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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. BAN/B/BOC/DI/2023

මගේ අංකය / உமது இல. / Your No.

දිනය / திகதி / Date 06 December 2023

The Chairman

Bank of Ceylon

**Report of the Auditor General on the Statistical summary of the Bank of Ceylon for the last five years ended 31 December 2022**

I have audited the Financial Statements of the Bank of Ceylon (the "Bank") and the Consolidated Financial Statements of the Bank and its subsidiaries for the last five years ended 31 December 2022, from which the five years statistical summary were derived, in accordance with Sri Lanka Auditing Standards. In my reports dated 29 March 2019, 27 March 2020, 24 March 2021, 28 February 2022 and 28 February 2023, I expressed an opinion that the financial statements from which the five years statistical summary were derived gave a true and fair view.

In my opinion, the accompanying five years statistical summary is consistent, in all material respects, with the financial statements from which they were derived and on which I expressed unqualified opinion.

For a better understanding of the Bank's financial position and the results of its operations for the period and of the scope of our audit, the five years statistical summary should be read in conjunction with the financial statements from which the five years statistical summary were derived and my audit opinion thereon.

This report is made solely for the purpose of the Bank of Ceylon in usage in the process of issuing a rupee debenture to the value of Rs.5 billion with an option of increasing it up to 10 billion in case of oversubscription which will be listed on the Main Board of the Colombo Stock Exchange. This report should not be used, circulated, quoted or otherwise referred to for any other purpose.

W.P.C. Wickramaratne

Auditor General

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.
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## Bank of Ceylon - Financial Information

### Statement of Profit or Loss

Rs. 000

| For the year ended 31 December | Bank 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Gross Income** | 221,020,693 | 239,116,469 | 247,163,965 | 290,362,494 | 513,149,335 |
| Interest income | 195,393,970 | 220,477,174 | 226,310,574 | 260,513,393 | 456,267,458 |
| Less: Interest expenses | 129,835,996 | 145,330,696 | 151,534,708 | 149,261,452 | 329,921,080 |
| **Net interest income** | **65,557,974** | **75,146,478** | **74,775,866** | **111,251,941** | **126,346,378** |
| Fee & commission income | 12,917,022 | 14,569,762 | 14,261,148 | 17,649,434 | 22,837,771 |
| Less: Fee & commission expenses | 2,246,512 | 2,472,955 | 2,302,057 | 3,470,032 | 6,486,129 |
| Net fee & commisssion income | 10,670,510 | 12,096,807 | 11,959,091 | 14,179,402 | 16,351,642 |
| Net gains/ (losses) from trading | 3,431,822 | 2,535,301 | 2,627,620 | 4,742,396 | 17,602,384 |
| Net fair value gains/ (losses) from financial instruments at fair value through profit or loss | (681,365) | 321,789 | 928,234 | 1,347,097 | (804,438) |
| Net gains/ (losses) from derecognition of finar | 152,029 | 282,260 | 482,684 | 393,920 | 861,349 |
| Net other operating income | 9,807,215 | 930,183 | 2,553,705 | 5,716,254 | 16,384,811 |
| **Total operating income** | **88,938,185** | **91,312,818** | **93,327,200** | **137,631,010** | **176,742,126** |
| Less : Impairment charge/ (reversal) for loans | 15,040,961 | 18,597,725 | 31,232,178 | 43,733,731 | 87,155,696 |
| Net operating income | 73,897,224 | 72,715,093 | 62,095,022 | 93,897,279 | 89,586,430 |
| Less : Operating expenses | | | | | |
| Personnel expenses | 17,351,465 | 18,365,029 | 18,190,480 | 24,981,940 | 28,991,429 |
| Depreciation and amortisation expenses | 2,200,294 | 3,704,004 | 4,254,528 | 4,146,256 | 4,286,899 |
| Other expenses | 11,341,068 | 10,440,209 | 10,639,665 | 12,552,393 | 14,018,161 |
| **Total operating expenses** | **30,892,827** | **32,509,242** | **33,084,673** | **41,680,589** | **47,296,489** |
| Operating profit before taxes on financial serv | 43,004,397 | 40,205,851 | 29,010,349 | 52,216,690 | 42,289,941 |
| Less : Taxes on financial services | 9,588,312 | 10,520,624 | 5,458,468 | 9,027,173 | 11,313,292 |
| **Profit before income tax** | **33,416,085** | **29,685,227** | **23,551,881** | **43,189,517** | **30,976,649** |
| Less : Income tax expense | 12,413,425 | 6,587,192 | 5,786,749 | 5,599,410 | (995,759) |
| **Profit for the year** | **21,002,660** | **23,098,035** | **17,765,132** | **37,590,107** | **31,972,408** |
| **Attributable to:** | | | | | |
| **Equity share holders** | **21,002,660** | **23,098,035** | **17,765,132** | **37,590,107** | **31,972,408** |

