

vallibel Finance

Financial Statements for the Year Ended 31st March 2020

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31st March
2020 Rs. 2019 Rs. Growth %
Gross Income 9,695,306,097 8,724,530,342 11.1

Statement of Financial Position
As at 31st March
2020 Rs. 2019 Rs. Growth %
Assets
Cash and Cash Equivalents 2,046,506,255 1,507,932,892 35.7

Statement of Profit or Loss and Other Comprehensive Income Contd.
For the Year Ended 31st March
2020 Rs. 2019 Rs. Growth %
Profit for the Year 1,253,410,112 1,128,728,472 11.0
Other Comprehensive Income, Net of Tax

Liabilities
Due to Banks 12,950,796,738 14,063,290,073 (7.9)
Rental Received in Advance 266,875,302 324,196,627 (17.7)
Financial Liabilities at Amortised Cost - Deposits

Statement of Changes in Equity
Stated Capital Rs. Statutory Reserve Fund Rs. Revaluation Reserve Rs. General Reserve Rs. Retained Earnings Rs. Total Equity Rs.
Balance as at 01st April 2018 287,153,000 732,136,173 - 7,500,000 2,274,320,715 3,301,109,888

Certification
These Financial Statements have been prepared in compliance with the requirements of the Companies Act, No.07 of 2007.

sgd. K.D.Menaka Sameera
Senior DGM - Finance & Administration
The Board of Directors is responsible for the preparation and the presentation of these Financial Statements.

Transactions with owners of the Company
Contributions and distributions
Proceeds from the Right Issue of Ordinary Shares 1,038,765,000 - - - 1,038,765,000

sgd. Dhammika Perera
Executive Director
sgd. S.B. Rangamuwa
Managing Director
2nd June 2020, Colombo.

TO THE SHAREHOLDERS OF VALLIBEL FINANCE PLC
Report on the Audit of the Financial Statements
Opinion
We have audited the financial statements of Vallibel Finance PLC ("the Company"), which comprise the statement of financial position as at 31st March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Key Audit Matters
1. Impairment allowance for loans and receivables, lease and hire purchase receivables
Refer notes 16, 28 and 29 to the financial statements and the accounting policies notes 2.12.3, 5.1.3.3.1 and 5.1.9.

Risk Description
As at 31st March 2020 79.96% of its total assets of the Company consisted of loan and receivables, lease and hire purchase receivables totalling to Rs 4.1 Bn, net of impairment allowance of Rs. 1.7 Bn.

Transactions with owners of the Company
Contributions and distributions
Dividends to equity holders
First and final Dividend for 2018/19 - - - - (235,453,400) (235,453,400)

Selected Performance Indicators (As Per Regulatory Reporting)
As at 31st March
2020 2019
Regulatory Capital Adequacy
Core Capital (Tier 1 Capital), Rs. '000 6,323,705 5,314,411

Risk Description
The financial statements have been prepared on a going concern basis. In adopting the going concern basis of preparation of the financial statements, the directors have reviewed the Company's cash flow projections for the next 12 months, prepared by the management. The cash flow projections were based on management's assumptions and estimation of future cash inflows and outflows, taking into consideration the potential impact of COVID-19 global pandemic.

Other Information
Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Report on Other Legal and Regulatory Requirements
As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company. CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2618.