

COMMERCIAL LEASING & FINANCE PLC



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017**

COMMERCIAL LEASING & FINANCE PLC

Statement of Financial Position

Group		Company					
31-Mar-17	31-Mar-17	As at 31st December			Group	Company	
(Audited)	(Audited)				2016	2017	2016
Rs. '000	Rs. '000				Rs. '000	Rs. '000	Rs. '000
Assets							
2,150,420	1,487,849	Cash & cash equivalents		1,691,420	3,022,139	1,568,024	
2,715,175	2,715,175	Financial assets held for trading		205,218	183,619	205,218	
16,650,125	15,753,954	Other investments		29,889,773	5,622,010	28,368,469	
14,081,275	13,972,748	Rental receivables on leases & hire purchase		14,873,969	14,180,437	14,791,564	
43,778,397	33,763,173	Loans and advances		43,074,585	39,143,653	32,643,096	
6,167,657	6,167,657	Factoring receivables		6,387,378	4,211,266	6,387,378	
4,189	-	Amounts due from related company		317	3,080	173	
264,969	264,969	Value Added Tax (VAT) recoverable		204,823	112,581	188,560	
570,241	501,484	Other receivables		652,834	280,674	527,595	
-	1,023,302	Investment in subsidiary companies		-	-	1,023,006	
83,059	83,059	Investment in equity accounted investee		84,456	1,460,859	84,456	
46,000	46,000	Investment property		42,000	46,000	42,000	
253,211	-	Goodwill on acquisition		253,211	-	-	
5,943	5,943	Intangible asset		-	4,411	-	
2,120,039	1,975,784	Property, plant & equipment		1,344,713	2,062,247	1,217,156	
88,890,701	77,761,097	Total Assets		98,704,697	70,332,976	87,046,695	
Liabilities and Equity							
Liabilities							
1,805,044	1,390,807	Bank overdrafts		1,515,168	922,059	1,168,556	
-	-	Derivative liabilities - fair value through profit or loss		22,876	-	22,876	
18,749,265	15,935,942	Deposits liabilities		14,190,683	23,219,710	13,009,818	
46,317,070	44,266,931	Interest bearing loans & borrowings		57,987,108	27,051,121	56,946,111	
520,758	413,645	Current tax liabilities		905,877	731,192	792,048	
5,360,026	84,598	Amounts due to related companies		8,705,129	212,321	172,179	
1,165,471	1,084,295	Other payables		1,653,963	1,789,534	1,578,608	
347,867	337,045	Deferred tax liabilities		369,661	337,045	357,932	
95,895	72,300	Retirement benefit obligations		77,743	73,300	52,088	
74,361,396	63,585,563	Total Liabilities		85,428,208	54,336,282	74,100,216	
Equity							
1,425,947	1,425,947	Stated capital		1,425,947	1,425,947	1,425,947	
1,682,756	1,709,933	Reserves		820,934	1,841,884	856,327	
11,417,908	11,039,654	Retained earnings		11,026,971	12,728,863	10,664,205	
14,526,610	14,175,534	Equity attributable to shareholders of the Company		13,273,852	15,996,694	12,946,479	
2,694	-	Non-controlling interests		2,637	-	-	
14,529,305	-			13,276,489	-	-	
88,890,701	77,761,097	Total Liabilities and Equity		98,704,697	70,332,976	87,046,695	
2.28	2.22	Net assets value per share		2.08	2.51	2.03	

I certify that these Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.

Sgd.

Mrs. N.P.Kariyawasam
Head of Finance

The board of directors is responsible for the preparation and the presentation of these Financial Statements.
Approved and signed for and on behalf of the Board;

Sgd.

Mr.P.D.J.Fernando
Director

Sgd.

Mr. D.M.D.K.Thilakarathne
Director / CEO

29th January 2018
Colombo

COMMERCIAL LEASING & FINANCE PLC
Statement of Profit or Loss and Other Comprehensive Income

