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தேசிய லொத்தர் சபை
National Lotteries Board

NATIONAL LOTTERIES

# වාර්ෂික වාර්තාව
# ஆண்டு அறிக்கை
# Annual Report

# 2024

# CONTENTS

# 01 OVERVIEW

# CORPORATE PROFILE & GUIDING PRINCIPLES

## CORPORATE PROFILE

### NAME OF THE INSTITUTION
National Lotteries Board

### YEAR OF ESTABLISHMENT - 1963

### LEGAL FORM
The National Lotteries Board (NLB) was established after abolishing Hospital Lotteries under the Finance Act.No.11 of 1963. The certain sections of the above act were repealed and amended in 1997 under the (amendment) Act. No. 35 of 1997and in 1998 under the (amendment) Act no.22 of 1998.

### ACCOUNTING YEAR END - 31st December

### REGISTERED OFFICE

| | | |
|---|---|---|
| ADDRESS | : | No. 32, Deshamanya N.W.J Mudalige Mawatha, Colombo 01. |
| OFFICE WEB SITE | : | www.nlb.lk |
| TELEPHONE | : | 0114607000, 0114607001 |
| FAX | : | 0114669443, 0114669475, 0114669463 |
| E-MAIL | : | info@nlb.lk |

### AUDITORS

Auditor General,
National Audit Office,
No.306/72,
Polduwa Road,
Battaramulla.

### BANKERS

Peoples Bank
Bank of Ceylon
Sampath Bank

# GUIDING PRINCIPLES

## VISION

The leader creating state investment through the contribution of all communities aimed at socio-economic development of the country.

## MISSION

A socially responsible esteemed organization marching towards a wonderful country with a competent and committed staff whilst earning the customer trust ensuring achievement of their aspirations through the introduction of innovative lotteries using modern technology.

## ORGANIZATIONAL GOALS

- To generate funds to meet the development needs of the Government
- To function as the best income generating institution to the Government among other Institutions
- To uplift the living condition of the people
- To Contribute to the employment of the Country

## OBJECTIVES OF THE BOARD

- To increase the contribution to the Government by increasing present level of revenue and Profitability
- To maintain the market leadership position
- To improve the operational efficiency
- To improve the infrastructure facilities of the institute
- To improve the efficiency and effectiveness among staff
- To achieve the customer satisfaction

## CORE VALUES

- We are responsible and accountable
- We are honest and transparent
- We trust team efforts and competence
- We use modern technology and desire change
- We believe in superior customer service

## CHAIRMAN AND THE BOARD OF DIRECTORS

### 1st period

**Chairman**
**Dr. Chameera C. Yapa Abeywardana**
(Up to 25.09.2024)

**Mr. Kelum Priyankara Liyanage**
Director
(Up to 03.10.2024)

**Dr. Vishakha W. Elepatha**
Director
(Up to 03.10.2024)

**Dr. Kithsiri Manchanayakke**
Director
(Up to 01.10.2024)

**Mr. Dinesh Vidanapathirana**
Director
(Up to 01.10.2024)

### 2nd period

**Chairman**
**Mr. M. D. C. A. Perera**
(From 27.09.2024)

**Mr. N. S. M. P. Ranjith**
Director
(From 07.10.2024)

**Dr. R. Rushandan**
Director
(From 25.10.2024)

**Ms. M.P.D.P. Pathirana**
Director
(From 07.10.2024)

**Mr. C. Gamage**
Director
(From 07.10.2024)

## TOP MANAGEMENT

**Miss. Hashini Jayasekara**
SLAS
MA (Sociology)
LLB, BA (Hons)
Attorney-at-Law, Notary Public,
Commissioner for Oaths
General Manager
(Up to 04.11.2024)

**Mr. A.M. Arif**
SLAS (Sp. Grade)
General Manager
(From 11.11.2024)

**Mr. Sanjeewa Edirisinghe**
Attorney –at-Law
MBS (Colombo)
Additional General Manager

**Dr. Harsha Bandara**
DBA, MBA, FCMA (UK), FCCA (UK),
AMSLIM, FCMA (SL), FCPM, FCAA, CGMA.
Chief Financial Officer
(Up to 02.09.2024)

## SENIOR MANAGEMENT

**Mrs. Geetha Perera**
Deputy General Manager
(Operational Finance)
(Up to 16.11.2024)

**Mrs. Kumudini Madalussa**
B. Com. Special (1st Class Hons - Peradeniya)
Deputy General Manager
(Revenue Finance)

**Mrs. Shyamini Balasuriya**
Attorney –at- law,
Notary Public & Commissioner for oaths,
Deputy General Manager
(Legal & Secretary to the Board)
(Up to 26.07.2024)

## MIDDLE MANAGEMENT

**Mr. Menura Chathuranga**
MBA, BBA
Asst. General Manager
(Sales)

**Mr. D.S. Weerarathne**
MBM, B.Sc. (Special-BM), PCM, CIHRM (Readimg)
Asst. General Manager
(Supply & Distribution)

**Mrs. R.A. Thanuja Sammani**
MFE, BBA (Special-Accountancy)
(Internal Auditor)

**Mr. Kasun Kurundukumbura**
MBS, PGDBM, BBA, AMSLIM, MCPM, AMISMM
Asst. General Manager
(Dealer Administration)

**Mr. Chrishan D. Jayasinghe**
MSc (IT & Mgt.), B.Sc. (Physical Science)
Asst. General Manager (IT)

**Mr. N. Chathura Prasanna Perera**
Chartered Accountant
MBA, B.Sc. Accounting (Special)
Asst. General Manager (Finance)
(Up to 21.11.2024)

**Mr. K.A. Achala Jayathilake**
B. Sc (MIS), DCSD (NIBM), MBCS, MCSSL, MICS
Asst. General Manager (IT)

**Mrs. H.M. Chandra Herath**
BA, ANDHRM
Asst.General Manager (Administration)

**Mrs. B.G.D. Nandika Roshani De Silva**
B.com (Special)
Asst. General Manager (Finance)

**Mr. Kapila Senanayake**
MBA
Asst. General Manager
(Marketing)

**Mr. Suneth Jayawardena**
MBA, BBM (Marketing)
Asst. General Manager (Procurement)

## JUNIOR MANAGEMENT (INTERNAL)

01. **Mr. S.D.A.Vithana**
MIAESL, NDT Auto Eng., IAE II., CGTTII (Auto), DPHRM, Transport Officer

02. **Mr. Lasantha Ravindra Kumara**
Sales Officer

03. **Mrs. Danisha Goonasekara**
MBA, B.com (Accounting & Finance), Finance Officer

04. **Mrs. M.G. Vimukthi Kaushalya**
MBS, PG Dip (HRM), CQHRM, PQHRM, AM–CIPM(SL), AM-CIPD(UK)
Administrative Officer

05. **Miss. L. Sanjeewani**
MBA, PQHRM, Personal Assitant

06. **Mrs. D.M.D.L. Pushparani**
EMSC (Digital Marketing), MA (Mass com), PG Dip. (Human Rights), BA
Communication Officer

07. **Miss. Priyani Hinguruduwa**
Prizes Payment Officer

08. **Mrs. H.A. Deepa Priyangani**
Cashier Officer

09. **Mr. Niroshan Wijayawardana**
Procurement Officer

10. **Miss. N.N.M.A. Upeka Nillegoda**
MA (Economics), PG Dip (Economics & Statistics), BA, ANDHRM
Human Resources Officer

11. **Mr. A.M. Danushka Aththanayake**
B.com (Special), Passive Lottery Officer

12. **Mrs. Shirani Kalupahana**
Closing & Checking Officer, (Up to 29.04.2024)

13. **Mr. G.V.G. Rohana Hettiarachchi**
Sales Officer

14. **Mrs. S.M. A. Samarathuranga**
BA, Marketing Officer

15. **Mr. J.M. Amila Madushanka**
NDES (Civil Engineering), Dip EAE, Maintenance Officer

16. **Mr. J.K.D. Buddika Jayaneththi**
B.Sc. (Special - Agriculture), Instant Lottery Officer

17. **Mr. K.S.M. Fernando**
PG Dip (MIT), B. Sc. (MIS), HDCBIS(NIBM), DCSD(NIBM), MBCS, MCSS
System Administrator / Programme Analyst

18. **Mrs. S. Priyani Kodithuwakku**
M. Bus (Accounting), B. Sc. Financial Management (Special), Finance Officer

19. **Mrs. S.M. Dilupa Nilmini Jayaweera**
Promotion Officer

20. **Mrs. A. Kumudini Jinadasa**
PGDBFS (CA Sri Lanka), EDABS (CA Sri Lanka), Advertising Officer

