,080)	8,307,147	103.26	<b>(1,109,480)</b>	7,373,531	(115.05)
<b>Net profit for the period</b>	<u>2,362,533</u>	<u>28,271,469</u>	(91.64)	<b><u>9,960,063</u></b>	<u>34,575,488</u>	(71.19)
<b>Other Comprehensive Income</b>	-	-		-	-	
<b>Total Comprehensive Income for the year</b>	<u>2,362,533</u>	<u>28,271,469</u>	(91.64)	<b><u>9,960,063</u></b>	<u>34,575,488</u>	(71.19)
<b>Earnings per share (Rs.)</b>	<b>6.56</b>	<b>78.53</b>		<b>27.67</b>	<b>96.04</b>	

*The above figures are provisional & subject to audit  
Figures in brackets indicate deductions.*

**SERENDIB LAND PLC**  
**STATEMENT OF FINANCIAL POSITION**

	As at 31.03.13	Rs. As at 31.03.12	As at 31.03.11
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Investment Property	251,160,000	251,160,000	231,270,000
<b>CURRENT ASSETS</b>			
Trade & Other Receivables	797,172	652,126	1,694,290
Income Tax Recivable	234,009	1,059,459	-
Short Term Investment	6,816,115	2,967,019	2,058,605
Cash in Hand and at Bank	1,589,980	1,933,314	1,968,685
	<u>9,437,276</u>	<u>6,611,918</u>	<u>5,721,580</u>
<b>TOTAL ASSETS</b>	<b><u>260,597,276</u></b>	<b><u>257,771,918</u></b>	<b><u>236,991,580</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL &amp; RESERVES</b>			
Stated Capital	36,000,000	36,000,000	36,000,000
Retained Earnings	200,204,867	197,444,804	168,269,316
<b>Shareholders' fund</b>	<b><u>236,204,867</u></b>	<b><u>233,444,804</u></b>	<b><u>204,269,316</u></b>
<b>NON CURRENT LIABILITIES</b>			
Defereed Tax Liability	23,184,000	23,184,000	31,500,000
	<u>23,184,000</u>	<u>23,184,000</u>	<u>31,500,000</u>
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	530,088	689,332	428,944
Income Tax Payable	-	-	398,771
Dividend Payable	453,782	453,782	394,549
Bank Overdraft	224,539	-	-
	<u>1,208,409</u>	<u>1,143,114</u>	<u>1,222,264</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>260,597,276</u></b>	<b><u>257,771,918</u></b>	<b><u>236,991,580</u></b>

*e above figures are provisional & subject to aud*

These financial statements are in compliance with the requirements of the Companies Act No.07 of 2007.

**(Sgd) Shehan De Alwis**  
**Chief Financial Officer**

The Board of Directions is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board.

**(Sgd) T.Someswaran**  
**Chairman, Audit Committee**

**(Sgd) S.Nagendra**  
**Chairman**

Colombo,  
29th May , 2013

**SERENDIB LAND PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED MARCH 31, 2013**

	<b>Stated Capital</b>	<b>Retained Earnings</b>	<b>Total</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
<b>Balance as at April 1, 2011</b>	<b>36,000,000</b>	168,269,316	204,269,316
Final Dividend 2010/2011	-	(5,400,000)	(5,400,000)
Net Profit for the Period	-	34,575,488	34,575,488
<b>Balance as at March 31, 2012</b>	<b><u>36,000,000</u></b>	<b><u>197,444,804</u></b>	<b><u>233,444,804</u></b>
<b>Balance as at April 1, 2012</b>	<b>36,000,000</b>	197,444,804	233,444,804
Final Dividend 2011/2012	-	(7,200,000)	(7,200,000)
Net Profit for the Period	-	9,960,063	9,960,063
<b>Balance as at March 31, 2013</b>	<b><u>36,000,000</u></b>	<b><u>200,204,867</u></b>	<b><u>236,204,867</u></b>