	Group						Company					
	For the nine months ended			For the three months ended			For the nine months ended			For the three months ended		
	31.12.2017 Unaudited Rs. ' 000	31.12.2016 Unaudited Rs. ' 000	Variance %	31.12.2017 Unaudited Rs. ' 000	31.12.2016 Unaudited Rs. ' 000		31.12.2017 Unaudited Rs. ' 000	31.12.2016 Unaudited Rs. ' 000	Variance %	31.12.2017 Unaudited Rs. ' 000	31.12.2016 Unaudited Rs. ' 000	Variance %
Interest income	9,804,033	7,689,647	27%	Nil	2,823,197		9,844,521	7,797,266	26%	3,487,111	2,864,338	22%
Interest expense	(5,379,311)	(4,463,738)	(21%)	Nil	(1,605,731)		(5,379,311)	(4,463,738)	(21%)	(1,732,209)	(1,605,731)	(8%)
Net interest income	4,424,722	3,225,909	37%	Nil	1,217,466		4,465,210	3,333,528	34%	1,754,902	1,258,607	39%
Other operating income	1,908,654	1,703,509	12%	Nil	521,655		1,666,006	1,703,509	(2%)	456,398	521,655	(13%)
Gain on deemed disposal of BRAC Lanka Finance PLC-Note 8	-	-			-		242,648	-	-	-	-	-
Expenses												
Direct expenses	(405,987)	(310,498)	(31%)	Nil	(90,370)		(405,987)	(310,498)	(31%)	(167,730)	(90,370)	(86%)
Personnel costs	(983,334)	(767,432)	(28%)	Nil	(265,451)		(983,334)	(767,432)	(28%)	(357,713)	(265,451)	(35%)
Premises, equipment & establishment expenses	(300,357)	(250,847)	(20%)	Nil	(84,043)		(300,357)	(250,847)	(20%)	(101,922)	(84,043)	(21%)
Depreciation and amortization	(82,407)	(77,133)	(7%)	Nil	(26,480)		(82,407)	(77,133)	(7%)	(29,596)	(26,480)	(12%)
Allowance for impairment & write offs	(672,443)	(283,765)	(137%)	Nil	(103,406)		(672,443)	(283,765)	(137%)	(300,205)	(103,406)	(190%)
Other operating expenses	(1,439,936)	(1,382,472)	(4%)	Nil	(459,213)		(1,439,936)	(1,382,472)	(4%)	(520,441)	(459,213)	(13%)
Results from operating activities before VAT on financial services and NBT	2,448,912	1,857,271	32%	Nil	710,158		2,489,400	1,964,890	27%	733,693	751,299	(2%)
Value added tax on financial services and NBT	(374,517)	(281,619)	(33%)	Nil	(115,262)		(374,517)	(281,619)	(33%)	(138,569)	(115,262)	(20%)
Results from operating activities	2,074,395	1,575,652	32%	Nil	594,896		2,114,883	1,683,271	26%	595,125	636,037	(6%)
Share of profit of equity accounted investee (net of tax)	111,813	8,601	1200%	Nil	2,355		111,813	8,601	1200%	53,155	2,355	2157%
Profit before income tax expenses	2,186,208	1,584,253	38%	Nil	597,251		2,226,696	1,691,872	32%	648,280	638,392	2%
Income tax expense	(537,485)	(471,316)	(14%)	Nil	(178,090)		(537,485)	(471,316)	(14%)	(179,657)	(178,090)	(1%)
Profit for the period from Continuing operations	1,648,723	1,112,937	48%	Nil	419,161		1,689,211	1,220,556	38%	468,623	460,302	2%
Discontinued Operations												
Profit/ (loss) for the period from discontinued operations (Note 9)	(90,303)	303,313	(130%)	Nil	69,426		-	-	-	-	-	-
Profit for the Period	1,558,420	1,416,250	10%	Nil	488,587		1,689,211	1,220,556	38%	468,623	460,302	2%
Other comprehensive income												
Continuing Operations												
Net Change in fair value of available for sale finance assets	144,792	(26,227)	-	Nil	(2,405)		144,792	(26,227)	-	(29,963)	(2,405)	(189%)
Effective portion of changes in fair value of cash flow	(12,843)	(45,274)	75%	Nil	(7,638)		(12,843)	(45,274)	75%	112,456	(7,638)	-
Discontinued Operations												
Net Change in fair value of available for sale finance assets of discontinued Operations	651	346	88%	Nil	289		-	-	-	-	-	-
Other comprehensive income/ (expense) for the period, net of tax	132,599	(71,155)	-	Nil	(9,754)		131,949	(71,501)	-	82,493	(10,043)	-
Total comprehensive income for the period	1,691,020	1,345,095	26%	Nil	478,833		1,821,160	1,149,055	58%	551,116	450,259	22%
Profit attributable to:												
Equity holders of the Company	1,558,320	1,415,781		Nil	419,161		1,689,211	1,220,556		468,623	460,302	
Non-controlling interests	100	469		Nil	-		-	-		-	-	
Profit for the period	1,558,420	1,416,250		Nil	419,161		1,689,211	1,220,556		468,623	460,302	
Total comprehensive income attributable to:												
Equity holders of the Company	1,690,918	1,344,625		Nil	478,833		1,821,160	1,149,055		551,116	450,259	
Non-controlling interests	102	470		Nil	-		-	-		-	-	
Total comprehensive income for the period	1,691,020	1,345,095		Nil	478,833		1,821,160	1,149,055		551,116	450,259	
Earnings per share Rs.	0.24	0.22		Nil	0.08		0.26	0.19		0.07	0.07	

