



Financial Statements
For the Financial Year Ended 31st March 2015



The first Company in the Banking and Non-banking sector of Sri Lanka to be certified with ISO 9001:2008 Quality Management system and ISO 22301:2012 for Business Continuity Management Systems

Ram rating : BBB P2
Positive Outlook

Alliance Finance Company PLC

STATEMENT OF PROFIT OR LOSS

For the Financial year ended 31st March 2015

Company	Quarter ended 31st March			Financial year ended 31st March		
	2015	2014	Variance %	2015	2014	Variance %
	Rs. (Unaudited)	Rs. (Unaudited)		Rs. (Unaudited)	Rs. (Unaudited)	
Gross Income	1,174,655,134	918,935,624	28	4,256,664,352	3,896,139,717	9
Interest Income	1,081,008,951	860,382,900	26	3,570,390,145	3,552,743,296	0
Interest Expenses	(418,463,912)	(553,473,187)	(24)	(1,817,341,905)	(2,299,280,718)	(21)
Net Interest Income	662,545,039	306,909,713	116	1,753,048,240	1,253,462,578	40
Fee and Commission Income	80,571,925	52,895,307	52	229,331,256	180,328,897	27
Fee and Commission Expenses	(35,420,191)	(13,676,910)	159	(80,732,860)	(58,251,767)	39
Net Fee and Commission Income	45,151,735	39,218,397	15	148,598,396	122,077,130	22
Net gain/(loss) from Trading	(430,486)	(13,749,660)	(97)	46,210,376	20,702,295	123
Other Operating Income (net)	13,504,745	19,407,078	(30)	410,732,574	142,365,230	189
Total Operating Income	720,771,032	351,785,528	105	2,358,589,587	1,538,607,234	53
Impairment (Charges) / Reversal for loans and other losses	(110,626,078)	(156,433,890)	(29)	(643,566,670)	(299,260,083)	115
Net Operating Income	610,144,954	195,351,639	212	1,715,022,917	1,239,347,151	38
Operating Expenses						
Personnel Expenses	(144,991,054)	(92,247,006)	57	(524,922,946)	(374,925,972)	40
Depreciation of Property & Equipment	(23,219,362)	(20,498,593)	13	(85,702,247)	(69,249,072)	24
Other Operating Expenses	(329,196,921)	(130,606,518)	152	(812,766,631)	(534,530,767)	52
Operating Profit before Value Added Tax on Financial Services	112,737,617	(48,000,479)	(335)	291,631,094	260,641,340	12
Value Added Tax on Financial Services	(13,122,125)	(4,003,009)	228	(30,020,765)	(15,764,886)	90
Operating Profit after Value Added Tax on Financial Services	99,615,492	(52,003,488)	(292)	261,610,328	244,876,454	7
Share of profit from Associates	(1,972,338)	7,217,066	(127)	15,835,911	16,393,401	(3)
Profit before Taxation from Operations	97,643,154	(44,786,422)	(318)	277,446,239	261,269,855	6
Provision for Income Taxation	(38,543,166)	110,223,057	(135)	(74,543,166)	35,223,057	(312)
Profit for the Year	59,099,988	65,436,636	(10)	202,903,073	296,492,912	(32)
Basic/ Diluted Earnings Per Share	24.32	26.93	(10)	83.50	122.01	(32)
Dividend Per Share (Rs./Cts.)				23	20	

Figures in brackets indicate deductions.

Alliance Finance Company PLC
STATEMENT OF PROFIT OR LOSS
For the Financial year ended 31st March 2015