*Figures in brackets indicate deductions.*

*Stated Capital comprised the 360,000 shares as at March 31, 2013*

**SERENDIB LAND PLC**  
**CASH FLOW STATEMENT**  
**FOR PERIOD ENDED MARCH 31, 2013**

	<b>Unaudited Three Months ended 31.03.13 Rs.</b>	<b>Unaudited Three Months ended 31.03.2012 Rs.</b>	<b>Unaudited Year ended 31.03.13 Rs.</b>	<b>Audited Year ended 31.03.2012 Rs.</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation	2,633,614	19,964,322	11,069,543	27,201,957
Interest income	(196,697)	(58,365)	(591,417)	(222,441)
Change In fair value of Investment property	-	(17,777,834)	-	(17,777,834)
Operating Cash flows before working capital changes	<u>2,436,917</u>	<u>2,128,123</u>	<u>10,478,126</u>	<u>9,201,682</u>
<b>Adjustments for:</b>				
(Increase) / Decrease in receivables	(401,195)	(534,706)	145,046	1,042,164
Increase / (Decrease) in payables	<u>109,086</u>	<u>140,140</u>	<u>(159,234)</u>	<u>260,388</u>
<b>Cash generated from operating activities</b>	<u>2,144,807</u>	<u>1,733,557</u>	<u>10,463,938</u>	<u>10,504,234</u>
Income tax paid	-	(685,946)	(234,009)	(2,400,699)
<b>Net cash generated from operating activities</b>	<u>2,144,807</u>	<u>1,047,611</u>	<u>10,229,929</u>	<u>8,103,535</u>
<b>CASH FLOW INVESTING ACTIVITIES</b>				
Interest Received	9,356	29,724	357,202	222,441
Investment in short term investment	(2,788,589)	(750,000)	(3,955,004)	(908,414)
Replacement of Lift	-	-	-	(2,112,166)
<b>Net cash flow generated in Investing activities</b>	<u>(2,779,233)</u>	<u>(720,276)</u>	<u>(3,597,802)</u>	<u>(2,798,139)</u>
<b>CASH FLOW FINANCING ACTIVITIES</b>				
Dividend Paid	-	-	(7,200,000)	(5,340,767)
<b>Net cash flow used in Financing activities</b>	<u>-</u>	<u>-</u>	<u>(7,200,000)</u>	<u>(5,340,767)</u>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	(634,426)	327,335	(567,873)	(35,371)
Cash and cash equivalents at the beginning of the period	<u>1,999,867</u>	<u>1,605,979</u>	<u>1,933,314</u>	<u>1,968,685</u>
Cash and cash equivalents at the end of the period(Note A)	<u>1,365,442</u>	<u>1,933,314</u>	<u>1,365,441</u>	<u>1,933,314</u>
<b>Note (A)</b>				
Analysis of Cash and Cash Equivalents				
Bank and Cash Balances	1,589,980	1,933,314	1,589,980	1,933,314
Bank Overdrafts	(224,539)	-	(224,539)	-
	<u>1,365,441</u>	<u>1,933,314</u>	<u>1,365,441</u>	<u>1,933,314</u>

*Figures in brackets indicate deductions.*

**SERENDIB LAND PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**6. Explanations for transition to SLFRSs**

**6.1 Reconciliation to the Comprehensive Income Statement**

In Preparing opening LKFRS / LKAS statement of financial position, the company has adjusted amounts reported previously in financial statements prepared in accordance with Sri Lanka accounting standards. An explanation of how the transition from SLAS to LKFRS / LKASs has affected to the Company's financial position, Financial performance is set out in the following tables and the notes that accompany tables.