Figures in brackets indicate deductions

COMMERCIAL LEASING & FINANCE PLC
Statement of changes in equity - Group

For the nine months ended 31st December 2016

	Stated Capital Rs. 000	Revaluation Reserves Rs. 000	Hedging reserve Rs. 000	Fair Value Reserve on AFS Rs. 000	General Reserve Rs. 000	Statutory Reserves Rs. 000	Invetsment Fund Reserve Rs. 000	Retained Earnings Rs. 000	Total Rs. 000	Non-controlling Interest Rs. 000	Total Equity Rs. '000
Balance as at 1st April 2016	1,425,947	135,980	46,270	(87,475)	231,780	565,538	-	9,617,451	11,935,491	51,045	11,986,536
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	1,406,728	1,406,728	9,523	1,416,250
AFS change	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	(45,274)	(25,885)	-	-	-	-	(71,159)	4	(71,155)
Total comprehensive income for the period	-	-	(45,274)	(25,885)	-	-	-	1,406,728	1,335,569	9,527	1,345,095
Acquisition of MI	-	-	-	-	-	-	-	2,792	2,792	(57,934)	(55,142)
Transferred to/(from) during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st December 2016	1,425,947	135,980	996	(113,360)	231,780	565,538	-	11,026,971	13,273,852	2,637	13,276,489

COMMERCIAL LEASING & FINANCE PLC
Statement of changes in equity - Company

For the nine months ended 31st December 2017

	Stated Capital Rs. 000	Revaluation Reserves Rs. 000	Hedging reserve Rs. 000	Fair Value Reserve on AFS Rs. 000	General Reserve Rs. 000	Statutory Reserves Rs. 000	Retained Earnings Rs. 000	Total Rs. 000
Balance as at 1st April 2016	1,425,947	135,980	46,270	(87,107)	288,080	544,605	9,443,649	11,797,424
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	1,220,556	1,220,556
Other comprehensive income	-	-	(45,274)	(26,227)	-	-	-	(71,501)
Total comprehensive income for the period	-	-	(45,274)	(26,227)	-	-	1,220,556	1,149,055
Deividends Forfeited	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	-	-	-
Balance as at 31st December 2016	1,425,947	135,980	996	(113,334)	288,080	544,605	10,664,205	12,946,479
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	465,948	465,948
Other comprehensive income	-	747,892	63,767	(13,880)	-	-	(8,591)	789,188
Tax on Other Comprehensive Income	-	(11,491)	(16,996)	-	-	-	2,406	(26,081)
Total comprehensive income for the period	-	736,401	46,771	(13,880)	-	-	459,762	1,229,055
Deferred tax on revaluation	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	84,315	(84,315)	-
Balance as at 31st March 2017	1,425,947	872,382	47,767	(127,214)	288,080	628,920	11,039,652	14,175,534
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	1,689,211	1,689,211
Other comprehensive income	-	-	(12,843)	144,792	-	-	-	131,949
Total comprehensive income for the period	-	-	(12,843)	144,792	-	-	1,689,211	1,821,160
Deividends Forfeited	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	-	-	-
Balance as at 31st December 2017	1,425,947	872,382	34,924	17,578	288,080	628,920	12,728,863	15,996,694

