

STATE MORTGAGE & INVESTMENT BANK FINANCIAL STATEMENTS

For Th	ne Year	End	ed 31st Decem	nber 20)22				ICRA	A Issuer Ratin	ng [SL] B	BB+ Stable
INCOME STATEMENT FOR THE YEAR ENDED 31 ST DECEMBER 2022		Rs 'Mn	Analysis of Financial Instrumen Bank Current Year 2022	nts by Measure	ment Basi	is -	Rs. 'Mn	01. Analy	rsis of amount d	due to deposit	tors	Rs. 'Mn
	2022	2021		AC	FVPL	FVOCI	Total				2022	2021
Interest income Interest expenses	7,404 (5,384)	5,254 (2,951)	ASSETS Cash and cash equivalents	115			115	By Product Savings de			2,020	2,621
Net interest income	2,020	2,302	Placements with banks	13,004			13,004	Fixed dep		Λ	46,081 993	42,041 1,076
Fee and commission income Fee and commission expenses	92 - 	139	Loans and advances	39,323			39,323	Total	Josits (Jonethes)		49,094	45,738
Net fee and commission income Net Fair Value Gains/(Losses) from FA at FVPL	92 (3)	139 4	Debt instruments Reverse Repos	- 70			70		ial Assets at Am			Rs. 'Mn
Net other operating income (net)	(3) 26	4 29	Treasury Bills	2,204			2,204	Loans a	and Advances		2022	2021
Total operating income	2,134 (276)	2,474 (362)	Treasury Bonds	300			300	Gross loans ar	nd advances		41,087	39,590
Impairment Charges Net operating income	(276) 1,858	(362) 2,112	Unit Trusts Unquoated Shares			5	5	Stage 1			30,419	28,135
Personnel expenses	(1,093)	(1,084)	Total financial assets	55,017	·	5	55,022	Stage 2 Stage 3			2,965 7,702	2,560 8,895
Depreciation and amortization expenses Other expenses	(30) (395)	(100) (306)	LIABILITIES					(Less): Accum	nulated impairme	ent under:	1,745	1,469
Operating profit/(loss) before VAT,NBT & DRL	340	621	Due to Banks Financial liabilities	29			29	Stage 1	<u></u>		423 196	333 150
Value added tax (VAT) on financial services (18%)	(217)	(216)	- Due to depositors	49,094			49,094	Stage 2 Stage 3			196 1,126	150 987
Social Security Levy (2.5%) Nation Building Tax (NBT)	(4) -	-	- Due to debt security holders	-			-	Net Loans and			39,341	38,121
Profit/(loss) before tax	119	405	- Due to other borrowers	180					impact of Morate		18 39 323	18 38 103
Income Tax expenses Profit/(loss) for the Year	(86) 33	(152)	Total financial liabilities	49,303			49,303	a. Analysis		dvances	39,323	38,103 Rs. 'Mn
STATEMENT OF COMPREHENSIVE INCOME	33	253 Rs 'Mn	AC - Financial assets/liabilities r FVPL - Financial assets/liabilities r					a. Allarysis	by Product		2022	
FOR THE YEAR ENDED 31 ST DECEMBER 2022		125	FVOCI - Financial assets measured a	d at fair value throu	ough other c	comprehens		wiortgage			10,533	2021 10,608
	2022	2021	-	its by Measurer	nent Basis	s -	Rs. 'Mn	EPF			4,902	6,830
Profit/(loss) for the Year Items that will be reclassified to income statement	33	253	Bank Previous Year 2021	AC	FVPL	FVOCI	Total	Vehicle Staff loans			- 1,349	1,411
Gains and Losses on Re-Measuring Financial Assets	-	-	ASSETS	AC	- FVI -	<u> </u>	10	- Personal Lo			20,558	20,062
Items that will not be reclassified to income statement Re-measurement of post-employment benefit obligatio		13	Cash and cash equivalents	144			144	Less-	1 - Day 1 Differ	Stafflos	4,232 an (488)	1,168
Deffered Tax effect on Actuarial Gains/Losses on define			Placements with banks	11,775			11,775	Allowance Gross Total	e for Day 1 Differe		41,087	(488) 39,590
benefit obligations Total comprehensive income for the period	33	(3) 263	Loans and advances Debt instruments	38,103			38,103					
STATEMENT OF FINANCIAL POSITION	55	Rs 'Mn	Debt instruments Reverse Repos	716			716		ents in impairme			Rs. 'Mn
As at 31 ST DECEMBER 2022			Treasury Bills	893			893			31/2	/12/2022	31/12/2021
	2022	2021	Treasury Bonds	383			383	Stage 1 Opening ba	balance as at 01/0	/ <u>01 /2022</u>	222	248
Assets Cash and cash equivalents	115	144	Unit Trusts		25		25	Charge/ (W	Write back) to inco	•	333 t ₉₁	248 85
Cash and cash equivalents Placements with Banks	115 13,004	144 11,775	Unquoated Shares Total financial assets	52,014	25	5 5	52,044	- Write-off o	during the year		-	-
Financial Assets - FVPL		25	Total financial assets LIABILITIES	52,014		 -	32,04-		alance at 31/12/2	2022	423	333
Financial Assets - AC	39,323	38,103	Due to Banks	31			31		balance as at 01/0		150	89
 Loans and Advanced Debt and Other Instruments 	39,323 2,575	38,103 1,992	Financial liabilities					Charge/ (W	Write back) to inc		t -	60
- Debt and Other Instruments Financial Assets - FVOCI	2,57 <i>5</i> 5	5	- Due to depositors	45,738			45,738		during the year alance at 31/12/2	2022	46 196	- 150