21. **Mr. U.G.S.B.W. Kelani**
Distribution Officer

22. **Mrs. A.A.Thanuja Samanthini**
MPA, B.Sc. (Pub. Admin), ANDHRM, LLB (Reading)
Dealer Administrative Officer

## JUNIOR MANAGEMENT (FIELD)

01 **Mr. P.N. Prageeth Uyangoda**
B. Sc. (Special Mgt. Pub.), Territory Manager

02 **Mr. K.N. Tharaka Liyanage**
PG Dip (Marketing Management), Territory Manager

03 **Mr. B. Chinthaka Gunerathna**
MA (Economics) Reading, BBA (Special), Territory Manager

04 **Mr. Pradeep Rathnasoma**
BBM (Special - HR), Territory Manager

05 **Mr. A. Manjula Wanniarachchi**
B. Sc (Special-Marketing), Territory Manager

06 **Mr. K. Nevil Dimuthu**
B. Sc. (Special - Marketing), Territory Manager

07 **Mr. M.G.L. Rohitha Senarathne**
BBM (Special - Marketing), Territory Manager

08 **Mr. K.A. Hiron Lasantha**
MPhil, MA (Mass Com), BA(Hons), Territory Manager

09 **Mr. R.P. Sarath Jayanama**
MA (Economics), B. Sc. (Special - BA), B. Sc. Psychology Counseling (NUST),
MSc. Psychology (Reading), Territory Manager

10 **Mr. K.L. Priyantha**
B. Com (Special), HND (Industrial Development Management), Territory Manager

11 **Mr. M.M. Sumith Wijethilaka**
PG Dip (BM), B. Sc. (Special – HRM), ADIM(NIBM), CBA(CASL)
Territory Manager

12 **Mr. M.M.P. Manjula Kumara**
BBA (Special - Finance), Territory Manager

13 **Mr. W.A.K.P. Wijerathna**
BBM (Special - Marketing), Territory Manager

14 **Mr. B. Nuwan Chandrakumara**
BBA (Special – Marketing), AM SLIM, Territory Manager

15 **Mr. R.A. Gayan Nishara**
BBA (Act Special) Degree

16 **Mr. W.P.D. Kumara Rajapaksa**
MBM, PG Dip (Marketing), HND Mgt., Territory Manager

17 **Mr. S.K. Darshana Karunathilake**
BMS (Special – Marketing & Advertising), ESBM, MAAT, Territory Manager

18 **Mr. A.A.G.S. Wanniarachchi**
BBA (Special - Accounting), Territory Manager

19 **Mr. T.M.S.D. Kumara Jayasundara**
B. Sc (Applied Mathematics and Computing), Territory Manager

20 **Mr. Sundaralingam Naresh**
MBA, BBA (Hons) (Special - Financial Management), Territory Manager

21 **Mr. I. Thanes Emirson**
BBA, Territory Manager

22 **Mr. Sivarajah Barathan**
B. Eng. (Electronic & Telecommunication), Territory Manager

23 **Mr. Vajithilingam Thuvaragan**
BBA,Territory Manager

24 **Mr. G.R.C. Thilakarathne**
BA, Territory Manager

25 **Mr. W.K.D. Wedagedara**
PG Dip. (BM), BA (Special - Economics), Territory Manager

# HISTORY AND MILESTONES

## History

Originally the lottery was set up in Sri Lanka by the Government to finance the health services of the country. In 1949 the Minister of Local Government, proposed to the Government to set up a lottery in order to improve and expand the health services of the country. As a result of this proposal Hospital Lotteries Board was established under the Act. No. 04 of 1955.

In 1960s, the government felt the need to widen the scope of activities of organized lottery in Sri Lanka. Funds were needed for development projects apart from the health services.
As a result of this, the National Lotteries Board was established after abolishing the hospital lotteries under the Finance Act.No.11 of 1963 to generate funds for the development of the country.

## Milestones

### 1st Decade -1963 - 1972

**1963** Establishment of NLB under Finance Act no.11 of 1963.
**1964** First draw of the Jathika Lottery at Torrington Square (20/02/1964).
**1965** First Benz car offer.
**1967** Opened the first Branch office – Ratnapura.
**1968** Introduction of Jathika Sampatha Lottery.
**1970** Converted Jathika Sampatha lottery to Mahajana Sampatha lottery (28/07/1970).

### 2nd Decade -1973 - 1982

**1975** Shifted to new Building at No.111/1, Sir Chiththampalam A. Gardiner Mawatha.
**1977** Increased the price of Jathika Lottery from 50 cts. To Rs.1/-.

### 3rd Decade -1983 - 1992

**1987** Introduction of Supiri Jathika lottery (11/04/1987).
**1988** Increased the price of Mahajana Sampatha from Rs.1/- to Rs.8/-.
Introduction of Lotto lottery (Sep 1988).
First draw of the Mahajana Sampatha over the Rupavahini (10/05/1988).
**1989** Increased the prize of Mahajana Sampatha from Rs.8/- to Rs.10/-.
**1992** Introduction of Airport Super Draw Lottery.

### 4th Decade -1993 - 2002

**1994** Introduction of Vasana Sampatha lottery.
**1995** Introduction of Govisetha lottery.
**1996** Introduction of Samurdhi lottery.

**1997** Introduction of Shrama Vasana lottery.
Amalgamation of the Sevana lottery with NLB.
**1999** Introduction of Supiri Vasana lottery.
**2000** Introduction of Jayaviru lottery.

## 5th Decade - 2003 - 2012

**2004** Introduced Sarana lottery to generate financial assistance for Tsunami Victims.
Established Welfare & Thrift funds to provide benefits to employees.

**2005** Mahajana Sampatha was awarded most preferred brand for 2005 under the Banking, financial services category conducted by SLIM.

**2006** Introduced the Suwasetha lottery after abolishing the Lotto lottery.
Offered the highest ever Super Prize from the Mahajana Sampatha lottery (Rs.61.3mn).

**2007** Introduced New Airport lottery
The price of the Airport Super Draw lottery was increased from US $ 25 to US $ 50.

**2008** The price of the passive lottery tickets was increased from Rs.10/- to Rs.20/- (02/09/08).

**2010** Introduced the Jathika Sampatha Lottery in place of Shrama Vasana and Suwasetha Lotteries.
Mahajana Sampatha lottery was introduced to Sundays too.

**2011** Passed the Rs.10 billion marks in sales for the year (1st time in the history)
Supiri Vasana Sampatha Lottery was introduced to Wednesdays in place of Jayaviru lottery which was abolished.
New Airport lottery was drawn.
Offered five super prizes over Rs.10 mn within a 3 weeks period which Included 4 back to back su per prizes in a row.

**2012** Introduced a new lottery named Sampath Rekha.
Govisetha Lottery was introduced to Thursdays too.
Vasana Sampatha lottery was introduced to Mondays too.

## 6th Decade (2013 – 2022)

**2013** Super Prize of Govisetha lottery was increased from Rs.10 Mn to Rs.40 Mn.
Super Prize of Sampath Rekha lottery was increased from Rs.5Mn to Rs.10 Mn.
Introduced Mega 50 lottery on behalf of 50th Anniversary of NLB.

**2014** Introduced a new lottery named Power Lotto.

**2015** Implemented "Divisarana "Insurance scheme for lottery sellers (June 2015).
Introduced a new lottery named Neerogha (25.07.2015).
31st Airport Superdraw draw was held (31.08.2015).
Commenced drawing three passive lottery draws in a single day from (01.09.2015).
Held Dealer convention award ceremony for the 1st time named "Mahathma" (December 2015).

**2016** Achieved Rs.20.0 billion Sales target.
Introduced Doller Fortune Lottery (30.03.2016).
Abolished "Power lotto" lottery and introduced "Mega Power" Lottery (11.05.2016).
Introduced Supiri Delakshapathi lottery (27.05.2016).
Started selling lotteries through SMS.
Manusath Mehewara lottery has been introduced in order to assist to the flood affected people. (04.08.2016).
Kept foundation stone to construct head office building at Vauxall lane land (01.12.2016).
National Business Excellence award state sector service – Runner up
(Organized by National Chamber of Commerce).

**2017** Mahajana Sampatha Lottery draw was scheduled for five days a week except Wednesday and Saturday. (From May 2017).

Govisetha Lottery draw was scheduled for five days a week except Friday & Sunday (From June 2017).

Sevana Lottery was launched as a draw lottery with luxury house as the super Prize.

Super Prize of the Govisetha Lottery was increased from Rs.40Mn to 60Mn from 26th October 2017.

Introduced four draws per day except Sundays from July 2017.

NLB received a merit award for the state sector at the National Business Excellence Awards ceremony 2017. (Organized by National Chamber of Commerce)

NLB received the 2nd Runner up for the best commercial for "Mahajana

Sampatha "in Sumathi Tele Awards held in September 2017.

