

COMMERCIAL LEASING & FINANCE PLC



**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017**

COMMERCIAL LEASING & FINANCE PLC

Statement of Financial Position

<u>Group</u>		<u>Company</u>				
<u>31-Mar-17</u>	<u>31-Mar-17</u>	<u>As at 30th September</u>		<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>(Audited)</u>	<u>(Audited)</u>			<u>Rs. '000</u>	<u>Rs. '000</u>	<u>Rs. '000</u>
<u>Rs. '000</u>	<u>Rs. '000</u>			<u>Rs. '000</u>	<u>Rs. '000</u>	<u>Rs. '000</u>
		Assets				
2,150,420	1,487,849	Cash & cash equivalents		1,792,185	1,858,949	1,057,279
2,715,175	2,715,175	Financial assets held for trading		1,734,326	3,052,951	283,734
16,650,125	15,753,954	Other investments		28,402,334	9,389,485	28,304,751
14,081,275	13,972,748	Rental receivables on leases & hire purchase		14,899,846	13,808,721	14,817,243
43,778,397	33,763,173	Loans and advances		40,232,684	39,074,588	30,783,842
6,167,657	6,167,657	Factoring receivables		5,835,043	4,845,320	5,835,043
4,189	-	Amounts due from related company		1,725	3,097	811
264,969	264,969	Value Added Tax (VAT) recoverable		265,366	144,312	224,877
570,241	501,484	Other receivables		1,150,061	335,699	949,950
-	1,023,302	Investment in subsidiary companies		-	-	967,863
83,059	83,059	Investment in equity accounted investee		82,100	1,407,704	82,100
46,000	46,000	Investment property		42,000	46,000	42,000
-	-	Deferred tax asset		-	-	-
253,211	-	Goodwill on acquisition		253,211	-	-
5,943	5,943	Intangible asset		-	4,924	-
2,120,039	1,975,784	Property, plant & equipment		1,293,599	2,007,973	1,200,530
88,890,701	77,761,097	Total Assets		95,984,480	75,979,723	84,550,023
		Liabilities and Equity				
		Liabilities				
1,805,044	1,390,807	Bank overdrafts		2,320,903	1,226,484	1,219,786
18,749,265	15,935,942	Deposits liabilities		11,350,802	22,915,643	9,976,478
46,317,070	44,266,931	Interest bearing loans & borrowings		58,910,772	32,495,082	57,974,572
520,758	413,645	Current tax liabilities		860,720	671,473	682,681
5,360,026	84,598	Amounts due to related companies		7,532,615	173,046	221,428
1,165,471	1,084,295	Other payables		1,709,870	2,642,926	1,568,816
347,867	337,045	Deferred tax liabilities		369,905	337,045	357,932
95,895	72,300	Retirement benefit obligations		76,093	72,442	52,107
74,361,396	63,585,563	Total Liabilities		83,131,680	60,534,141	72,053,800
		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		830,693	1,759,390	866,369
11,417,908	11,039,654	Retained earnings		10,535,660	12,260,245	10,203,907
14,526,611	14,175,534	Equity attributable to shareholders of the Company		12,792,300	15,445,582	12,496,223
2,694	-	Non-controlling interests		60,499	-	-
14,529,305	-			12,852,800	-	-
88,890,701	77,761,097	Total Liabilities and Equity		95,984,480	75,979,723	84,550,023
2.28	2.22	Net assets value per share		2.01	2.42	1.96