Group	Quarter ended 31st March		Financial year ended 31st March	
	2015 Rs. (Unaudited)	2014 Rs. (Unaudited)	2015 Rs. (Unaudited)	2014 Rs. (Unaudited)
Gross Income	1,506,358,407	-	4,588,367,624	-
Interest Income	1,086,247,370	-	3,575,628,564	-
Interest Expenses	(422,853,471)	-	(1,821,731,464)	-
Net Interest Income	663,393,899	-	1,753,897,100	-
Fee and Commission Income	100,040,046	-	248,799,377	-
Fee and Commission Expenses	(37,276,170)	-	(82,588,840)	-
Net Fee and Commission Income	62,763,875	-	166,210,537	-
Net gain/(loss) from Trading	1,349,530	-	47,990,393	-
Other Operating Income (net)	318,721,461	-	715,949,290	-
Total Operating Income	1,046,228,766	-	2,684,047,321	-
Impairment (Charges) / Reversal for loans and other losses	(110,626,078)	-	(643,566,670)	-
Net Operating Income	935,602,688	-	2,040,480,651	-
Operating Expenses				
Personnel Expenses	(149,025,855)	-	(528,957,747)	-
Depreciation of Property & Equipment	(23,652,438)	-	(86,135,324)	-
Other Operating Expenses	(341,809,097)	-	(825,378,806)	-
Operating Profit before Value Added Tax on Financial Services	421,115,298	-	600,008,775	-
Value Added Tax on Financial Services	(13,122,125)	-	(30,020,765)	-
Operating Profit after Value Added Tax on Financial Services	407,993,173	-	569,988,009	-
Share of profit from Associates	(1,972,338)	-	15,835,911	-
Profit before Taxation from Operations	406,020,835	-	585,823,920	-
Provision for Income Taxation	(43,085,017)	-	(79,085,017)	-
Profit for the Year	362,935,817	-	506,738,903	-
Profit Attributable to :				
Equity holders of the Company	220,329,080	-	364,132,165	-
Non controlling Interest	142,606,738	-	142,606,738	-
Profit for the Year	362,935,817	-	506,738,903	-
Basic/ Diluted Earnings Per Share	149.36		208.53	
Dividend Per Share (Rs./Cts.)				

Figures in brackets indicate deductions.

Alliance Finance Company PLC

STATEMENT OF COMPREHENSIVE INCOME

For the Financial year ended 31st March 2015

Company

	Quarter ended 31st March		Financial year ended 31st March	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
	Rs.	Rs.	Rs.	Rs.
Profit for the Year	59,099,988	65,436,636	202,903,073	296,492,912
Other comprehensive income				
Other comprehensive income to be reclassify to Profit or Loss				
<u>Net Gains and Losses on Available-for-Sale Financial Assets:</u>				
Sri Lanka Government Securities	(17,082,850)	(1,830,779)	9,398,622	(388,511)
Equity Securities - Quoted	57,425,515	(9,007,852)	-	(3,341,627)
Equity Securities - Un Quoted	3,198,521	6,499,985	3,198,521	6,499,985
Share of other comprehensive income of Associates	-	(13,624,178)	-	-
Net Change in fair value of available for sale financial assets	-	(2,690,304)	-	(2,690,304)
Net Other comprehensive Income to reclassified to Profit or Loss	43,541,186	(20,653,129)	12,597,143	79,542
<u>Other Comprehensive Income not to be reclassified to profit or loss *</u>				
Actuarial gains /(losses) on defined benefit plans	(23,230,242)	26,045,581	(23,230,242)	26,045,581
Deferred Tax effect on above	13,797,230	(13,937,253)	13,797,230	(13,937,253)
Net Other Comprehensive Income not be classified to profit or loss	(9,433,012)	12,108,328	(9,433,012)	12,108,328
Total Comprehensive Income for the Year	93,208,163	56,891,835	206,067,204	308,680,782

Group

	Quarter ended 31st March		Financial year ended 31st March	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
	Rs.	Rs.	Rs.	Rs.
Profit for the Year	362,935,817	-	506,738,903	-
Other comprehensive income				
Other comprehensive income to be reclassify to Profit or Loss				
<u>Net Gains and Losses on Available-for-Sale Financial Assets:</u>				
Sri Lanka Government Securities	9,398,622	-	9,398,622	-
Equity Securities - Quoted	-	-	-	-
Equity Securities - Un Quoted	3,198,521	-	3,198,521	-
Share of other comprehensive income of Associates	-	-	-	-
Net Change in fair value of available for sale financial assets	-	-	-	-
Net Other comprehensive Income to reclassified to Profit or Loss	12,597,143		12,597,143	
<u>Other Comprehensive Income not to be reclassified to profit or loss *</u>				
Actuarial gains /(losses) on defined benefit plans	(23,230,242)	-	(23,230,242)	-
Deferred Tax effect on above	13,797,230	-	13,797,230	-
Net Other Comprehensive Income not be classified to profit or loss	(9,433,012)		(9,433,012)	
Total Comprehensive Income for the Year	366,099,949	-	509,903,034	-