	SLAS 31.03.12 Rs.	Unaudited Effect of transition to SLFRSs	SLFRS 31.03.12 Rs.	SLAS 31.03.13 Rs.	Unaudited Effect of transition to SLFRSs	SLFRS 31.03.13 Rs.	SLAS 31.03.12 Rs.	Audited Effect of transition to SLFRSs	SLFRS 31.03.12 Rs.
<b>Revenue</b>	2,880,000		2,880,000	<b>13,005,000</b>	-	<b>13,005,000</b>	11,520,000	-	11,520,000
Direct Operating Expenses	(261,019)		(261,019)	<b>(844,074)</b>	-	<b>(844,074)</b>	(833,198)	-	(833,198)
<b>Gross profit</b>	2,618,981		2,618,981	<b>12,160,926</b>	-	<b>12,160,926</b>	10,686,802	-	10,686,802
Other operating income	-		-	-	-	-	-	-	-
Other Income (3.1)	29,724	28,641	58,365	<b>611,884</b>	<b>(20,467)</b>	<b>591,417</b>	223,008	(567)	222,441
Changes in fair Value of Investment Property	17,777,834		17,777,834	-	-	-	17,777,834	-	17,777,834
Administrative expenses	(490,858)		(490,858)	<b>(1,682,800)</b>	-	<b>(1,682,800)</b>	(1,485,120)	-	(1,485,120)
<b>Profit from operations</b>	19,935,681	28,641	19,964,322	<b>11,090,010</b>	(20,467)	<b>11,069,543</b>	27,202,524	(567)	27,201,957
Finance costs	-		-	-	-	-	-	-	-
<b>Profit Before taxation</b>	19,935,681	28,641	19,964,322	<b>11,090,010</b>	(20,467)	<b>11,069,543</b>	27,202,524	(567)	27,201,957
Income Tax Expenses/(Reversal)	8,307,147	-	8,307,147	<b>(1,109,480)</b>	-	<b>(1,109,480)</b>	7,373,531	-	7,373,531
<b>Net profit for the period</b>	28,271,928	28,641	28,271,469	9,980,530	(20,467)	9,960,063	34,576,055	(567)	34,575,488
<b>Other Comprehensive Income</b>	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	28,271,928	28,641	28,271,469	9,980,530	(20,467)	9,960,063	34,576,055	(567)	34,575,488
<b>Earnings per share (Rs.)</b>	78.53		78.53	<b>24.87</b>		27.67	96.04		96.04

*The above figures are provisional & subject to audit  
Figures in brackets indicate deductions.*

SERENDIB LAND PLC  
NOTES TO THE FINANCIAL STATEMENTS

7. Explanations for transition to SLFRSs

7.1 Reconciliation to the Financial Position

	SLAS As at 31.03.13 Rs.	Unaudited Effect of transition to SLFRSs	SLFRS As at 31.03.13 Rs.	SLAS As at 31.03.2012 Rs.	Effect of transition to SLFRSs	SLFRS As at 31.03.12 Rs.	SLAS As at 01.04.2011 Rs.	Effect of transition to SLFRSs	SLFRS As at 01.04.2011 Rs.
<b>ASSETS</b>									
<b>NON-CURRENT ASSETS</b>									
Investment Property	251,160,000	-	251,160,000	251,160,000	-	251,160,000	231,270,000	-	231,270,000
<b>CURRENT ASSETS</b>									
Trade & Other Receivables	1,061,342	(264,170)	797,172	739,016	(86,890)	652,126	1,753,085	(58,795)	1,694,290
Income Tax Receivable	234,009	-	234,009	1,059,459	-	1,059,459	-	-	-
Short Term Investment(3.1)	-	6,816,115	6,816,115	-	2,967,019	2,967,019	-	2,058,605.00	2,058,605
Cash in Hand and at Bank	7,938,610	(6,348,630)	1,589,980	4,814,200	(2,880,886)	1,933,314	3,968,685	(2,000,000)	1,968,685
	<b>9,233,961</b>	<b>203,315</b>	<b>9,437,276</b>	<b>6,612,675</b>	<b>(757)</b>	<b>6,611,918</b>	<b>5,721,770</b>	<b>(190)</b>	<b>5,721,580</b>
<b>TOTAL ASSETS</b>	<b>260,393,961</b>	<b>203,315</b>	<b>260,597,276</b>	<b>257,772,675</b>	<b>(757)</b>	<b>257,771,918</b>	<b>236,991,770</b>	<b>(190)</b>	<b>236,991,580</b>
<b>EQUITY AND LIABILITIES</b>									
<b>CAPITAL &amp; RESERVES</b>									
Stated Capital	36,000,000	-	36,000,000	36,000,000	-	36,000,000	36,000,000	-	36,000,000
Retained Earnings	200,226,091	(21,224)	200,204,867	197,445,561	(757)	197,444,804	168,269,506	(190)	168,269,316
<b>Shareholders' fund</b>	<b>236,226,091</b>	<b>(21,224)</b>	<b>236,204,867</b>	<b>233,445,561</b>	<b>(757)</b>	<b>233,444,804</b>	<b>204,269,506</b>	<b>(190)</b>	<b>204,269,316</b>
<b>NON CURRENT LIABILITIES</b>									
Defereed Tax Liability	23,184,000	-	23,184,000	23,184,000	-	23,184,000	31,500,000	-	31,500,000
	<b>23,184,000</b>	<b>-</b>	<b>23,184,000</b>	<b>23,184,000</b>	<b>-</b>	<b>23,184,000</b>	<b>31,500,000</b>	<b>-</b>	<b>31,500,000</b>
<b>CURRENT LIABILITIES</b>									
Trade & Other Payables	530,088	-	530,088	689,332	-	689,332	428,944	-	428,944
Income Tax Payable	-	-	-	-	-	-	398,771.00	-	398,771
Dividend Payable	453,782	-	453,782	453,782	-	453,782	394,549	-	394,549
Bank Overdraft	-	224,539	224,539	-	-	-	-	-	-
	<b>983,870</b>	<b>224,539</b>	<b>1,208,409</b>	<b>1,143,114</b>	<b>-</b>	<b>1,143,114</b>	<b>1,222,264</b>	<b>-</b>	<b>1,222,264</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>260,393,961</b>	<b>203,315</b>	<b>260,597,276</b>	<b>257,772,675</b>	<b>(757)</b>	<b>257,771,918</b>	<b>236,991,770</b>	<b>(190)</b>	<b>236,991,580</b>