## Statement of Profit or Loss

Rs. 000

| For the year ended 31 December | Group 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Gross Income** | 229,351,138 | 248,692,003 | 252,756,030 | 297,620,853 | 520,891,164 |
| Interest income | 201,809,401 | 227,377,777 | 231,454,401 | 266,565,137 | 463,203,346 |
| Less: Interest expenses | 133,119,922 | 149,082,891 | 154,251,160 | 151,575,510 | 333,434,454 |
| **Net interest income** | **68,689,479** | **78,294,886** | **77,203,241** | **114,989,627** | **129,768,892** |
| Fee & commission income | 13,305,501 | 14,969,583 | 14,500,865 | 17,931,406 | 23,165,682 |
| Less: Fee & commission expenses | 2,260,623 | 2,512,206 | 2,324,128 | 3,508,619 | 6,505,334 |
| Net fee & commisssion income | 11,044,878 | 12,457,377 | 12,176,737 | 14,422,787 | 16,660,348 |
| Net gains/ (losses) from trading | 3,468,191 | 2,555,256 | 2,643,463 | 4,813,011 | 17,678,455 |
| Net fair value gains/ (losses) from financial instruments at fair value through profit or loss | (717,194) | 342,807 | 991,525 | 1,309,021 | (956,745) |
| Net gains/ (losses) from derecognition of finar | 153,240 | 292,812 | 492,996 | 466,392 | 877,853 |
| Net other operating income | 11,331,999 | 3,153,768 | 2,672,780 | 6,535,886 | 16,922,573 |
| **Total operating income** | **93,970,593** | **97,096,906** | **96,180,742** | **142,536,724** | **180,951,376** |
| Less : Impairment charge/ (reversal) for loans | 15,176,472 | 18,719,243 | 32,032,073 | 43,661,965 | 87,294,905 |
| Net operating income | 78,794,121 | 78,377,663 | 64,148,669 | 98,874,759 | 93,656,471 |
| Less : Operating expenses | | | | | |
| Personnel expenses | 19,076,846 | 20,213,082 | 20,050,612 | 26,925,255 | 31,352,978 |
| Depreciation and amortisation expenses | 2,813,469 | 3,775,144 | 4,391,152 | 4,239,633 | 4,507,368 |
| Other expenses | 13,133,953 | 12,911,506 | 12,080,058 | 13,866,816 | 15,423,966 |
| **Total operating expenses** | **35,024,268** | **36,899,732** | **36,521,822** | **45,031,704** | **51,284,312** |
| Operating profit before taxes on financial serv | 43,769,853 | 41,477,931 | 27,626,847 | 53,843,055 | 42,372,159 |
| Less : Taxes on financial services | 9,818,020 | 10,850,549 | 5,463,182 | 9,339,679 | 11,442,505 |
| Operating profit after taxes on financial servic | 33,951,833 | 30,627,382 | 22,163,665 | 44,503,376 | 30,929,654 |
| Share of profits/ (losses) of associate compani | 9,269 | 48,187 | 82,488 | 133,677 | 122,847 |
| **Profit before income tax** | **33,961,102** | **30,675,569** | **22,246,153** | **44,637,053** | **31,052,501** |
| Less : Income tax expense | 12,922,017 | 6,928,234 | 5,938,747 | 5,953,659 | (796,516) |
| **Profit for the year** | **21,039,085** | **23,747,335** | **16,307,406** | **38,683,394** | **31,849,017** |
| **Attributable to:** | | | | | |
| **Equity share holders** | **21,056,794** | **23,452,040** | **16,842,514** | **38,490,392** | **31,994,638** |
| Non-controlling interest | (17,709) | 295,295 | (535,108) | 193,002 | (145,621) |

