



PRADESHIYA SANWARDANA BANK

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

Rupees Thousands	Bank	
	Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)
Interest income	35,273,434	23,545,299
Interest expenses	(19,639,530)	(9,893,373)
Net interest income	15,633,904	13,651,927
Fee and commission income	806,548	935,136
Fee and commission expenses	(355,185)	(312,112)
Net fee and commission income	451,363	623,025
Net gains/(losses) from trading	102,297	(24,215)
Net fair value gains/(losses) on:		
financial assets at fair value through profit or loss	-	-
financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:		
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	20,471	36,548
Total operating income	16,908,035	14,287,284
Impairment charges	(2,852,677)	(3,256,776)
Net operating income	13,355,358	11,030,508
Personnel expenses	(8,739,538)	(7,992,270)
Depreciation and amortization expenses	(532,734)	(520,988)
Other expenses	(2,084,970)	(1,990,468)
Operating profit/(loss) before VAT & SSCL on financial services	1,998,116	1,926,782
Value Added Tax (VAT) on financial services	(1,561,475)	(1,151,277)
Social Security Contribution Levy	(77,526)	-
Operating profit/(loss) after VAT & SSCL on financial services	359,115	775,505
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	359,115	775,505
Income tax expenses	(990,279)	(469,202)
Profit/(loss) for the year	1,349,394	306,303
Profit attributable to:		
Equity holders of the parent	1,349,394	306,303
Non-controlling interests	-	-
Earnings per share on profit		
Basic earnings per ordinary share	2.45	0.56
Diluted earnings per ordinary share	-	-

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2022

Rupees Thousands	Bank	
	Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)
Profit/(loss) for the Year	1,349,394	306,303
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	-	-
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
Items that will not be reclassified to income statement		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	156,249	(35,918)
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
Differed Tax Impact on Retirement Benefit Obligations	(46,875)	8,620
Less: Tax expense relating to items that will not be reclassified to income statement	-	-
Other Comprehensive Income (OCI) for the Year, net of taxes	109,375	(27,297)
Total comprehensive income for the year	1,458,769	279,005
Attributable to:		
Equity holders of the parent	1,458,769	279,005
Non-controlling interest	-	-

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 31ST DECEMBER 2022

a. Bank - Current Year (Audited)				
Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS				
Cash and cash equivalents	2,889,884	-	-	2,889,884
Balances with Central Bank	-	-	-	-
Placements with banks	6,133,705	-	-	6,133,705
Equity Instruments at fair value through profit or loss	-	120	-	120
Loans and advances	198,008,145	-	-	198,008,145
Debt instruments	65,079,636	-	-	65,079,636
Equity instruments	-	-	2,290	2,290
Other Assets	5,713,170	-	-	5,713,170
Total Financial Assets	277,824,540	120	2,290	277,826,951
LIABILITIES				
Due to banks	-	47,470,707	-	47,470,707
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	-	-
- due to depositors	-	210,301,323	-	210,301,323
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	-	-
Other Liabilities	-	5,404,318	-	5,404,318
Total Financial Liabilities		263,176,349		263,176,349
b. Bank - Previous Year (Audited)				
ASSETS				
Cash and cash equivalents	1,486,879	-	-	1,486,879
Balances with Central Bank	-	-	-	-
Placements with banks	6,596,073	-	-	6,596,073
Equity Instruments at fair value through profit or loss	-	188	-	188
Loans and advances	175,229,667	-	-	175,229,667
Debt instruments	54,856,210	-	-	54,856,210
Equity instruments	-	-	2,290	2,290
Other Assets	3,721,642	-	-	3,721,642
Total Financial Assets	241,890,471	188	2,290	241,892,949
LIABILITIES				
Due to banks	-	29,500,937	-	29,500,937
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	-	-
- due to depositors	-	187,752,465	-	187,752,465
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	2,000,000	-	2,000,000
Other Liabilities	-	5,514,858	-	5,514,858
Total Financial Liabilities		224,768,260		224,768,260