**2018** Product Mix was changed from 01st January 2018.

Govisetha Lottery draw was scheduled for Seven days a week from 5 days a week previously.

Mega power draw was increased to 3 days from 2 days a week.

Jathika Sampatha Super prize was increased to Rs.10 million from Rs.5 million from January 2018.

Neerogha Super prize was increased to Rs.10 million from Rs.5 million from January 2018.

Dhana Nidhanaya lottery was introduced on 2nd April 2018 and initial draw was held on 25th May 2018.

Sampath Rekha and Delakshapathy lotteries were stopped.

NLB shifted to a new building at No.32, Mudalige Mw. Fort from October 2018.

Colombo Airport Super Draw was held on January 2018

**2019** Daru Diri Sampatha Lottery was introduced to the Market on 14.11.2019. (01st Draw on 30.01.2020)

Mahajana Sampatha 4000th draw (Rankirula) was held on 06.09.2019.

**2020** Supiri Vasana Lottery Prizes structure was changed on 11.07.2020 and Super Prize reduced from 10Mn to 2.5Mn and First Prize reduced from 1Mn to 500,000/=.

Introduced five Draws per day from 08.07.2020.

Mahajana Sampatha, Mega Power &Dhana Nidhanaya lottery drawn an all 07 days per week.

Highest ever Super Prize (Rs.236 Mn) was offered from Mega Power Lottery in history.

Mahajana Sampatha 50th Anniversary celebration was held on 26.09.2020.

Worldwide Corona Pandemic had an adverse effect on lottery industry as well from March 2020 onwards which led to closure of business for over 02 months.

**2021** Following changes were made in Product Portfolio.

Vasana Sampatha Lottery - New prize structure was introduced from 15th February.

Prizes percentage was increased from 47% to 52% & first prize of Rs.1 mn was reduced to Rs.500,000/-.

Supiri Vasana Lottery -New prize structure was introduced from 16th February, Prizes percentage was increased from 49% to 52% & first prize of Rs, 1 mn was reduced to Rs.500,000. Draw days were changed from Monday, Saturday to Tuesday, Friday and Sunday from 25th July 2021 onwards.

Jathika Sampatha Lottery - Draw Days were changed to Monday and Thursday from 02nd August 2021. Earlier it was Wednesday and Saturday.

Mega power Lottery - New prize structure was introduced from 15th February 2021. Accordingly, Mega Super Prize was increased from Rs.50 Mn to Rs.100 Mn or more and Power Super Prize and Grand super prize were fixed as Rs.10Mn.

Darudiri Sampatha Lottery – New Prize structure was introduced from 21st February 2021. Accordingly, Prize percentage was increased from 47% to 52% & first prize of Rs.1 mn was reduced to Rs.500, 000/-.

Introduced Sampatha Lagna Varama Lottery from 25th February 2021 instead of Neerogha lottery which was abolished on 06th November 2020.

**2022** Following changes were made in Product Portfolio.

- Sampatha Lagna Varama Lottery was temporarily discontinued from 28th October 2021.
- Supiri Vasana lottery was temporarily discontinued from 21st January 2022.
- The lottery named "NLB Handhana"was introduced from 27th January 2022.
- Vasana Sampatha was temporarily discontinued from 02nd March 2022.
- Sevana Passive lottery was temporarily discontinued from 02nd March 2022.
- Daru Diri Sampatha lottery was temporarily discontinued from 10th May 2022.
- From 3rd June 2022 onwards Jathika Sampatha lottery draw was conducted in all seven days of the week.

The Govisetha lottery prize percentage was increased from 47% to 49% from 14th March 2022.

The Dollar Fortune Lottery Draw was conducted on 7th December 2022. The winner was from India.

The Mega Power prize percentage was increased from 48% to 50% from 19th January 2022.

## Current Decade (2023 – 2032)

**2023** The sixtieth anniversary of the National Lotteries Board was celebrated.

From 6th July, 2023 on word the price of the all-lottery tickets has been revised from Rs.20/- to Rs.40/-.

Two special lottery tickets named NLB Mega Millions (Rs.1,000/-) and Mega 60 (Rs.100/-) were conducted to celebrate the 60th anniversary.

Jathka Sampatha lottery was abolished from 05th July 2023 and new lottery named Lucky 7 was introduced to the market instead of Jathika Sampatha lottery.

Name of the lucky 7 lottery was changed as Lucky 7 VIP from 22nd November 2023.

**2024** Ada Sampatha lottery was introduced from 21st March 2024.

NLB Jaya Lottery was launched on 31st December 2024.

# PRODUCT PORTFOLIO

## 01. PASSIVE TYPE LOTTERIES

### MAHAJANA SAMPATHA

**Description**
Oldest Lottery in the Lottery market. Price of this ticket is Rs. 40/-.

**Draw Days:** All 7 days of the week.

**Prizes**
A super prize of Rs.20 Mn or more, a first prize of Rs.2.5Mn and other Attractive prizes. Prizes percentage was 50%.

**Contribution**
16.5% of the turnover was contributed to Consolidated Fund.


### GOVISETHA

**Description**
Introduced to the Market In 1995 on behalf of the Ministry of Agriculture with the objective of generating funds for the "Farmers Trust Fund".
Price of this ticket is Rs. 40/-.

**Draw Days:** All 7 days of the week.

**Prizes**
A super prize of Rs.60 Mn or more, a first prize of Rs.2 Mn and other attractive prizes. Prizes percentage was 49%.

**Contribution**
10% of the turnover was contributed to Consolidated Fund.


### MEGA POWER

**Description**
This Lottery was introduced in 11th May 2016. Price of this ticket is Rs. 40/-.

**Draw Days:** All 7 days of the week.

**Prizes**
Three major Prizes as follows and also Two million first Prize and other attractive prizes.

Mega Super Prize - 150.0 Mn or more
Power Super Prize - 10.0 Mn or more
Grand Super Prize - 10.0 Mn or more

Prizes percentage was 50%.

**Contribution**
10 % of the turnover was contributed to Consolidated Fund.

## DHANA NIDHANAYA


**Description**

This Lottery was introduced on 2nd April 2018. Price of this ticket is Rs. 40/-.

**Draw Days:** All 7 days of the week.

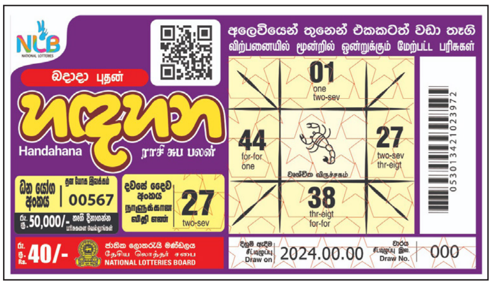
**Prizes**

A super prize of Rs.80. Mn or more, a first prize of Rs.2 Mn and other attractive prizes. Prizes percentage was 49%.

**Contribution**

10% of the turnover was contributed to Consolidated Fund.

## NLB HANDAHANA




**Description**

This Lottery was introduced from 27th January 2022. Price of this ticket is Rs. 40/-.

**Draw Days**: All 7 days of the week.

**Prizes**

A super prize of Rs.3 Mn or more, a first prize of Rs.1 Mn and other attractive prizes.

Prize percentage was 53%.

**Contribution**

10% of the turnover of the Monday, Tuesday and Wednesday draws are sent to the Ranaviru fund of Ranaviru Seva Authority through Consolidated fund.

10% of the turnover of the Thursday, Friday, Saturday and Sunday draws are sent to the Sports fund of Ministry of Sports and Social Service Fund through Consolidated fund.

## LUCKY 7


**Description**

The Board introduced this lottery in place of Jathika Sampath lottery from July 2023. Price of this ticket is Rs. 40/-.

**Draw Days:** All 7 days of the week.

**Prizes**

A super prize of Rs.20 Mn or more, a first prize of Rs.2.5Mn and other Attractive prizes. Prizes percentage was 57%.

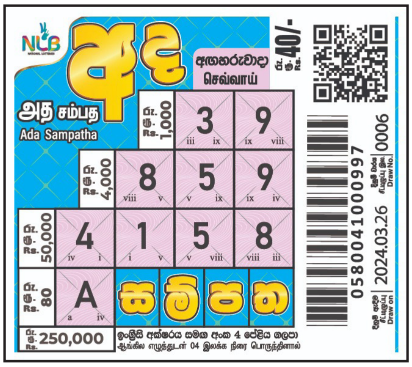
**Contribution**

10% of the turnover of the Wednesday draw was sent to Ministry of Health and 10% of the turnover of the Saturday and Sunday draws were sent to the Ministry of Labour Relations and Productivity Improvement through Consolidated Fund. 10% of the turnover of the Monday, Tuesday, Thursday draws were sent to the consolidated fund and 10% of the turnover of the Friday draw was sent to the National Kidney Fund.