## Financial Position

Rs. 000

| As at 31 December | Bank 2018 | Bank 2019 | Bank 2020 | Bank 2021 | Bank 2022 | Group 2018 | Group 2019 | Group 2020 | Group 2021 | Group 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | |
| Cash and cash equivalents | 78,447,577 | 64,868,895 | 84,416,624 | 82,647,406 | 128,401,532 | 78,558,031 | 64,829,735 | 83,198,445 | 82,313,908 | 135,230,827 |
| Balances with Central Banks | 65,680,371 | 54,594,436 | 33,351,852 | 74,121,781 | 70,494,529 | 65,680,371 | 54,594,436 | 33,351,852 | 74,121,781 | 70,494,529 |
| Placements with banks | 40,450,089 | 44,476,343 | 27,615,851 | 4,957,417 | 16,459,303 | 41,681,910 | 47,911,621 | 27,913,969 | 5,342,369 | 17,811,665 |
| Securities purchased under resale agreements | - | 2,179,449 | 2,001,047 | 2,074,474 | 1,480,403 | 1,436,068 | 3,981,886 | 3,822,312 | 2,976,664 | 1,463,368 |
| Derivative financial instruments | 1,205,657 | 132,090 | 548,926 | 4,342,531 | 57,155,486 | 1,205,657 | 132,090 | 548,926 | 4,342,531 | 57,155,486 |
| Financial assets recognised through profit or loss measured at fair value | 9,277,298 | 10,055,415 | 9,856,220 | 9,230,022 | 10,280,055 | 9,583,327 | 11,052,769 | 10,869,471 | 9,640,813 | 10,636,190 |
| Financial assets at amortised cost | | | | | | | | | | |
| Loans and advances | 1,429,107,181 | 1,549,804,871 | 1,988,409,007 | 2,413,762,291 | 2,325,594,329 | 1,460,618,588 | 1,580,949,025 | 2,018,393,730 | 2,446,330,329 | 2,355,978,333 |
| Debt and other instruments | 551,839,449 | 572,747,809 | 724,390,172 | 1,082,179,876 | 1,555,897,307 | 553,033,150 | 573,977,330 | 725,579,585 | 1,082,837,662 | 1,562,373,679 |
| Financial assets measured at fair value through OCI | 16,699,582 | 14,236,090 | 15,362,480 | 18,302,556 | 8,690,802 | 19,338,783 | 17,016,553 | 17,913,778 | 22,879,810 | 10,750,044 |
| Investment in subsidiary companies | 6,513,048 | 6,513,048 | 6,513,048 | 8,181,138 | 8,181,138 | | | | | |
| Investment in associate companies | 92,988 | 92,988 | 92,988 | 92,988 | 92,988 | 441,226 | 447,035 | 510,084 | 595,531 | 684,536 |
| Investment properties | 2,765,856 | 2,648,784 | 2,534,118 | 2,414,640 | 2,414,640 | 120,182 | 117,276 | 114,370 | 107,704 | 104,798 |
| Property, Plant and Equipment | 24,178,155 | 25,579,065 | 33,366,003 | 32,757,485 | 34,845,004 | 37,762,509 | 39,486,380 | 47,418,620 | 46,944,191 | 50,992,323 |
| Right of use assets/ Leasehold properties | 98,899 | 3,479,937 | 3,208,879 | 3,137,955 | 3,002,305 | 130,500 | 2,187,622 | 2,643,686 | 2,825,719 | 2,624,300 |
| Intangible assets | 1,238,186 | 1,127,007 | 1,020,881 | 1,039,985 | 1,442,433 | 1,456,630 | 1,361,858 | 1,228,597 | 1,214,591 | 1,593,344 |
| Deferred tax assets | - | - | - | 2,152,712 | 15,577,466 | 3,052 | 511,936 | 76,873 | 2,213,847 | 15,598,541 |
| Other assets | 57,236,737 | 62,580,402 | 50,292,999 | 61,888,586 | 96,449,984 | 58,549,569 | 63,926,060 | 51,189,477 | 63,262,306 | 97,276,598 |
| **Total assets** | **2,284,831,073** | **2,415,116,629** | **2,982,981,095** | **3,803,283,843** | **4,336,459,704** | **2,329,599,553** | **2,462,483,612** | **3,024,773,775** | **3,847,949,756** | **4,390,768,561** |
| **Liabilities** | | | | | | | | | | |
| Due to banks | 2,402,468 | 2,669,407 | 2,402,043 | 17,936,070 | 11,514,897 | 2,515,998 | 2,932,950 | 2,628,434 | 18,646,339 | 11,547,714 |
| Securities sold under repurchase agreements | 97,399,359 | 34,183,210 | 57,106,652 | 162,156,413 | 180,218,543 | 97,423,302 | 34,880,507 | 57,697,780 | 161,668,335 | 179,938,744 |
| Derivative financial instruments | 509,018 | 106,677 | 102,182 | 380,328 | 921,033 | 509,018 | 106,677 | 102,182 | 380,328 | 921,033 |
| Financial liabilities at amortised cost | | | | | | | | | | |