* To comply with the LKAS 19 - Retirement benefit plans company reclassified its Actuarial gain or loss on retiring gratuity under Other comprehensive income not to be classified to profit or loss

Alliance Finance Company PLC

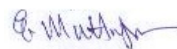
STATEMENT OF FINANCIAL POSITION

As at 31st March 2015

	Company		Group
	31.03.2015	31.03.2014	31.03.2015
	(Un Audited)	(Un Audited)	(Un Audited)
	Rs.	Rs.	Rs.
Assets			
Cash and Cash Equivalents	118,573,049	137,530,040	168,247,616
Repurchase Agreements	602,960,253	395,408,217	602,960,253
Placements with Banks & Financial Institutions	390,218,289	715,261,644	390,218,289
Financial Investments - Held for Trading	1,360,730,696	1,477,669,371	1,433,160,529
Loans and Advances	3,729,449,079	3,643,971,566	3,729,589,129
Lease rentals receivable & Stock out on hire	10,069,293,476	8,573,451,013	10,069,293,476
Hire purchase rentals receivable & Stock out on hire	1,124,197,172	1,711,157,466	1,124,197,172
Financial Investments - Available for Sale	539,714,872	242,534,452	539,714,872
Real Estate & Other Trading Stock	290,921,018	93,241,656	290,921,018
Other Financial Assets	134,825,966	162,867,616	156,912,244
Other Non Financial Assets	127,210,968	126,984,240	128,365,993
Income Tax Refund Due	50,348,792	7,771,001	50,348,792
Investments In Associates	69,875,364	123,442,479	69,875,364
Investments In Subsidiaries	16,924,038	-	-
Property, Plant & Equipment	1,133,327,208	1,120,354,311	1,135,162,458
Deferred Tax Assets	151,123,291	194,820,518	151,398,849
Total Assets	19,909,693,528	18,726,465,588	20,040,366,054
Liabilities			
Due to Banks	2,929,071,347	2,184,716,485	2,952,033,605
Due to Customers	10,344,065,934	11,201,588,507	10,344,065,934
Debt Instruments Issued and Other borrowed funds	3,203,466,448	2,400,373,061	3,203,466,448
Other Financial Liabilities	700,836,812	360,779,078	747,323,875
Other Non Financial Liabilities	39,590,147	18,245,273	41,825,211
Retirement Benefit Liability	99,773,999	63,151,657	100,758,137
Deferred tax liabilities	143,545,449	106,302,412	143,856,645
Total liabilities	17,460,350,134	16,335,156,473	17,533,329,854
Shareholders' Funds			
Stated Capital	24,300,000	24,300,000	24,300,000
Retained Earnings	600,943,799	494,269,443	631,725,610
Reserves	1,824,099,595	1,872,739,672	1,824,099,594
Total Equity Attributable to equity holders of the company	2,449,343,394	2,391,309,115	2,480,125,205
Non Controlling Interest	-	-	26,910,995
Total Equity	2,449,343,394	2,391,309,115	2,507,036,200
Total Liabilities and Shareholders' Funds	19,909,693,528	18,726,465,588	20,040,366,054
Net Assets Value Per Share (Rs.)	1,008	984	1,021



