



IDEAL Finance Limited

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STATEMENT OF COMPREHENSIVE INCOME

For Six Months Ended 30th September 2019

	In Rupees Thousands	
	30-Sep-19	30-Sep-18
Income	453,900	352,080
Interest Income	430,280	320,294
Interest Expenses	(187,403)	(128,697)
Net Interest Income	242,877	191,597
Fees and Commission Income	4,696	3,426
Net Fee and Commission Income	4,696	3,426
Other Operating Income	18,925	28,360
Total Operating Income	266,498	223,383
Impairment Charges for loans and other losses	(9,500)	(5,150)
Net Operating Income	256,998	218,233
Operating Expenses		
Personnel Expenses	(73,365)	(53,802)
Depreciation of Property, Plant & Equipment	(11,470)	(10,334)
Amortization of Intangible Assets	(2,675)	(2,497)
Other Operating Expenses	(56,838)	(42,667)
Operating Profit before Taxes on Financial Services	112,650	108,933
Value Added Tax, NBT & DRL on Financial Services	(35,311)	(20,561)
Profit / Loss before Taxation	77,339	88,372
Income Tax Expenses	(32,154)	(31,239)
Profit/(Loss) for the period	45,185	57,133
Basic and Diluted Earnings Per Share (Rs.)	0.50	0.63
Profit/(Loss) for the period	45,185	57,133
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods.		
Actuarial Gain/(Loss) on Defined Benefit Obligations	-	-
Deferred Tax (Charge)/Reversal on Other Comprehensive Income	-	-
Other Comprehensive Income for the period, Net of Tax	-	-
Total Comprehensive Income for the period, Net of Tax	45,185	57,133

SELECTED PERFORMANCE INDICATORS

As at 30th September 2019

Item	As at 30-Sep-19	As at 31-Mar-19
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	1,096,064	1,093,651
Total Capital Base, Rs. '000	1,098,853	1,102,077
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 6.50%)	21.23%	22.61%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum requirement, 10.50%)	21.28%	22.79%
Capital Funds to Deposit Liabilities Ratio (Minimum requirement, 10%)	198%	191%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Accommodations, Rs. '000	144,463	105,490
Gross Non-Performing Accommodations Ratio, %	3.46%	2.73%
Net Non-Performing Accommodations Ratio, %	1.44%	0.79%
Profitability (%)		
Interest Margin (annualise)	11.77%	10.80%
Return on Assets (before Tax) (annualise)	3.42%	3.93%
Return on Equity (after Tax) (annualise)	7.78%	9.06%
Regulatory Liquidity (Rs. '000)		
Required minimum amount of Liquid Assets	105,151	85,499
Available amount of Liquid Assets	123,794	95,070
Required minimum amount of Government Securities	60,207	45,849
Available amount of Government Securities	66,425	51,670
Memorandum Information		
Number of employees	13	13
Number of branches	10	10
Number of service centres	-	-
Number of pawning centres	-	-

STATEMENT OF FINANCIAL POSITION

As at 30th September 2019

	In Rupees Thousands	
	As at 30-Sep-19	As at 31-Mar-19 (Audited)
ASSETS		
Cash and Bank Balances	39,916	42,822
Investment in Government Securities	62,798	51,670
Placements with Banks and Other Financial Institutions	23,910	15,362
Gold Advances	584,172	456,565
Lease Rentals Receivable and Stock out on Hire	2,418,040	2,282,390
Loans and Advances	1,037,336	1,003,353
Other Financial Assets	17,671	42,662
Other Non-Financial Assets	44,250	29,675
Financial Investments - Measured at Fair Value through OCI/Available for Sale	458	458
Inventories	176,593	70,755
Property, Plant and Equipment	101,560	112,358
Intangible Assets	20,681	23,093
TOTAL ASSETS	4,527,385	4,131,163
LIABILITIES		
Interest Bearing Borrowings	2,492,622	2,190,708
Due to the Customers	588,219	584,785
Other Financial Liabilities	148,041	96,220
Other Non Financial Liabilities	42,403	48,716
Retirement Benefit Liability	12,898	11,449
Current Tax Liabilities	18,362	19,630
Deferred Tax Liabilities	62,911	62,911
TOTAL LIABILITIES	3,365,456	3,014,419
EQUITY		
Stated Capital	808,247	808,247
Retained Earnings	336,397	291,212
Reserves	17,285	17,285
TOTAL EQUITY	1,161,929	1,116,744
TOTAL LIABILITIES AND EQUITY	4,527,385	4,131,163

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and the Finance Manager of Ideal Finance Limited certify jointly that:

- The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.
- The information contained in these statements has been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

Signed

D.M. Weerasekare
Chief Executive Officer/Director

28 November 2019
Colombo.

Signed

W.K.C.S. Vithana
Finance Manager

As per section No. 2.1 of Finance Business Act Direction No. 02 of 2017 issued by Central Bank of Sri Lanka, a cap of Rs.700 mn on total deposits including the accrued interest payable on deposits has been imposed until such time the company meets the required minimum core capital as per above direction.

Fitch Rating - National Long Term Rating B+ (lka) Rating Watch Positive