



PRADESHIYA SANWARDHANA BANK

"A" Negative
ICRA LANKA

FINANCIAL STATEMENT FOR THE PERIOD ENDED 30th SEPTEMBER 2018

INCOME STATEMENT - FOR THE PERIOD ENDED 30th SEPTEMBER 2018

In Rupees Thousand	Current Period From 01/01/2018 To 30/09/2018 (Unaudited)	Previous Period From 01/01/2017 To 30/09/2017 (Unaudited)
Interest Income	18,049,074	14,671,240
Interest Expenses	(9,494,933)	(8,089,838)
Net Interest Income	8,554,141	6,581,403
Fee and Commission Income	737,221	703,885
Fee and Commission Expenses	(184,284)	(123,302)
Net Fee and Commission Income	552,937	580,583
Net Gain/(Loss) from trading	-	-
Net Gain/(Loss) from financial Instruments at fair value through profit or loss	(39)	(1)
Net gain/(Loss) from Financial Investments	-	-
Other Operating Income (net)	268	549
Total Operating Income	9,107,307	7,162,534
Impairment for Loans & Other Losses	-	-
Individual Impairment	-	-
Collective Impairment	(913,398)	(393,861)
Net Operating Income	8,193,908	6,768,673
Personnel Expenses	4,405,446	3,371,577
Depreciation and amortisation	234,958	203,184
Other Expenses	1,330,041	1,091,386
Operating Profit/(Loss) before Value Added Tax (VAT)	2,223,463	2,102,526
Nation Building Tax	(108,196)	(87,974)
Value Added Tax (VAT) on financial services	(811,470)	(659,805)
Profit/(Loss) before Tax	1,303,798	1,354,747
Tax Expenses	(686,430)	(628,922)
Profit/(Loss) for the period	617,368	725,825
Profit attributable to:		
Shareholders	617,368	725,825
Earning Per Share		
Basic earning per ordinary share	2.13	7.06

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30th SEPTEMBER 2018

In Rupees Thousand	Current Period From 01/01/2018 To 30/09/2018 (Unaudited)	Previous Period From 01/01/2017 To 30/09/2017 (Unaudited)
Profit for the Period	617,368	725,825
Other Comprehensive Income/(expenses)		
Items that will not be reclassified to profit & Loss		
Actuarial Gain/(Loss) on define Benefit Plan	-	-
Deferred tax effect on above	-	-
Total Other Comprehensive income, for the period, net of Taxes	-	-
Total Comprehensive Income for the Period	617,368	725,825

STATEMENT OF FINANCIAL POSITION AS AT 30th SEPTEMBER 2018

In Rupees Thousand	Current Period As at 30/09/2018 (Unaudited)	Previous Year As at 31/12/2017 (Audited)
Assets		
Cash and cash equivalents	752,391	482,920
Sri Lankan Government Securities	2,582,223	2,512,363
Balances with other Banks	20,449,408	27,702,520
Placements with Banks	11,875,726	6,682,476
Financial assets held for trading	158	197
Financial assets designated at fair value through profit or loss	-	-
Loans and receivables given to other customers	134,742,922	127,508,812
Financial Investments - Available for sale	-	-
Financial Investments - Held to Maturity	507,805	516,935
Investments in Subsidiaries	-	-
Investments in associate and Joint Ventures	-	-
Property, Plant and Equipment	1,346,071	1,204,893
Investment Properties	-	-
Goodwill and intangible assets	85,523	37,843
Deferred Tax assets	343,876	343,879
Other Assets	3,788,761	2,266,366
Total assets	176,474,864	169,259,202
Liabilities		
Due to banks	12,598,887	10,729,312
Derivatives Financial instruments	-	-
Other Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Due to other customers	141,277,294	139,827,365
Debt issued and other borrowed funds	-	-
Debt Securities Issued	4,753,418	4,707,853
Other Provision	-	-
Other Liabilities	5,983,265	2,686,029
Retirement Benefits Obligation	1,631,885	1,695,895
Total liabilities	166,244,748	159,646,453
Equity		
State Capital/Assigned capital	3,870,937	3,870,937
Statutory Reserve Fund	663,652	663,652
Retained Earnings	2,334,276	1,716,909
Other Reserves	3,361,251	3,361,251
Total Shareholders' Equity	10,230,116	9,612,749
Non-Controlling Interests	-	-
Total Equity	10,230,116	9,612,749
Total Equity and Liabilities	176,474,864	169,259,202
Contingent Liabilities and Commitments	197,119	406,561
Memorandum Information		
Number of Permanent Employees	2,358	2,316
Number of Branches	265	265