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

14th November 2017
Colombo

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

	Group						Company					
	For the Six months ended			For the three months ended			For the Six months ended			For the three months ended		
	30.09.2017 Unaudited Rs. ' 000	30.09.2016 Unaudited Rs. ' 000	Varianc %	30.09.2017 Unaudited Rs. ' 000	30.09.2016 Unaudited Rs. ' 000		30.09.2017 Unaudited Rs. ' 000	30.09.2016 Unaudited Rs. ' 000	Varianc %	30.09.2017 Unaudited Rs. ' 000	30.09.2016 Unaudited Rs. ' 000	Varianc %
Interest income	6,330,418	4,866,451	30%	Nil	2,561,013		6,357,410	4,932,928	29%	3,280,032	2,465,473	33%
Interest expense	(3,647,102)	(2,858,007)	(28%)	Nil	(1,454,969)		(3,647,102)	(2,858,007)	(28%)	(1,843,487)	(1,422,144)	(30%)
Net interest income	2,683,316	2,008,444	34%	Nil	1,106,044		2,710,308	2,074,921	31%	1,436,545	1,043,329	38%
Other Income	1,452,255	1,181,854	23%	Nil	559,125		1,209,608	1,181,854	2%	603,677	689,979	(13%)
Gain on deemed disposal of BRAC Lanka Finance PLC	-	-	-	Nil	-		242,648	-	-	-	-	-
Expenses												
Direct expenses	(238,257)	(220,128)	(8%)	Nil	(133,340)		(238,257)	(220,128)	(8%)	(132,855)	(133,340)	-
Personnel Expenses	(625,620)	(501,981)	(25%)	Nil	(255,724)		(625,620)	(501,981)	(25%)	(318,772)	(255,724)	(25%)
Premises, equipment & establishment expenses	(198,435)	(166,804)	(19%)	Nil	(90,204)		(198,435)	(166,804)	(19%)	(95,646)	(90,204)	(6%)
Depreciation and amortization	(52,810)	(50,653)	(4%)	Nil	(25,809)		(52,810)	(50,653)	(4%)	(26,925)	(25,809)	(4%)
Allowance for impairment & write offs	(372,238)	(180,359)	(106%)	Nil	(68,799)		(372,238)	(180,359)	(106%)	(179,738)	(68,799)	(161%)
Other operating expenses	(919,494)	(923,259)	-	Nil	(468,271)		(919,494)	(923,259)	-	(471,185)	(501,096)	6%
	1,728,717	1,147,114	51%	Nil	623,022		1,755,710	1,213,591	45%	815,100	658,336	24%
Value added tax on financial services and NBT	(235,948)	(166,357)	(42%)	Nil	(87,599)		(235,948)	(166,357)	(42%)	(145,892)	(87,599)	(67%)
Results from operating activities	1,492,769	980,757	52%	Nil	535,423		1,519,762	1,047,234	45%	669,208	570,737	17%
Share of profit of equity accounted investee (net of tax)	58,657	6,246	839%	Nil	3,181		58,657	6,246	839%	53,052	3,181	1568%
Profit before income tax	1,551,426	987,003	57%	Nil	538,604		1,578,419	1,053,480	50%	722,260	573,918	26%
Income tax expense	(357,828)	(293,226)	(22%)	Nil	(159,807)		(357,828)	(293,226)	(22%)	(187,615)	(159,807)	(17%)
Profit for the period from Continuing operations	1,193,598	693,777	72%	Nil	378,797		1,220,591	760,254	61%	534,645	414,111	29%
Discontinued Operations												
Profit/ (loss) for the period from discontinued operations (Note 9)	(90,303)	233,887	139%	Nil	13,215		-	-	-	-	-	-
Profit for the Period	1,103,295	927,664	19%	Nil	392,012		1,220,591	760,254	61%	534,645	414,111	29%
Other comprehensive income												
Continuing Operations												
Net Change in fair value of available for sale finance ass	174,755	(23,822)	-	Nil	(5,633)		174,755	(23,822)	-	78,173	(5,633)	-
Effective portion of changes in fair value of cash flow	(125,298)	(37,636)	(233%)	Nil	(10,830)		(125,298)	(37,636)	(233%)	(58,923)	(10,830)	(444%)
Discontinued Operations												
Net Change in fair value of available for sale finance assets of discontinued Operations	651	57	1033%	Nil	85		-	-	-	-	-	-
Other comprehensive income/ (expense) for the period, net of tax	50,108	(61,401)	-	Nil	(16,378)		49,457	(61,458)	-	19,250	(16,463)	-
Total comprehensive income for the period	1,153,403	866,263	33%	Nil	375,634		1,270,048	698,796	82%	553,895	397,648	39%
Profit attributable to;												
Equity holders of the Company	1,103,195	918,209		Nil	-		1,220,591	760,254		534,645	414,111	
Non-controlling interests	100	9,455		Nil	-		-	-		-	-	
Profit for the period	1,103,295	927,664		Nil	-		1,220,591	760,254		534,645	414,111	
Total comprehensive income attributable to;												
Equity holders of the Company	1,153,301	856,805		Nil	-		1,270,048	698,796		553,895	397,648	
Non-controlling interests	102	9,459		Nil	-		-	-		-	-	
Total comprehensive income for the period	1,153,403	866,263		Nil	-		1,270,048	698,796		553,895	397,648	
Earnings per share Rs.	0.17	0.14		Nil	0.06		0.19	0.12		0.08	0.06	

