

NAGENAHIRA RESORTS (PVT) LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2025

NAGENAHIRA RESORTS (PRIVATE) LIMITED

FINANCIAL STATEMENTS - 31ST MARCH 2025

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF NAGENAHIRA RESORTS (PRIVATE) LIMITED

Report on the Financial Statements

Opinion

01. We have audited the financial statements of **Nagenahira Resorts (Private) Limited**, which comprise the Statement of Financial Position as at March 31, 2025 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies.

02. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at March 31, 2025 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs).

03. We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by CA Sri Lanka and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

04. Management is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

05. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

06. Those charged with governance responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

07. Our objectives are to obtain reasonable assurance about whether the financial statements as whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatements when exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

08. As required by section 163 (2) of the companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

Keerthi Mihiripenna & Co.

KEERTHI MIHIRIPENNA & CO
CHARTERED ACCOUNTANTS
COLOMBO,
12th May 2025

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NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

	Notes	2025
Revenue		-
Cost of Sales		-
Gross Profit / (Loss)		-
Other Income	3	81,691
Administrative Expenses	4	(7,471,419)
Selling & Distribution Cost		-
Operating Profit / (Loss)		(7,389,728)
Taxation		-
Profit / (Loss) for the Year		(7,389,728)
Other Comprehensive Income for the Year		-
Total Comprehensive Income for the Year		(7,389,728)

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.



NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH

(Expressed in Sri Lankan Rupees)

	Notes	2025
ASSETS		
Non-Current Assets		
Right of Use Asset	5	593,000,000
Total Non-Current Assets		593,000,000
Current Assets		
Cash & Cash Equivalents	6	32,930,816
Total Current Assets		32,930,816
Total Assets		625,930,816
EQUITY AND LIABILITIES		
Equity		
Stated Capital	7	600,000,000
Retained Earnings (at Debit)		(7,389,728)
Total Equity		592,610,272
Current Liabilities		
Trade and Other Payables	8	33,320,544
Total Current Liabilities		33,320,544
Total Equity and Liabilities		625,930,816

I certify that these Financial Statements of the Company comply with the requirements of the Companies Act No. 07 of 2007.

.....
Finance Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board ,

...
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Date : 8th May 2025

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.



NAGENAHIRA RESORTS (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH
(Expressed in Sri Lankan Rupees)

	Stated Capital	Retained Earnings (at Debit)	Total
Balance as at 1st April 2024	-	-	-
Share Issued	600,000,000	-	600,000,000
Total Comprehensive Income for the Year	-	(7,389,728)	(7,389,728)
Balance as at 31st March 2025	600,000,000	(7,389,728)	592,610,272

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.



NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

	2025
Cash Flows from Operating Activities	
Profit / (Loss) Before Taxation	(7,389,728)
Adjustments for:	
Interest Paid	-
Operating Profit / (Loss) before Working Capital Changes	(7,389,728)
Changes in Working Capital	
(Decrease) / Increase in Trade & Other Payables	33,320,544
(Decrease) / Increase in Advance Payments	(593,000,000)
Cash Generated from / (used in) Operations	(567,069,184)
Interest Paid	-
Net Cash from Operating Activities	(567,069,184)
Cash Flow from Investing Activities	
Purchase of Property Plant & Equipment	-
Net Cash Flow used in Investing Activities	-
Cash Flow from Financing Activities	
Proceed from Issue of Shares	600,000,000
Net Cash Flow from Investing Activities	600,000,000
Net Changes in Cash and Cash Equivalents During the Year	32,930,816
Cash & Cash Equivalents at Beginning of the Year	-
Cash & Cash Equivalents at End of the Year	32,930,816

Cash and Cash Equivalents at End of the Year Represent By ;	31-Mar-25
Cash at Bank	32,930,816
	32,930,816

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditor's on page 1.



NAGENAHIRA RESORTS (PRIVATE) LIMITED**SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. CORPORATE INFORMATION**1.1 Domicile and Legal Forms**

Nagenahira Resorts (Private) Limited is a limited liability company incorporated and domiciled in Sri Lanka. The registered office and principal place of business is situated at 15th Floor, West Tower, World Trade Center, Colombo 1.