Chamindra de Silva
Chief Financial Officer



E.C.S.R. Muttupulle
Director



R.K.E.P. de Silva
Deputy Chairman & Managing Director

29-May-15
Colombo

Alliance Finance Company PLC

STATEMENT OF CHANGES IN EQUITY

For the Financial year ended 31st March 2015

Company	Stated Capital Rs.	Statutory Reserve Rs.	Capital Reserve Rs.	Dividend Equalization Rs.	Diversification Risk Reserve Rs.	General Reserve Rs.	Development Reserve Rs.	Investment Fund Reserve Rs.	Available for Sale Reserve Rs.	Non controlling Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1 April 2013	24,300,000	327,757,400	479,906,644	7,000,000	255,000,000	453,300,000	108,141,275	67,198,529	108,438,030	-	288,036,457	2,119,078,336
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	296,492,912	296,492,912
Other Comprehensive Income, net of tax	-	-	-	-	-	-	-	-	79,542	-	12,108,327	12,187,869
Transfer to Statutory Reserve	-	49,900,000	-	-	-	-	-	-	-	-	(49,900,000)	-
Transfer to Investment Fund Reserve	-	-	-	-	-	-	-	16,018,251	-	-	(16,018,251)	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	(36,450,000)	(36,450,000)
Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Balances as at 31st March 2014	<u>24,300,000</u>	<u>377,657,400</u>	<u>479,906,644</u>	<u>7,000,000</u>	<u>255,000,000</u>	<u>453,300,000</u>	<u>108,141,275</u>	<u>83,216,780</u>	<u>108,517,572</u>	<u>-</u>	<u>494,269,443</u>	<u>2,391,309,115</u>
Balance as at 1 April 2014	24,300,000	377,657,400	479,906,644	7,000,000	255,000,000	453,300,000	108,141,275	83,216,780	108,517,572	-	494,269,443	2,391,309,114
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	202,903,073	202,903,073
Other Comprehensive Income, net of tax	-	-	-	-	-	-	-	-	12,597,145	-	(9,433,012)	3,164,133
Transfer to Statutory Reserve	-	40,600,000	-	-	-	-	-	-	-	-	(40,600,000)	-
Transfer to Investment Fund Reserve	-	-	-	-	-	-	-	(2,404,294)	-	-	2,404,294	-
Transfer of AFS Reserve on disposal	-	-	-	-	-	-	-	-	(99,432,926)	-	-	(99,432,926)
Transfers during the year	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	(48,600,000)	(48,600,000)
Balances as at 31st March 2015	<u>24,300,000</u>	<u>418,257,400</u>	<u>479,906,644</u>	<u>7,000,000</u>	<u>255,000,000</u>	<u>453,300,000</u>	<u>108,141,275</u>	<u>80,812,486</u>	<u>21,681,789</u>	<u>-</u>	<u>600,943,799</u>	<u>2,449,343,394</u>
Group												
Balance as at 1 April 2014	24,300,000	377,657,400	479,906,644	7,000,000	255,000,000	453,300,000	108,141,275	83,216,780	108,517,572	-	494,269,442	2,391,309,114
Non controlling Interest Arising from Business Combination	-	-	-	-	-	-	-	-	-	16,340,419	-	16,340,420
Profit for the period	-	-	-	-	-	-	-	-	-	142,606,738	364,153,628	506,760,366
Transfer of realized gain/(loss) on Available For Sale Financial Assets	-	-	-	-	-	-	-	-	(99,432,926)	-	-	(99,432,925)
Other Comprehensive Income, net of tax	-	-	-	-	-	-	-	-	12,597,143	-	(9,411,549)	3,185,595
Transfer to Statutory Reserve	-	40,600,000	-	-	-	-	-	-	-	-	(40,600,000)	-
Transfer to Investment Fund Reserve	-	-	-	-	-	-	-	(2,404,294)	-	-	2,404,294	-
Transfers during the year	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase of Shares	-	-	-	-	-	-	-	-	-	(67,118,082)	(118,981,967)	(186,100,048)
Dividend Paid	-	-	-	-	-	-	-	-	-	(64,918,080)	(60,108,239)	(125,026,318)
Balances as at 31st March 2015	<u>24,300,000</u>	<u>418,257,400</u>	<u>479,906,644</u>	<u>7,000,000</u>	<u>255,000,000</u>	<u>453,300,000</u>	<u>108,141,275</u>	<u>80,812,486</u>	<u>21,681,789</u>	<u>26,910,995</u>	<u>631,725,609</u>	<u>2,507,036,205</u>