Figures in brackets indicate deductions

COMMERCIAL LEASING & FINANCE PLC

Statement of changes in equity - Group

For the six months ended 30th September 2016

	Stated Capital	Revaluation Reserves	Hedging reserve	Fair Value Reserve on AFS	General Reserve	Statutory Reserves	Investment Fund Reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. '000
Balance as at 1st April 2016	1,425,947	135,980	46,270	(87,475)	231,780	565,538	-	9,617,451	11,935,493	51,044	11,986,537
Total comprehensive income for the period											-
Profit for the period								918,209	918,209	9,455	927,664
Additional acquisition of NCI	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	(37,636)	(23,765)	-	-	-	-	(61,401)	-	(61,401)
Total comprehensive income for the period	-	-	(37,636)	(23,765)	-	-	-	918,209	856,808	9,455	866,263
Deividends Forfeited	-	-	-	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th September 2016	1,425,947	135,980	8,635	(111,240)	231,780	565,538	-	10,535,660	12,792,301	60,499	12,852,800

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

For the six months ended 30 September 2016

	Stated Capital	Revaluation Reserves	Hedging reserve	Fair Value Reserve on AFS	General Reserve	Statutory Reserves	Retained Earnings	Total
	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Balance as at 01st April 2016	1,425,947	135,980	46,270	(87,107)	288,080	544,604	9,443,651	11,797,426
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	760,255	760,255
Other comprehensive income	-	-	(37,636)	(23,822)	-	-	-	(61,458)
Total comprehensive income for the period	-	-	(37,636)	(23,822)	-	-	760,255	698,797
Devidends Forfeited	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	-	-	-
Balance as at 30th September 2016	1,425,947	135,980	8,634	(110,929)	288,080	544,604	10,203,907	12,496,223
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	926,048	926,048
Other comprehensive income	-	747,892	56,129	(16,285)	-	-	(5,986)	781,750
Total comprehensive income for the period	-	747,892	56,129	(16,285)	-	-	920,062	1,707,798
Deferred tax on revaluation	-	(11,491)	(16,996)	-	-	-	-	(28,487)
Transferred to/(from) during the year	-	-	-	-	-	84,315	(84,315)	-
Balance as at 31st March 2017	1,425,947	872,381	47,767	(127,214)	288,080	628,919	11,039,654	14,175,534
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	1,220,591	1,220,591
Other comprehensive income	-	-	(125,298)	174,755	-	-	-	49,457
Total comprehensive income for the period	-	-	(125,298)	174,755	-	-	1,220,591	1,270,048
Actuarial Gain	-	-	-	-	-	-	-	-
Transferred to/(from) during the year	-	-	-	-	-	-	-	-
Balance as at 30th September 2017	1,425,947	872,381	(77,531)	47,541	288,080	628,919	12,260,245	15,445,582