Property, plant and equipment	65	56	 Due to debt security holders Due to other borrowers 	- 270			270	Stage 3				
Deferred tax assets Other assets	223 1.256	223	- Due to other borrowers Total financial liabilities	46,040	_	-	46,040	- opeg 2.	balance as at 01/0 Write back) to inc		987 t 139	766 221
Other assets Total assets	1,256 56.566	1,000 53,323	AC - Financial assets/liabilities m	measured at amor	rtised cost			Write-off d	during the year		-	221
Total assets Liabilities	56,566	53,323	 FVPL - Financial assets/liabilities m FVOCI - Financial assets measured a 	measured at fair va	value throug	ugh profit or			alance at 31/12/2	<u> 1</u> 022	1,126	987
Due to banks	29	31			gh other co	omprenens.	ive Income	Total			1,745	1,469
Financial Liabilities at Amortised Cost - Due to Depositors	10.004	4E 728	Ratio Analysis as at 31/12,	/2022						21/	11000	(10/0001
- Due to Debt Securities Holders	49,094 -	45,738 -	Regulatory Capital (LKR 'Mn) Base	cal III						51/3	/12/2022	31/12/2021
- Due to Other Borrowers Employee Benefit Liability	180 443	270 438	Common Equity Tire - 1	erm							6,047	6,066
Employee Benefit Liability Other Liabilities	443 502	438 562	Tier - 1 Capital Total Capital								6,047 6,568	6,066 6,473
Total liabilities	50,248	47,039	Total Capital Regulatory Capital Ratios (%)									
Equity Stated Capital/Assigned Capital	200	890	Common Equity Tire 1 Capital Ra		equirement	t 7%)					21.91	23.95
Stated Capital/Assigned Capital Statutory Reserve Fund	890 298	890 297	Tier 1 Capital Ratio (Minimum Ro Total Capital Ratio (Minimum Re								21.91 23.80	23.95 25.23
Retained Earnings	4,052	4,019	Leverage Ratio %	54 ±2.5,							10.73	10.57
Other Reserves Total equity	1,078 6,317	1,078 6,284	Regulatory Liquidity Stat Liquid assets Rs Mn								15,503	13,652
Total equity Total equity and liabilities	6,317 56,566	53,323	Stat Liquid assets Ratio (Minimu								34.69	32.58
			Total Stock of High Quality Liqui		22/\						1,521	1,849
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 ST DECEMBER 2022		Rs 'Mn	Net Stable Funding Ratio (Minin		J%)						103.81 104.00	115.00 136.00
FOR THE YEAR ENDED ST. DEGENIDER.	2022	2021	Gross NPL %	/Idir.							19.33	19.84
Cash Flows from Operating Activities		2021	Net NPL % Gross NPL Exclu. EPF %								15.56 10.18	16.56 9.19
Interest Received	7,372	4,706	Net NPL Exclu. EPF %								5.74	5.27
Interest Payments Net commission receipts	(5,384)	(2,900)	Interest Margin %	24							3.68	4.34 0.76
Payments to Employees	92	139	Return on Assets (before Tax) % Return on Equity %	ó							0.22 0.52	0.76 4.11
VAT, DLR & NBT on financial services	(1,093)	(864)	Number of Branches								25	25
Receipts from Other Operating Activities Payments on Other Operating Activities	(199) 27	(263) 5	Number of Employees								416	365
	(395)	(212)	Impaired Loans (Stage 3) Ratio (Stage 3) to Stage 3								16.0 14.6	19.98 11.10
Operating Profit before Changes in Operating Assets (Increase)/ Decrease in Operating Assets	420	611	Impairment (Stage 3) to Stage 3	Loans Ratio (70)							4-11-2	
Financial assets at amortised cost - loans & advances	(1,496)	(1,666)	STATEMENT OF CHANGES I	INFOLITY						/	4	
Other assets	(256)	404	FOR THE YEAR ENDED 31 ST DEC	CEMBER 2022	7					/		
Increase/ (Decrease) in Operating Liabilities	(1,752)	(1,262)		Conf	ntributed S Capital	Statutary Reserve	Capital Reserve		Title Indemnity Fund	Retained Earnings	AFS Reserve	Total
Financial liabilities at amortised cost-due to depositors		350	Dalatice as at 31/12/2020		890	284	393		1	3,768	-	6,020
Financial liabilities at amortised cost-due to other borro Other liabilities	owers (90) (44)	(91) 107	•							1 252		253
	3,222	365	Net Profit for the Year Other Comprehensive Income							253 10		253 10
Net cash generated from operating activities before Income Tax	1,890	(286)	Transfer During the Year			13				(13)		-
Income Taxes Paid	1,890 (86)	(147)	Balance as at 31/12/2021		890	297	393	3 683	1	4,019	/	- 6,284
Net Cash from Operating Activities	(1,804)	(433)	Prior Year adjustements							1		1
Cash flows from investing activities			 Net Profit for the year Deemed dividend Tax over Paym 	ment						33	-	33
Dividend Received	21	23	Other Comprehensive Income							-		-
Proceeds from the sale of property, plant and equipment	,		Transfer During the Year							(2)		