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2022

Rupees Thousands	Bank	
	Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)
Cash flow from operating activities		
Profit before tax	359,115	775,505
Adjustment for:		
Non cash items included in profit before tax	3,977,964	4,704,390
Changes in operating assets	(35,321,114)	(24,995,398)
Changes in operating liabilities	23,772,933	19,407,758
Net gain from investment activities	-	-
Share of profits in associates and joint ventures	-	-
Dividend income from subsidiaries and associates	-	-
Net gain/(loss) from financial instruments at fair value through profit or loss	-	-
Other reclassifications	-	-
Contribution paid to defined benefit plans	(66,254)	(134,929)
Taxes on financial services	-	-
Tax Paid	(1,609,672)	(695,837)
Net cash generated from/(used in) operating activities	(8,887,028)	(938,512)
Cash flow from investing activities		
Purchase of Property, plant and equipment	(207,876)	(202,693)
Net purchase of intangible assets	(1,987)	(123,381)
Investment in Debenture	-	392,280
Investment in Fixed deposits (more than three months)	(17,403,319)	(3,220,344)
Proceeds from the sale of property, plant and equipment	(780)	17,454
Received Dividend Income	4,385	10,210
Net cash (used in)/from investing activities	(17,609,577)	(3,126,476)
Cash flow from financing activities		
Payment of principal of operating lease	(327,195)	(326,522)
Net proceeds from the other borrowings	15,494,249	4,807,413
Repayment of debenture	(2,000,000)	-
Interest paid & repayment of debentures	(76,177)	(311,590)
Net cash from financing activities	13,090,877	4,169,391
Net increase/(decrease) in cash & cash equivalents	(13,405,728)	104,404
Cash & cash equivalents at the beginning of the Year	43,570,749	43,466,344
Cash and cash equivalent at the end of the Year	30,165,020	43,570,748
Reconciliation of Cash & Cash Equivalents		
Cash and cash equivalent	2,889,884	1,486,879
Favorable balances with banks		
Placements with banks	6,133,705	6,596,073
Fixed deposits less than three months	21,726,025	35,579,131
Unfavorable balances with banks	(584,594)	(91,358)
	30,165,020	43,570,748

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

Rupees Thousands	Bank	
	Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)
Assets		
Cash and cash equivalents	2,889,884	1,486,879
Balances with Central Bank	-	-
Placements with banks	6,133,705	6,596,073
Derivative financial instruments	-	-
Financial assets recognized through profit or loss		
- measured at fair value	120	188
- designated at fair value	-	-
Financial assets at amortized cost		
- loans and advances	198,008,145	175,229,667
- debt and other instruments	65,079,636	54,856,210
Financial assets measured at fair value through other comprehensive income	2,290	2,290
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	996,615	928,568
Right of use assets	718,097	505,092
Goodwill and intangible assets	68,868	113,689
Deferred tax assets	3,525,175	1,263,795
Other assets	8,042,616	4,907,060
Total assets	285,395,150	245,889,512
Liabilities		
Due to banks	47,470,707	29,500,937
Derivative financial instruments	-	-
Financial liabilities recognized through profit or loss		
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortized cost		
- due to depositors	210,301,323	187,752,465
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	2,000,000
Retirement benefit obligations	3,091,581	3,046,465
Current tax liabilities	1,011,924	503,092
Deferred tax liabilities	-	-
Other liabilities	7,293,487	7,693,301
Due to subsidiaries	-	-
Total liabilities	269,169,023	230,496,189
Equity		
Stated capital/Assigned capital	8,221,865	8,047,230
Statutory reserve fund	845,248	777,778
OCI reserve	-	-
Retained earnings	2,889,786	2,636,434
Other reserves	4,269,229	3,931,881
Total shareholders' equity	16,226,127	15,393,322
Non-controlling interests	-	-
Total equity	16,226,127	15,393,322
Total equity and liabilities	285,395,150	245,889,512
Contingent liabilities and commitments	380,380	225,888
Memorandum Information		
Number of Employees	2,531	2,590
Number of Branches	272	272

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022

Rupees Thousands	Stated capital/Assigned Capital		Reserves					Total	Non Controlling Interest	Total Equity	
	Ordinary Voting Share	Ordinary Non Voting Share	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings				Other Reserve
Balance as at 01/01/2022 (Opening balance)	-	-	8,047,230	777,778	-	-	1,835,835	3,931,881	14,592,783	-	14,592,783
Total comprehensive income for the Year	-	-	-	-	-	-	1,349,394	-	1,349,394	-	1,349,394
Profit/(loss) for the Year (net of tax)	-	-	-	-	-	-	109,375	-	109,375	-	109,375
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the Year							1,458,769		1,458,769		1,458,769
Transactions with equity holders, recognised directly in equity											
Share issue/increase of assigned capital	-	-	174,635	-	-	-	-	-	174,635	-	174,635
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the year	-	-	-	67,470	-	-	-	-	67,470	-	67,470
Dividends to equity holders	-	-	-	-	-	-	(404,818)	337,349	-	-	-
Profit transferred to Head Office	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders			174,635	67,470			(404,818)	337,349	174,635		174,635
Balance as at 31/12/2022	-	-	8,221,865	845,248	-	-	2,889,785	4,269,229	16,226,127	-	16,226,127

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 31ST DECEMBER 2022

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)		Current Year 31/12/2022 (Audited)	Previous Year 31/12/2021 (Audited)
Product-wise Gross loans & advances					
By product - Domestic currency					
Term loans	120,060,154	125,188,767			
Leasing	1,193,310	853,278			
Pawning	42,234,453	20,173,959			
Refinance	35,894,658	31,511,331			
Liya Isura	33,967	37,781			
Staff Loan	5,501,111	4,614,968			
Loans against Deposits	10,333,537	6,535,720			
SME					