1.2 Principal Activity

The principal activity of the company is to carry on the business of hoteliers and projects connected with tourism and setting up of leisure and health resorts in Sri Lanka.

2 GENERAL ACCOUNTING POLICIES**2.1 Basis of Preparation**

These financial statements have been prepared on a going concern basis and in compliance with the Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs) issued by The Institute of Chartered Accountants of Sri Lanka.

All values appearing in the financial statements are presented in Sri Lanka Rupees (Rs.) unless indicated

No adjustments have been made for inflationary factors affecting these Financial Statements.

The preparation and presentation of these Financial Statements is in compliance with the requirements of the Companies Act, 7 of 2007.

2.2 Taxation

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

2.3 Assets and Bases of Their Valuation**2.3.1 Property, Plant & Equipment**

The cost of Property, Plant & Equipment is the cost of purchase together with any incidental expenses thereon. The properties, Plant & Equipment are recorded at cost less accumulated depreciation, which is provided on the basis specified below.

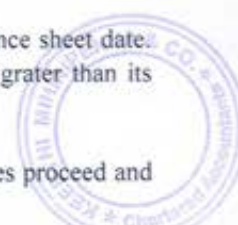
2.3.2 Depreciation

Depreciation is provided using the straight line method so as to write off the assets over their estimated useful lifetime as follows.

Building	10%
Furniture & Fittings	20%
Motor vehicle	20%
Computer Software	25%
Office & Other Equipment	20%
Electric Equipment	33.33%

The assets residual values and useful lives are reviewed, and adjusted if appropriate at each balance sheet date. An asset's carrying amount is immediately written down to its recoverable amount if the carrying amount is greater than its estimated recoverable amount.

The gain or loss on disposal of property plant and equipment is the difference between the net sales proceeds and the carrying amount of relevant asset, and recognized in the income statement.



NAGENAHIRA RESORTS (PRIVATE) LIMITED**SIGNIFICANT ACCOUNTING POLICIES****2.4 Leases**

The Company has made a one-time, lump-sum lease rental payment of Sri Lankan Rupees Six Hundred Million (Rs. 600,000,000) for the use of the demised premises over a lease period of fifty (50) years, commencing on September 1, 2024, and concluding on August 31, 2074. This lease includes an option to extend the term for an additional forty (40) years, subject to specific terms and conditions.

Right of Use Lands are recognized as assets on the Company's balance sheet, recorded at the fair value of the leased property, or at the present value of the lease payments. Finance charges related to the lease are recognized in the profit or loss statement.

2.4 Trade receivables

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

2.5 Liabilities & Provisions**2.5.1 Trade and other payables**

Trade and other payables are stated at their cost

2.6 Income Statement**2.6.1 Revenue Recognition**

Revenue is recognized to the extent that is probable that the economic benefit will flow to the company and the revenue can be reliably measured.

2.6.2 Revenue Expenditure

Expenditure incurred in the running of the business and in maintaining the capital assets in state of efficiency is charged to revenue in arriving at the profit or loss for the year.

2.6.3 Capital Expenditure

Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature by means of which to carry on the business, Or for the purpose of increasing the earning capacity of the business, has been treated as capital expenditure.

2.7 Cash Flow Statement

The cash flow statement have been prepared using the 'indirect method'.

For the purpose of the Cash Flow Statement, cash and cash equivalents comprise of cash in hand and deposit with banks, net of outstanding bank overdrafts.

Interest paid is classified as operating cash flows, interest received is classified as investing cash flows while dividend paid is classified as financing cash flows for the purpose of presentation of the cash flow statement reported based on indirect method.



NAGENAHIRA RESORTS (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

3. Other Income

Exchange Gain

2025

81,691

81,691

4. Administrative Expenses

Audit Fees

125,000

Tax Computation Fees

75,000

Reporting Charges

200,000

Amortization - Lease

7,000,000

Secretarial Fees

65,544

Other Expenses

5,000

Bank Charges

875

7,471,419

5 Right of Use Asset

2025

600,000,000

Balance at the beginning of the Year

-

Lease Facility Obtained During the Year

600,000,000

Amortization during the Year

(7,000,000)

Carrying Value

593,000,000

6 Cash and Cash Equivalents

2025

Nations Trust Bank - LKR

32,930,816

32,930,816

7 Stated CapitalNumber of
SharesTotal
Value

(Rs.)

