## State Mortgage & Investment Bank SMIIB **Financial Statements**

**Rs '000** 

(9,390)

(322, 128)

**Rs '000** 

8,213,026

12,051,365

54,682

740,216

4,606,068

1,189,566 26,854,923

**Rs** '000

6,450

2,940

9,390

218,491

103,637

322,128

331,518

**Rs** '000

8,862,850

16,618,446

1,351,488

1,003,627

27,836,411

As at

23.29

23.82

**Rs '000** 

31/12/2015

3,242,741

3,313,136

22.17

22.65

As at

26,854,923

26,523,405

For The Period Ended 30<sup>th</sup>June 2016

Rs '000 ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT **INCOME STATEMENT** NOTES TO THE FINANCIAL STATEMENTS BASIS AS AT 30TH JUNE 2016 FOR THE PERIOD ENDED 30TH JUNE **Rs** '000 **Bank - Current Period** 30/06/2016 30/06/2015 **01) LOANS AND RECEIVABLES TO** Loans & Interest income 2,047,062 1,911,229 HTM AFS Total Receivables **OTHER CUSTOMERS** Interest expenses (993,160) (1,237,129)ASSETS Net interest income 809,933 918,069 As at 30/06/2016 As at 31/12/2015 Cash and Balances with CentralBanks 110,213 110.213 Fee and commission income 48,521 62,613 1.433.923 Sri Lanka Government Securities 1,433,923 Fee and commission expenses Gross loans and receivables 27,407,480 Balances with Banks Net fee and commission income 62,613 48,521 (Less): Individual impairment (9,390) Investment Securities 5,379 5,379 Other operating income (net) 8,396 2.229 Collective impairment (373,961) **Total operating income** Placement with and Loans to 874,775 974.985 Other Banks & Financial Institutions Net loans and receivables 27,024,129 Impairment for loans and other losses (51,832) (77,799) **Commercial Papers** Net operating income 763,714 822,943 897,186 763,714 **02) LOANS AND RECEIVABLES TO OTHER** Personnel expenses **Trust Certificates** (316,317) (298,835) **CUSTOMERS-BY PRODUCT** Treasury Bills Held Under Other expenses (128,893) (145,425) As at 30/06/2016 As at 31/12/2015 Operating profit/(loss) before value added tax (VAT) Resale Agreement 2,267,510 2,267,510 377,733 452,926 3,069,783 Value added tax (VAT) on financial services Fixed Deposits 3,069,783 By Product (76,090) (69,625) Nation Building Tax (NBT) Debentures (12,096) (12,659) Mortgage 8,524,904 Profit/(loss) before tax 289,547 Loans and Receivables to Other EPF 370,642 10,696,136 27,024,129 Tax expenses (121,783)(126, 819)Customers 27,024,129 Vehicle 47,300 **Profit/(loss) for the Period** 167,765 243,822 449,730 Staff loans Financial Investments - Unit Trust 449,730 767,525 Personal Loans 6,183,966 STATEMENT OF COMPREHENSIVE INCOME **Rs' 000** Other Assets - Prepaid Staff Loans 260,733 260,733 FOR THE PERIOD ENDED 30TH JUNE Others (FD Loans, Refinance. Etc) Total financial assets 1,433,923 33,496,083 455,109 35,385,115 1,187,650 Total 27,407,480 30/06/2016 30/06/2015 LIABILITIES **03) MOVEMENTS IN INDIVIDUAL AND COLLECTIVE** Due to Banks 26,452 26,452 **Profit/(loss) for the Period** 243,822 167,765 Due to Customers **IMPAIREMENT DURING THE PERIOD FOR LOANS ANI** Other comprehensive income, net of tax **RECEIVABLES TO OTHER CUSTOMERS** 17,904,976 17,904,976 Deposits Gains & losses