## ADA SAMPATHA

**Description**

This Lottery was introduced from 21st March 2024. Price of this ticket is Rs. 40/-.




**Draw Days:** All 7 days of the week.

**Prizes**

First prize of Rs.250,000/- and other attractive prizes. Prizes percentage was 58%.

**Contribution**

10% of the turnover was contributed to Consolidated Fund.

## 02. INSTANT LOTTERIES

## SEVANA

**Description**

This was introduced in 1985 to generate funds for the construction of houses. This is the most popular Scratch type lottery in the market which adopts the internationally accepted scratch and match technology. This lottery was conducted by Sevana, a separate institution and was subsequently amalgamated with NLB in the late 1997's. Price of this ticket is Rs.40/- and Rs.50/-.


**Contribution**

10% of the turnover was contributed to National Housing Fund of Ministry of Housing through Consolidated Fund.

## SAMURDHI

**Description**

Introduced to the market in August 1996 to generate funds for the Samurdhi Authority. This was the first scratch type instant lottery introduced by NLB to the market. This lottery also a dopts the internationally accepted scratch & match technology to determine the winners. Price of this ticket is Rs.50/-.


**Contribution**

10 % of the turnover was contributed to the fund of Ministry of Samurdhi & Youth Affairs through consolidated fund.


# EXECUTIVE STATEMENTS

02

## CHAIRMAN'S REVIEW

It is my pleasure to address you through the Annual report of National Lotteries Board for the year 2024 which was in fact the 1st operational year since assuming duties by me.

The National Lotteries Board performed the lottery market as pioneers despite the severe competition in the lottery industry by facing various challenges which are occurred in economy with high strength and unobstructed courage. I am very proud to say we reached to 37.9 bn turnover level and we performed very well by making steady progress despite the challenging risk in the lottery industry.

### Operational performance

The turnover in 2024 was Rs. 37,983. 2 million compared to Rs.32,014.2 million recorded in 2023 which showed an increase of Rs.5,969 million. This indicated a 18.6% increase over the previous year. This total turnover consists of 99.13% from passive lotteries and 0.87% from scratch lotteries.

Based on the sales increase, all the statutory payments such as prizes, Agency Commission and Contribution to Consolidated Fund were increased vesting massive reliable results to society.

The prices distribution in 2024 was Rs.19,617.6 million compared to Rs.16,671.4 million recorded in 2023 which showed an increase of Rs.2,946.2 million. Under this prizes payment the Board produced 41 super prize winners during the year and distributed total amount of Rs. 849.8 million among them.

The board paid a sum of Rs.7,596.9 million as agency commission in the year under review compared to Rs.6,526.9 million in 2023, a remarkable increase of Rs.1,069.5 million. This is a clear indication that the benefits of sales increase are passed on to the dealer network thus increasing their income levels.

The total Government contribution directly to the Consolidated Fund and indirectly to taxes in the year. 2024 was Rs.8,921.4 compared to Rs.7,311.4 million recorded in 2023 which showed an increase of 1,610.0 million.

The board's gross profit for the current year was Rs.3,044.1 Mn as against Rs.2,024.4 Mn in the previous year, an increase of Rs.1,019.7 Mn. Operating expenses indicated a remarkable decrease to Rs.2,289.9 Mn in 2024 from Rs.2,502.3 Mn in 2023. (Decreased of 9.2%)

The Board's profit before tax in 2024 was Rs.1,693.2 Mn and in comparison to Rs.844.8 Mn in 2023, it is an increase of Rs.848.4 Mn. The profit for the year is Rs.1,504.2 Mn in the year under review as against the profit of Rs.650.8 Mn recorded in the previous year, an increase of Rs.853.4 Mn.

### Next Year expectations

The board has budgeted a turnover figure of Rs. 40.5 Bn in 2025 which is an increase of around 6.8% over the previous year. The Board will be focusing on special strategies to achieve the budgeted sales in 2025. Despite the competition in the lotteries field the Board is planning to further strengthen the sales through new strategies.

The agency network which is the driving force of lottery sale will be further reinforced by providing more infrastructure facilities such as new sales counters, stickering facilities etc. It is expected to restructure the network of sales outlets in a more attractive appearance with the consultation of local authorities and other Government institutions such as Road Development Authority. Preliminary discussions have been held with the Clean Sri Lanka Secretariat.

Board expects to implement the digital lotteries to enhance the performance of the board and steps will be taken to increase digital lotteries.

## Acknowledgements

I wish to pay my deepest gratitude to His Excellency the President and Finance Minister for placing trust in us and due guidance and directives. I further express my gratitude to Hon, State Ministers.

I specially thank the officials of the Presidential secretariat, the Ministry of Finance and Treasury Departments for providing valuable advice right through the year.

I express my heartiest gratitude to my colleagues of the Board for the kind support extended during the year.
It is not an easy task to achieve Rs.37.9 bn turnover facing the challenging competition in the lottery market. To record this performance all stakeholders were given their valuable support to the Board. Accordingly, I wish to convey my sincere gratitude to the management and entire staff. I convey my thanks to our distribution network; district dealers, agents and sellers island wide for the valuable support extended during the year. My gratitude goes out to the customers for placing their confidence and trust in our product portfolio and hope they will be with us in future too.

I also wish to thank the Auditor General and his staff, for extending valuable support and guidance to make better results, the examiner of questioned documents for examining the printers for supplying tickets in time, People's Bank our main banker and other banks for the excellent services provided during the year.

Finally let us hope that the momentum will be continued for year 2025 to sum up even better.

Mr. M.D.C.A. Perera
Chairman,
National Lotteries Board.
26th February, 2025.

## Performance Report of General Manager

It gives me great pleasure to write the Performance Report 2024 of NLB which completed over six decades of invaluable service to the public.

The Board conducted seven draws daily throughout the year in addition to conducting several special draws. The board increased the number of daily draws from 6 draws to 7 draws from 21st March 2024. A new lottery name Ada Sampatha was introduced to the market as a preventive action to minimize the threat occurred in the market for Mahajana Sampatha Lottery.

### Operational Review

The Board achieved a sales turnover of Rs. 37,983.2 million in 2024 as against Rs.32,014.2 million in 2023 which was a remarkable increase of Rs.5,969.0 million.

Contribution of Passive lotteries amounted to Rs.37,653.1 million out of a total of Rs. 37,983.2 million while scratch lotteries contribution only Rs.330.0 million towards total turnover.

While the Board's direct Government contribution (special levy) was Rs.4,510.1 million on turnover in 2024 as against Rs.3,841.9 million in 2023, and special levy of Rs. 1,060.0 was paid to the Consolidated fund on request. The total contribution to the Government along with taxes in the current year was Rs.8,921.5 million as against Rs. 7,311.6 million in the previous year.

The agency commission payments in year 2024 was Rs.7,596.5 million compared to Rs.6,526.9 million in 2023. The prizes paid in year 2024 was Rs.19,617.6 million as against Rs. 16,671.4 million in 2023. Both agency commission and prizes indicated significant increases in line with increased sales.

The Board's other income was Rs.939.2 million in year 2024. The Board's operating expenses were Rs.2,290.1 million in 2024 which was 6.0 percent on turnover compared to Rs.2,502.3 million in the previous year which was 7.8 percent on turnover. The operating expenses decreased by Rs. 212.2 million in the current year compared to previous year.

The net surplus before tax for the year 2024 was Rs.1,693.2 million, 4.4 percent on turnover as opposed to Rs.844.8 million, 2.6 percent on turnover reported in 2023. This showed a significant increase of Rs.848.4 million compared to the previous year. The Board's profit after tax in year 2024 was Rs.1,504.2 million in comparison to Rs.650.8 million in the previous year. Overall, the year 2024 showed better results in terms of sales income and profit before and after tax.

NLB financial statements are divided into two segments viz lottery operation which is the main business and investment operation. Segmental analysis indicated lottery operation recording. Rs.978.0 million and investment operation recording Rs.715.2 million while the figures after tax for lottery operation was Rs.1,003.5 million and investment operation contributing Rs.500.6 million towards overall figure of Rs.1,504.2 million.

I believe that all parties will continue to join hands with us to achieve future aspirations.

General Manager
National Lotteries Board
Colombo
26th February, 2025

# REPORT OF THE AUDIT & MANAGEMENT COMMITTEE

## Introduction

As per the section 41 (2) of the National Audit Act No.19 of 2018, it is mandatory requirement to establish an Audit and Management committee within an entity audited by the National Audit Office. According to the section 41 of the National Audit Act, Audit and Management Committee reviews the financial and asset management and all aspects of the entity to ensure that the resources are used economically and efficiently for the purpose of achieving the predetermined objectives of the organization.