COMMERCIAL LEASING & FINANCE PLC
Statement of Cash Flow

For the six months ended	Group		Company	
	30.09.2017 Rs. '000	30.09.2016 Rs. '000	30.09.2017 Rs. '000	30.09.2016 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax expense	1,551,426	987,003	1,578,419	1,053,480
Adjustment for:				
Depreciation and amortization	52,810	50,653	52,810	50,653
Provision for gratuity	2,400	2,469	2,400	2,469
Allowances for doubtful debts	372,238	180,359	372,238	180,359
Provision for fall/(increase) in value of investments	(103,094)	(98,195)	(103,094)	(98,195)
Dividend income	(5,980)	(46,507)	(5,980)	(46,507)
Interest cost	3,647,102	2,858,007	3,647,102	2,858,007
Share of profit of equity accounted investees	(58,657)	(6,246)	(58,657)	(6,246)
Interest on treasury bonds, bills and repos	(446,231)	(613,892)	(446,231)	(613,892)
Operating profit before working capital changes	5,012,014	3,313,651	5,039,007	3,380,128
Working capital changes				
(Increase)/decrease in accounts receivables & others	(17,392)	(89,541)	(17,392)	(89,541)
Increase/(decrease) in accounts payables	1,640,534	(144,743)	1,640,534	(144,743)
(Increase)/decrease investment in leases	120,534	(195,555)	120,534	(195,555)
(Increase)/decrease in factoring account receivable	1,160,940	(937,790)	1,160,940	(937,790)
(Increase)/decrease investment in advances and other loans	(5,478,764)	(3,689,813)	(5,478,764)	(3,689,813)
Cash generated from operations	2,437,866	(1,743,791)	2,464,859	(1,677,314)
Interest paid	(3,418,512)	(2,492,195)	(3,418,512)	(2,492,195)
Income tax paid	(100,000)	(75,000)	(100,000)	(75,000)
Gratuity paid	(2,258)	(704)	(2,258)	(704)
Net cash from /(used in) operating activities of continuing operations	(1,082,907)	(4,311,690)	(1,055,911)	(4,245,213)
Net cash from /(used in) operating activities from discontinuing operations	3,661,868	(750,496)	-	-
	2,578,961	(5,062,186)	-	-
CASH FLOW FROM INVESTING ACTIVITIES				
Purchased of property, plant and equipment	(83,979)	(180,352)	(83,979)	(180,352)
Purchase/Disposal of short term investments	271,713	3,802,017	271,713	3,802,017
Investment in investment properties	-	(42,000)	-	(42,000)
Net investment in term deposits	5,972,128	-	5,972,128	-
Interest received	446,231	2,212,583	446,231	2,212,583
Dividend received	5,980	46,507	5,980	46,507
Net cash flow from investing activities from continuing Opearions	6,612,073	5,838,755	6,612,073	5,838,755
Net cash flow from investing activities from discontinuing Opearions	956,007	(1,470,139)	-	-
	7,568,080	4,368,616	-	-
CASH FLOW FROM FINANCING ACTIVITIES				
Net proceed from short term borrowings	(11,845,050)	1,512,581	(11,845,050)	1,512,581
Net proceed from customer deposits	6,979,700	(2,371,168)	6,979,700	(2,371,168)
Repayments of long term loans	(155,388)	(562,758)	(155,388)	(562,758)
Net cash generated from financing activities from continuing Opearions	(5,020,738)	(1,421,345)	(5,020,738)	(1,421,345)
Net cash generated from financing activities from discontinuing Opearions	(4,839,214)	900,774	-	-
	(9,859,952)	(520,571)	-	-
Net increase/(decrease) in cash & cash equivalents during the period	287,089	(1,214,142)	535,422	172,195
Cash & cash equivalents at the beginning of the period	345,376	685,424	97,043	(334,702)
Cash & cash equivalents at the end of the period	632,465	(528,718)	632,465	(162,507)
Analysis of cash & cash equivalents at the end of the period				
Cash at bank and in hand	1,858,949	1,792,185	1,858,949	1,057,279
Bank overdraft	(1,226,484)	(2,320,903)	(1,226,484)	(1,219,786)
	632,465	(528,718)	632,465	(162,507)