1) Loans and Receivables to other Customers

In Rupees Thousand	Bank	
	Current Period As at 30/09/2018	Previous Year As at 31/12/2017 (Audited)
Gross loans and receivables	138,490,039	130,324,846
(Less): Zero rate loan fair value adjustment	(106,516)	(106,516)
Staff loan fair value adjustment	(745,241)	(745,241)
Individual impairment charges	(173,823)	(173,823)
Collective impairment charges	(2,721,536)	(1,790,453)
Net Loans and receivables including those designated at fair value through profit or loss	134,742,922	127,508,812
(Less): Loans and Receivables designated at fair value through profit & Loss	-	-
Net loans and receivables	134,742,922	127,508,812

2) Loans and Receivables to other Customers - By product

In Rupees Thousand	Bank	
	Current Period As at 30/09/2018	Previous Year As at 31/12/2017 (Audited)
By Product-Domestic Currency		
Term Loans	120,931,019	115,330,985
Pawning	10,249,480	9,511,755
Staff Loans	3,488,132	3,500,798
Interest Receivable on Loans & Advances	3,821,407	1,981,307
Total	138,490,039	130,324,846

3) Movements in individual and collective impairment during the period for Loans and Receivables to other Customers

In Rupees Thousand	Bank	
	Current Period As at 30/09/2018	Previous Year As at 31/12/2017 (Audited)
Individual Impairment		
Opening Balance	173,823	24,184
Charge/(Write back) to Income Statement	-	149,640
Write-off during the period	-	-
Other movements	-	-
Closing Balance	173,823	173,823
Collective Impairment		
Opening Balance	1,790,453	1,504,275
Charge/(Write back) to Income Statement	913,398	294,227
Write-off during the period	-	-
Other movements	17,685	(8,049)
Closing Balance	2,721,536	1,790,453
Total Impairment	2,895,359	1,964,276

4) Due to other customers - By Product

In Rupees Thousand	Bank	
	Current Period As at 30/09/2018	Previous Year As at 31/12/2017 (Audited)
By Product-Domestic Currency		
Saving Deposits	31,949,999	28,050,273
Fixed Deposits	89,844,388	90,839,384
Long Term Savings	19,489,907	20,937,708
Total	141,277,294	139,827,365

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS AS AT 30th SEPTEMBER 2018

In Rupees Thousand	a. Bank - Current Period				
	HFT	HTM	Loans & Receivables	AFS	Total
ASSETS					
Cash and cash equivalents	-	-	752,391	-	752,391
Sri Lankan Government Securities	-	2,582,223	-	-	2,582,223
Balances with other Banks	-	-	20,449,408	-	20,449,408
Placements with banks	-	-	11,875,726	-	11,875,726
Derivative Financial instruments	-	-	-	-	-
Financial assets held for trading	158	-	-	-	158
Financial assets held to maturity	-	507,805	-	-	507,805
Loans and receivables given to banks	-	-	-	-	-
Loans and receivables given to other customers	-	-	134,742,922	-	134,742,922
Financial Investments	-	-	-	-	-
Other assets	-	-	1,382,204	-	1,382,204
Total Financial Assets	158	3,090,027	169,202,651	-	172,292,836

In Rupees Thousand	b. Bank - Previous Year as at 31.12.2017 (Audited)				
	HFT	HTM	Amortized Cost	AFS	Total
LIABILITIES					
Due to banks	-	-	12,598,887	-	12,598,887
Derivative financial instruments	-	-	-	-	-
Other financial liabilities at fair value through profit or loss	-	-	-	-	-
Due to other customers	-	-	141,277,294	-	141,277,294
Debt securities issued	-	-	4,753,418	-	4,753,418
Other Liabilities	-	-	5,983,265	-	5,983,265
Total Financial Liabilities	-	-	164,612,863	-	164,612,863