## Composition of the Audit and Management Committee

The Audit and Management Committee of the National Lotteries Board comprises of the following members, who conduct the committee preceding in accordance with the terms of reference approved by the relevant authorities.

### 1st period

| | | |
|---|---|---|
| Dr.Vishakha W.Elapatha | - | Chairperson (Director - Up to 03.10.2024) |
| Mr.Kelum Priyankara Liyanage | - | Member (Director - Up to 03.10.2024) |
| Mr.Dinesh Vidanapathirana | - | Member (Director - Up to 01.10.2024) |
| Dr.Kithsiri Manchanayakke | - | Member (Director - Up to 01.10.2024) |

### 2nd period

| | | |
|---|---|---|
| Dr. R. Rushandan | - | Chairman (Director From 25.10.2024) |
| Mr. C. Gamage | - | Member (Director - From 07.10.2024) |
| Ms. M. P. D. P. Pathirana | - | Member (Director - From 07.10.2024) |
| Mr. N. S. M. P. Ranjith | - | Member (Director - From 07.10.2024) |
| Mrs. Renuka Colombage | - | Observer (Chief Financial Officer – Internal Audit Division, Ministry of Finance Economic Stabilization & National Policies) |
| Mr. L. K. Pathirage | - | Superintendent of Audit (Government Audit Branch) |
| Mrs. R.A. Thanuja Sammani | - | Internal Auditor (Convener) |
| Mrs. Shyamini Balasuriya | - | Secretary (DGM Legal and Secretary to the Board) |

Note: Member of the Board of Directors of National Lotteries Board were changed in October 2024.

## Scope of the Audit and Management Committee.

The committee should meet on a regular basis at least once in three months with the Internal Auditor as convenor and should submit its observation to the Board of directors with recommendations for necessary action. The scope of the committee includes followings;

a) Determination of the responsibilities of the Internal Audit Unit and review of the annual audit plans.

b) Review and evaluate internal control systems for all activities of the entity.

c) Review performance at regular intervals for cost effectiveness and to eliminate wasteful expenditure etc.

d) Lease with external auditors and follow up on Auditor General's letters.

e) Ascertain whether statutes, regulations, rules and circulars are complied with.

f) Review financial statements to ensure compliance with accounting standards.

g) Review internal audit /external audit reports, management letters for remedial action.

h) Review implementation of recommendations/directives of the committee on Public Enterprises.

## Internal Audit.

Internal Auditing is an objective assurance and consulting activity designed by management to add value and improve the organization's operations. It helps the organization to achieve its strategic objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The Annual Audit Plan is a risk-geared audit plan which is reviewed by Management as well as the Audit Committee of the National Lotteries Board. It is consequently approved by the Board of Directors.

## Performance of the Audit & Management Committee in year 2024.

The Audit committee of NLB assessed the internal control system of the institution in a way that would increase the efficiency and productivity of all functional areas and provided necessary guidance to overcome the deviations observed. Moreover, while reviewing the matters highlighted by internal and external audit reports, steps were taken to suggest appropriate remedial measures to the Board of Directors and also to report the progress on the actions taken for the relevant authorities.

There were four (04) meetings conducted for the year 2024 and it is appreciated the support and contribution extended by the members and observers of Audit and management Committee, the Chairman of NLB, Members of the Board of Directors and Senior Staff to facilitate the functions and responsibilities of Audit and Management Committee.

Dr. R. Rushandan
**Chairman,**
Audit & Management Committee,
National Lotteries Board.
26th February, 2025.

# FINANCIAL STATEMENTS AND INFORMATION

03

## Auditor General's Report

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

My No: PUR/G/NLB/FA/01/24/41 Date: 11th June 2025

Chairman
National Lotteries Board

Financial statements of the National Lotteries Board for the year ended on 31st December 2024 and the Auditor General's Report in terms of section 12 of the National Audit Act no. 19 of 2018 on other legal and regulatory requirements

### 1. Financial Statements

#### 1.1 Qualified Opinion

The audit of the Statement of Financial Position of the National Lotteries Board as at 31st December 2024 and Comprehensive Statement of Income for the year ending on the same day, Statement of Changes of Titles and Statement of Cash Flow and relevant notes of financial statements for the year ending on 31st December 2024 and a summary of significant accounting policies was carried out under my direction and in terms of the provisions of the Finance Act No. 38 of 1971 and the National Audit Act no. 19 of 2018 read with the Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. In terms of Article 154(6) of the Constitution, my report will be tabled in Parliament in due course.

In my opinion, except for the matters described in the basis for the qualified opinion in my report, the financial statements give a true and fair view of the financial position of the National Lotteries Board as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

#### 1.2 Basis for the Qualified Opinion

(a) Two circuit bungalows built on lands of Anuradhapura and Mannar obtained upon lease contrary to Paragraph 30 of Sri Lanka Accounting Standards No. 40 had been measured according to the fair value model and during the year under review it had been identified under cost model and amortized by Rs. 2,485,500. Accordingly, the board had not used the accounting policy continuously and the said alteration made to the accounting policy had not been revealed under the notes of Financial Statements too.

(b) Final judgments on 4 cases, hearing in the Labour Tribunal regarding the termination of service of 04 Television Announcers by the Board and a case filed in the Supreme Court by the Board against a judgment, granted by the Labour Tribunal regarding a compulsory retirement of an employee of the Board have not been granted until 31st December 2024 and in terms of paragraph 40 of Sri Lanka Accounting Standards 37, it had not been revealed by Financial Statements.

(c) In accounting payments for lottery prizes for the year under review by the Board, an amount of Rs. 199,381,719 for payment under special numbers of 05 categories of lotteries had not been accounted under common pattern of making payments for prizes and such amount had been accounted by using prize reserves of the previous year.

(d) An amount of Rs. 76,501,720 of unclaimed special cash prizes beyond 06 months of 05 categories of lotteries held from 01st January 2024 to 30th June 2024 contrary to the provisions of Section (4) 16 of the Finance Act No. 11 of 1963 and Sections 4(4) and (4)5 of Amendment Act No. 35 of 1997 had not been credited to the Consolidated Fund and such amount had not been identified as a payable obligation and accounted too.

(e) A total amount of Rs. 37,584,371 deposited in the savings account of the People's Bank by lottery sales representatives from 01st January 2024 to 30th June 2024 had been marked as unidentified credit balance of the bank reconciliation statement, submitted as at 31st December without accounting the same in Financial Statements of the year under review.

(f) A shortfall of Rs. 119,600 of sales income of lotteries, submitted by Financial Statements of the year under review was observed when comparing with daily sales income reports, obtained through Fortune Computer System of the Board.

(g) Loan balances of Rs. 1,518, 203, due from two employees of the Board had been marked as various due income in Financial Statements, submitted as at 31st December 2024.

I performed the audit in consistent with the Sri Lanka Accounting Standards. My responsibility under these accounting standards has been further described in the part called Responsibility of the Auditor regarding the Auditing of Financial Statements. I believe that auditing evidences I have obtained to create a basis for my qualified opinion are adequate and appropriate.

### 1.3 Other Details of the Annual Report of the Board of 2024

Other details mean the details that are expected to be submitted to me after the date of this Audit Report and included in the Annual Report of the Board of 2024 but not included in financial statements and my Audit Report in that regard. The management shall take responsibility for these other details.

Other details are not covered by my opinion on financial statements and I do not express any certification or opinion in that regard.

My responsibility regarding my audit on financial statements is to read on when other details identified above become available and consider whether other details are quantitatively inconsistent with my knowledge of financial statements or audit or otherwise obtained.

If I concluded that quantitative mistakes are available in the Annual Report of the Board of 2024, then such details shall be communicated to parties by whom control rectifications. If not rectified misinterpretations are available, in terms of Article 154(6) of the Constitution, I will incorporate them to the report that is tabled in Parliament in due course.

### 1.4 Responsibilities of the 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 Board'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 intend to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

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

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Board is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Board.

### 1.5 Auditor's responsibility regarding the audit of financial statements

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards 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.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The significant audit findings, key internal administrative defects and other matters identified during my audit are communicated to the governing parties.

**2. Report on other legal and regulatory requirements**

**2.1 Specific provisions for following requirements are included in the National Audit Act No. 19 of 2018.**

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the board as per the requirements of section 12(a) of the National Audit Act No. 19 of 2018.

2.1.2 The financial statements of the board comply with the previous year as per the requirement, mentioned in the Section 6 (1) (d) (iii) of the National Audit Act. No. 19 of 2018.

2.1.3 As per the requirement, mentioned in Section 6 (1) (d) (iv) of the National Audit Act. No. 19 of 2018, the financial statements presented included all the recommendations made by me in the previous year and mentioned in 1.2 (C) and (e).

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention.

