

# ABANS FINANCE PLC

## INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED

30 SEPTEMBER 2012



**Abans**  
**FINANCE**

# ABANS FINANCE PLC

## BALANCE SHEET

As at	30 Sep. 2012 Rs.	30 Sep. 2011 Rs.	31 Mar. 2012 (Audited)
<b>ASSETS</b>			
Cash and amounts due from banks	25,555,884	13,711,689	24,020,124
Investments held to Maturity	171,690,305	149,435,083	207,005,224
Placements with Banks	55,034,778	80,914,190	24,346,356
Dealing Securities	8,752,796	9,769,429	8,085,928
Investment Securities	80,400	80,400	80,400
Loans and Advances	769,351,936	939,291,865	985,293,071
Lease rentals receivable & Stock out on hire	1,387,346,530	940,285,823	1,237,789,597
Real Estate & Vehicle Stock	139,988,930	140,663,066	144,617,200
Other Debtors, Deposits and Prepayments	24,863,555	40,536,195	42,533,174
Tax Recoverable	-	3,912,052	6,602,174
Property, Plant & Equipment	17,641,594	16,448,939	18,561,357
Deferred Taxation	3,190,302	25,118,995	3,190,302
<b>TOTAL ASSETS</b>	<b>2,603,497,010</b>	<b>2,360,167,727</b>	<b>2,702,124,907</b>
<b>LIABILITIES</b>			
Deposits from Customers	1,547,331,489	1,576,784,457	1,633,434,319
Borrowings	486,670,793	250,540,855	480,550,471
Income Tax Payable	2,497,430	-	-
Other Liabilities	135,400,065	160,880,166	184,097,820
<b>Total Liabilities</b>	<b>2,171,899,777</b>	<b>1,988,205,477</b>	<b>2,298,082,610</b>
<b>SHAREHOLDERS' FUNDS</b>			
Stated Capital	382,373,630	382,373,630	382,373,630
Reserve Fund	20,201,500	9,519,900	20,201,500
Investment Fund	11,508,457	3,681,753	7,833,381
Retained Earnings	17,513,646	(23,613,033)	(6,366,214)
<b>Total Equity</b>	<b>431,597,233</b>	<b>371,962,249</b>	<b>404,042,297</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,603,497,010</b>	<b>2,360,167,727</b>	<b>2,702,124,907</b>
<b>Net Assets per Share (Rs.)</b>	<b>11.66</b>	<b>10.05</b>	<b>10.92</b>

The Interim Financial Statements for the Six Months period ended 30th September 2012 are provisional and subject to Audit.

These Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.

R.M.C.K. Bandara (Sgnd)  
Chief Finance Officer

The Board of Directors is responsible for the preparation and presentation of the Financial Statements.  
Signed for and on behalf of the board by;

R. Pestonjee (Sgnd)  
Director

K.B. Wanigasekara (Sgnd)  
Director

30-Oct-2012  
Colombo

# ABANS FINANCE PLC

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## INCOME STATEMENT

For the Six Months period ended 30th September	2012 Rs.	2011 Rs.
<b>Income</b>	<u>281,733,495</u>	<u>222,901,985</u>
Interest Income	269,996,560	211,547,836
Interest Expense	<u>(154,094,521)</u>	<u>(105,767,846)</u>
Net Interest Income	115,902,039	105,779,990
Other Income	<u>11,736,934</u>	<u>11,354,149</u>
	<b>127,638,973</b>	<b>117,134,139</b>
<b>Less: Operating Expenses</b>		
Staff Costs	(38,164,562)	(30,314,736)
General & Administration Expenses	(39,346,352)	(39,432,292)
Provision for Bad and Doubtful Debts	(6,012,314)	(17,259,495)
<b>Profit/(Loss) before VAT on Financial Service and Income Tax</b>	<u>44,115,745</u>	<u>30,127,616</u>
Value Added Tax on Financial Services	(4,351,500)	(3,120,504)
<b>Profit/(Loss) before Income Tax</b>	<u>39,764,245</u>	<u>27,007,112</u>
Income Tax (Expenses) / Reversal	(12,209,313)	(5,679,538)
<b>Net Profit / (Loss) for the period</b>	<u>27,554,932</u>	<u>21,327,574</u>
<b>Earnings/(Loss) Per Share - Basic &amp; Diluted (Rs.)</b>	<b>0.74</b>	<b>0.58</b>