Commercial Leasing & Finance PLC
Notes to the Interim Financial Statements
For the year ended 30th September 2017

1. The Statement of Financial Position as at 30 September 2017, the Statement of Profit or Loss & other Comprehensive Income, Cash Flow Statements and Statements of Changes in Equity of the Company for the six months ended 30 September 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, commision 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><u>(172,491)</u></u>

9. Loss on discontinued of operation

	30.09.2017	30.09.2016
	Unaudited	Unaudited
	Rs. '000	Rs. '000
	(Apr - May)	(Apr-Sept)
Income	616,161	1,509,259
Interest expense	(171,915)	(473,097)
Net interest income	<u>444,246</u>	<u>1,036,162</u>
Other Income	28,181	39,708
Allowance for impairment & write offs	(142,336)	(127,129)
Expenses	(231,684)	(622,329)
Profit Before Tax	<u>98,405</u>	<u>326,412</u>
Income tax expense	(16,217)	(92,526)
Profit After Tax	<u>82,188</u>	<u>233,887</u>
Results on divestment of group investments (Note 8)	(172,491)	-
Profit for the period from discontinued operations	<u>(90,303)</u>	<u>233,887</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 30th September 2017

12. Share Information

Market prices of ordinary shares recorded during the quarter ended 30th September 2017 are as follows.

Market prices of ordinary shares recorded during the quarter ended

	<u>30-Sep-17</u>	<u>30-Sep-16</u>
Highest price (Rs.)	3.30	4.00
Lowest price (Rs.)	2.70	3.60
Closing price (Rs.)	3.00	3.70

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 30th September 2017

<u>5 Year Bond</u>	<u>Price (Rs.)</u>	<u>Yield (%)</u>
Buying	104.41	10.00
Selling	103.65	10.20

Market prices and yield during the period

<u>5 Year Bond</u>	<u>Price (Rs.)</u>	<u>Yield (%)</u>
	104.03	10.10

13.2 Yield to maturity of last trade done for the quarter ended 30th September 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%	9.60%	6.91%	10.01%

13.3 Market prices for the quarter ended 30th September 2017

Instrument Type	Issue Price Rs.	Highest Price Rs.	Lowest Price Rs.	Last Tradeed Price Rs.	Last Tradeed Date
9.75% p.a. (5 Years tenor)	100.00	101.58	101.58	101.58	29-Aug-17

13.4 Debt security related ratios

	<u>Company</u>	
	<u>As at 30-09-2017</u>	<u>As at 30-09-2016</u>
Debt to equity ratio	3.82 times	5.54 times
Quick asset ratio	1.09 times	1.08 times
Interest cover	1.43 times	1.37 times

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 through other comprehensive income - available for sale				Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
	Fair value - derivatives	Fair value - held for trading						
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 30th September 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	-	-	-	1,858,949	1,858,949	1,858,949	Level 3
Investment in equity securities	-	205,105	66,979	-	272,083	272,083	Level 1
Investment in government securities							
- Corporate bonds	-	-	120,508	-	120,508	120,508	Level 2
- Measured at amortized cost	-	-	-	6,433,966	6,433,966	6,433,966	Level 3
Finance lease receivables, hire purchases and operating leases							
- Finance lease receivables	-	-	-	13,916,749	13,916,749	13,015,277	Level 3
- Hire purchase receivables	-	-	-	6,500	6,500	6,500	Level 3
- Advances and other loans	-	-	-	39,420,078	39,420,078	38,825,855	Level 3
- Factoring receivables	-	-	-	5,177,667	5,177,667	5,177,667	Level 3
Derivative assets	6,697	-	-	-	6,697	6,697	Level 2
Other Financial Assets	-	-	-	3,504	3,504	3,504	Level 3
Total financial assets	6,697	205,105	187,487	66,817,413	67,216,701	65,721,006	
LIABILITIES							
Bank overdraft	-	-	-	1,226,484	1,226,484	1,226,484	Level 3
Derivative liabilities - fair value through profit or loss	445,496	-	-	-	445,496	445,496	Level 2
Short Term Loan from Banks	-	-	-	1,714,955	1,714,955	1,714,955	Level 3
Debentures	-	-	-	5,365,959	5,365,959	4,356,285	Level 2
Bank Loans	-	-	-	25,414,168	25,414,168	25,414,168	Level 3
Deposits from customers	-	-	-	22,915,643	22,915,643	22,066,905	Level 2
Trade and other payables	-	-	-	1,228,019	1,228,019	1,228,019	Level 3
Amount due to related companies	-	-	-	173,046	173,046	173,046	Level 3
Total financial liabilities	445,496	-	-	58,038,274	58,483,770	56,625,358	