2.2.1. To state that any member of the governing body of the board has any direct or indirect interest in any contract entered into by the board which are out of the normal course of the business as per the requirement of Section 12 (D) of the National Audit Act. No 19 of 2018.

2.2.2. To state that the board has not complied with any applicable written law, general and special directions issued by the governing body of the board as per the requirement of Section 12(f) of the National Audit Act, No. 19 of 2018.

| Reference to laws, rules/ regulations | Observation |
| --- | --- |
| (a) Section 10(5) of the Finance Act No. 38 of 1971 and Section 17(2) of the Finance Act No. 11 of 1963 as amended by the Finance Act (Amendment) No, 35 of 1997 | Even though the balance remaining after the deduction of the expenditure, specified in the Act from the income of the Lotteries should be credited to the Consolidated Fund, a total sum of profit of Rs. 4,040, 535,807 relating to the year under review had been retained even as at 31st December 2023 without being credited to the Consolidated Fund. |
| (b) Public Finance Circular No. 08/2019 dated 17th December 2019 | Although Government Institutions including Government Corporations have to comply with E- Government Procurement procedure, introduced under www.promise/lk web site from 2019, National Lotteries Board had not made any procurement of the Board under the said procedure even as at the |

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| | end of the year under review. |
| (c) Paragraphs 15(2) and (3) of the Public Finance Circular No. 01/2020 dated 28th August 2020 | The Board had commenced a fund named Asarana Sarana Fund in 1998 with the aim of funding general public who suffer various diseases. Donations of lottery ticket winners and 0.005 percent of the lottery ticket income had been credited to the said fund and the balance of the fund as at 31st December 2023 was Rs.21,951,248. The Board had spent Rs. 17,689,632 from the said fund during the year under review and Rs. 16,041,132 out of the said amount i.e. 90 percent had been spent for other activities contrary to the above objective. Further, an approval had not been obtained to conduct such a special fund and a sum that had to be credited to the Consolidated Fund had been used for other activities illegally. |
| (d) Public Enterprises Circular No. 1/2015 dated 25th May 2015. | Monthly fuel allowance of 110 lt each for two Junior Managers (JM1-1) who were not entitled to fuel allowance had been reimbursed from January 2024 to December and 22 officers had been paid transport allowance each of Rs. 35,000/-. Further, monthly fuel allowance for 15 Management Assistant (MA 1-2) officers had been reimbursed by 25lt for each officer and transport allowance had been paid for 05 officers , Rs. 6000 for each officer. Rs. 10,690,970 had been paid as fuel allowance to said officers from January to December 2024. |
| (e) Paragraph 04 of Public Enterprise Circulars No. PED 2/2015 dated 25th May 2015 and PED 2/2022 dated 18th January 2022. | 23 mobile phones and 06 I pads had been given to 19 officers including the Ex- Chairman of the board contrarily to the provisions of the Circular and an I pad and Macbook, worth Rs. 282,657 given to a Ex-Member of the Board of Directors had not been returned to the board. |
| (f) Procurement Guidelines of the Democratic Socialist Republic of Sri Lanka -2006.<br><br>(i) Section 3.6 | As mentioned in Procurement Guidelines, although re-order may be done only in special instances where requirement of additional goods which is not exceeded 6 months have not been foreseen and identified , Board had applied above provisions erroneously to extend the period of contract of selected suppliers of the procurement relevant to printing, supplying and handing over of lotteries in many instances from the year 2019. |
| (ii) Sections 4.2.1 (b) and (c) | Although it had to be prepare a Procurement Plan including expected procurement activities for a period of at least 03 years by more fully describing procurement activities of the next year and get it approved, a detailed procurement plan including procurement activities of printing, supplying and handing over of lotteries of the Board had not been |

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| | prepared and approved for the audited period from 2019 to 2024. |
| (iii) Section 4.4 | Purchasing of 20,000 T-Shirts for Sales Assistants worth Rs. 22,974,600, 3, 000 T- Shirts for Sales Representatives worth 3,825,000 and 1,075 T-Shirts for the Staff worth Rs. 1,386,750 which may be done under one procurement had been done under 3 procurements during the year under review. |
| (g) Cabinet Memorandum No. 23/0199/601/009 dated 30th January 2023 and the decision of the Cabinet of Ministers No. 123/0199/601/009 dated 07th February 2023. | Although only the service of Attorneys-at-Laws who work in the Attorney General's Department shall be obtained for legal matters of government institutions, service of 06 private lawyers had been obtained for a case, instituted by a printing company against the Board and a sum of Rs. 5,314,650 had been spent for the same. |
| (h) Section 3.2 of NLB Letter No. DMS/ NLDB/ Gen and dated 12th February 2028. | Although external Announcers for Lottery Draws shall be entered into an Agreement at the beginning of the year, 18 Announcers, selected for the year 2024 by the Board had not been entered into such written agreements. |

2.2.3 To state that except the following observation, the board had not acted in compliance with powers, duties and functions of the board as per the requirement of section 12(g) of the National Audit Act, No. 19 of 2018.

(a) National Lotteries Board has been established by the Finance Act No. 11 of 1963 and thereafter several sections of the said Act had been amended in 1997 and 1998. However, it had been 08 years after the approval had been granted by the decision of the Cabinet of Ministers No***/17/0295/719/026 dated 22 February 2017 to draft a new Act to suit the present objectives of the board and the board had failed to draft a new Act up to now.

2.2.4 To state that except the following observation, the resources of the board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

(a) Following facts were observed on the procurement activities for printing of 5 categories of lotteries for the next year from 01st January 2024 by the Board.

i. The Board had commenced procurement process for printing of 5 categories of lotteries on 29th May 2023 and 1 year and 4 months had been spent up to 15th October 2024 to grant contract for relevant suppliers. Further, the Board had spent 1 year and 09 months for the earlier procurement of one year from 01st April 2023 too.

ii. Although a Procurement Time Table describing each step and the period of the procurement shall be prepared and the approval for the same shall be obtained at the first Procurement meeting, approval for the time table of the procurement for which procurement had been commenced on 29th May 2023 and contracts were to be awarded from 01st April 2024 to print lotteries had been delayed up to 29th April 2024.

iii. Since the Board had not made an agreement with the Ministry of Finance at the commencement regarding the period of contract of suppliers relevant to printing of lotteries from 01st April 2024 onwards which was commenced on 29th May 2023, such procurement activities had been delayed. A period of nearly one year up to 30th April 2024 had been spent to primary activities including preparation of specifications of lotteries, preparation and obtaining approval for total cost estimates, appointing technical evaluation committees, approve bidding documents including technical specifications and publish documents for calling of bids.

iv. Due to the delay in granting contracts for the printing of 5 categories of lotteries for suppliers under the main procurement from 01st April 2024 for the Board, quotations had been called from 5 companies to print 5 categories of lotteries for a short period of 3 months and suppliers had been selected. Since the maximum number of category of lotteries had not been mentioned in bidding documents of this short term procurement, a supplier who had submitted minimum quotations for 5 categories of lotteries had been selected to print only 2 categories of lotteries and therefore such supplier had taken legal actions against the Board.

v. Although it had been expected to grant contracts to suppliers from 01st April 2024 through the main procurement which was implemented to get printed 5 categories of lotteries, granting of contracts had been delayed by 6 months and 15 days up to 15th October 2024. Therefore, suppliers had been selected through another procurement for a short period from 01st April to 30th May 2024 and the period of contract had been extended up to 15th August and actions had been taken to print lottery tickets through State Printing Corporation from 16th August to 15th October. Printing cost of lotteries from 01st April 2024 to 15th October 2024 was comparatively higher than the printing cost of lotteries under main procurement and due to the inability to grant contracts on the prescribed date under the main procurement, an additional amount of Rs. 48,567,542/- had to be incurred by the Board.

(b) Following facts were observed on the procurement for printing of instant (scratch) lotteries of the Board.

i. Contract, granted 03 years before to print and supply of instant (scratch) lotteries had been expired on 25th February 2023, and the procurement of estimated cost of Rs. 95.9 million to select new suppliers from 26th February 2023 had been commenced on 24th March 2022 and concluded on 01st January 2024, and it had taken 1 year and 09 months to complete the said procurement.

ii. Since the procurement to select suppliers to print instant (scratch) lotteries from 26th February 2023 onwards was delayed, contract period of the earlier supplier had been extended to print lotteries from the said date to 25th August. Although the cost for the printing of lotteries under new procurement was Rs. 2.125, an additional amount of Rs. 5,437,500 approximately had to be spent to print 7,500,000 lotteries under the previous cost of printing of lotteries of Rs. 2.85 as the said procurement was delayed.

iii. In terms of 3 and 4 of the Procurement Manual, referred to in the Government procurement Guidelines, total cost estimates of the procurement had to be prepared and suitable pro curement method should be selected accordingly. However, Procurement Committee and Technical Evaluation Committee of the procurement of scratch lotteries which was commenced on 24th March 2022 had been appointed on 08th August and 13th December 2022 respectively and, preparation of total cost estimates had been done one year later on 08th August 2023.

