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ஆண்டறிக்கை
ANNUAL REPORT

2023

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லோஹோர் சீமாட்டிக் கடன் நிதியம் - நிதி அமைச்சு
Lady Lochore Loan Fund - Ministry of Finance

Content

Lady Lochore Loan Fund

Vision

To be a leading financial supporter for the employees of Government, Public Corporations, Statutory Institutions and Members of the three Forces.

Mission

To contribute in creating a contented Public Service by releasing Employees of Government, Public Corporations, Statutory Institutions and Members of the three Forces from indebtedness.

Objective

To relieve Indebtedness of Employees of the Government, Public Corporations, Statutory Institutions and Members of the three Forces, by providing short term loans without delay on concessionary interest rates under easy terms.

Functions

- **Providing Loans to clients by maintaining the Fund sustainably.**
- **Improving institutional promotion and comparative capacity.**
- **Formulation and implementation of procedures for raising funds and maintaining the Fund.**
- **Developing best practices for loan management, efficiently lending and improving lending facilities.**
- **Acting as a facilitator of implementation of loan schemes for the employees of the other Government Institutions.**
- **Dealing with a proper financial control system in lending and maintaining loan affairs.**

Corporate Information

Name and the Address of the Institution:

- Lady Lochore Loan Fund
- 100/ 3/2, Sir Chiththampalam A Gardiner Mawatha, Colombo 02

Establishment:

- Lady Lochore Loan Fund has been established under the Act No. 38 of 1951 (amended in 1953) and it is being operated under the purview of the Ministry of Finance.

Board of Trustees :

Audit Committee:

➢ Mrs. K.M.B.P.Weerasinghe	-	Chief Accountant, (Ministry of Finance)
➢ Mr. Thushara Senevirathne	-	Member (Trustee,LLLF)
➢ Mr.Sarith Pathirathne	-	Member (Trustee,LLLF)

Auditor:
- HMW Associates,
Chartered Accountants,
28, U.E. Perera Mawatha,
Rajagiriya.

Official Banker:
- People’s Bank,
Head Quarters,
Colombo 02.

PRESIDENT'S MESSAGE

The Lady Lochore Loan Fund, a statutory institution under the Lady Lochore Loan Fund Act No. 38 of 1951 was established on 26th March 1927 by the personal donation of Scottish Lady Jean Lochore, with the primary objective of rescuing the government officials suffering with debt burden and providing relief to them. The Lady Lochore Loan Fund has performed great endeavor for 96 years in providing relief to the government officials of various levels suffered with debt burden, through fulfilling their financial necessities.

Accordingly, 3496 number of employees in the government and semi-government institutions have become beneficiaries of this Fund in the year 2023, and the amount provided as loan facilities for them is 447.68 million rupees. This is an increase of 29.24% compared to the number of loans granted in the year 2022.

The Fund has been able to successfully continue the financial performance of the Fund in the year 2023, which has progressed year by year for the last years. The total income of the Fund has increased by 28%, i.e. 31.5 million rupees compared to the previous year, and the Fund managed to maintain the increase in the operational cost of the Fund at a minimum level of 16%, despite the effect of high inflation in the economy. The Institution was able to increase its net profit before tax by 23.2 million rupees, which is an increase of 38% compared to the previous year. Further, the Fund has contributed 26.3 million rupees to the state revenue collection as taxes, which is an increase of 66% compared to the amount of taxes paid in the previous year.

The Fund managed to earn a net interest income of 1.7 million rupees through the "Money Market Savings Account", which was initiated to invest the excess amount of finance in the current accounts of the Fund in a more effective manner.

Furthermore, in order to manage the lack of human resources, which was an essential factor for the efficient performance of the Fund, 11 number of posts of Management Assistant III and 1 number of post of driver were recruited according to the formal recruitment scheme and accordingly, the operational activities of the Fund were further strengthened in the year 2023. The Fund was able to obtain the approval for the post of staff grade officer in the hierarchy in order to assign the responsibility of loan supervision, which is essential for the most effective implementation of the loan management function of a financial institution.

The current progress of this Fund would not have been possible without the utmost commitment of the Board of Trustees, the vital factor in the effective and efficient performance of an institution, and the staff who implement the policy and operational decisions. I take this opportunity to express my sincere gratitude towards all of them. I further would like to express my sincere gratitude to the Ministry of Finance for the assistance given in every aspect to make the Fund a success.

J. K. N. Samanmalee
President
Lady Lochore Loan Fund

MESSAGE OF MANAGING TRUSTEE

I would like to remark with a great pleasure that the institution was able to perform maximal the objectives of Lady Jean Lochore, the Founder of the Fund in the 96^{th} Anniversary of the establishment of the institution in the year 2023. It has been able to grant 447.6 million rupees as loans to 3496 number of government sector loan applicants due to the fact that the operations of the Fund could be implemented at the expected level. It has been able to increase the number of issuance of loans to the government employees by 29% compared to the year 2022, thus providing certain shelter for their financial emergencies, and accordingly, the initial objectives of Lady Jean Lochore could be achieved to the maximum level during this year. It is a great pleasure that the institution could be able to earn a total income of 145 million rupees after recovering 409.2 million rupees as loan recoveries and incurring a overhead cost of 61.3 million rupees, and thereby earn a net profit before tax of 83.6 million rupees and provide a tax income of 26.2 million rupees to the government and thereby able to earn a net profit after tax of Rs.57.3 million.

I strongly believe that the situation will affect towards the progress in a more positive manner for the year 2024, due to the fact that the expected operations in the year 2023 have been able to reach to its maximum level as above.

In the year 1995, an interest-free loan of Rs. 15 million was granted by the Ministry of Finance for the development of this Fund and the repayment has been completed as agreed, and therefore, I would like to particularly mention that the current Board of Trustees has the ability to further expand the affairs of the Fund with a branch network if an interest-free loan is presently granted to this institution as previously given. Further, as per the decision of the Board of Trustees, a written request has already been made to the Hon. Minister of Foreign Affairs for receiving financial donations to the Fund through the Missions Abroad and it is expected that the operations of the Fund will be able to expand in the future based on the responses received according to said request.

The Board of Trustees, who were supportive by providing the necessary policy decisions to implement the operational activities at the expected level, the officials of the Ministry of Finance who made directions and guidance and the staff of the Fund who engage in operational activities with utmost commitment, can be identified as the pilots of this success.

In the future, plans will be made to expand and further implement the services of the institution and I wish that the Board of Trustees and the staff of the institution will have strength, courage and fortune to further expand the said functions in accordance with the objectives of the founder of the Fund.

Kamala Ranatunga
Managing Trustee
Lady Lochore Loan Fund

01

BACKGROUND OF THE FUND

An initial capital of 300 Sterling Pounds for the establishment of the Loan Fund had been donated by Lady Jean Lochore, who was a Scott national and lived in Sri Lanka for a long period. Then the Commissioner of Charity, Reverend Father C. E. V. Nathanielz had taken initiatives to establish the Fund on 26th March 1927 and it was named as Lady Lochore Loan Fund. The Fund was transformed into a Statutory Body by the Lady Lochore Loan Fund Act No. 38 of 1951.

Since then by granting loans and recovering loans, the Fund has functioning as a revolving fund, as the existing banking system was not supportive of fulfilling short-term financial requirements of the employees of the Public and Private Sector Institutions, they were compelled to obtain loans at very high interest rates from outside lending organizations or from individuals. Due to this reason, the employees of the public sector as well as private sector were suffering from indebtedness immensely. The establishment of the Lady Lochore Loan Fund had brought a great relief to all these employees concerned. After the establishment of this Fund as a Statutory Body in 1951, a three storied building owned by this institution was constructed with the donations received from the government and other donors.