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30-Oct-2012  
Colombo

**ABANS FINANCE PLC****STATEMENT OF CHANGES IN EQUITY**

For the Six Months period ended 30th September 2012

	<b>Stated Capital</b>	<b>Reserve Fund</b>	<b>Investment Fund</b>	<b>Retained Earnings / (Losses)</b>	<b>Total</b>
<b>Balance As at 31 March 2011</b>	382,373,630	9,519,900	-	(41,258,855)	350,634,675
Net Profit for the Period	-	-	-	21,327,574	21,327,574
<b>Balance As at 30 September 2011</b>	<b>382,373,630</b>	<b>9,519,900</b>	-	<b>(19,931,281)</b>	<b>371,962,249</b>
Net Profit for the Period	-	-	-	32,080,048	32,080,048
Transfer To / From	-	10,681,600	7,833,381	(18,514,981)	-
<b>Balance As at 31 March 2012</b>	<b>382,373,630</b>	<b>20,201,500</b>	7,833,381	<b>(6,366,214)</b>	<b>404,042,297</b>
Net Profit for the Period	-	-	-	27,554,932	27,554,932
Transfer To / From	-	-	3,675,076	(3,675,076)	-
<b>Balance As at 30 September 2012</b>	<b>382,373,630</b>	<b>20,201,500</b>	<b>11,508,457</b>	<b>17,513,642</b>	<b>431,597,229</b>

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# ABANS FINANCE PLC

## CASH FLOW STATEMENT

For the Six Months period ended 30th September

	2012 Rs.	2011 Rs.
<b>Cash Flows From / (Used in) Operating Activities</b>		
Interest Received	269,996,560	211,547,836
Receipts from Other Income	11,070,066	10,848,037
Interest Paid	(139,921,070)	(106,401,573)
Cash Payments to Employees & Expenses	(78,125,251)	(66,909,318)
<b>Profit from operation before Working Capital Changes</b>	<b>63,020,305</b>	<b>49,084,983</b>
(Increase)/ Decrease in Real Estate & Vehicle Stock	4,628,270	(4,779,996)
(Increase)/ Decrease in Lease Rentals Receivable and Stock out on hire	(154,956,892)	(62,292,216)
(Increase)/ Decrease in Loans and Advances	215,751,576	(149,684,368)
(Increase) /Decrease in Other Debtors, Deposits, Prepayments	17,246,824	(7,237,276)
(Increase)/ Decrease in Placements with Banks	(30,688,422)	(16,467,221)
Increase/ (Decrease) in Deposits from Non Bank Customers	(86,102,830)	90,426,901
Increase/ (Decrease) in Borrowings	74,929,611	132,496,493
Increase/ (Decrease) in Accrued Charges	(63,620,569)	30,319,875
<b>Cash Generated from Operations</b>	<b>40,207,872</b>	<b>61,867,174</b>
Retirement Benefit liabilities paid	(150,638)	-
<b>Net Cash Flow from/(used in) Operating Activities before Tax Payments</b>	<b>40,057,234</b>	<b>61,867,174</b>
Income Tax payments	(3,109,708)	(3,122,594)
<b>Net Cash used in Operating Activities</b>	<b>36,947,526</b>	<b>58,744,580</b>
<b>Cash Flows from / (Used in) Investing Activities</b>		
Acquisition of Property, Plant & Equipment	(1,929,895)	(2,815,365)
Proceeds from Disposal of Property, Plant & Equipment	12,500	-
Investments in Treasury Bills & REPO's	17,147,646	(16,826,302)
Investments in Treasury Bonds	(6,915,049)	(2,985,771)
Investment Securities	-	(1,728,231)
Proceeds from Disposal of Investment Securities	-	2,335,829
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>8,315,202</b>	<b>(22,019,840)</b>
<b>Cash Flows from (Used in) Financing Activities</b>		
Dividends Paid	-	-
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>45,262,728</b>	<b>36,724,740</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>26,731,442</b>	<b>(2,158,794)</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>71,994,170</b>	<b>34,565,946</b>

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30-Oct-2012

Colombo

# ABANS FINANCE PLC

## FINANCIAL REPORTING BY SEGMENT

	Lease & Stock Out on Hire		Term Loans		Real Estate		Others		Total	
For the Six Months period ended 30th September	2012 Rs.	2011 Rs.	2012 Rs.	2011 Rs.	2012 Rs.	2011 Rs.	2012 Rs.	2011 Rs.	2012 Rs.	2011 Rs.
Interest	146,673,532	95,131,422	109,167,333	95,980,391	-	425,956	14,155,695	8,792,043	269,996,560	200,329,812
Real Estate	-	-	-	-	-	(469)	-	-	-	(469)
Fee Based Income & Others	4,674,789	9,426,828	2,219,495	1,736,556	-	54,640	4,842,651	11,354,618	11,736,935	22,572,642
<b>Total Revenue</b>	<b>151,348,321</b>	<b>104,558,250</b>	<b>111,386,828</b>	<b>97,716,948</b>	<b>-</b>	<b>480,126</b>	<b>18,998,346</b>	<b>20,146,661</b>	<b>281,733,495</b>	<b>222,901,985</b>
Unallocated Expenses									(241,969,249)	195,894,873
Profits/ (Loss) before Tax									39,764,246	27,007,112
Income Tax expenses									(12,209,313)	5,679,538
Net Profit /(Loss) for the period									27,554,933	21,327,574
Segment Assets	1,387,346,530	940,285,823	769,351,936	939,291,865	139,599,130	140,663,066	-	-	2,296,297,596	2,020,240,753
Unallocated Assets									307,199,414	339,926,974
<b>Total Assets</b>	<b>1,387,346,530</b>	<b>940,285,823</b>	<b>769,351,936</b>	<b>939,291,865</b>	<b>139,599,130</b>	<b>140,663,066</b>	<b>-</b>	<b>-</b>	<b>2,603,497,010</b>	<b>2,360,167,727</b>
Unallocated Liabilities									2,603,497,010	2,360,167,720
<b>Total Liabilities</b>									<b>2,603,497,010</b>	<b>2,360,167,720</b>