Alliance Finance Company PLC

STATEMENT OF CASH FLOWS

For the Financial year ended 31st March 2015

	Company		Group
	31.03.2015	31.03.2014	31.03.2015
	Rs.	Rs.	Rs.
Cash Flows From / (Used in) Operating Activities			
Profit before Income Tax Expense	277,446,239	261,269,853	585,823,920
Adjustments for;			
Depreciation of property, plant & equipment	85,702,247	69,249,072	86,135,324
Impairment provision	643,960,353	299,260,083	643,960,353
Interest on fixed deposits, commercial paper & treasury bills	(154,789,654)	(165,358,654)	(160,028,073)
Profit /(loss) on sale of securities	(24,555,392)	(9,829,290)	(24,555,392)
Fair value gain or loss on equity investments (FVTPL)	4,528,350	(2,112,546)	4,528,350
Profit /(loss) on AFS financial assets	(193,390,454)	-	(584,243,570)
Fair value gain or loss on financial derivatives	-	(8,740,673)	-
Diminution/(appreciation) in value of investments	(4,959,690)	21,713,626	(4,959,690)
Loss/(Profit) on disposal of property & equipment	2,363,398	(6,335,983)	2,363,398
Provision/(reversal) for defined benefit plans	26,769,758	22,057,066	26,629,127
Dividend received	(113,872,864)	(6,841,446)	(17,845,679)
Gain on bargain purchase	-	-	(10,641,616)
Share of profit from associates	(15,835,911)	(10,695,011)	(15,835,911)
Operating Profit before Working Capital Changes	533,366,380	463,636,096	531,330,541
(Increase)/decrease in real estate stock	(197,679,362)	147,278,305	(197,679,362)
(Increase)/decrease in loans and advances	(397,062,934)	(387,653,382)	(397,202,984)
(Increase)/decrease in lease rentals receivable & stock out on hire	(1,783,268,411)	(254,871,279)	(1,783,268,411)
(Increase)/decrease in hire purchase Rentals Receivable & Stock out on hire	542,404,996	456,855,212	542,404,996
(Increase)/decrease in fixed deposits & repurchase agreements	117,491,319	(219,049,947)	117,491,319
(Increase)/decrease in other financial assets	28,041,651	(23,766,189)	28,041,651
(Increase)/decrease in other non financial assets	(226,727)	(39,428,424)	(226,727)
Increase/(decrease) in amounts due to customers	(857,522,574)	2,199,707,288	(857,522,574)
Increase/(decrease) in derivative financial liabilities	-	(1,556,110)	-
Increase/(decrease) in other financial liabilities	340,057,735	46,187,500	340,057,735
Increase/(decrease) in other non financial liabilities	21,741,004	9,315,335	20,637,941
Cash (used in)/ generated from operations	(1,652,656,923)	2,396,654,405	(1,655,935,875)
Retirement benefit liabilities paid	(931,907)	(1,141,800)	(931,907)
Investment in gratuity fund	(12,550,308)	(10,591,087)	(12,550,308)
Taxes paid	-	-	-
Net cash used in operating activities	(1,666,139,138)	2,384,921,518	(1,669,418,090)
Cash Flows from / (Used in) Investing Activities			
Acquisition of property, plant & equipment	(106,738,856)	(137,364,507)	(109,007,183)
Proceeds from sales of property, plant & equipment	5,700,310	27,772,125	5,700,310
Proceeds from disposal of AFS financial assets	239,700,429	-	767,721,672
Net Sales/ (purchases) of financial investments held -for- trading	141,925,407	(1,255,422,208)	69,495,574
Net Sale/(purchase) of financial investments - available- for- sale	(400,915,910)	(66,370,585)	(400,915,910)
Dividend received	113,872,864	6,841,446	17,845,679
Interest on fixed deposits, commercial paper & treasury bills	154,789,654	165,358,653	160,028,073
Net cash flows from/(used in) investing activities	148,333,899	(1,259,185,076)	510,868,215
Cash Flows from / (Used in) Financing Activities			
Proceeds from debentures and increase in borrowed funds	803,093,386	211,825,220	803,093,386
Cost of share repurchases	-	-	(186,100,000)
Net increase /(decrease) in other borrowings	744,354,862	(1,315,037,292)	767,317,120
Net increase /(decrease) in investments in subsidiaries and associates	-	-	(70,016,736)
Dividends paid	(48,600,000)	(36,450,000)	(125,026,318)
Net cash flows from/(used in) financing activities	1,498,848,248	(1,139,662,072)	1,189,267,452
Net Increase/(Decrease) in Cash and Cash Equivalents	(18,956,991)	(13,925,630)	30,717,577
Cash and cash equivalents at the beginning of the year	137,530,040	151,455,670	137,530,040
Cash and cash equivalents at the end of the year	118,573,049	137,530,040	168,247,616
Movement in Cash and Cash Equivalent	(18,956,991)	(13,925,630)	30,717,576

Note : Reporting cash flows from operating activities

The Company reports cash flows from operating activities by using the indirect method. The indirect method – whereby profit or loss is adjusted for the effects of non-cash items, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows – is shown in the above.