| Due to depositors | 1,770,974,846 | 2,005,211,794 | 2,474,775,488 | 2,866,894,010 | 3,334,774,261 | 1,789,924,369 | 2,025,204,033 | 2,493,110,291 | 2,886,237,094 | 3,358,198,424 |
| Other borrowings | 201,792,174 | 137,833,543 | 180,884,127 | 444,107,977 | 390,489,543 | 207,053,674 | 145,095,262 | 185,102,055 | 447,875,002 | 397,083,583 |
| Debt securities issued | - | - | - | - | - | 4,105,681 | 2,107,810 | 2,107,493 | 2,107,182 | 58,807 |
| Current tax liabilities | 3,922,189 | - | 591,723 | 647,993 | 6,523,443 | 4,039,380 | 138,677 | 775,259 | 978,532 | 6,853,709 |
| Deferred tax liabilities | 5,073,526 | 4,592,021 | 923,462 | - | - | 7,762,214 | 7,182,866 | 3,305,797 | 2,153,309 | 2,694,221 |
| Insurance provision - Life | - | - | - | - | - | 575,625 | 511,091 | 498,767 | 413,743 | 355,190 |
| Insurance provision - Non-life | - | - | - | - | - | 366,618 | 358,504 | 488,784 | 526,017 | 662,773 |
| Other liabilities | 19,760,430 | 34,015,688 | 44,898,628 | 46,042,365 | 94,075,650 | 21,970,739 | 34,758,044 | 45,372,722 | 47,461,127 | 96,425,230 |
| Subordinated liabilities | 50,827,239 | 54,221,552 | 64,637,407 | 64,358,855 | 63,758,191 | 50,484,487 | 54,211,542 | 64,627,397 | 64,105,970 | 63,498,599 |
| **Total liabilities** | **2,152,661,249** | **2,272,833,892** | **2,826,321,712** | **3,602,524,011** | **4,082,275,561** | **2,186,731,105** | **2,307,487,963** | **2,855,816,961** | **3,632,552,978** | **4,118,238,027** |
| **Equity** | | | | | | | | | | |
| Share capital | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,730,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,000,000 | 25,730,000 |
| Permanent reserve fund | 12,890,000 | 13,383,000 | 13,739,000 | 14,491,000 | 15,131,000 | 12,890,000 | 13,383,000 | 13,739,000 | 14,491,000 | 15,131,000 |
| Retained earnings | 78,061,681 | 87,689,480 | 96,983,948 | 136,739,177 | 158,616,238 | 79,179,548 | 89,140,565 | 97,463,266 | 138,104,222 | 159,819,481 |
| Cashflow hedge reserve | - | - | - | 3,239,266 | 25,620,635 | - | - | - | 3,239,266 | 25,620,635 |
| Other reserves | 16,218,143 | 16,210,257 | 20,936,435 | 21,290,389 | 29,086,270 | 25,103,751 | 25,686,997 | 31,486,761 | 32,972,844 | 45,172,451 |
| **Total equity attributable to equity holder of the Bank** | **132,169,824** | **142,282,737** | **156,659,383** | **200,759,832** | **254,184,143** | **142,173,299** | **153,210,562** | **167,689,027** | **213,807,332** | **271,473,567** |
| Non-controlling Interest | | | | | | 695,149 | 1,785,087 | 1,267,787 | 1,589,446 | 1,056,967 |
| Total equity | 132,169,824 | 142,282,737 | 156,659,383 | 200,759,832 | 254,184,143 | 142,868,448 | 154,995,649 | 168,956,814 | 215,396,778 | 272,530,534 |
| **Total liabilities and equity** | **2,284,831,073** | **2,415,116,629** | **2,982,981,095** | **3,803,283,843** | **4,336,459,704** | **2,329,599,553** | **2,462,483,612** | **3,024,773,775** | **3,847,949,756** | **4,390,768,561** |
| **Contingent liabilities and commitments** | **508,306,808** | **508,217,961** | **600,210,687** | **999,726,729** | **1,344,899,769** | **513,192,419** | **516,632,979** | **619,669,887** | **1,018,141,749** | **1,346,920,056** |

Financial statements for the last five years have been reinstated as appropriate.

Financial statements for the last five years have been extracted from the audited financial statements. The Board of Directors is responsible for the preparation and presentation of the financial statements.

**Certification**

Certify that the above fianacial statements have been extracted from the audited financial statements of the Bank for the last five years ended 31.12.2022.

M P Ruwan Kumara
**Chief Financial Officer**

W P Russel Fonseka
**General Manager**

Ronald C Perera
**Chairman**

19 September 2023