(c) Selection of Advertising Agencies to propagate advertisements of National Lotteries Board had not been complied with in accordance with the provisions of Government Procurement Guidelines 2006 and even though procurement activities for the years 2021/2022 had to be completed before 01st April 2021, said activities had been delayed by 11 months, and it had been entered into an Agreement with the selected company for the period of 2022/2023. Futher, procurement process had not been completed for the selection of advertising agencies for the years 2023/2024 and 2024/2025 and, quotations had been called and advertising agencies had been selected according to the requirement of the Board.

As such, a total of Rs. 152, 262,162 had been spent for the advertising of each lottery name and Lottery Board brands and, selection of advertising companies for the said purpose had been done through limited bidding procedure. However, in terms of Section 2.14.1 of Procurement Guidelines 2006, the relevant procurement committee should consider total relevant expenditure on recurrent expenditure and maintenance work and should act accordingly, actions had not been taken.

(d) Total amount of Rs. 8,046,400, spent as collective social responsibilities expenditure had been stated under sales and advertising expenditure of Financial Statements of the year 2024. Funds, granted for other activities including concerts of schools, concerts of government institutions, Drama festivals, Training Programs, Get Together events and flood relief were included in the said expenditure. Further, approval had not been obtained as per the Public Enterprise Circular 01/2024 dated 28th February 2024 for a total sum of Rs. 5,212,400/-, spent in 8 occasions.

(e) An expenditure of a sum of Rs. 32,905,304 has been made in the year 2024 for vehicle repairs which is an increase of 66 per cent compared to the expenditure of the previous year that amounted to Rs. 19,826,632. Although applications had been called on 17th November 2023 for the registration of suppliers for vehicle repairs and maintenance services in 2024, it had taken around 7 months until 31st July 2024 for the selection of suppliers. Accordingly, actions had not been taken to register the suppliers to be able to access the services from the beginning of 2024.

Further, when making vehicle repair expenses the Board had obtained approval for direct purchases by means of delegation of authority as per F.R. 135 under a board approval to incur expenditure of repairs up to Rs. 100,000 and other expenses including tires, tubes and batteries up to Rs. 200,000, without following a competitive bidding procedure or acting in terms of Section 3.5 or 3.6 of the Procurement Guidelines, contrary thereto.

(f) The Board had awarded the contract to purchase 300 sales stalls amounting to an estimated cost of Rs. 75.25 mn on 20th December 2023 to handover to the sales representatives during which procurement, the contract had been awarded for a bid received from an individual entity without calling for bids under the National Competitive Bidding Procedure in terms of provisions under Section 3.2 of the Procurement Guidelines.

Further, procurement for purchasing of stalls had been carried out by awarding contracts to two different suppliers under separate procurements for production and branding of stalls without procuring the production, branding and distribution of stalls under a single procurement. Moreover, a written agreement had not been entered into with the entity selected for production of stalls in terms of Sections 8.9.1(b) and 8.9.3 of the Procurement Guidelines.

### 2.3 Other Observations

(a) The Board maintains its office in a rented building and the current location had been acquired on rental basis since the year 2018. Although the office space requirement of the Board is approximately 40,000 sq.ft., the extent of the building rented was 28,885 sq.ft. Further, despite the fact that the approval of the Cabinet of Ministers had been granted for the building to be rented for only 2 years, the period of the rent agreement had been extended every two years beyond the approved period whereas the procurement of another building to suit the requirement of the Board had not been carried out. Further, the Board had paid 2 advances; Rs. 63,329,175 as the rent and Rs. 24,329,175 for water, electricity and telephone bills, amounting to a total of Rs. 87,658,350 in the form of a deposit to the owner of the building over a period of 7 years, and no agreement has been made to deduct the above advance amount as installments from the monthly building rent paid to the owner, hence it was observed that the owner had been provided an additional benefit.

Further, the Board had obtained necessary approvals to construct a building in the land situated on Vauxhall Street, Colombo which contains 112.5 perches and had been purchased in 2009 for Rs. 500 Mn, and a sum of Rs. 27,003,862 has been spent for the building plan. Moreover, the Board had obtained Rs. 1,500 mn from the building reserves fund established for the construction of the above building and provided the same to the General Treasury initially as expenses for the designing of building plan and indicated the said amount in the Statement of Financial Position as on-going work where provisions had been granted for the above capital expenditure and then the construction of the building had been abandoned. This institution, having a staff over 350 employees and over 50 vehicles, had to incur a large cost as relocation expenses and building rents due to the lack of a permanent building.

(b) The Board's mission has been indicated as a "socially responsible esteemed organization marching towards a wonderful country with a competent and committed staff whilst earning the customer trust ensuring achievement of their aspirations through the introduction of innovative lotteries using modern technology". The Board had introduced online lotteries in the year 2016 using modern technology and internet and the following observations were made;

(i) Although 8 years have passed since the Board had introduced online lotteries using the internet, only a limited market share of 1.1 per cent had been acquired from the total sales revenue to date.

(ii) As there is a trend in today's society that many people are moving away from physical markets and shifting towards online shopping alternatives, failure to increase the sales of online lotteries poses a risk of decrease in lotteries of the Board. However, adequate attention had not been paid in this regard. Action has not been taken up to the present to carry out a market survey to identify the existing market opportunities for lottery sales as recommended at the committee meeting on public enterprises held on 04th December 2020, and Programmes had not been implemented adequately to match the Rs. 10 mn included for the promotion of lotteries in the Action Plan 2024.

(iii) Although 67,438,400 lotteries had been allocated to be sold online during the period between 01st June 2023 and 31st December 2024, only 17,482,240 lotteries i.e. 26 per cent had been issued to the sales representatives. Further, out of the amount of lotteries issued, 6,096,005 lotteries have been returned by the sales representatives. Accordingly, a large amount, around 83 per cent of the lotteries allocated under the online system during the relevant period had not been sold. Despite the fact that the customers who purchase lotteries online through their mobile phones had to bear an additional cost of Rs.8 than the price paid when purchasing an ordinary lottery, and hence buying lotteries had been disheartened, the Board had not paid any attention regarding this matter.

(c) The Board had increased the price of lottery tickets since 06th July 2023 by 100 per cent from Rs. 20 to Rs. 40. Prior to the increase in price of lotteries the number of lotteries sold in the immediate year was 1,298,009,942 and after the increase in price the number of lotteries sold in the year 2024 was 821,763,940. Accordingly, after the increase in price there was a drop in the sales of lotteries by 476,246,002 or otherwise 37 per cent. Although it has been more than a year since the price increase of the lotteries, the Board had failed to attract the previous customer base, to date.

(d) The decrease in the number of lotteries sold daily compared to the increase in lottery ticket price, the amount of prizes offered through daily draws had also undergone a significant decrease. Accordingly, although 42 customers were awarded super prizes in 5 kinds of lotteries within 6 months before the increase in price took place, only 16 super prizes had been awarded in the next 6 months following the markup. Accordingly, the number of super prizes awarded to customers had come down by 62 per cent. Further, 595 number of 1st prizes of 5 lotteries were awarded before the price increase during the above period and with the price increase such awarding has decreased by 50 per cent to 297. Further, the total number of prizes awarded for 5 lotteries during the above period prior to the price markup was 157,053,566 which had dropped in 40 per cent to 93,587,379 subsequently. Thus, although the number of prizes that the customers could have achieved had significantly gone down following the said markup, due attention of the management had not been paid in that respect.

(e) Under an insurance contract entered into by the Board with Sri Lanka Insurance Corporation from 01st April 2015 to 31st March 2017, the Board had paid Rs.2,249,000 and Rs.2,453,000 to sales representatives and sales assistants respectively as benefits to them during distressed periods. However, the Board had continuously misrepresented the said benefit programme as an insurance scheme after 31st March 2017 until the date of issue of this report. The Board had provided Rs. 14,871,500 as distress benefits to sales representatives and sales assistants upon recommendation during the year under review and it was observed that, there is a risk that irregularities may occur in provision of the benefits as the Board does not possess any information of the Sales Assistants receiving those benefits.

(f) As at 31st December 2024, although passive lotteries worth Rs. 135,477,704 had been sold on credit to 92 other District Sales Representatives and 04 Sales Representatives selling lotteries via SMS except for 04 Sales Representatives of the Board, bank securities amounting to Rs. 77,125,000 had been obtained from only 55 debtors. Accordingly, lotteries had been sold upon credit basis without obtaining bank securities or any other adequate security from 41 District Sales Representatives except for the Sales Representatives of the staff, and a sum of Rs. 58,036,119 was recoverable from them at the end of the year under review.