COMMERCIAL LEASING & FINANCE PLC
Statement of Cash Flow

	Group		Company	
For the nine months ended	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Statement of Cash Flow	Rs. '000	Rs. '000	Rs. '000	Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax expense	2,186,208	1,584,253	2,226,696	1,691,872
Adjustment for:				
Depreciation and amortization	82,407	77,133	82,407	77,133
Provision for gratuity	3,600	3,531	3,600	3,531
Allowances for doubtful debts	672,443	283,765	672,443	283,765
Provision for fall/(increase) in value of investments	(170,695)	(86,657)	(170,695)	(86,657)
Dividend Income	(9,778)	(46,566)	(9,778)	(46,566)
Interest cost	5,379,311	4,463,738	5,379,311	4,463,738
Share of profit of equity accounted investees	(111,813)	(8,601)	(111,813)	(8,601)
Interest on treasury bonds, bills and repos	(585,852)	(938,943)	(585,852)	(938,943)
Operating profit before working capital changes	7,445,831	5,331,653	7,486,319	5,439,272
Working capital changes				
(Increase)/decrease in accounts receivables & others	94,594	53,651	94,594	53,651
Increase/(decrease) in accounts payables	913,659	301,354	913,659	301,354
(Increase)/decrease investment in leases	(298,579)	(125,803)	(298,579)	(125,803)
(Increase)/decrease in factoring account receivable	1,630,089	(1,514,079)	1,630,089	(1,514,079)
(Increase)/decrease investment in advances and other loans	(5,635,730)	(5,672,113)	(5,635,730)	(5,672,113)
Cash generated from operations	4,149,864	(1,625,337)	4,190,352	(1,517,718)
Interest paid	(5,371,199)	(4,264,589)	(5,371,199)	(4,264,589)
Income tax paid	(219,939)	(143,723)	(219,939)	(143,723)
Gratuity paid	(2,600)	(1,785)	(2,600)	(1,785)
Net cash from /(used in) operating activities of continuing operations	(1,443,874)	(6,035,434)	(1,403,386)	(5,927,815)
Net cash from /(used in) operating activities from discontinuing operations	3,041,981	(519,630)	-	-
	1,598,107	(6,555,064)	(1,403,386)	(5,927,815)
CASH FLOW FROM INVESTING ACTIVITIES				
Net cash and cash equivalents on acquisition of subsidiary	-	(55,143)	-	(55,143)
Purchased of property, plant and equipment	(167,337)	(223,458)	(167,337)	(223,458)
Purchase/Disposal of short term investments	12,918,285	5,813,414	12,918,285	5,813,414
Investment in investment properties	-	(42,000)	-	(42,000)
Interest received	585,852	539,072	585,852	539,072
Dividend received	-	46,566	-	46,566
Net cash flow from investing activities from continuing Opearions	13,336,800	6,078,451	13,336,800	6,078,451
Net cash flow from investing activities from discontinuing Opearions	1,036,347	(1,428,204)	-	-
	14,373,147	4,650,247	13,336,800	6,078,451
CASH FLOW FROM FINANCING ACTIVITIES				
Net proceed from short term borrowings	(16,743,423)	1,559,831	(16,743,423)	1,559,831
Net proceed from customer deposits	7,283,767	662,172	7,283,767	662,172
Repayments of long term loans	(480,500)	(1,638,468)	(480,500)	(1,638,468)
Dividend paid	9,778	-	9,778	-
Net cash generated from financing activities from continuing Opearions	(9,930,378)	583,535	(9,930,378)	583,535
Net cash generated from financing activities from discontinuing Opearions	(4,286,170)	812,110	-	-
	(14,216,548)	1,395,645	(9,930,378)	583,535
Net increase/(decrease) in cash & cash equivalents during the period	1,754,706	(509,172)	2,003,036	734,171
Cash & cash equivalents at the beginning of the period	345,376	685,424	97,044	(334,703)
Cash & cash equivalents at the end of the period	2,100,080	176,252	2,100,080	399,468
Analysis of cash & cash equivalents at the end of the period				
Cash at bank and in hand	3,022,139	1,691,420	3,022,139	1,568,024
Bank overdraft	(922,059)	(1,515,168)	(922,059)	(1,168,556)
	2,100,080	176,252	2,100,080	399,468

Commercial Leasing & Finance PLC
Notes to the Interim Financial Statements
For the year ended 31st December 2017

1. The Statement of Financial Position as at 31 December 2017, the Statement of Profit or Loss & other Comprehensive Income, Cash Flow Statements and Statements of Changes in Equity of the Company for the nine months ended 31 December 2017 are drawn up from unaudited Financial Statements of the Company, and provide information as required by the Colombo Stock Exchange and in accordance with LKAS 34 Interim Financial Reporting and do not include all of the information required for a full set of financial statements. Further, provisions of the Companies Act No.7 of 2007 and Finance Business Act No.42 of 2011, has been considered in preparing the said financial statements of the Company.
2. Accounting policies and method of computation as stated in the Annual Report for the year 2016/17 are followed in preparing of these Interim Financial Statements .
3. The Stated Capital of the Company is represented by 6,377,711,170 ordinary shares.
4. Income represents gross income receivable for the year on all performing contracts, rentals on operating leases and income on factoring client debtors. It includes all income related to operations such as interest on overdue rentals and collection on contracts written-off.
5. Other operating income includes interest on government securities, interest on fixed deposits, commission income, capital gains and losses arising from marked to market valuation of quoted shares held for trading purposes, dividends, fee income & profit/loss on contracts terminated.
6. All expenses related to management expenditure is fully provided for in the financial statements.
7. Previous period figures and notes have been restated and reclassified wherever necessary to conform to the current year's presentation.
8. With reference to the right issue made by BRAC Lanka PLC during the current financial period, the effective holding of the investee has been diluted from 99.76% to 44.33%. Consequently the previous held investment of subsidiary has been reclassified to equity account investee / associate in compliance to the LKAS 27 & SLFRS 10.