Lady Jean Lochore

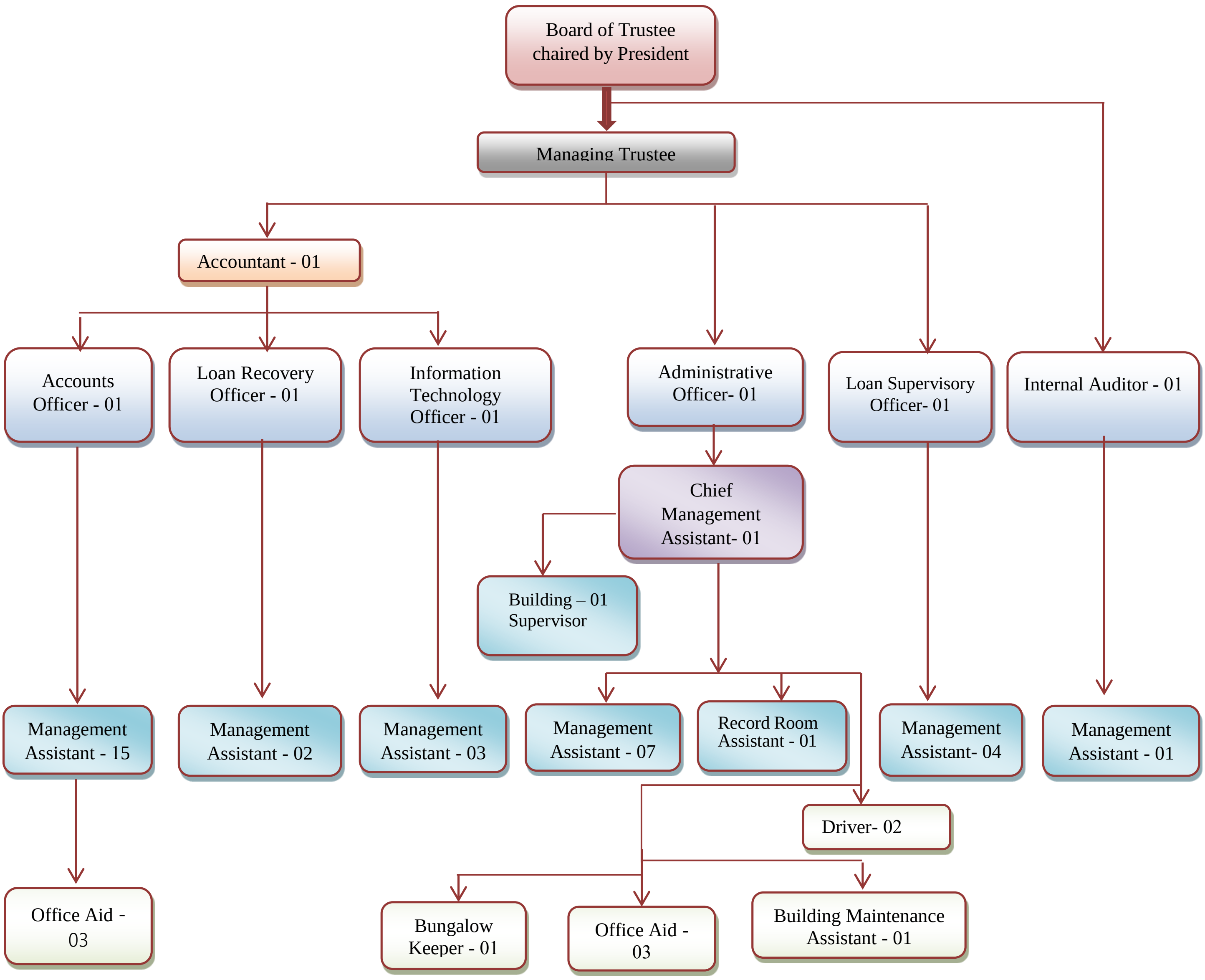
1.1. Board of Trustees

Board of Trustees consists of qualified representatives from the public and private sectors appointed by Hon. Minister of Finance. The patron of this institution is held by the Minister of Finance. The Managing Trustee for administration purposes of the Fund is appointed from the members appointed to the Board of Trustees, as per the section 10 and 11 of the Act of the Lady Lochore Loan Fund. As per the clause 5 of the said Act, the post of the President of the Fund is held by the Treasury Representative.

Table 01 - Cadre of the Fund in Year 2023

Approved Position	Approved Number	Existing Number
Accountant	01	01
Administrative Officer	01	01
Accounts Officer	01	01
Internal Audit Officer	01	01
Loan Recovery Officer	01	01
Information Technology Officer	01	-
Loan Supervisory Officer	01	-
Management Assistant (Non - Technical Grade) (Including Record Room Assistant)	34	28
Building Supervisor (MA - Technical Grade)	01	-
Office Aid (Primary Non - Technical) (Including Bungalow Keeper)	07	06
Building Maintenance Assistant (Primary Semi Skilled)	01	01
Driver (Primary Skilled)	02	02
Total	**52**	**42**

1.2 Lady Lochore Loan Fund Organizational Structure



02

PERFORMANCE OF THE FUND IN 2023

2.1 Beneficiaries 2023

3496 employees of the government and semi government sectors had benefited from this Fund in the year 2023. The District wise categorization of the beneficiaries shown in Table - 02 and it has been accomplished progress of 29.24%, compared to the year 2022. Following table indicates that the high number of beneficiaries represent Personnel from Defence Sector and percentage wise it is around 75% of beneficiaries

Table 02 – District wise Beneficiaries of Government and Semi Government Sector who have obtained Loans in the Year 2022/2023.

No. of Beneficiaries				
District	2023	(%)	2022	(%)
Colombo	581	16.62	582	21.52
Gampaha	563	16.10	492	18.19
Anuradhapura	181	5.18	104	3.84
Kandy	232	6.64	134	4.95
Vavuniya	8	0.23	1	0.04
Kaluthara	315	9.01	302	11.16
Rathnapura	129	3.69	100	3.70
Galle	194	5.55	116	4.29
Kurunegala	352	10.07	230	8.50
Puttalam	30	0.86	28	1.04
Jaffna	0	0	1	0.04
Polonnaruwa	70	2.00	45	1.66
Trincomalee	12	0.34	13	0.48
Mullaitive	1	0.03	0	-
Badulla	157	4.49	74	2.74
Matale	66	1.89	49	1.81
Hambantota	84	2.40	74	2.74
Kegalle	206	5.89	146	5.40
Baticaloa	3	0.08	1	0.04
Ampara	53	1.52	33	1.22
Monaragala	85	2.43	64	2.37
Nuwara Eliya	52	1.49	47	1.74
Mannar	0	0	0	-
Matara	122	3.49	69	2.55
Total	**3496**	**100**	**2705**	**100**

Chart 01 - **District wise Beneficiaries of Government and Semi Government Sector who have obtained Loans in the Year 2022/2023.**