In Rupees Thousand	a. Bank - Current Period				
	HFT	HTM	Loans & Receivables	AFS	Total
ASSETS					
Cash and cash equivalents	-	-	482,920	-	482,920
Sri Lankan Government Securities	-	2,512,363	-	-	2,512,363
Balances with other Banks	-	-	27,702,520	-	27,702,520
Placements with banks	-	-	6,682,476	-	6,682,476
Derivative Financial instruments	-	-	-	-	-
Financial assets held for trading	197	-	-	-	197
Financial assets held to maturity	-	516,935	-	-	516,935
Loans and receivables to banks	-	-	-	-	-
Loans and receivables given to other customers	-	-	127,508,812	-	127,508,812
Other Assets	-	-	1,203,617	-	1,203,617
Total Financial Assets	197	3,029,297	163,580,345	-	166,609,838

In Rupees Thousand	b. Bank - Previous Year as at 31.12.2017 (Audited)				
	HFT	HTM	Amortized Cost	AFS	Total
LIABILITIES					
Due to banks	-	-	10,729,312	-	10,729,312
Derivative financial instruments	-	-	-	-	-
Other financial liabilities at fair value through profit or loss	-	-	-	-	-
Due to other customers	-	-	139,827,365	-	139,827,365
Debt securities issued	-	-	4,707,853	-	4,707,853
Other Liabilities	-	-	2,686,029	-	2,686,029
Total Financial Liabilities	-	-	157,950,558	-	157,950,558

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30th SEPTEMBER 2018

In Rupees Thousand	Bank	
	Current Period 30/09/2018 Unaudited	Previous Period 30/09/2017 Unaudited
Cash Flows from Operating Activities		
Profit before tax	2,223,463	2,102,526
Adjustment for:		
Non-Cash item included in Profits before tax	1,417,371	834,934
Change in Operating assets	(9,874,622)	(15,493,126)
Change in Operating Liabilities	6,616,739	24,839,533
Other reclassification	-	-
Contribution paid to defined benefit plans	(64,009)	(29,379)
Tax paid	(1,862,386)	(1,326,551)
Net cash generated from operating activities	(1,543,445)	10,927,936
Cash flows from investing activities		
Purchase of property, plant and equipment	(226,668)	(242,682)
Proceeds from the sale of property, plant and equipment	908	241
Net Purchase of intangible assets	(47,681)	(1,062)
Net cash (used in)/from investing activities	(274,141)	(243,502)
Cash flow from financing activities		
Net proceeds from the issue of ordinary share capital	-	-
Net proceeds from the issue of subordinate debt	-	9,000,000
Interest paid on debentures	(401,378)	(324,592)
Dividend paid	-	-
Net cash from financing activities	(401,378)	1,675,408
Net increase / (decrease) in cash & cash equivalents	(2,218,964)	12,359,841
Cash and cash equivalents at the beginning of the period	34,702,875	19,056,079
Cash and cash equivalents at the end of the period	32,483,911	31,415,919
Reconciliation of Cash & Cash Equivalents		
Cash and cash equivalents	752,391	594,900
Favourable Balances with banks	32,325,134	31,374,749
Unfavourable Balances with banks	(593,614)	(553,724)
	32,483,911	31,415,919

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30th SEPTEMBER 2018

Bank	Stated Capital		Reserves				Total	Non Controlling Interest	Total Equity
	Ordinary voting Shares	Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	Retained Earning	Other Reserves			
In Rupees Thousand									
Balance as at 01/01/2018 (Opening balance)	3,870,937	-	663,652	-	1,716,909	3,361,251	9,612,749	-	9,612,749
Profit/(loss) for the Period	-	-	-	-	617,368	-	617,368	-	617,368
Other comprehensive income (net of Tax)	-	-	-	-	-	-	-	-	-
Transaction with Equity Holders									
Issued Share Capital	-	-	-	-	-	-	-	-	-
Transferred to Statutory Reserve Fund	-	-	-	-	-	-	-	-	-
Transferred to Special Reserve Fund	-	-	-	-	-	-	-	-	-
Transferred to General Reserve Fund	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-
Total Transaction with equity holders	-	-	-	-	-	-	-	-	-
Balance as at 30/09/2017 (Closing Balance)	3,870,937	-	663,652	-	2,334,276	3,361,251	10,230,116	-	10,230,116

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) AS AT 30th SEPTEMBER 2018