Alliance Finance Company PLC

SEGMENT REPORT

	Leasing	Hire Purchase & Consuer Durables	Loans	Pawning	Hire of vehicles	Investing in Shares	Investing in Government Securities	Collaboration Finance	Others	Total
For the Financial year ended 31st March 2015										
REVENUE										
External Sales	7,064,493,927	1,398,013,147	706,590,783	126,890,596	52,791,722	631,604,331	115,968,042	80,867,798	118,316,968	10,295,537,314
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
Total revenue	7,064,493,927	1,398,013,147	706,590,783	126,890,596	52,791,722	631,604,331	115,968,042	80,867,798	118,316,968	10,295,537,314
Total income	2,436,263,938	381,116,290	707,729,078	126,890,596	52,791,722	631,604,331	137,198,961	7,549,292	97,086,049	4,578,230,256
RESULTS										
Segment results	1,640,342,026	274,157,065	465,347,535	(201,894,677)	8,307,926	636,185,720	132,085,340	7,549,292	95,150,759	3,057,230,984
Unallocated company expenses										(675,648,879)
Operating profit										2,381,582,105
Interest expense	(979,102,069)	(109,312,911)	(294,570,937)	(68,016,040)	(21,397,745)	(25,487,896)	(155,763,804)	(887,681)	(167,192,383)	(1,821,731,464)
Share of Profits of Associates before tax										15,835,911
Income taxes										(79,085,017)
Net Profit										496,601,534
OTHER INFORMATION										
Segment assets	10,069,293,476	1,124,197,172	3,029,430,037	699,491,390	220,058,948	262,122,927	1,601,908,017	9,129,100	1,719,441,946	18,735,073,013
Investment in Associates and Subsidiaries										69,875,364
Unallocated company assets										1,235,417,677
Total assets										20,040,366,054
Segment liabilities	8,825,011,586	973,232,200	2,622,617,219	605,558,848	190,507,910	226,923,248	1,386,792,729	7,903,181	1,488,543,389	16,327,090,309
Unallocated company liabilities										1,206,239,545
Total liabilities										17,533,329,854
For the Financial year ended 31st March 2014										
	Leasing	Hire Purchase & Consuer Durables	Loans	Pawning	Hire of vehicles	Investing in Shares	Investing in Government Securities	Collaboration Finance	Others	Total
REVENUE										
External Sales	6,144,298,776	1,574,430,087	253,831,117	234,127,784	92,528,270	82,221,311	104,257,943	99,927,310	103,314,674	8,688,937,272
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
Total revenue	6,144,298,776	1,574,430,087	253,831,117	234,127,784	92,528,270	82,221,311	104,257,943	99,927,310	103,314,674	8,688,937,272
Total income	2,527,569,479	518,730,792	253,831,117	234,127,784	65,009,491	(2,930,343)	104,257,943	8,524,481	187,018,975	3,896,139,719
RESULTS										
Segment results	1,895,340,438	403,413,712	180,615,348	(43,639,680)	31,071,773	24,572,940	100,711,454	8,524,481	156,768,806	2,757,379,272
Unallocated company expenses										(213,222,101)
Operating profit										2,544,157,171
Interest expense	(1,374,170,622)	(305,929,652)	(121,692,220)	(364,775,920)	(39,571,815)	(13,087)	(108,261)	(62,894)	(92,956,247)	(2,299,280,718)
Share of Profits of Associates before tax										16,393,401
Income taxes										35,223,057
Net Profit										296,492,911
OTHER INFORMATION										
Segment assets	8,573,451,015	1,711,157,465	1,467,481,418	2,174,932,775	246,352,960	228,169,432	1,887,442,608	31,686,507	784,492,247	17,105,166,427
Investment in Associates										123,475,522
Unallocated company assets										1,497,823,641
Total assets										18,726,465,590
Segment liabilities	7,087,273,971	1,401,844,676	1,210,842,892	1,866,198,841	247,403,373	135,848,873	1,567,311,088	7,343,743	652,810,724	14,176,878,181
Unallocated company liabilities										2,158,278,292
Total liabilities										16,335,156,473