In individual financial statements	Rs.' 000
Fair value of the associate company	1,265,989
Carrying amount of the previously held interest of BRAC	1,023,341
Gain on deemed disposal of BRAC Lanka Finance PLC	<u>242,648</u>
In consolidated financial statements	
Fair Value of BRAC Lanka Finance PLC	1,265,989
Less - Net Assets disposed	(1,188,120)
Less - Goodwill on Acquisition	(253,211)
Add - Non Controlling Interest	2,851
Loss on Deemed Disposal	<u>(172,491)</u>

9. Loss on discontinued of operation

	31.12.2017	31.12.2016
	Unaudited	Unaudited
	Rs. '000	Rs. '000
	(Apr - May)	(Apr-Sept)
Income	616,161	2,401,701
Interest expense	(171,915)	(812,104)
Net interest income	<u>444,246</u>	<u>1,589,597</u>
Other Income	28,181	66,648
Allowance for impairment & write offs	(142,336)	(297,943)
Expenses	(231,684)	(944,639)
Profit Before Tax	<u>98,405</u>	<u>413,662</u>
Income tax expense	(16,217)	(110,349)
Profit After Tax	<u>82,188</u>	<u>303,313</u>
Results on divestment of group investments (Note 8)	(172,491)	-
Profit/Loss for the period from discontinued operations	<u>(90,303)</u>	<u>303,313</u>

10. No circumstances have arisen subsequent to the reporting date which would require adjustments to or disclosure in the financial statements.

11. There are no significant changes in the nature of the contingent liabilities disclosed in the Audited financials for the year ended 31 March 2017.

Commercial Leasing & Finance PLC
Notes to the Interim Financial Statements (Continued)
For the year ended 31st December 2017

12. Share Information

Market prices of ordinary shares recorded during the quarter ended 31st December 2017 are as follows.

Market prices of ordinary shares recorded during the quarter ended	31-Dec-17	31-Dec-16
Highest price (Rs.)	3.20	3.80
Lowest price (Rs.)	2.60	3.20
Closing price (Rs.)	2.70	3.30

13. Debenture information

The company issued fifty million (50,000,000) rated, Senior, Unsecured, Redeemable debentures in July 2015 to the value of Rupees five billion (LKR.5,000,000,000) with a five year maturity.

13.1 Interest rate of comparable government security

Buying and Selling prices of Treasury Bonds of the Bind Market as at 31st December 2017

5 Year Bond	Price (Rs.)	Yield (%)
Buying	86.98	10.03
Selling	87.35	9.94

Market prices and yield during the period

5 Year Bond	Price (Rs.)	Yield (%)
	87.34	9.99

13.2 Yield to maturity of last trade done for the quarter ended 31st December 2017

Instrument Type	Interest frequency (Fixed Rate)	Coupon (% p.a)	Interest yield as at last trade	Yield to maturity of last trade done	Interest rate of comparable government security
9.75% p.a. (5 Years tenor)	Annually	9.75%	9.69%	6.88%	10.20%

13.3 Market prices for the quarter ended 31st December 2017

Instrument Type	Issue Price Rs.	Highest Price Rs.	Lowest Price Rs.	Last Traded Price Rs.	Last Traded Date
9.75% p.a. (5 Years tenor)	100.00	100.67	100.67	100.67	13-Oct-17

13.4 Debt security related ratios

	Company	
	As at 31-12-2017	As at 31-12-2016
Debt to equity ratio	3.20	5.49
Quick asset ratio	1.05	0.97
Interest cover	1.41	1.38

13.5 Disclosures regarding the utilization of funds as per the objectives stated in the debenture prospectus

Rs. '000

Objective Number	Objective as per prospectus	Amount allocated as per prospectus in LKR	Proposed date of utilization as per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B)	% of utilization against allocation (b/a)	Clarification if not fully utilized including where the funds are invested
1	To restructure the balance sheet of the company by retiring short term debt	5,000,000	Immediately upon receipt of the issue	5,000,000	100%	5,000,000	100%	N/A

13. Financial assets and liabilities- Valuation technique

Level 1 – Quoted market price (unadjusted) in an active market of an identical instrument.

Level 2 – Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices), this category included instruments valued using: quoted market prices in active markets similar instruments; quoted prices for identical or similar instruments in markets are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3 – Valuation techniques use significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation

14. Financial assets and liabilities - Valuation technique

14.2. Accounting classifications and fair values - Group

The table below sets out the carrying amounts of the financial assets and financial liabilities of the company & its subsidiary.