# ABANS FINANCE PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the Six Months ended 30th September 2012

**(a). MARKET VALUE PER SHARE FOR THE SIX MONTHS ENDED,**

	30TH SEPTEMBER 2012	31ST MARCH 2012
Highest	44.50	116.20
Lowest	26.00	37.00
Closing	38.50	40.30

**(b).**

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2012. Further, the Interim Financial Statements are in compliance with Sri Lanka Accounting Standards 35 - Interim Financial Reporting and the provisions of the new Companies Act No. 07 of 2007.

The company is required to prepare interim financial statements in accordance with Sri Lanka Financial Reporting Standards (LKAS 34) - Interim Financial Reporting. However, the Institute of Chartered Accountants of Sri Lanka has decided to allow companies to prepare interim financial statements during the first financial year commencing on or after January 01, 2012 in accordance with Sri Lanka Accounting Standards (SLAS) that existed immediately prior to that date with disclosures on impact to the Statement of Comprehensive Income for the period and Net assets based on Sri Lanka Financial Reporting Standards (SLFRS). If determinations of that impact is impracticable, the companies are required to disclose that fact.

The Company is in the process of developing a system to convert the financial statements according to the new Sri Lanka Accounting Standards (LKAS/SLFRS)

**(c). COMMITMENTS AND CONTINGENCIES**

There were no significant capital commitments as at the Balance Sheet date.

**(d). PUBLIC HOLDING**

Public Share holding as at 30th September 2012 is, 10.69%.

**(e). EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

There have been no material events occurring after the Balance Sheet date that require adjustment or disclosure in the Financial Statements

**(f). DIRECTORS AND CEO's SHAREHOLDING**

NAME OF THE DIRECTOR	30TH SEPTEMBER 2012		31ST MARCH 2012	
	NO.OF SHARES	(%)	NO.OF SHARES	(%)
MRS. SAROSHI DUBASH	133,334	0.36	133,334	0.36
MR. R PESTONJEE	106,801	0.29	106,801	0.29
MR. C D PATHIRANA	NIL	0.00	NIL	0.00
MR. K B WANIGASEKARA	NIL	0.00	NIL	0.00
MR. V K CHOKSY	NIL	0.00	NIL	0.00
MR. T SOMESHWARAN	NIL	0.00	NIL	0.00

(g). TWENTY LARGEST SHAREHOLDERS AS AT,

NAME OF THE SHAREHOLDER	30TH SEPTEMBER 2012		31ST MARCH 2012	
	NO.OF SHARES	(%)	NO.OF SHARES	(%)
1 ABANS ( PVT ) LIMITED	31,195,367	84.31	31,195,367	84.31
2 MR. P N PESTONJEE	679,560	1.84	674,899	1.82
3 MR. B PESTONJEE	533,334	1.44	533,334	1.44
4 MRS. H G S CHANDRAKANTHI	370,000	1.00	370,000	1.00
5 MRS. M V I F FERNANDO	370,000	1.00	370,000	1.00
6 MR. A H A JAYASINGHE	370,000	1.00	370,000	1.00
7 MR. D S KARUNAKARAN	370,000	1.00	370,000	1.00
8 MR. K KUNENTHIRAN	370,000	1.00	370,000	1.00
9 MR. N N PERERA	370,000	1.00	370,000	1.00
10 MR. P K PESTONJEE	370,000	1.00	370,000	1.00
11 MISS. C V SUMANADASA	370,000	1.00	370,000	1.00
12 MISS. I N JALALDEEN	366,400	0.99	366,400	0.99
13 MRS. S DUBASH	133,334	0.36	133,334	0.36
14 MR. R PESTONJEE	106,801	0.29	106,801	0.29
15 AB SECURITAS (PRIVATE) LIMITED	100,000	0.27	100,000	0.27
16 CLEANTECH PVT LTD	100,000	0.27	100,000	0.27
17 A B COLD STORAGE (PRIVATE) LIMITED	100,000	0.27	100,000	0.27
18 MRS. ABAN PESTONJEE	66,667	0.18	66,667	0.18
19 MR. S G SALGADO	66,600	0.18	66,600	0.18
20 MR. G C GOONETILLEKE	30,000	0.08	30,000	0.08
	36,438,063	98.48	36,433,402	98.47
<b>OTHERS</b>	561,937	1.52	566,598	1.53
<b>TOTAL</b>	<b>37,000,000</b>	<b>100.00</b>	<b>37,000,000</b>	<b>100.00</b>