Alliance Finance Company PLC

NOTES TO THE FINANCIAL STATEMENTS

- 1 The figures given in the statements for the financial year ended 31st March 2015 are provisional and subject to audit.
- 2 The Accounting Policies and methods of computation disclosed in the Annual Report for the year ended 31st March 2014 were consistently followed during the said period.
- 3 The Financial Statements for the financial year ended 31st March 2015 have been presented in the same format adopted in the audited accounts as at 31st March 2014, and are in accordance with the Sri Lanka Accounting Standards, LKAS 34, and Interim Financial Reporting. Previous year's figures and phrases have been rearranged where as necessary to conform to the current presentation.
- 4 As at 31st March 2015 the Stated Capital was Rs. 24,300,000/- after 2,430,000 Ordinary shares were issued.
- 5 The liability as to management fees and other similar expenditure are provided for in full for the financial year ended 31st March 2015.
- 6 In support of the Financial Sector Consolidation initiative proposed by the Central Bank of Sri Lanka, the Company disposed of its shareholding of 1,452,878 shares in Arpico Finance Co. PLC for a consideration of Rs.166/- per share amounting to Rs.241,177,748/-. The shareholding constituted 19.53% of the Issued Shares of Arpico Finance Co. PLC.
Due to the foregoing Alfinco Insurance Brokers (Pvt) Ltd., Associate Company of Alliance Finance Co. PLC, also disposed of its shareholding in Arpico Finance Co. PLC amounting 3,018,617 shares at Rs.166/- per share for a total consideration of Rs.501,090,422/-. Alfinco Insurance Brokers (Pvt) Ltd. made an offer only to Arpico Finance Co. PLC for the repurchase of 97,500 Ordinary shares, which was accepted by the Board of Directors of Arpico Finance Co. PLC. Thereby the number of Ordinary Shares represented in the Stated Capital of Alfinco Insurance Brokers (Pvt) Ltd., reduced from 250,000 to 152,500. Alfinco Insurance Brokers also redeemed the Preference Shares of 1,577,500 in Alliance Finance Co. PLC.
The Consolidation financial statements reflects the financial position of Alliance Finance Co. PLC & Alfinco Insurance Brokers (Pvt) Ltd.
In addition to above no circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the Financial Statements
- 7 The company has raised a sum of rupees One Billion by issuing 10,000,000 Unsecured Senior, Redeemable & listed debentures of Rs. 100/- each.
- 8 There has not been a significant change in the nature of the Contingent Liabilities which were disclosed in the Annual Report for the year ended 31st March 2014.
- 9 Market Price per share

	01st January – 31st March 2015	01st January – 31st March 2014
Highest Price	899.00	820.00
Lowest Price	752.00	730.00
Last Traded	770.00	769.80

10 Debenture Investor Indicators

Debenture 2012-2017 Market Price (Rs.)

	Min	Max	Last Traded
3 Years - 18.5% p.a payable quarterly	N/A	N/A	N/A
5 Years - 20.0% p.a payable Monthly	119.96	120.00	120.00

Debenture 2013-2018 Market Price (Rs.)

	Min	Max	Last Traded
3 Years - 15.5% p.a payable semi annually	N/A	N/A	N/A
4 Years - 16.00% p.a payable semi annually	N/A	N/A	N/A
5 Years - 16.5% p.a payable semi annually	122.84	122.84	122.84
5 Years - 16.5% p.a payable @ Maturity	N/A	N/A	N/A

Debenture 2014-2019 Market Price (Rs.)