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 six months ended 30 September 2017						
Total revenue	1,554,829	12,420	4,020,611	742,558	1,452,255	7,782,673
Net interest cost	(873,915)	(125)	(2,473,274)	(299,788)	-	(3,647,102)
Profit before operating expenses	680,914	12,295	1,547,337	442,770	1,452,255	4,135,571
Operating expenses	(409,410)	(5,791)	(903,989)	(377,818)	(709,846)	(2,406,854)
Value Added Tax on financial services	(56,431)	(8)	(159,706)	(19,802)	-	(235,948)
Profit from operations	215,073	6,496	483,642	45,150	742,409	1,492,769
Discontinued Operations						
Profit from operations of discontinued operations	1,203	(123)	97,325	-	-	98,405
Continuing Operations						
For the six months ended 30 September 2016						
Total revenue	1,566,873	17,150	2,720,972	561,456	1,181,854	6,048,305
Net interest cost	(824,372)	(244)	(1,713,197)	(320,194)	-	(2,858,007)
Profit before operating expenses	742,501	16,906	1,007,775	241,262	1,181,854	3,190,298
Operating expenses	(496,560)	(9,751)	(659,653)	(200,508)	(676,712)	(2,043,183)
Value Added Tax on financial services	(47,908)	(14)	(99,562)	(18,873)	-	(166,357)
Profit from operations	198,033	7,141	248,560	21,881	505,142	980,758
Discontinued Operations						
Profit from operations of discontinued operations	88,137	78	238,197	-	-	326,412
For the six months ended 30 September 2017						
Capital expenditure	-	-	-	-	83,979	83,979
Depreciation of property plant and equipment	-	-	-	-	52,810	52,810
Provision for/(reversal of provision for)doubtful debts and bad debts written off	76,587	-219	134,474	161,397	-	372,238
For the six months ended 30 September 2016						
Capital expenditure	-	-	-	-	180,352	180,352
Depreciation of property plant and equipment	-	-	-	-	50,653	50,653
Provision for/(reversal of provision for)doubtful debts and bad debts written off	71,717	77	45,619	62,464	482	180,359
As at 30- September -2016						
Total assets	14,886,660	13,186	40,232,684	5,835,043	35,016,907	95,984,480
Total liabilities	20,641,871	18,283	53,379,120	7,741,703	1,350,703	83,131,680

COMMERCIAL LEASING & FINANCE PLC
Segment Information - Company
For the 6 months ended 30th September