Rs.000'

As at 31st March 2017	Fair value - derivatives	Fair value - held for trading	Fair value through other comprehensive income - available for sale	Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
ASSETS							
Cash and cash equivalents	-	-	-	2,150,420	2,150,420	2,150,420	Level 3
- Corporate bonds	-	-	1,424,507	-	1,424,507	1,424,507	Level 1
Investment in government securities							
- Measured at amortized cost	-	-	-	4,287,347	4,287,347	4,287,347	Level 3
Investment in equity securities	-	201,450	66,979	-	268,429	268,429	Level 3
Commercial Papers	-	-	-	1,706,651	1,706,651	1,706,651	Level 3
Investment in term deposits	-	-	-	8,740,159	8,740,159	8,740,159	Level 3
Finance lease receivables, hire purchases and operating leases							
- Finance lease receivables	-	-	-	14,070,619	14,070,619	12,865,911	Level 2
- Hire purchase receivables	-	-	-	10,656	10,656	10,656	Level 2
Advances and other loans							
- Advances and other loans	-	-	-	44,778,397	44,778,397	32,411,725	Level 2
- Factoring receivables	-	-	-	6,167,657	6,167,657	4,959,717	Level 3
Derivative assets	60,701	-	-	-	60,701	60,701	Level 2
Other financial assets	-	-	-	1,276	1,276	40,484	Level 3
Total financial assets	60,701	201,450	1,491,486	81,913,182	83,666,819	68,926,706	
LIABILITIES							
Bank overdraft	-	-	-	1,805,044	1,805,044	1,805,044	Level 3
Short Term Loan from Banks	-	-	-	13,134,045	13,134,045	13,134,045	Level 3
Debentures	-	-	-	5,121,541	5,121,541	4,321,648	Level 2
Bank Loans	-	-	-	26,011,345	26,011,345	26,011,345	Level 2
Deposits from customers	-	-	-	15,935,942	15,935,942	13,746,015	Level 2
Trade and other payables	-	-	-	273,358	273,358	273,358	Level 3
Amount due to related companies	-	-	-	84,598	84,598	84,598	Level 3
Total financial liabilities	-	-	-	62,365,874	62,365,874	59,376,054	

15. Financial assets and liabilities - Valuation technique

15.2. Accounting classifications and fair values - Company

The table below sets out the carrying amounts of the company's financial assets and financial liabilities.

Rs.000'

As at 31st December 2017	Fair value - derivatives	Fair value - held for trading	Fair value through other comprehensive income - available for sale	Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
ASSETS							
Cash and cash equivalents	-	-	-	3,022,139	3,022,139	3,022,139	Level 3
Investment in equity securities	-	183,619	66,979	-	250,598	250,598	Level 1
Investment in government securities							
- Corporate bonds	-	-	40,018	-	40,018	40,018	Level 2
- Measured at amortized cost	-	-	-	5,515,014	5,515,014	5,515,014	Level 3
Finance lease receivables, hire purchases and operating leases							
- Finance lease receivables	-	-	-	14,309,184	14,309,184	13,188,577	Level 3
- Hire purchase receivables	-	-	-	3,035	3,035	3,035	Level 3
- Advances and other loans	-	-	-	39,530,457	39,530,457	38,708,559	Level 3
- Factoring receivables	-	-	-	4,597,368	4,597,368	4,597,368	Level 3
Other Financial Assets	-	-	-	2,414	2,414	2,414	Level 3
Total financial assets	-	183,619	106,997	66,979,611	67,270,228	65,327,722	
LIABILITIES							
Bank overdraft	-	-	-	922,059	922,059	922,059	Level 3
Derivative liabilities - fair value through profit or loss	327,144	-	-	-	327,144	327,144	Level 3
Debentures	-	-	-	5,000,000	5,000,000	4,418,164	Level 2
Bank Loans	-	-	-	22,051,121	22,051,121	22,051,121	Level 3
Deposits from customers	-	-	-	23,219,710	23,219,710	23,219,710	Level 2
Trade and other payables	-	-	-	656,595	656,594	656,593	Level 3
Amount due to related companies	-	-	-	212,347	212,347	212,347	Level 3
Total financial liabilities	327,144	-	-	52,061,832	52,388,975	51,807,138	

Rs.000'