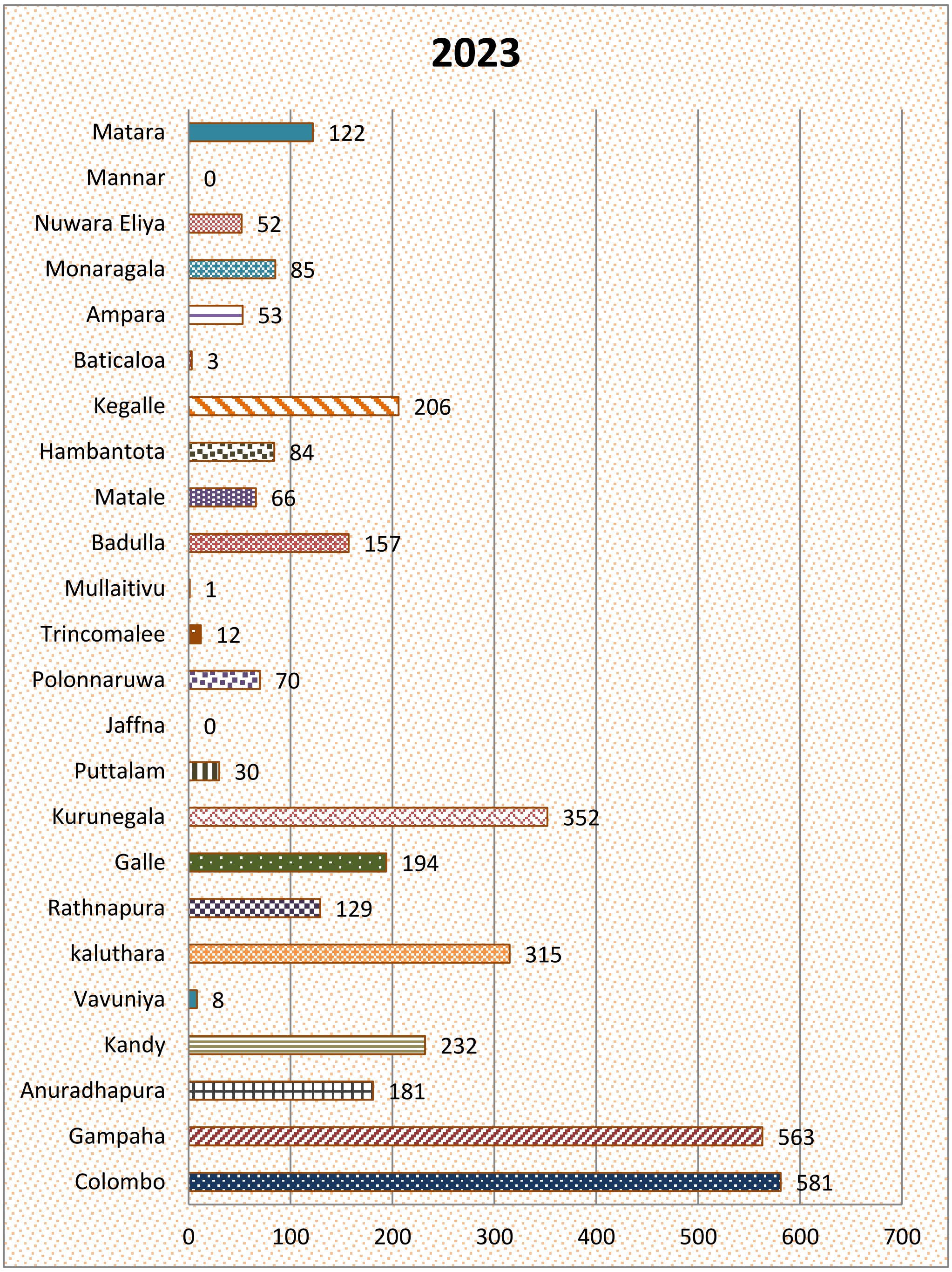


Table 03 - Progress of Public Sector Beneficiaries according to the Service Categories in Year 2022 and 2023

Designation	2023	2022
Corporal	1036	590
Army Soldier	131	85
Army Sergeant	310	190
Major	74	48
Lieutenant	21	16
Brigadier	0	1
Chef	11	8
Waiter	17	12
Police Constable	313	294
Police Sergeant	379	223
Police Inspector	17	9
Chief Police Inspector	24	22
Sub Police Inspector	58	50
Police Security Assistant	1	1
Civil Police Assistant	0	2
Firemen	3	18
Driver	113	94
Driver Assistant	2	1
Prison Guard	15	8
Assistant Survey Officer	8	5
Health Administrator	0	0
Attendant	3	1
Ordinary Laborer	173	266
Office Assistant	240	285
Management Assistant	217	147
Development Assistant	69	41
Ayurvedic Medical Assistant	0	0
Pharmacist	0	2
Watcher	9	12
Security Officer	3	3
Motor Mechanic	2	5
Technician	2	0
Carpenter	1	2
Human Resource Assistant	0	0
Administrative Officer	3	6
Mason	1	1
Accountant	9	13
Store Assistant	1	1
Electrician	2	2

Designation	2023	2022
Overseer	1	7
Assistant Director	5	17
Assistant Secretary	2	1
Rehabilitation Officer	0	0
Summoner	0	0
Wildlife Conservation Officer	5	2
Meteorological Officer	2	0
Receptionist	0	0
Book Binder	1	1
Commissioner	2	0
Programme Assistant	4	2
Non-commissioned Officer	54	47
Accounting Officer	2	0
Survey Field Assistant	2	1
Laboratory Assistant	1	1
Industry Administrator	0	1
Nurse	12	9
Captain	14	14
Horse Driver	4	4
Helper	0	0
Budget Assistant	1	0
Painter	0	3
Technical Officer	6	3
Postal Assistant	12	9
Supervisor	0	2
Postal Officer	5	12
Fire man	19	0
Colonel	6	16
Pre-school Teacher	0	1
Postman	4	0
Clerk	1	0
Library Assistant	1	8
Medical Officer	1	0
Machines Operators	1	4
Electrical Lamp Lightener	1	3
Veterinary	0	1
Cemetery Caretaker	0	3
Translator	1	1
Other	58	68
Total	**3496**	**2705**

2.2 Loan Procedure and the Progress 2022

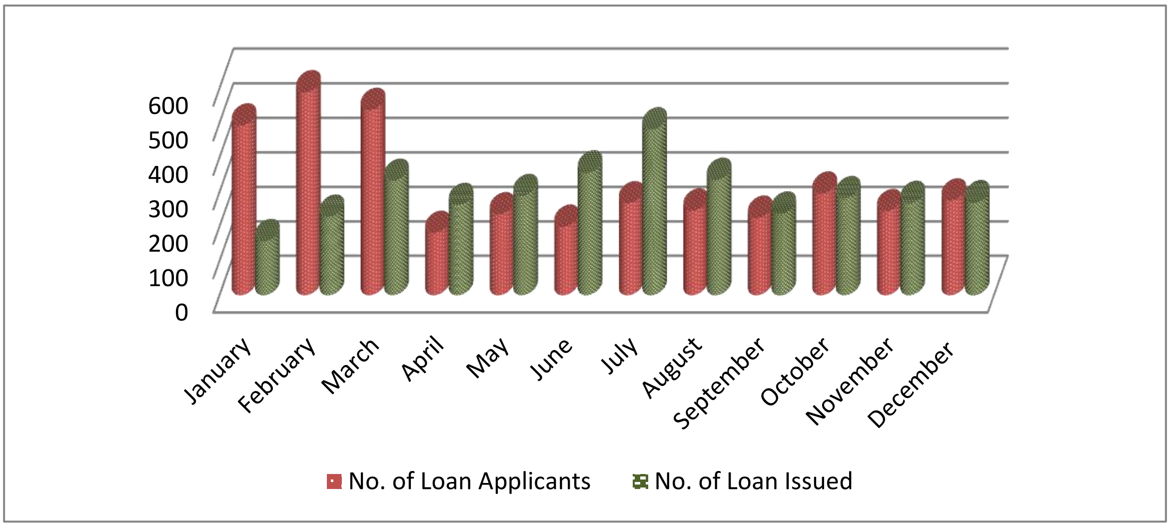
Employees in Government or Semi Government Sector, who have the following qualifications, could apply for loans from this Fund.

- Be a pensionable public officer who has completed minimum of 3 years permanent service in government sector.
- A semi government employee should complete minimum of 5 years of permanent service.
- Should have sufficient service period for recovering the loan amount prior to the retirement. (The age is considered as 59 years)
- Two guarantors for the applicant with qualifications maintained above.
- For an employee of a semi government sector, one of the two guarantors should be a public officer who has completed minimum of 03 years of permanent service in government sector.
- Ability to recover the loan installment within the 40% limit of loan applicant's monthly salary.

Table 04 - The progress of processing the loan applications submitted by the qualified loan applicants and issuing of loans in the year 2023 are as follows.