As At 31st March

60,000,000

600,000,000

*All issued shares are fully paid.***Details of shareholders holding shares in the Company**

Name of the shareholder	As at March 31	
	No. of shares	% holding in the class
Equity shares of Rs. 10 each fully paid		
Ventive Hospitality Limited	60,000,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



NAGENAHIRA RESORTS (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

8 Trade & Other Payables

Nagenahira Abiviruthi (Pvt) Ltd
 Audit Fees Payable
 Tax Computation Fees Payable

2025

33,120,544
 125,000
 75,000
33,320,544

9 Contingent Liabilities

There were no material contingent liabilities as at the statement of financial position date.

10 Commitments**Capital Commitments**

There were no material capital commitments outstanding as at the statement of financial position date.

Financial Commitments

There were no material financial commitments outstanding as at the statement of financial position date.

11 Post the Statement of Financial Position Events

No events have occurred since the statement of financial position date which would require adjustments to, or disclosure in, these financial statements.



NAGENAHIRA RESORTS (PRIVATE) LIMITED
TIN : 161773123
YEAR OF ASSESSMENT 2024/2025
STATEMENT OF CALCULATION OF ASSESSABLE INCOME FROM BUSINESS

(Expressed in Sri Lankan Rupees)

Net Profit / (Loss) before Taxation, as per Financial Statements (7,389,728)

Less : Exempt Amounts, Final withholding payments & Other Sources

Exchange Gain Unrealised	81,691	(81,691)
		(7,471,419)

Add : Deductions not Allowed

Amortization	7,000,000	7,000,000
		(471,419)

Less : Deductions Allowed

Lease Payment for Land	7,000,000	(7,000,000)
		(7,471,419)

Gains & Profits calculated before deducting Unrelieved Business Losses (7,471,419)

Less : Unrelieved business losses -

ASSESSABLE INCOME FROM BUSINESS/(BUSINESS LOSS) (7,471,419)



NAGENAHIRA RESORTS (PRIVATE) LIMITED
TIN : 161773123
YEAR OF ASSESSMENT 2024/2025
LOSS DEDUCTION SUMMARY

(Expressed in Sri Lankan Rupees)

SCHEDULE - 2 B : LOSS DEDUCTION SUMMERY

	Business	Investment
Losses Claimed from Local Sources	-	-
Losses Claimed from Foreign Sources	-	-
Total Loss Deductible	<u>-</u>	<u>-</u>

SCHEDULE - 2 B (I) : Business Losses

	30%	40%
Brought forward from 2023/2024		
Losses During the Year 2024/2025	7,471,419	
Total Losses	<u>7,471,419</u>	<u>-</u>

Gains & Profits During the Year

(+/-) Adjustments

Losses Transfer from Higher Rate to Lower Rate	-	-
Losses Transfer to Investment	-	-
Specific Losses	-	-
Losses Deductible	-	-
Losses Expired	-	-
Losses Carried Forward from 2024/2025	<u>7,471,419</u>	<u>-</u>

Business Loss Deductible

NIL

SCHEDULE - 2 B (II) : Specific Loss Deduction

NIL

SCHEDULE - 2 B (III) : Investment Losses

	30%	
Brought forward from 2016/2017	-	
Brought forward from 2017/2018	-	
Losses During the Year 2022/2023	-	
Total Losses	-	

Investment Gains & Profits

(+/-) Adjustments

Losses Transfer from Higher Rate to Lower Rate	-	
Losses Transfer from Business	-	
Losses Deductible	-	
Losses Expired	-	
Losses Carried Forward from 2022/2023	<u>-</u>	<u>-</u>

Investment Loss Deductible

-

SCHEDULE - 2 B (III) : Foreign Losses

NIL