As at 31st March 2017	Fair value - derivatives	Fair value - held for trading	Fair value through other comprehensive income - available for sale	Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
ASSETS							
Cash and cash equivalents	-	-	-	1,487,849	1,487,849	1,487,849	Level 3
Investment in equity securities	-	201,239	66,979	-	268,218	268,218	Level 1
Investment in government securities							
- Corporate bonds	-	-	1,424,507	-	1,424,507	1,424,507	Level 2
- Measured at amortized cost	-	-	-	3,754,956	3,754,956	3,754,956	Level 3
Investment in term deposits	-	-	-	8,740,159	8,740,159	8,740,159	Level 3
Commercial Papers	-	-	-	1,706,651	1,706,651	1,706,651	Level 3
Finance lease receivables, hire purchases and operating leases							
- Finance lease receivables	-	-	-	13,971,615	13,971,615	12,865,911	Level 3
- Hire purchase receivables	-	-	-	1,133	1,133	1,133	Level 3
- Advances and other loans	-	-	-	33,763,173	33,763,173	32,411,725	Level 3
- Factoring receivables	-	-	-	6,167,657	6,167,657	4,959,717	Level 3
Derivative assets	60,701	-	-	-	60,701	60,701	Level 2
Other Financial Assets	-	-	-	1,276	1,276	1,276	Level 3
Total financial assets	60,701	201,239	1,491,486	69,594,469	71,347,895	67,682,803	
LIABILITIES							
Bank overdraft	-	-	-	1,390,807	1,390,807	1,390,807	Level 3
Short Term Loan from Banks	-	-	-	13,134,045	13,134,045	13,134,045	Level 3
Debentures	-	-	-	5,121,541	5,121,541	4,321,648	Level 2
Bank Loans	-	-	-	26,011,345	26,011,345	26,011,345	Level 3
Deposits from customers	-	-	-	15,935,942	15,935,942	13,746,015	Level 2
Trade and other payables	-	-	-	273,358	273,358	273,358	Level 3
Amount due to related companies	-	-	-	84,598	84,598	84,598	Level 3
Total financial liabilities	-	-	-	61,951,636	61,951,636	58,961,816	

COMMERCIAL LEASING & FINANCE PLC
Segment Information - Group

	Business Segment					
	Leasing Rs.' 000	Hire Purchase Rs.' 000	Loans Rs.' 000	Factoring Rs.' 000	Others Rs.' 000	Total Rs.' 000
Continuing Operations						
For the nine months ended 31st December 2017						
Total revenue	2,387,500	18,370	6,337,378	1,060,785	1,908,654	11,712,687
Net interest cost	(1,326,953)	(150)	(3,663,333)	(388,875)	-	(5,379,311)
Profit before operating expenses	1,060,547	18,220	2,674,045	671,910	1,908,654	6,333,376
Operating expenses	(661,528)	(9,003)	(1,587,191)	(664,902)	(961,840)	(3,884,464)
Value Added Tax on financial services	(92,295)	(10)	(254,799)	(27,413)	-	(374,517)
Profit from operations	306,724	9,207	832,055	(20,405)	946,814	2,074,395
Discontinued Operations						
Profit from operations of discontinued operations (Note - 9)	1,203	(123)	97,325	-	-	98,405
For the nine months ended 31st December 2016						
Total revenue	2,384,815	26,105	4,361,100	917,627	1,703,509	9,393,156
Net interest cost	(1,269,252)	1,456	(2,673,181)	(522,761)	-	(4,463,738)
Profit before operating expenses	1,115,563	27,561	1,687,919	394,866	1,703,509	4,929,418
Operating expenses	(726,913)	(14,693)	(1,082,514)	(305,006)	(943,021)	(3,072,147)
Value Added Tax on financial services	(87,804)	101	(193,916)	-	-	(281,619)
Profit from operations	300,846	12,969	411,489	89,860	760,488	1,575,652
Discontinued Operations						
Profit from operations of discontinued operations (Note - 8)	106,094	83	307,485	-	-	413,662
For the nine months ended 31st December 2017						
Capital expenditure	-	-	-	-	167,337	167,337
Depreciation of property plant and equipment	-	-	-	-	82,407	82,407
Provision for/(reversal of provision for)doubtful debts and bad debts written off	127,080	(179)	219,239	326,303	-	672,443
For the nine months ended 31st December 2016						
Capital expenditure	-	-	-	-	223,458	223,458
Depreciation of property plant and equipment	-	-	-	-	77,133	77,133
Provision for/(reversal of provision for)doubtful debts and bad debts written off	109,364	(565)	88,548	86,418	-	283,765
As at 31 - December -2016						
Total assets	14,862,330	11,639	43,074,585	6,387,378	34,368,765	98,704,697
Total liabilities	20,164,117	15,790	55,623,876	8,248,268	1,376,157	85,428,208