Month	No. of Loan Applicants	No. of Loan Issued	Loan Value (Rs. 000)
January	492	157	25,720,000
February	588	228	38,350,000
March	537	332	55,230,000
April	181	262	38,250,000
May	235	288	38,105,000
June	199	356	39,125,000
July	267	481	46,800,000
August	246	335	32,150,000
September	225	237	22,750,000
October	295	282	31,005,000
November	244	268	40,000,000
December	275	270	40,195,000
Total	**3784**	**3496**	**447,680,000.00**

Chart 02 - Loan Disbursement – 2023



3496 loans had been issued against 3784 loan applications received. The recent reasons for this difference are the receipt of applications in the year 2024 that did not made signature of the guarantee in the last months of 2023. The receipt of CL licenses that required for issuing loans in the year 2024, for the applications of armed forces issued in the last months of 2023.

2.3 Loan Categories Issued and Monitory Value of Loans

The interest rate of loan was increased to 15% with effect from 01.01.2023.

Table 05 - Progress according to the Limit of Loans

Maximum Credit Limit (Rs.)	Number of Loans Issued	Loan Amount (Rs.)
300,000	51	15,300,000
250,000	113	28,250,000
200,000	66	13,200,000
175,000	885	154,875,000
150,000	214	32,100,000
100,000	1829	182,900,000
75,000	171	12,825,000
50,000	159	7,950,000
40,000	5	200,000
30,000	2	60,000
20,000	1	20,000
Total	**3496**	**447,680,000**

2.4 Progress of Loan Recovery

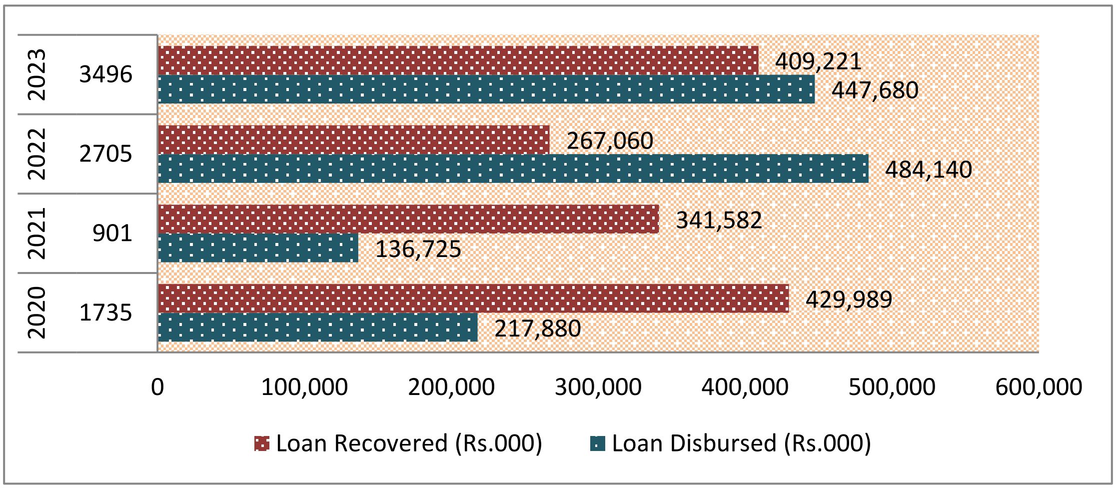
During the period from year 2020 to 2023, the progress of issuing loans and loan recoveries are shown in Table 06 and Chart 03.

- Issuing of Loan - Decrease - 7.53%
- Loan Recovery - Increase - 53.23%

Table 06 - Issuing of Loans and Recovery of Loans from Year 2020 to 2023

Year	No. of Loan Issued	Loan Disbursed (Rs. 000)	Loan Recovered (Rs. 000)
2020	1735	217,880	429,989
2021	901	136,725	341,582
2022	2705	484,140	267,060
2023	3496	447,680	409,221

Chart 03 - Progress of Loan Disbursement and Loan Recovery



2.5 Office Complex of Lady Lochore Loan Fund

2.5.1 Rent Income

While using 5,500 square feet of the Lady Lochore Loan Fund building as the office premises of the Fund, the additional space had allocated to the following institutions on the basis of lease rent and thereby the Fund had earned Rs.19.81 million as the rent income in the year 2023.

Table 07 - Building Rent Income in Year 2023.

Serial No	Institution	Rented Floor	Square Feet	Income (Rs.)
01	Lady Lochore Loan Fund	3rd Floor	5500	-
02	Vehicle Park	Basement	5290	-
03	National Savings Bank	Ground Floor	5500	7,800,000
04	Co-operative Employees Commission	1st Floor	2415	2,885,878
05	Ceylon Electricity Board	1st & 2nd Floors	4700	5,300,000
06	Ceylon Electricity Board – Information Division	2nd Floor	2750	3,609,235
07	Available on rental basis	2nd Floor	840	-
08	MAA Associates	No. 100/20	380	215,500
			27,375	**19,810,613**

2.5.2 Sustainability of the Fund

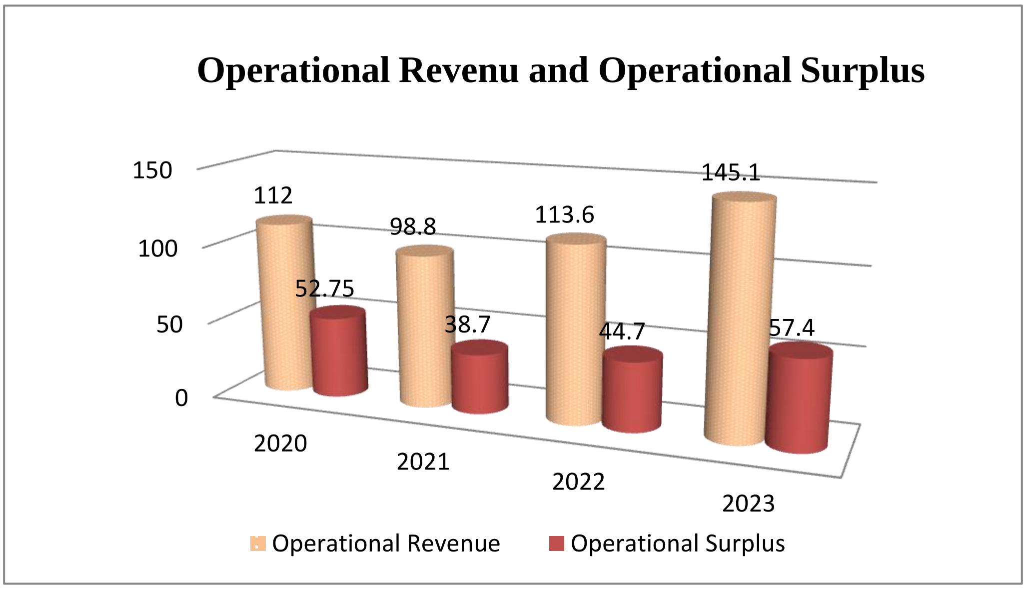
Special attention of the Board of Trustees had drawn on maintaining the operational and the financial sustainability of the Fund. This institution is not an institution depending on the grants of the Treasury or budgetary provisions, and the institution could be maintained in continuous annual profitability, after covering all the general and capital expenditure and provision for issuance of loans by the interest income and other income generated by the Fund.

Type of Investments	Bank	2023/12/31 (Rs.)	2022/12/31 (Rs.)
Fixed Deposit	People's Bank	-	400,849,332
Fixed Deposit	National Savings Bank	97,497,665	24,446,002
Total		**97,497,665**	**182,607,161**

2.5.3 Operational Income

During the year 2023 the total operational income was Rs. 145.1 million while the net operational surplus was Rs. 57.4 million. Operational income and the net operational surplus of the year 2022 were 113.6 million and 44.7 million respectively. In the year 2023, the Fund was able to increase the profitability of 28%, compared to the year 2022.

Chart -04 - Operational Revenue and Operational Surplus 2020-2023



03

GENERAL ADMINISTRATION AND HUMAN RESOURCE DEVELOPMENT

3.1. Staff Training - 2023

According to the decision of the Board of Trustees to invite a resource person to the Fund and provide a training to the newly recruited Management Assistants, a half-day induction training programme in Management Assistant profession for ten (10) Management Assistant Grade III officials who recruited in the year 2023 was conducted by veteran preacher Mrs. Anusha Gokula, Additional Secretary of the Ministry of Fisheries on 29.12.2023 at the Board of Trustees meeting hall of the Fund.