	Min	Max	Last Traded
4 Years - 9% p.a payable annually	N/A	N/A	N/A
5 Years - 9.35% p.a payable annually	N/A	N/A	N/A

ALLIANCE FINANCE COMPANY PLC

11. Directors Shareholding as at 31st March 2015

No	Name of Director	No of Shares
1	Mr.S. Karunanayake	119
2	Mr.R.K.E.P. de Silva	640,075
3	Mr.D.L.S.R. Perera	39,920
4	Mrs.R.N. Ponnambalam	200
5	Mr.A.R. Samarasinghe	100
6	Mr.E.C.S.R. Muttupulle	-

No.	Name of Shareholder	No. of Shares	%
1	Mr.R.K.E.P. de Silva	644,068	26.50
2	Motor Service Station (Pvt) Ltd.,	327,564	13.48
3	Miss D.M.E.P. Perera	182,181	7.50
4	Mr.J.E.P.A. de Silva	151,530	6.24
5	Mr.D.F.W.S.K. Perera & Mr.D.F.W. Perera	99,630	4.10
6	Orient Hotels Ltd.,	97,956	4.03
7	Mr.N. Amarasinghe	74,340	3.06
8	Janashakthi PLC., A/c No. 1	50,551	2.08
9	Mrs.S.E. Canekaratne	44,154	1.82
10	Mr.D.L.S.R. Perera	39,920	1.64
11	Mrs.S.R.L. Marcelline	36,936	1.52
12	Trading Partners (Pvt) Ltd.	27,429	1.13
13	Seylan Bank PLC/Janashakthi Ltd.,	27,287	1.12
14	Mrs.C.R. Cooray	27,000	1.11
15	Mr. D.F.W. Perera	23,292	0.96
16	Ms.D.D.P.T. Perera	21,460	0.88
17	Mrs.P. Weththasinghe	21,397	0.88
18	Mrs.A.S. Wijewardena	19,440	0.80
19	Mrs.L.S. Semage	17,958	0.74
20	Ms.D.C.M.A. Perera	17,000	0.70

12. Public Shareholding as at 31st March 2015

No of Shares	%
1,457,503	59.96%

13 .	No of Shareholders	658
------	--------------------	-----

ALLIANCE FINANCE COMPANY PLC

CORPORATE INFORMATION

Name of Company

Alliance Finance Company PLC

Statutory Status

Quoted Public Limited Liability Company
Incorporated on 18th July 1956. Approved and Registered under the Finance Business Act No.42 of 2011 and Finance Leasing Act No. 56 of 2000. An approved Credit Agency under the Mortgage Act No.6 of 1949 and the Trust Receipt Ordinance No. 12 of 1947.

Company Registration

Registered under the companies Act No 7 of 2007.
Company registration number is PQ 93

Registered Office

Alliance House, No.84, Ward Place, Colombo 7
Tel: 2673673 Fax: 2697205
E-mail: info@alliancefinance.lk

Board of Directors

Sunil Karunanayake – F.C.A, FCMA(UK), MBA - *Chairman*
Romani de Silva – *Deputy Chairman & Managing Director*
D.L.S.R. Perera, F.C.A. – *Finance Director*
Lt. Col (Retd) A.R. Samarasinghe
R.N. Ponnambalam
E. C. S. R. Muttupulle

Advisory Council

Pratapkumar de Silva– FICM (SL) FICM (Eng.) JP
R.M. Canekaratne
B. Ponnambalam
Abbas Akbarally – Chairman, Akbar Brother Group of Companies
K.Kanag Isvaran LLB (London) of Lincoln's Inn Barrister, President's Council
S.P. Morawake – Former Registrar of Companies

Audit Committee

Mr. Sunil Karunanayaka – Chairman
Lt. Col (Retd) A.R. Samarasinghe

Remuneration Committee

Mrs. R.N. Ponnambalam – Chairperson
Mr. Athula Samarasinghe

Auditors

M/s HLB Edirisinghe & Co. Chartered Accountants,
No.45, (2nd Floor), Braybrooke Street, Colombo 2.

Internal Auditors

KPMG & Co., Chartered Accountants,
32A, Sir Mohamed Maker Mawatha
P.O. Box. 186.
Colombo.

Legal Consultants

Gunawardene Ranasinghe Associates
Sudath Perera Associates

Secretaries

Alliance Management Services (Pvt) Ltd.,
No. 84, Ward Place,
Colombo 7

Bankers

Sampath Bank PLC.
Seylan Bank PLC.
Standard Chartered Bank Ltd.
Public Bank Berhad
Peoples Bank
Hatton National Bank PLC
Commercial Bank PLC.
Bank of Ceylon
Pan Asia Banking Corporation PLC
Nations Trust Bank PLC
Axis Bank
Union Bank PLC

ALLIANCE FINANCE COMPANY PLC