COMMERCIAL LEASING & FINANCE PLC
Segment Information - Company

	Business Segment					
	Leasing	Hire Purchase	Loans	Factoring	Others	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
For the nine months ended 31st December 2017						
Total revenue	2,387,500	18,370	6,377,866	1,060,785	1,908,654	11,753,175
Net interest cost	(1,326,953)	(150)	(3,663,333)	(388,875)	-	(5,379,311)
Profit before operating expenses	1,060,547	18,220	2,714,533	671,910	1,908,654	6,373,864
Operating expenses	(661,528)	(9,003)	(1,587,191)	(664,902)	(961,840)	(3,884,464)
Value Added Tax on financial services	(92,295)	(10)	(254,799)	(27,413)	-	(374,517)
Profit from operations	306,724	9,207	872,543	(20,405)	946,814	2,114,883
For the nine months ended 31st December 2016						
Total revenue	2,384,815	26,105	4,468,718	917,628	1,703,509	9,500,775
Net interest cost	(1,269,252)	1,456	(2,673,181)	(522,761)	-	(4,463,738)
Profit before operating expenses	1,115,563	27,561	1,795,537	394,867	1,703,509	5,037,037
Operating expenses	(726,913)	(14,693)	(1,082,514)	(305,006)	(943,021)	(3,072,147)
Value Added Tax on financial services	(87,804)	101	(193,916)	-	-	(281,619)
Profit from operations	300,846	12,969	519,107	89,861	760,488	1,683,271
For the nine months ended 31st December 2017						
Capital expenditure	-	-	-	-	167,337	167,337
Depreciation of property plant and equipment	-	-	-	-	82,407	82,407
Provision for/(reversal of provision for)doubtful debts and bad debts written off	127,080	(179)	219,239	326,303	-	672,443
For the nine months ended 31st December 2016						
Capital expenditure	-	-	-	-	223,458	223,458
Depreciation of property plant and equipment	-	-	-	-	77,133	77,133
Provision for/(reversal of provision for)doubtful debts and bad debts written off	109,364	(565)	88,548	86,418	-	283,765
As at 31 - December -2017						
Total assets	14,178,837	1,600	39,143,653	4,211,266	12,797,620	70,332,976
Total liabilities	13,121,929	1,480	36,225,838	3,845,498	1,141,537	54,336,282
As at 31 - December -2016						
Total assets	14,789,283	(16,972)	32,662,349	6,387,378	33,224,656	87,046,695
Total liabilities	20,998,447	(24,097)	44,224,960	8,648,537	252,369	74,100,216

COMMERCIAL LEASING & FINANCE PLC

Statement of Director's holding and Chief Executive Officer's holding in shares of the Entity

As at 31 December 2017

	Directors Name	No. of shares	%
1	Mr.P.D.J.Fernando	-	-
2	Mr. D.M.D.K.Thilakarathne	-	-
3	Mr. L. Jayaratne	-	-
4	Mr. U.H.Ebert Silva	-	-

Top 20 Shareholders As At 31st December 2017

	Shareholder	No. of Shares	% of Issued Capital
1	LANKA ORIX LEASING COMPANY PLC	4,058,876,426	63.642
2	HATTON NATIONAL BANK PLC/LANKA ORIX LEASING COMPANY PLC	2,250,000,000	35.279
3	BROWNS INVESTMENTS PLC	40,000,000	0.627
4	SINHARAJA HILLS PLANTATION PVT LIMITED	5,445,851	0.085
5	CHEMICAL INDUSTRIES (COLOMBO)LTD/CIC/CHARITABLE & EDUCATIONNAL TRUST FUND	4,000,000	0.063
6	CEYLON BISCUITS LIMITED	2,000,000	0.031
7	SEYLAN DEVELOPMENTS PLC	1,981,038	0.031
8	MRS. N.R. MATHER	1,000,000	0.016
9	MRS. R.L. MATHER	1,000,000	0.016
10	MR. S.R. MATHER	1,000,000	0.016
11	MR. D.N.N. LOKUGE	890,660	0.014
12	MR. A.N. WILLIAM	650,000	0.010
13	MR. W. GUNARATHNE	529,017	0.008
14	MR. W.V.A.N. FERNANDO & MRS. K.M.M.V.R. JAYASURIYA	500,000	0.008
15	DR. H.S.D. SOYSA	400,100	0.006
16	SEYLAN BANK PLC/K.L.G.UDAYANANDA	366,963	0.006
17	MR. P.B. JAYASUNDARA	260,000	0.004
18	MR. S.M.M. ABDUL GHAFFOOR	200,000	0.003
19	MR. H.E.P. BABAPULLE & MRS.I.J.BABAPULLE	200,000	0.003
20	MR.J.B.W.KELEGAMA	200,000	0.003
	Total shares held by Top 20 Shareholders	6,369,500,055	99.87%

Public shareholding

Information pertaining to public shareholding is as follows:

	31 Dec 2017
Public holding percentage	1.076%
Number of public shareholders	968
Float Adjusted Market Capitalization	185,285,265

The Company is not compliant with the Minimum Public Holding requirement stipulated in the Listing Rule 17.13.1 (b) of the Colombo Stock Exchange. The Board of Directors of the Company is in the process of evaluating matters concerning the captioned requirement.