# SERENDIB LAND PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 01. Corporate information

Serendib Land PLC is a limited liability company listed in the Colombo Stock Exchange and domiciled in Sri Lanka. The Registered Office of the Company is located at No.9/5, Thambiah Avenue, Colombo 07.

### 02. Basis of Preparation

The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard-LKAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2013. The financial statements provide information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

The Sri Lanka Financial reporting Standard -SLFRS 1 (First -time adoption of Sri Lanka Accounting Standards) has been adopted in preparation of these financial statements.

The financial statements for the quarter ended 31st March 2013 are the first financial statements prepared and presented in accordance with Sri Lanka accounting standards ( SLFRS/LKAS) immediately effective from 1st April 2012. These SLFRS/LKAS's have materially converged with the Interrelation Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The effect of the transition to SLFRS/LKAS on previously reported financial positions, financial performances and cash flows of the group and the company is given in notes to the financial statements.

The interim financial statements have been prepared on a historical cost basis except for financial instruments.

The interim financial statements are presented in Sri Lankan rupees and all values are rounded to the nearest thousand except when otherwise indicated.

### 03 Significant Accounting Policies

The accounting policies adopted for the current interim period are consistent with those of the previous financial year except as described below

#### 3.1 Financial Instruments

As required by Sri Lanka Accounting Standards LKAS 39 *Financial Instruments ; Recognition and Measurements*, trade receivables, cash and cash equivalents, investments in quoted public companies, trade payables, bank borrowings and intercompany loans are recognized as financial instruments.

#### Notes to the Reconciliation of Equity as at 31st March 2012 and 31st March 2013, Statement of comprehensive income and statement of financial position for the year ended 31st March 2013

	As at 31st March 2013	As at 31st March 2012
Carrying value as per SLAS	6,837,339	2,967,776
Impact on financial assets due to the adjustment to amortized cost	(21,224)	(757)
Carrying value as per SLFRS	<u>6,816,115</u>	<u>2,967,019</u>

**B. Analysis the impact to PBT**

	<b>As at 31st March 2013</b>
PBT as per SLAS	11,090,010
Adjustment Amortized cost	<u>(20,467)</u>
PBT as per SLFRS	<u><u>11,069,543</u></u>

**C. Reconciliation of retained earnings**

	<b>As at 31st March 2013</b>	<b>As at 31st March 2012</b>
Adjustment due to effective interest rate	(21,224)	(757)
	<u>(21,224)</u>	<u>(757)</u>

**i. Adjustments due to effective interest rate (EIR)**

As per SLAS, company recognised interest income using the contracted interest rate on the capital granted using the straight line method. According to SLFRS / LKASs interest shall be computed using the effective interest rate (EIR) method.