on re-measuring available-for-sale financial assets 17,367 (2,617)Actuarial Gains/(losses) on Defined Benifit Plans (+/-) Institutional Deposits 10,473,690 10,473,690 As at 30/06/2016 As at 31/12/2015 1,006,620 1,006,620 Scheme Deposits Total comprehensive income for the period 185,131 241,205 **Individual impairment** Debt Securities Issued 111,556 111,556 Opening balance 9,390 **Rs '000** STATEMENT OF FINANCIAL POSITION Other Borrowings Charge /(Write back) to income AS AT 30<sup>Th</sup> JUNE Government of Sri Lanka 384,322 384,322 Write-off during the year 30/06/2016 31/12/2015 AHF 33,504 33,504 Other movements Assets USAID 9,390 Closing balance at 30/06/2016 Cash and cash equivalents 110,213 103,597 Refinance Borrowing 395,408 395,408 Placements with banks 6,169,746 5,812,559 288,961 Collective impairment Other Liabilities 288,961 27,024,129 26,523,405 Loans and receivables to customers 30,625,488 30,625,488 **Total financial liabilities** 322,128 Opening balance Financial investments - Available-for-sale 455,109 437,743 51,832 ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT Charge /(Write back) to income Financial investments – Held-to-maturity 1,433,923 820,278 Other movements **BASIS (continued)** Bank - Previous Year (2015) Rs '000 Property, plant and equipment 58,184 74,416 Closing bal ance as at 30/06/2016 373,961 Loans & HTM AFS Total 90,767 Deferred tax assets 90,401 Total impairment as at 30/06/2016 383,351 **Receivables** 493,703 368,810 Other assets ASSETS 04) DUE TO OTHER CUSTOMERS-BY PRODUCT 35,835,409 34,231,576 **Total assets** 103,597 Cash and Balances with Central Banks 103.597 Sri Lanka Government Securities 820,278 820,278 Liabilities As at 30/06/2016 As at 31/12/2015 Balances with Banks 7,196 Due to banks 26,452 **By Product** 5,379 5,379 29,385,285 27,836,411 Investment Securities Due to customers Institutional Fixed Deposits 10,473,690 924,790 959,935 Placement with and Loans to Other borrowings Retail Fixed Deposits 16,436,805 Other Banks & Financial Institutions 322,265 323,423 Employee Benefit Liability 1,468,170 Savings Deposits 466,026 466,026 **Commercial Papers** 841,488 Other Liabilities 806,652 Scheme Deposits 1,006,620 **Trust Certificates Total liabilities** 31,465,443 29,968,453 Total 29,385,285 Treasury Bills Held Under Resale Equity 611,335 611,335 Agreement SELECTED PERFORMANCE INDICATORS Stated Capital/Assigned Capital 889,813 889,813 **Fixed Deposits** 4,669,309 4,669,309 203,053 Statutory Reserve Fund 211,969 65,890 65,890 Debentures ltem **Retained Earnings** 2,529,966 2,449,406 30/06/2016 Loans and Receivables to Other Other Reserves 738,217 720,851 **Regulatory Capital Adequacy** 26,523,405 26,523,405 Customers Core Capital (Tier 1 Capital) 3,428,128 4,369,966 4,263,123 **Total equity** Financial investments - Pyramid Total Capital Base 3,505,485 35,835,409 Total equity and liabilities 34,231,576 432,364 Trust 432,364 Core Capital Adequacy Ratio, as a % of Risk Contingent liabilities and commitments Other Assets -Prepaid Staff Loans 260,733 260,733 Weighted Assets