In the half-day training session, the office service functions were introduced. It was provided an understanding of the formal office procedures to be followed by the new officials who have been recruited to the Management Assistant Service of the Fund (Induction Programme).

According to the decision of the Board of Trustees to provide training from the Ministry of Finance to all the officials who perform their duties on maintenance of the vehicles owned by the Fund, following the request submitted to the Additional Secretary of the Ministry of Finance, Mr. N. K. Subasinghe, Mechanical Engineer of the Ministry of Foreign Affairs conducted the said programme on 20.12.2023 at the Fund premises.

The aim of this training was to provide an understanding related to the role to be performed in the maintenance of the vehicles of the Fund, the proper maintenance of the running charts and the inspections to be done etc. Drivers, Transport Officer, Chief Management Assistant Officer and Administrative Officer of the Fund have been participated in this training programme.

3.2 Recruitment and Promotions of the Fund

Promotions and New Recruitments

3.2.1 Annual performance appraisals were made and one officer holding the post of Management Assistant Grade III who completed the qualifications mentioned in the Recruitment Procedure was promoted to Management Assistant Grade II, accordingly.

3.2.2 New Recruitments

- Under the special approval of the Election Commissioner and with the special permission of the Department of Public Enterprises of the Ministry of Finance, applications were invited through a newspaper advertisement and the official website of the Fund to fill the huge number of vacancies in the posts of Management Assistant and Driver in the approved cadre of the Fund. Accordingly, with transparency, out of the 300 applications received to fill the vacancies of the post of Management Assistant III, 190 applications which were completed with relevant qualifications were called for interview.

- 122 Number of qualified applicants appeared for the series interview held for 6 days, and ten (10) applicants who scored highest marks in the series interview were appointed to the post of Management Assistant III with effect from 10.05.2023.
- During the year 2023, 06 numbers of employees have been resigned for local and overseas employment opportunities from time to time, and new officers were appointed for the said 11 vacancies created out of 12 vacancies of the post of Management Assistant III.
- Since one of 2 posts of drivers established to drive the vehicles owned by the Fund has become vacant, 35 number of applications that completed the basic qualifications out of 40 applications received following the procedure mentioned in section 3.2.2.1 to fill the vacancy in the post of driver, were selected to appear for the interview.
- Although 6 out of 17 applicants appeared in the interview held at the Fund Office and scored highest marks were selected and called for the practical test to measure the driving ability, only two candidates appeared for the said practical test. The applicant who completed the qualifications and passed the practical test was appointed as a driver with effect from 12.05.2023.
- Accordingly, 12 number of new recruitments were made in the year 2023. 12 number of new appointments have been granted as 11 appointments for the post of Management Assistant and 01 for the post of driver, respectively.
- At the end of the year 2023, 07 number of vacancies in the approved cadre of the Fund were existing, as 01 post of Junior Manager - Information Technology, 01 post of Management Assistant (Technical), 01 post of Building Supervisor, 04 posts of Management Assistant (Non-Technical) and 01 post of Office Assistant.

3.3 Maintenance of the Fund Premises

3.3.1 Essential Maintenance in the Premises of the Fund

➢ **Electrification of the Fund Office**

The current electrical circuit of the Fund Office built in the 1960s is presently in a state of severe danger, and the attention of the Board of Trustees were paid on the necessity of its immediate restoration taking into consideration the risk of maintaining the existing electrical system due to the fact that some parts of the same are periodically out of order. The consultancy service for the Electrification Project of the Fund Office has been provided by the Central Engineering Consultative Bureau (CECB), and the work of electrification of the Fund Office was completed as at 07th of September 2023 following formal procurement procedures.

➢ **Reinstallation of the Internal Telephone System (Telephone Extension) of the Office**

The contract of installation and maintenance of the internal telephone network system (telephone extension) was awarded to Sri Lanka Telecom, the institution with high reliability and the leading position in the market, following formal procurement procedures in order to restore the inactive internal telephone network system, which had hindered the efficient service contribution of the Fund Office.

3.4 Streamlining Staff Administration and Office Procedures

- **Establishment of a New Post of Junior Manager in the Organizational Structure of the Fund**

The Board of Trustees recognized the necessity of the supervisory positions required to accomplish the existing role of the Fund in order to offer a more effective and efficient service to the clients of the Fund based on the expansion of the role of the Fund, and granted its approval based on the recommendation of the Audit and Management Committee to the establishment of a supervisory position in the Loan Division, and accordingly, taking into account the service requirement of the Fund, the Department of Management Services and the Ministry of Finance approved the establishment of post of Credit Supervisor (Junior Manager) - 01 for the Loan Division.

- **Annual Performance Appraisal**

The Board of Trustees decided to issue a certificate of service appraisal separately for selected officers who have scored over 90 marks in the performance appraisal of the staff in accordance with the level of post.

The approval was granted to issue the certificate of service appraisal only once a year under the chairmanship of the Board of Trustee and the Managing Trustee.

- **Managing Paper Shortages following Cost-Effective Methods**

Taking into account the shortage of paper and the high prices of stationery in the country, it was decided to henceforth forward the meeting minutes of the Board of Trustees as a soft copy via e-mail to all the members of the Board of Trustees, to display the Board Papers, Account Reports etc. to be discussed on the date of meeting on a screen with the assistance of projector of the meeting hall and to carry out the discussions accordingly, and to file and maintain only the original copy in the Fund Office on the basis of the necessity to prepare copies.

- **96th Anniversary Celebration of the Fund**

A Bodhi Pooja Charity was successfully conducted at the Sambodhi Temple, Fort on 27.03.2023 at 3.00 pm with the participation of the Board of Trustees of the Fund, the Managing Trustee and the staff of the Fund in order to celebrate the 96th Anniversary of the Lady Lochore Loan Fund, in memory of Lady Jean Lochore, who dedicated herself to public service by establishing a Fund from her personal wealth to free the people from debt burden.

Highlights of 96th Anniversary Celebration of the Lady Lochore Loan Fund

3.5 Staff Loan

- The Board of Trustees decided to provide loans to the staff under both loan categories of Rs. 250,000/- and Rs. 100,000/- for emergency requirements of the staff, if they maintain the limit of 40% of the wages, and the said procedure was implemented from 29.08.2023.
- The rule previously established to take only one loan category out of the two loan categories of Rs.250,000/- and Rs.100,000/- issued to the staff under the interest rate of 10% has been abolished and re-instituted as one employee can get loan under both loan categories.

Newly Revised Conditions established under Loan Scheme of the Fund

- The interest rate of the loan of the Fund was increased upto 15% from 02nd January 2023. Although the interest rate for loans of the Fund was increased in line with the existing bank interest rate, however the said increase of interest has been made subject to reduce the interest rate charged for loans once the interest rate of bank loan was reduced.

- The maximum loan amount granted by the Fund has been revised as Rs.100,000/- to be valid for any loan applicant with effect from 10.03.2023 based on the existing high demand for loans, extension of the date for signing the guarantee to 3 months and providing loans in a manner of distributing limited provisions available to all loan applicants.

- The maximum loan amount of the Fund valued Rs. 100,000/- has been increased to maximum loan amount of Rs. 200,000/- from 05.10.2023. However, the loan of Rs. 200,000/- has been issued from 05.10.2023 only for those previously eligible for the loan category of Rs. 250,000/-.

- Further all the loan categories upto loan amount of Rs. 100,000/- were implemented from October 2023.

- The Board of Trustees decided and grant approval to provide loans to the officers of the National Child Protection Authority, following the formal loan procedure implemented in the Fund.

3.6 Land Deeds and Bonds

At the time of initiations of the Fund; granting of loans on the surety of deeds of land was conducted. Since 1960, the Fund is responsible for 267 surety bonds taken in under this method. As this method of granting loans is no longer in operation, the Audit Committee has recommended to release the surety bonds according to the relevant office of District Land Registrar and complete the release by registering the cancellation of surety under the names mentioned in the bonds. Meeting of 831st Board of Trustees has approved to release the said bonds accordingly. Thus 191 bonds had been released in that regard.