Certification:

Transfer to Consolidated Fund

Balance as at 31/12/2022

We, the undersigned, be the Director, being General Manager and Assistant General Manager (Finance) of State Mortgage and Investment Bank certify jointly that,

393

683

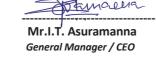
- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.
- (b) the information contained in these statements have been extracted from the unaudited draft financial statements of the bank.

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The Board of Directors are responsible for the preparation and presentation of these financial statements. These draft Financial Statements were approved by the Board of Directors and signed on their behalf.

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Mr. H.C.D.L. Silva Director



Mr.K.L.N.A. Perera Assistant General Manager (Finance)

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6,317

4,052

(39)

(1,830)

(26)

112

86

115

(29)

86

(21)

415

417

(16)

128

112

144

(31)

112

Purchase of Property, Plant & Equipment

Net cash (used in)/ from investing activities

Net increase/(decrease) in cash & cash equivalents

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the end of the period

Reconciliation of Cash and Cash Equivalents

Government of Sri Lanka Treasury Bills

Cash and cash equivalents at the beginning of the period

Cash flows from financing activities

Repayment of subordinated debt Payments to Consolidated Fund

Net cash from financing activities

Cash and Short Term Funds

Borrowings from Banks (OD)

Net Proceeds from the sale & maturity of financial investments (1,812)