Total financial assets

LIABILITIES

**Rs '000** 

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30TH JUNE

FOR THE PERIOD ENDED 30 <sup>TH</sup> JUNE			Due to Banks		7,196		7,196	Assets Quality (	<b>Duality of Loa</b>	n Portfolio)		
	30/06/2016	30/06/2015	Due to Customers		7,190		7,190	Gross Non- Perf			27.51	29.40
Cash flows from operating activities			Deposits		17,969,934		17,969,934	Net Non - Perfo	•			
Interest Received	1,654,475	1,694,567	Institutional Deposits		8,862,850		8,862,850	of interest in sus	spense and pro	vision)	26.74	28.42
Interest Payments	(1,237,129)	(993,160)	Scheme Deposits		1,003,627		1,003,627	Gross Non-Perfe	orming Advan	ces Ratio exclud	ing	
Payments to Employees and suppliers	(383,692)	(372,252)	Debt Securities Issued		110,181		110,181	EPF Advances,?	/o		7.49	7.82
Receipts from Other Operating Activities	64,842	56,916	Other Borrowings		,		-	Net Non-Perfor	•	es Ratio excludin		6.00
Payments on Other Operating Activities	(61,518)	-	Government of Sri Lanka		384,322		384,322	EPF Advances,9	0		6.25	6.08
	(01,518)	(72,009)	AHF		37,615		37,615	Profitability			1.60	
Operating profit before changes in			USAID				-	Interest Margin,		0 /	4.62	5.65
Operating Assets	36,979	314,063	Refinance Borrowing		427,817		427,817	Return on Asset		, %	1.65 7.77	2.11
Increase/(Decrease) in Operating Assets			Other Liabilities		369,395		00,075	Return on Equit			1.//	9.90
Funds Advanced to Customers (Net)	(500,724)	(878,446)	Total Financial Liabilities	-	29,172,937	-	29,172,937	Regulatory Liqu Statutory Liquid	•		7,002,788	5,939,142
Other Short Term Investments	(1,808,476)	(482,452)	Held-to-maturity - HTM					Statutory Liquid			7,002,700	5,959,142
	(2,309,201)	(1,360,898)	Available-for-sale - AFS Loans and receivables/deposits at amortis	sed cost - Amor	tised cost			(Minimum Requ			25.75	23.64
Increase/(Decrease) in Operating Liabilities			STATEMENT OF CHANGES IN EQ	UITV				<u> </u>				
Deposits from Customers (Net)	1,548,874	931,518	FOR THE PERIOD ENDED 30 <sup>TH</sup> JU									<b>Rs</b> '000
Others	629,974	74,971		Contributed	Statutary	Capital	General	Title Indemnity	Investment	Retained	AFS	Total
	2,178,848	1,006,489		Capital	Reserve	Reserve	Reserve	Fund	Fund	Earnings	Reserve	
Net cash generated from operating activities			<b>Balance as at 31/12/2014</b>	889,813	191,356	9,176	683,280	1,031	-	2,229,191	13,840	4,017,687
before Income Tax	(93,373)	(40,346)	Net Profit for the Year							409,774		409,774
Income Tax & Deemed Dividend Tax Paid	(196,290)	(154,514)	Deemed Dividend Tax							(167,862)		(167,862)
Net Cash from Operating Activities	(289,663)	(194,860)	Other Comprehensive Income							-	13,524	13,524
Cash flows from investing activities			Transfer During the Year		11,697					(11,697)		-
Dividend Received	_	5,331	Transfer to Investment Fund						-	-		-
Proceeds from the sale of property, plant and equipment		-	Transfer to Consolidated Fund							(10,000)		(10,000)
Purchase of Property, Plant & Equipment	(5,774)	(7,897)	Balance as at 31/12/2015	889,813	203,053	9,176	683,280	1,031	-	2,449,406	27,364	4,263,123
Proceeds from the sale and maturity of financial	(3,771)	(1,0)1)	Net Profit for the Period							167,765		167,765
investments	319,215	206,757	Deemed Dividend Tax							(78,289)		(78,289)
Others (please specify)	519,215	200,757	Other Comprehensive Income								17,367	17,367
Net cash (used in)/from investing activities	313,441	204,191	Transfer During the Year		8,916					(8,916)		-
	515,441	204,171	Transfer to Investment Fund									-
Cash flows from financing activities	(a.c	<b></b>	Transfer to Consolidated Fund	000.012	011.070	0.15/	(02.200	1 0.21		-	44 530	-
Repayment of Loans	(36,519)	(37,386)	Balance as at 30/06/2016	889,813	211,969	9,176	683,280	1,031	-	2,529,966	44,730	4,369,966
Proceeds from Borrowings	-	-	Certification:	cimum Car	anal Managa	mand Aas	internt Comm	nal Managan(Ei	eres) of Sta	to Montoo oo or	d Turnatura	- 4
Payments to Consolidated Fund	-	-	We, the undersigned being the Ch Bank certify jointly that,	iairman, Ger	ierai Manage	er and Ass	istant Gener	rai Manager(Fi	hance) of Sta	tte Mortgage af	id investme	nı
Net cash from financing activates	(36,519)	(37,386)	(a) the above statements have been	n prepared i	n compliance	e with the	format and	definitions pres	cribed by the	Central Bank	of Sri Lank	a.
Net increase/(decrease) in cash & cash equivalents	(12,741)	(28,055)	(b) the information contained in the									
Cash and cash equivalents at the beginning of the period	96,502	98,168	Directors are responible for th	ne preparatio	n and prese	ntation of	these Final	ncial Statement	s.These draft	Financial State	ments were	
Cash and cash equivalents at the end of the period	83,761	70,113	approved by the Board of Dire	ectors and s	igned on the	ir behalf.						
Reconciliation of Cash and Cash Equivalents		<u> </u>	Juli.					P	1			
Cash and Short Term Funds	110,213	110,645	for					C.	10			
Government of Sri Lanka Treasury Bills		-	K.K. Tissa Jinadasa.		W.M. Day			K.L.N	A. Perera	•		
Borrowings from Banks	(26,452)	(40,532)	Chairman		, 0			Assistant General Manager (Finance)			26/08/2016	
Cash and cash equivalents at the end of the period	83,761		State Mortgage & Investment Bank	k No 260 Go	lle Road, Col	ombo 02	Srilanka T	el +9411 257	3561 e ma	il - am@smib	lk web-w	www.smib.lk
Cash and cash equivalents at the chu of the period	03,/01	70,113	State wortgage & investment bank	N, 140 209, Ga		01100 03,	Sh Lanka.	01 10411 201	enia	ginganib	11 WOD - W	

820,278 32,700,295 437,743 33,958,316 Total Capital Adequacy Ratio, as a % of Risk

Weighted Assets