In addition, due to the fact that the non-validation of the bonds previously released from the Fund by the Office of Land Registrar, new bonds have been prepared and released from the Fund considering the requests and folios submitted by the applicants appearing on various occasions. **During the period from 01.01.2023 to 31.12.2023, new bonds referred to the folios submitted by 03 such applicants have been prepared and released from the Fund.**

- **As per the written instructions of the Department of Public Finance, a Notice was published on the website of the Fund to inform the individuals regarding the mortgage and release of the liquidated lands of** Debt **Conciliation Board and to publicize the release of all the surety bonds of the Fund.**
- **The application, relevant affidavits and documents were enclosed thereto.**
- **Arrangements were further made to publish the documents related to the notice / application of liquidated surety / bond / deed of** Debt **Conciliation Board and the affidavit to be submitted for the confirmation of kinship on the website of the Fund in trilingual.**

3.7 Meetings of the Board of Trustees

Twelve (12) Meetings of Board of Trustees had been conducted in the year 2023.

Two new Trustees were appointed from 28.08.2023 for two vacant positions in the Board of Trustees of the Fund. Accordingly, Mrs. Anuradha Gallangoda, Deputy Director of the Corporate Affairs Division of the Ministry of Finance and Mrs. P. A. D. P. Wijeratne, Deputy Director were appointed as Trustees.

3.8 Audit and Management Committee

Three (03) Audit and Management Committee meetings had been conducted in the year 2023 as follows. Action had been taken to update the audit queries related documents and submitted for the consultation of the Board of Trustees. Further, the important matters arising from the inquiry reports were implemented under the approval of the Board of Trustees.

Serial No	Date of Committee Meeting
01	22.03.2023
02	22.06.2023
03	11.10.2023

04

FUTURE PLAN

- Amend the terms of Lady Lochore Loan Fund Act in order to generate fund with the purpose of providing financial facilities to the private sector employees in future which is currently limited only to public sector employees.

- The loan system of the Fund is currently operated in a centralized manner and the said system is planned to be implemented in a decentralized manner in 9 Provinces islandwide.

- Expeditiously complete the requests made for repairs by the institutions occupied their office premises at the floors of the Fund under lease basis and thereby make them satisfy.

- Increase the financial viability of the Fund.

05

OBSTACLES IN ACHIEVING THE OBJECTIVES

Measures have been taken to exempt the interest earned on the loans issued to government officials by the Lady Lochore Loan Fund as a proposal to the National Budget 2009 from the income tax and the tax revenue thus saved was also utilized for the issuance of loans to the government officials which is the key objective of the Fund. However, the said tax relief was abolished with the implementation of the new Income Tax Act of 2017 and approximately 26 million rupees per year have to be spent as income tax due to the reason of paying income tax at a rate of 18% and currently at 30% after deducting expenses from the total revenue of the Fund.

The ability to provide relief to government employees more widely has been limited to some extent due to the fact that additional costs to be borne by this institution which is provided with overhead and capital expenditure and provision for issuance of loans by the financial provisions made by Fund itself without any financial provision from the Treasury / National Budget, amidst the abolition of the income tax relief previously granted to this institution and the additional costs to be incurred amidst the tax payment at a higher percentage such as 18%, 30% at present. Moreover, the situation has further developed due to social security taxes and other additional taxes.

It has been requested on several occasions that the income tax relief given to this Fund by the National Budget 2009 should be re-granted to this institution. Thus, if the tax relief is re-granted to this institution, the service can be expanded even more widely.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LADY LOCHORE LOAN FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lady Lochore Loan Fund, which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standard (SLPAS).

Basis for Opinion

We conducted our audit in accordance with the 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 Fund in accordance with the ethical requirements of the Code of Ethics issued by CA Sri Lanka (Code of Ethics) that are relevant to our audit of the financial statements, 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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, 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 misstatement when it exists. 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing Standard Committee website at:http://slaasc.com/auditing/auditorsresponsibility.php. This description forms part of our auditor's report.

Chartered Accountants
Date: 01/07/2024
Rajagiriya.

HMW Associates
No.28 , U.E Perera Mawatha, Rajagiriya | Phone: 011-7886677

LADY LOCHORE LOAN FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	31/12/2023 (Rs.)	31/12/2022 (Rs.)
Revenue	5	96,967,815	57,862,585
Other income	6	48,103,063	55,713,743
		145,070,878	**113,576,327**
Operating expenses			
Personnel cost	7	(39,174,991)	(34,356,814)
Premises, equipment and establishment expenses	8	(21,792,000)	(16,841,466)
Fees, commission & others	9	(427,854)	(1,881,816)
		(61,394,845)	**(53,080,095)**
Surplus before taxation		**83,676,033**	**60,496,232**
Tax expense	10	**(26,277,492)**	(15,818,536)
Surplus for the year		**57,398,541**	**44,677,696**

The above Financial Position is to be read in conjunction with the accounting policies and notes to the financial statements which form an integral part of these financial statements.

LADY LOCHORE LOAN FUND
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

	Note	31/12/2023	31/12/2022
		(Rs.)	(Rs.)
Assets			
Non current assets			
Property plant & equipment	11	82,815,709	79,785,213
Investment property	12	23,276,187	24,266,664
		106,091,896	**104,051,877**
Investment in FD	13	97,497,665	182,607,160
Current assets			
Inventory	14	1,273,701	1,085,436
Other assets	15	5,837,524	14,943,465
Loan and advances	16	638,174,739	500,930,482
Cash & short term funds	17	27,095,541	12,158,144
		672,381,505	**529,117,527**
Total Assets		**875,971,066**	**815,776,563**
Funds and reserves			
Accumulated fund		679,102,146	621,694,922
Revaluation reserves		146,649,586	146,649,586
Total funds and reserves		**825,751,732**	**768,344,508**
Non current liabilities			
Retirement benefit obligation	18	24,043,956	22,579,760
		24,043,956	**22,579,760**
Current liabilities			
Other current liabilities	19	12,308,953	14,572,893
Income tax payabl	20	13,866,425	10,279,402
		26,175,378	24,852,295
Total liabilities		**50,219,334**	**47,432,055**
Total funds and liabilities		**875,971,066**	**815,776,563**

The above Financial Position is to be read in conjunction with the accounting policies and notes to the financial statements which form an Integral part of these financial statements.

I certify that the above Financial Statements have been prepared in compliance with relevant regulatory requirements.

…………………….
Accountant

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 by

……………………………….
President
Date : 2023.06.01

……………………………….
Managing Trustee
Date : 2023.06.01

Lady Lochore Loan Fund

STATEMENT OF GHANGES IN THE NET ASSETS / EQUITY FOR THE YEAR ENDED DECEMBER 31,2023

	Revaluation Reserve Rs.	Accumulated Surplus Rs.	Total Net Assets/Equity Rs.
Balance as at 01.01.2022	146,649,586	576,887,093	**723,536,679**
Prior year adjustment	-	130,134	130,134
Surplus for the year	-	44,677,696	44,677,696
Balance as at 31.12.2022	**146,649,586**	**621,694,922**	**768,344,508**
Balance as at 01.01.2023	146,649,586	621,694,922	**768,344,508**
Prior year adjustment	-	8,683	8,683
Surplus for the year	-	57,398,541	57,398,541
Balance as at 31.12.2023	**146,649,586**	**679,102,146**	**825,751,732**

LADY LOCHORE LOAN FUND
STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2023

