

Supplementary Information ②

Annex 8: Financial Statements (US Dollars)

Income Statement

For the year ended December 31,	GROUP			BANK		
	2019 USD '000	2018 USD '000	Change %	2019 USD '000	2018 USD '000	Change %
Gross income	829,387	768,403	7.94	818,191	759,556	7.72
Interest income	711,349	652,276	9.06	703,051	646,304	8.78
Less: Interest expense	445,289	401,282	10.97	443,308	399,031	11.10
Net interest income	266,060	250,994	6.00	259,743	247,273	5.04
Fee and commission income	70,839	68,743	3.05	68,262	65,959	3.49
Less: Fee and commission expense	11,682	10,232	14.17	11,648	10,112	15.19
Net fee and commission income	59,157	58,511	1.10	56,614	55,847	1.37
Net gains/(losses) from trading	7,487	(16,689)	144.86	7,488	(16,689)	144.87
Net gains/(losses) from derecognition of financial assets	6,249	1,497	317.43	6,249	1,497	317.43
Net other operating income	33,463	62,576	(46.52)	33,142	62,486	(46.96)
Total operating income	372,416	356,889	4.35	363,236	350,414	3.66
Less: Impairment charges and other losses	62,347	48,602	28.28	60,861	47,181	28.99
Net operating income	310,069	308,287	0.58	302,375	303,233	(0.28)
Less: Expenses						
Personnel expenses	79,279	73,121	8.42	77,484	71,917	7.74
Depreciation and amortisation	15,633	8,820	77.24	15,156	8,083	87.50
Other operating expenses	48,833	49,485	(1.32)	47,254	49,129	(3.82)
Total operating expenses	143,744	131,426	9.37	139,893	129,129	8.34
Operating profit before taxes on financial services	166,324	176,861	(5.96)	162,481	174,104	(6.68)
Less: Taxes on financial services	39,921	33,298	19.89	39,569	33,298	18.83
Operating profit after taxes on financial services	126,403	143,563	(11.95)	122,912	140,806	(12.71)
Share of profits of associates, net of tax	55	33	66.67	–	–	–
Profit before tax	126,458	143,596	(11.93)	122,912	140,806	(12.71)
Less: Income tax expense	30,611	45,313	(32.45)	29,239	44,277	(33.96)
Profit for the year	95,847	98,283	(2.48)	93,673	96,529	(2.96)
Profit attributable to:						
Equity holders of the Bank	94,982	97,578	(2.66)	93,673	96,529	(2.96)
Non-controlling interest	865	705	22.70	–	–	–
Profit for the year	95,847	98,283	(2.48)	93,673	96,529	(2.96)
Earnings per share						
Basic earnings per ordinary share (USD)	0.09	0.10	(2.72)	0.09	0.09	(2.99)
Diluted earnings per ordinary share (USD)	0.09	0.10	(2.72)	0.09	0.09	(2.99)

US Dollar Accounts

The Income Statement and the Statement of Financial Position given on pages 354 and 355 are solely for the convenience of stakeholders and do not form part of the Financial Statements.

Statement of Financial Position

As at December 31,	GROUP			BANK		
	2019 USD '000	2018 USD '000	Change %	2019 USD '000	2018 USD '000	Change %
Assets						
Cash and cash equivalents	295,357	244,049	21.02	289,049	217,521	32.88
Balances with Central Banks	253,652	304,850	(16.79)	217,118	299,227	(27.44)
Placements with banks	137,022	109,483	25.15	134,950	109,483	23.26
Securities purchased under resale agreements	72,339	52,344	38.20	72,339	52,344	38.20
Derivative financial assets	10,074	43,521	(76.85)	10,074	43,521	(76.85)
Financial assets recognised through profit or loss – Measured at fair value	118,118	30,372	288.90	118,118	30,372	288.90
Financial assets at amortised cost – Loans and advances to banks	4,169	4,198	(0.69)	4,169	4,198	(0.69)
Financial assets at amortised cost – Loans and advances to other customers	4,918,401	4,773,656	3.03	4,867,377	4,737,828	2.73
Financial assets at amortised cost – Debt and other financial instruments	589,046	491,193	19.92	556,505	461,378	20.62
Financial assets measured at fair value through other comprehensive income	1,088,446	972,548	11.92	1,087,033	971,151	11.93
Investments in subsidiaries	–	–	–	27,572	23,459	17.53
Investments in associates	313	579	(45.94)	244	244	–
Property, plant and equipment and right-of-use assets	123,373	93,619	31.78	112,443	84,188	33.56
Investment properties	255	–	–	–	–	–
Intangible assets	9,055	7,890	14.77	5,942	4,985	19.19
Leasehold property	559	567	(1.41)	389	394	(1.27)
Deferred tax assets	2,917	1,037	181.29	1,618	–	–
Other assets	128,989	132,335	(2.53)	128,322	131,563	(2.46)
Total assets	7,752,085	7,262,241	6.75	7,633,262	7,171,856	6.43
Liabilities						
Due to banks	296,052	288,099	2.76	283,388	275,659	2.80
Derivative financial liabilities	8,227	44,136	(81.36)	8,227	44,136	(81.36)
Securities sold under repurchase agreements	281,251	269,334	4.42	281,816	270,176	4.31
Financial liabilities at amortised cost – Due to depositors	5,881,610	5,471,091	7.50	5,795,365	5,408,734	7.15
Financial liabilities at amortised cost – Other borrowings	127,917	139,543	(8.33)	127,917	139,543	(8.33)
Current tax liabilities	28,595	37,062	(22.85)	27,332	36,129	(24.35)
Deferred tax liabilities	2,291	5,345	(57.14)	–	3,556	–
Other liabilities	169,331	135,062	25.37	167,793	133,184	25.99
Due to subsidiaries	–	–	–	299	225	32.89
Subordinated liabilities	208,455	209,037	(0.28)	208,456	209,037	(0.28)
Total liabilities	7,003,729	6,598,709	6.14	6,900,593	6,520,379	5.83
Equity						
Stated capital	225,128	215,394	4.52	225,128	215,394	4.52
Statutory reserves	46,150	40,958	12.68	45,147	40,463	11.58
Retained earnings	28,513	27,235	4.69	28,305	27,857	1.61
Other reserves	439,821	373,347	17.80	434,089	367,763	18.03
Total equity attributable to equity holders of the Bank	739,612	656,934	12.59	732,669	651,477	12.46
Non-controlling interest	8,744	6,597	32.55	–	–	–
Total equity	748,356	663,531	12.78	732,669	651,477	12.46
Total liabilities and equity	7,752,085	7,262,241	6.75	7,633,262	7,171,856	6.43
Contingent liabilities and commitments	3,196,489	3,323,364	(3.82)	3,191,193	3,322,603	(3.96)
Net assets value per share (USD)	0.72	0.65	10.75	0.71	0.64	10.63

An exchange rate of 1 USD equals 181.75 LKR for both the years, has been used to facilitate comparison.