**04.** There were no material contingent liabilities as at March 31st 2013

**05.** No circumstances have arisen since the Balance Sheet date, Which would require adjustments or disclosure in the financial statements.

**SHAREHOLDERS' INFORMATION**

	<b>Unaudited 31.03.2013 Rs.</b>	<b>Audited 31.03.2012 Rs.</b>	
Earnings per Ordinary Share (Rs.)	27.72	96.04	<b>(Including change in fair value)</b>
Net Assets per Share (Rs.)	656.18	648.46	
Debt/Equity Ratio (%)	-	-	
Current Ratio (Times)	9.39	5.78	
<b>Market Price - Highest Traded Price (Rs.)</b>	1,775.00	2,500.00	
Lowest Traded Price ( Rs.)	1,105.00	1,250.00	
Last Traded Price (Rs.)	1,572.00	2,400.00	

**SERENDIB LAND PLC**

**ADDITIONAL INFORMATION FOR THE QUARTERLY STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2013**

**1. Share Information**

Information pertaining to the shares traded during the Quarter ended 31st March, 2013, extracted from the website of the Colombo Stock Exchange, is set out below:

<b>Period</b>	
<b>Date High</b>	11-Feb-13
<b>High Rs.</b>	1,775.00
<b>Date Low</b>	6-Mar-13
<b>Low Rs.</b>	1,105.00
<b>Close Rs.</b>	1,572.00
<b>Trade Vol.</b>	46
<b>Share Vol.</b>	233
<b>Turn Over Rs.</b>	359,024.40
<b>Last traded Date</b>	25-Mar-13
<b>Days Traded</b>	18

**Directors' Shareholding**

	<b>As at 31.03.2013</b>
Mr. S. Nagendra	257
Dr. (Ms.) Y. Ponnambalam	-
Mr. Gajendrakumar G. Ponnambalam	-
Dr. (Ms.) M. Wimalendran	-
Dr. B. Sivaprakasapillai	-
Dr. (Ms.) V. Sivaprakasapillai	30,267
Mr. Gehan Rajapakse - (Nominee Director)	-
Mr. J. M. Swaminathan	-
Mr. T Someswaran	-

**The Public Holding Percentage**

7.58% of the issued shares were held by the public as at 31st March, 2013

**2. 20 Largest Shareholders**

	<b>31.03.2013</b>	
	<b>Shares</b>	<b>%</b>
<b>20 Major Shareholders</b>		
Aviva NDB Insurance PLC	80,768	22.43
Gee Gees Properties (Pvt) Ltd	76,735	21.32
Gitanjali Gajaluckshmi (Pvt) Ltd	76,697	21.30
Gitanjali Group (Pvt) Ltd.	67,992	18.89
Dr (Mrs) V. Sivaprakasapillai	30,267	8.41
Mr. O D Liyanage	4,033	1.12
Mrs. S Z Ossman	2,200	0.61
Mr. A. Saverimuttu	1,900	0.53
Ossman Associates (Pvt) Ltd	1,779	0.49
Ms. N Gunatileke	1,499	0.42
Mr.G.C.W. De Silva	1,212	0.34
Mr. K. T. Wickremaratne	750	0.21
Colombo Investment Trust Ltd	642	0.18
DR. (Mrs.) M.S.P. Wijenayake	555	0.15
Mr. A. L. Weerasinghe	534	0.15
Mrs. A N De Mel	534	0.15
Mrs. E Shinya	514	0.14
Mr. B.G.S. De Silva	514	0.14
Mr. C L Iddamalgoda	507	0.14
Mrs. M T Fernando	485	0.13