	2023/12/31 Rs.	2022/12/31 Rs.
Cash flow from operating activities		
Net surplus for the year	83,676,033	60,496,232
Adjustments for		
Depreciations	5,079,275	4,392,573
Gratuity	3,551,926	(116,285)
Prior year adjustment	8,683	130,134
Gain on disposal	-	-
Interest income on savings	(1,695,738)	(45,774)
Interest income on fixed deposits	(24,701,680)	(35,520,016)
Operating surplus before changes in operating assets	**65,918,500**	**29,336,864**
Working capital adjustments		
(Increase)/decrease in inventory	(188,265)	(759,881)
(Increase)/decrease in loan & advances	9,105,941	(283,701,641)
(Increase)/decrease in other assets	(135,244,257)	(7,980,794)
(Increase)/decrease in other liabilities	(2,263,940)	(520,101)
	(130,590,521)	**(292,962,417)**
Net cash flow from operating activities	(64,672,022)	(263,625,553)
Gratuity paid	(2,087,730)	-
Tax Paid	(22,690,469)	(11,043,610)
	(24,778,199)	**(11,043,610)**
Net cash flow generated/ (used in) operating activities	**(89,450,221)**	**(274,669,163)**
Cash flow from investing activities		
Acquisition of property, plant & equipment	(7,119,295)	(3,223,622)
(investments)/withdrawal in fixed deposit	85,109,495	242,688,173
Sale of property, plant and equipment	-	-
Interest received	26,397,418	35,565,790
Net cash flow generated from investing activities	**104,387,618**	**275,030,341**
Cash flow from financing activities		
Net increase in cash & cash equivalents	14,937,397	361,178
Cash & cash equivalents at the beginning of the year	12,158,144	11,796,966
Cash & cash equivalents at the end of the year	**27,095,541**	**12,158,144**
Analysis of the cash and cash equivalents		
Cash at bank	27,076,158	12,138,144
Cash in hand	19,383	20,000
	27,095,541	**12,158,144**

Principal Accounting Policies

01. General Information

The Lady Lochore Loan Fund is established by Lady Lochore Loan Fund (Board of Trustees) Act No 38 of 1951 (Revised 1956) and the fund is domiciled in Sri Lanka. The registered office of the Fund is located at 100, 3/2, Sir Chittampalam A Gardiner Mawatha, Colombo 02.

1.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS).

1.2 Responsibility of Financial Statements

The board of Trustees is responsible for the preparation and presentation of the Financial Statements.

1.3 Basis of Preparation

The Financial Statement of the Fund presented in Sri Lanka Rupees, have been prepared on a historical cost basis.

1.4 Events occurring after the Balance Sheet Date

All material post Balance Sheet events have been considered and where appropriate adjustments to or disclosures have been made in the respective Notes to the Financial Statements.

1.5 Taxes

Current tax

The provision for income tax is based on the elements of the income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue (Amendment) Act No 24 of 2017.

1.6 Comparative Information

The accounting policies applied by the Loan Fund are unless otherwise stated, consistent with those used in the previous year. Previous year’s figures and phrases have been re-arranged where necessary, to confirm to the current year’s presentation.

02. ASSETS AND BASES OF THEIR VALUATION

2.1 Provision for Loan Losses

Provision for Bad and Doubtful Loans are made on the basis of a review made by the Trustee s loans from customers are stated at the outstanding carried forward balances less provision made as at the end of the Reporting period.

2.2 Fixed Deposits

Fixed deposits and other interest bearing securities held for resale in the near future to benefit from short term market movement are accounted for at cost plus the relevant proportion of the discount or premium.

2.3 Property, Plant & Equipment

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

Building	4%
Computer Equipment	25%
Furniture and Fittings	10%
Office Equipment	10%
Electrical Fixtures and Fittings	10%
Motor Vehicle	25%

From the year 2008/09, the Loan Fund has changed its accounting policy to provide depreciation from the month of purchase to the month of disposal.

Up to the year 2007/08, depreciation was not provided on the assets purchased and used during the year also no depreciation was provided in the year of disposal.

2.4 Other Receivables

Other receivables are stated at the amounts they are estimated to realize.

2.5 Cash & Cash Equivalents

Cash and Cash Equivalents are defined as cash in hand and demand deposit and short term liquid investment readily convertible to identified amounts of cash and subject to insignificant risks of changes in value. The cash Flow Statement has been prepared using the indirect Method.

03. LIABILITIES AND PROVISIONS

All known liabilities have been provided in preparing the financial Statements.

3.1 Capital Commitments

Capital commitments of the Loan Fund are disclosed in the respective notes to the Financial Statements.

3.2 Pensions and Retirement Benefits

A provision has been made for Retiring Gratuity Payable under the payment of Gratuity Act No.12 of 1983. This provision has been computed in accordance with the gratuity formula adopted by the board of Trustees.

3.3 Defined Contribution Plans – Employees' Provident Fund and Employees' Trust Fund

All employees are eligible for Lady Lochore staff provident Fund contributions and Employees' Trust Fund contributions in line with respective statues and regulations. The loan Fund contributes 16% of gross emoluments or employees to Lady Lochore staff provident Fund and 3% of gross emoluments of employees to the Employees' Trust Fund which are externally funded.

04. INCOME STATEMENT

4.1 Revenue Recognition

4.1.1 Interest Income

Interest Income recognized on an accrual basis. The Fund considers Loans granted to Government employees from whom recoveries have ceased for 03 months as “Non Performing Loans”. Thereafter the interest is recognized on such loans on cash basis.

4.1.2 Rental Income

Rent income is recognized on an accrual basis.

4.1.3 Expenditure Recognition

All expenditure incurred in the running of the Loan Fund and in maintaining the capital assets in a state of efficiency have been charge to revenue in arriving at the profit for the year.

All expenditure incurred in the acquisition, extension or improvement of assets of a permanent nature in order to carry on or increase the earning capacity of the Loan Fund has been treated as capital expenditure.

		31/12/2023 Rs.	31/12/2022 Rs.
5	**Revenue**		
	Interest on loan firm & corpotation	95,948,787	56,901,010
	Interest on staff loans 10% (Rs.250,000/-)	570,683	511,324
	Interest on new staff loans 4.5%	308,510	318,194
	Interest on tab loan	65,461	103,560
	Interest on staff loans 10% (Rs.100,000/-)	71,652	26,734
	Interest on special advance	1,401	147
	Interest on cycle loan	1,321	1,615
		96,967,815	**57,862,585**
6	**Other income**		
	Interest income on fixed deposit	24,701,680	35,520,016
	Rent income	19,810,613	19,261,141
	Interest income on savings	1,695,738	45,774
	Loan loss provision write-back	847,715	-
	Received from application	564,900	387,600
	Sundry income	292,592	251,927
	Special income	189,825	131,000
	Gratuity provision	-	116,285
		48,103,063	**55,713,743**
7	**Personnel cost**		
	Salaries	18,263,477	17,725,092
	Special allowance	4,778,389	3,928,441
	Allowances for staff	3,928,080	3,511,242
	Gratuity	3,551,926	-
	Staff provident fund board share	3,541,088	3,477,280
	Allowances for – managing trustee	2,458,942	1,850,589
	Annual bonus	642,292	1,452,500
	Employee trust fund board share	663,954	651,990
	Allowances -board members	516,663	485,757
	Chairman Allowance	399,457	392,947
	Ex-gratia payment	166,200	-
	Allowances – audit committee	91,432	120,190
	Overtime	90,229	41,600
	Uniforms	69,759	62,233
	Staff training	6,600	-
	Salary areas	6,503	80,670
	Fuel allowance	-	541,285
	Special transport	-	35,000
		39,174,991	**34,356,814**