	Business Segment					
	Leasing Rs.' 000	Hire Purchase Rs.' 000	Loans Rs.' 000	Factoring Rs.' 000	Others Rs.' 000	Total Rs.' 000
For the six months ended 30 September 2017						
Total revenue	1,554,829	12,420	4,047,603	742,558	1,452,256	7,809,666
Net interest cost	(873,915)	(125)	(2,473,274)	(299,788)	-	(3,647,102)
Profit before operating expenses	680,914	12,295	1,574,329	442,770	1,452,256	4,162,564
Operating expenses	(409,410)	(5,791)	(903,989)	(377,818)	(709,846)	(2,406,854)
Value Added Tax on financial services	(56,431)	(8)	(159,706)	(19,803)	-	(235,948)
Profit from operations	215,073	6,496	510,634	45,149	742,410	1,519,762
For the six months ended 30 September 2016						
Total revenue	1,566,873	17,150	2,787,449	561,456	1,181,854	6,114,782
Net interest cost	(824,372)	(244)	(1,713,197)	(320,194)	-	(2,858,007)
Profit before operating expenses	742,501	16,906	1,074,252	241,262	1,181,854	3,256,775
Operating expenses	(496,560)	(9,751)	(659,653)	(200,508)	(676,712)	(2,043,184)
Value Added Tax on financial services	(47,908)	(14)	(99,562)	(18,873)	-	(166,357)
Profit from operations	198,033	7,141	315,037	21,881	505,142	1,047,234
For the six months ended 30 September 2017						
Capital expenditure	-	-	-	-	83,979	83,979
Depreciation of property plant and equipment	-	-	-	-	52,810	52,810
Provision for/(reversal of provision for)doubtful debts and bad debts written off	76,587	(219)	134,474	161,397	-	372,238
For the six months ended 30 September 2016						
Capital expenditure	-	-	-	-	180,352	180,352
Depreciation of property plant and equipment	-	-	-	-	50,653	50,653
Provision for/(reversal of provision for)doubtful debts and bad debts written off	71,717	77	45,619	62,464	482	180,359
As at 30- September -2017						
Total assets	13,806,753	1,968	39,074,588	4,845,320	18,251,094	75,979,723
Total liabilities	14,246,118	2,031	40,318,037	4,886,995	1,080,960	60,534,141
As at 30- September -2016						
Total assets	14,812,861	4,381	30,783,842	5,835,043	33,113,896	84,550,023
Total liabilities	20,712,734	6,126	43,044,858	8,045,013	245,069	72,053,800

COMMERCIAL LEASING & FINANCE PLC

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

As at 30th September 2017

	Directors Name	No. of shares	%
1	Mr.P.D.J.Fernando Director	-	-
2	Mr. L. Jayaratne	-	-
3	Mr. D.M.D.K.Thilakaratne Director / CEO	-	-

As At 30th September 2017

	Shareholder	No. of Shares	% of Issued Capital
1	LANKA ORIX LEASING COMPANY PLC	6,308,876,426	98.921
2	BROWNS INVESTMENTS PLC	40,000,000	0.627
3	SINHARAJA HILLS PLANTATION PVT LIMITED	5,445,851	0.085
4	CHEMICAL INDUSTRIES (COLOMBO) LTD/CIC CHARITABLE & EDUCATIONAL TRUST FUND	4,000,000	0.063
5	CEYLON BISCUITS LIMITED	2,000,000	0.031
6	SEYLAN DEVELOPMENTS PLC	1,981,038	0.031
7	MRS N.R. MATHER	1,000,000	0.016
8	MRS. R.L. MATHER	1,000,000	0.016
9	MR. S.R. MATHER	1,000,000	0.016
10	MR.D.N.N.LOKUGE	890,660	0.014
11	MR. A.N. WILLIAM	650,000	0.010
12	R W GUNARATHNE	529,017	0.008
13	MR. W.V.A.N. FERNANDO & MRS.K.M.M.V.R.JAYASURIYA	500,000	0.008
14	SEYLAN BANK PLC/K L G UDAYANANDA	415,664	0.007
15	DR. H.S.D.SOYSA	400,100	0.006
16	MR. P.B.JAYASUNDARA	260,000	0.004
17	MR. S.M.M.ABDUL GHAFFOOR	200,000	0.003
18	H E P BABAPULLE & MRS I J BABAPULLE	200,000	0.003
19	MR. J.B.W. KELEGAMA	200,000	0.003
20	MR.T.K.R.UDALAGAMA	200,000	0.003
	Total shares held by Top 20 Shareholders	6,369,748,756	99.875

Public Holding Percentage as at 30th September 2017 being 1.08% comprising of 968 shareholders.