		31/12/2023 (Rs.)	31/12/2022 (Rs.)
8	**Premises, equipment and establishment expenses**		
	Depreciation	5,079,275	4,392,573
	Printing, stat. & office requires	3,504,762	2,468,094
	Security	2,350,293	2,044,390
	Municipal rates	2,331,357	1,865,082
	Electricity	2,277,431	1,064,294
	Office computers maintenance	1,501,456	1,281,465
	Janitorial Charges	901,161	795,782
	Fuel & motor vehicle maintenance	819,128	566,649
	Postage & telegrams	548,965	349,853
	Office equipment maintenance	544,428	519,678
	Telephone	480,769	413,503
	Lift maintenance	386,669	251,850
	Building maintenance	377,356	36,433
	Water	182,221	95,115
	Bungalow expenses	136,209	11,275
	Inspection charge	122,840	397,440
	Advertisement	106,575	-
	News paper & periodicals	65,640	45,840
	Stamp duty	57,275	49,200
	Staff welfare	9,452	2,655
	Crown land tax	5,000	5,000
	Donation	2,500	63,000
	Travelling	1,238	1,780
	Building insurance	-	120,514
		21,792,000	**16,841,466**
9	**Fees, commission & others**		
	Legal fees	263,017	12,800
	Audit fees	80,000	64,200
	Professional fees	62,500	205,000
	Bank charges	22,337	26,894
	Provision for loan loss	-	1,572,922
		427,854	**1,881,816**
10	**Tax expense**		
	Adjusted profit from business income on finance service		
	Surplus before tax	**83,676,033**	**60,496,232**
	Adjustments	**(839,032)**	**3,715**
	Aggregate expenses disallowed for tax	8,769,910	6,101,770
	Aggregate deductible expenses for tax	(4,015,270)	(691,149)
	Adjusted profit from business income on finance service	**87,591,642**	**65,910,568**
	Total taxable income	**87,591,642**	**65,910,568**
	Income tax expense - First 06 moths @ 18 %	-	5,931,951
	Income tax expense - balance 06 moths @ 30 %	26,277,492	9,886,585
		26,277,492	**15,818,536**

LADY LOCHORE LOAN FUND

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023

11	Property, plant & equipment cost/valuation	Balance as at 01.01.2023 (Rs.)	Additions During the year (Rs.)	Discarded During the Year (Rs.)	Balance as at 31.12.2023 (Rs)
	Free hold				
	Building	10,400,000	-	-	10,400,000
	Motor vehicles	16,008,750	-	-	16,008,750
	Electrical fixture & fittings	5,215,270	7,020,475	-	12,235,745
	Computer equipmen	6,737,770	-	-	6,737,770
	Furniture & fittings	1,444,168	36,841	-	1,481,009
	Office equipment	3,153,362	61,978	-	3,215,340
	Leased hold	98,000,000	-	-	98,000,000
		140,959,319	**7,119,295**	**-**	**148,078,614**

	Accumulated depreciation	Balance as at 01.01.2023 Rs.	Charge for the year (Rs.)	Discarded During the Year (Rs.)	Balance as at 31.12.2023 (Rs)
	Free hold				
	Building	8,666,664	247,619	-	8,914,283
	Motor vehicles	15,982,531	26,219	-	16,008,750
	Electrical fixture & fittings	3,534,886	684,829	-	4,219,715
	Computer equipmen	4,636,046	481,627	-	5,117,673
	Furniture & fittings	1,095,480	95,210	-	1,190,690
	Office equipment	1,591,833	219,961	-	1,811,794
	Leased hold	25,666,667	2,333,333	-	28,000,000
		61,174,107	**4,088,798**	**-**	**65,262,905**
	Written down value	**79,785,213**			**82,815,709**

12	Investment property Cost/Valuation	Balance as at 01.01.2023 (Rs.)	Additions During the year (Rs.)	Balance as at 31.12.2023 (Rs)
	Investment property	41,600,000	-	**41,600,000**
		41,600,000	-	**41,600,000**

	Accumulated amortization	2023.01.01 දිනට ශේෂය රු.	වර්ෂය සඳහා ගාස්තු රු.	2023.12.31 දිනට ශේෂය රු.
	Investment property	**17,333,336**	990,477	**18,323,813**
		17,333,336	990,477	**18,323,813**
	Written down value	**24,266,664**		**23,276,187**

			31/12/2023 (Rs.)	31/12/2022 (Rs.)
13	**Investment in fixed deposit**			
	FD in People's bank		97,497,665	118,840,782
	FD in N.S.B. city branch			
			97,497,665	**182,607,160**
14	**Inventories**			
	Stationery stock		700,070	831,508
	Printed stationeries		505,020	194,039
	Electric items		44,893	42,693
	Sanitary items		23,718	17,196
			1,273,701	**1,085,436**
15	**Other assets**			
	Interest receivable on fixed deposit		2,935,524	12,259,394
	Rent receivable		2,900,000	2,155,000
	Refundable deposit for water bottle		2,000	-
	Rent deposit receivable		-	529,071
			5,837,524	**14,943,465**
16	**Loan & advances**			
	Loans to employees of government institutions	**16.1**	625,006,548	486,486,212
	Staff loans and advances	**16.2**	13,168,191	14,444,270
			638,174,739	**500,930,482**
16.1	**Loans to employees of government institutions**			
	Government corporations & firms			
	Performing loans		611,610,664	477,264,926
	Non performing loans		14,836,342	12,407,638
			626,447,006	**489,672,564**
	Interest in suspense - non performing		(662,186)	(1,560,365)
	Provision of loan loss		(778,272)	(1,625,986)
			625,006,548	**486,486,212**
16.2	**Staff loans and advances**			
	Staff loans -new sheme-10 month		6,228,518	6,603,959
	Staff loans 10% (250,000)		4,166,954	5,992,544
	Staff loans 10% (100,000)		2,043,892	175,251
	Staff loans-tab loan 4.5%		688,096	1,622,946
	Cycles loans		30,231	40,320
	Festival advance		10,500	9,250
			13,168,191	**14,444,270**
17	**Cash & short term funds**			
	Peoples bank a/c no: 204200 2300 85389 (saving)		18,373,088	8,387,783
	Peoples bank a/c no: 204100 1600 85389 (current)		5,740,999	1,931,186
	Peoples bank a/c no: 204100 1800 85388 (current)		1,525,379	1,215,228
	Peoples bank a/c no: 204100 2500 85389 (current)		1,436,692	603,947
	Cash in hand		19,383	20,000
			27,095,541	**12,158,144**
18	**Retirement benefit obligation**			
	Balance at the beginning of the year		22,579,760	22,696,045
	During the year provision		3,551,926	(116,285)
	During the year payments		(2,087,730)	-
	Balance at the end of the year		**24,043,956**	**22,579,760**

			31/12/2023 (Rs.)	31/12/2022 (Rs.)
19	**Other current liabilities**			
	Rent deposit	19.1	9,649,434	9,320,571
	Accrued expenses	19.2	1,309,889	1,149,339
	Over recoveries on loans to government employees		908,717	3,561,238
	Creditors	19.3	330,913	296,745
	Refundable deposit		10,000	145,000
	Other refundable deposit - reliable & alert security (pvt) ltd		100,000	100,000
			12,308,953	**14,572,893**
19.1	**Rent deposit**			
	National savings bank		3,540,000	3,540,000
	Ceylon electricity board		2,700,000	2,700,000
	Ceylon electricity board - it		1,800,025	1,631,571
	Co-operative employees commission		1,489,409	1,350,000
	M.A.A. Associates		120,000	99,000
			9,649,434	**9,320,571**
19.2	**Accrued expenses**			
	Building maintenance		347,906	347,907
	Electricity		208,345	109,153
	Security charges		197,294	175,240
	Special allowances		174,504	131,367
	Annual bonus		89,271	27,813
	Audit fees		80,000	70,000
	Janitorial expenses payable		71,050	77,401
	Telephone		40,434	44,386
	Payee Payable		31,162	-
	Professional fee payable		30,000	25,000
	Water		16,664	11,014
	Stamp duty		16,350	12,225
	Overtime		6,112	10,843
	Printing & stationary		797	7,200
	Building insurance		-	98,657
	Salary areas		-	1,135
			1,309,889	**1,149,339**
19.3	**Creditors**			
	Suspense cr-s/l ledger		330,913	285,838
	Release the deeds		-	10,907
			330,913	**296,745**
20	**Income tax payable**			
	Balance at the beginning of the year		10,279,402	5,504,476
	During the year provision		26,277,492	15,818,536
	WHT credit		(3,256,527)	-
	Settlement for the year		(19,433,942)	(11,043,610)
	Balance at the end of the year		**13,866,425**	**10,279,402**