(g) The total amount of the balance of debt for passive lotteries recoverable as at 31st December 2024 is Rs. 9,597,376 which remains as a deficit for a period over 3 months and such debtors had not provided a bank security or any other type of security.

(h) Lotteries had been sold upon credit basis to 30 Sales Representatives of passive lotteries who had provided bank securities exceeding the value of the said bank securities, and as at 31st December 2024 sales amounting to Rs. 21,131,129 had been made beyond the security value.

(i) According to the financial statements of the Board, bank securities or any other type of security had not been obtained by the Board for Rs. 12,689,821 recoverable from 31 trade debtors pertaining to the sale of Sewana, Samurdhi and Special Lotteries as at 31st December 2024.

Further, arrears for a sum of Rs. 6,602,293 recoverable from 10 Sales Representatives from whom the above securities have not been received remain unsettled for over 05 years whereas adequate and appropriate measures had not been taken to recover those arrears.

(j) A sum of Rs. 1,086,759 pertaining to Sewana, Samurdhi and Special Lotteries, sold to the welfare association of the Board and an officer of the staff upon credit basis remain in arrears for over a period of 5 years and it was observed that, adequate and appropriate measures had not been taken to recover those arrears.

(k) According to the financial statements of the Board related to the year 2024, a sum of Rs. 964,678 remains in arrears from the Dollar Fortune Lottery as at 31st December 2024 and a sum of Rs. 4,150,280 remains in arrears from the Colombo Airport Super Draw Lottery since 21st January 2018. However, it was observed that, adequate and appropriate measures had not been taken to recover those arrears.

(l) The repayment of credit balances of distress loans granted to 5 employees of the Board, amounting to a total of Rs. 713,393 had been defaulted by the relevant officers from the years 2012, 2017, 2018 and 2019, and the Board had failed to recover the said credit balances until 31st December 2024.

(m) The repayment of credit balances of housing loans granted to two employees of the Board, amounting to a total of Rs. 1,519,920 had been defaulted by the relevant officers from the years 2006 and 2016, and the Board had failed to recover the said credit balances until 31st December 2024.

(n) In accordance with the details obtained by the Audit through the Department of Motor Traffic on 11th October 2024, the Board did not possess 05 motor cars and 01 lorry registered with the Department of Motor Traffic under the Board's name and further, they had not been included in the fixed assets register as well.

Sgd./illegibly
G.H.D. Dharmapala
Auditor General (Acting)

## STATEMENT OF INCOME

| For the year ended 31st December | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| **Gross Turnover** | 03 | **37,983,206,760** | **32,014,201,280** |
| | | | |
| **Less : Indirect Taxes** | | | |
| Value Added Tax (VAT) | | 1,658,592,022 | 1,164,695,700 |
| Social Security Contribution Levy (SSCL) | | 719,239,399 | 597,823,835 |
| **Net Turnover** | | **35,605,375,339** | **30,251,681,745** |
| | | | |
| Less : Cost of Sales | 04 | 32,561,245,336 | 28,227,236,781 |
| **Gross Profit** | | **3,044,130,003** | **2,024,444,964** |
| | | | |
| Add : Other Income | 05 | 939,253,314 | 1,322,749,168 |
| | | 3,983,383,317 | 3,347,194,132 |
| | | | |
| **Less : Expenses** | | | |
| Sales, Marketing & Distribution Expenses | 06 | 1,158,486,156 | 1,408,116,521 |
| Administrative Expenses | 07 | 1,128,174,614 | 1,056,920,215 |
| Finance and Other Expenses | 08 | 3,454,692 | 37,304,827 |
| **Profit before Tax** | | **1,693,267,855** | **844,852,568** |
| | | | |
| Less : Income Tax Expense | 09 | 189,065,042 | 193,975,415 |
| **PROFIT FOR THE YEAR** | | **1,504,202,812** | **650,877,152** |

The accounting policies and notes from 01 to 32 form an integral part of the financial statements.

## STATEMENT OF COMPREHENSIVE INCOME

| For the year ended 31st December | 2024 Rs. | 2023 Rs. |
|---|---|---|
| **Profit for the Year** | **1,504,202,812** | **650,877,152** |
| | | |
| **Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (net of tax)** | | |
| | | |
| Actuarial Gain / (Loss) on Defined Benefit Plans | (7,876,533) | 7,572,085 |
| Deferred Tax Reversal / (Expense) on Actuarial Gain / Loss | 2,362,960 | (2,271,626) |
| Revaluation Gain on Land and Buildings | - | 547,325,750 |
| Deferred Tax Charge on Land and Buildings Revaluation | - | (164,197,725) |
| | | |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX** | **1,498,689,239** | **1,039,305,637** |

## STATEMENT OF FINANCIAL POSITION

| As at 31st December | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| **ASSETS** | | | |
| | | | |
| **Non Current Assets** | | | |
| Property, Plant & Equipment | 10 | 1,326,750,107 | 1,089,340,971 |
| Investment Property | 11 | 46,739,417 | 49,224,917 |
| Intangible Assets | 12 | 684,792 | - |
| Capital Work-in Progress - Head Office Building | 13 | - | - |
| Deferred Tax Assets | 14 | - | - |
| Staff Loans | 15-02 | 99,382,279 | 100,972,808 |
| Long term investments | 16 | - | - |
| **Total Non Current Assets** | | **1,473,556,595** | **1,239,538,695** |
| | | | |
| **Current Assets** | | | |
| Inventories | 17 | 44,907,912 | 58,018,187 |
| Trade Receivables | 18 | 135,795,532 | 248,775,730 |
| Other Current Assets | 19 | 252,566,174 | 175,861,437 |
| Short Term Investments | 20 | 462,977,820 | 425,408,312 |
| Cash & Cash Equivalents | 21 | 8,681,052,763 | 8,130,550,104 |
| **Total Current Assets** | | **9,577,300,200** | **9,038,613,769** |
| | | | |
| **TOTAL ASSETS** | | **11,050,856,795** | **10,278,152,465** |
| | | | |
| **EQUITY & LIABILITIES** | | | |
| | | | |
| **Equity** | | | |
| Retained Earnings | 22 | 4,040,535,811 | 3,603,093,604 |
| Other Components of Equity | 23 | 2,732,864,507 | 2,731,617,473 |
| **Total Equity** | | **6,773,400,318** | **6,334,711,076** |
| | | | |
| **Non-Current Liabilities** | | | |
| Retirement Benefit Obligation | 24 | 97,383,455 | 81,161,686 |
| Deferred Tax Liability | 14 | 159,570,577 | 154,179,246 |
| **Total Non Current Liabilities** | | **256,954,032** | **235,340,932** |
| | | | |
| **Current Liabilities** | | | |
| Trade & Other Payables | 25 | 3,737,565,067 | 3,602,003,773 |
| Current Tax Payables | 26 | 282,937,376 | 106,096,683 |
| **Total Current Liabilities** | | **4,020,502,445** | **3,708,100,457** |
| | | | |
| **TOTAL LIABILITIES** | | **4,277,456,477** | **3,943,441,389** |
| | | | |
| **TOTAL EQUITY & LIABILITIES** | | **11,050,856,795** | **10,278,152,465** |

These Financial Statements are in compliance with the Sri Lanka Accounting Standards (LKAS & SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka and the requirement of the Finance Act No. 11 of 1963 with amendments thereto in the Finance (Amendment) Act, No. 35 of 1997 and Finance (Amendment) Act, No. 22 of 1998 and the Finance Act, No. 38 of 1971.

**Geetha Perera**
DGM - Operational Finance

N. R. de S.
**Nandika Roshani de Silva**
AGM - Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the Board,

**M.D.C.A. Perera**
Chairman

**M.P.D.P. Pathirana**
Director

Colombo
***24.02.2025***

The accounting policies and notes from 01 to 32 form an integral part of the financial statements.

## STATEMENT OF CHANGES IN EQUITY

| For the year ended 31st December | Accumulated Treasury Fund *Rs.* | Revaluation Reserve *Rs.* | Building Reserve *Rs.* | Prizes Reserve *Rs.* | Retained Earnings *Rs.* | Total *Rs.* |
|---|---|---|---|---|---|---|
| **Balance as at 01st January 2023** | **21,263,101** | **298,261,466** | **1,264,594,304** | **2,240,661,848** | **2,396,866,788** | **6,221,647,509** |
| Prizes Reserve utilised | - | - | - | (550,049,200) | 550,049,200 | - |
| Prizes Reserve old balance corrections and transfers | - | - | - | 73,757,929 | - | 73,757,929 |
| Special Levy Transfer to General Treasury | - | - | (1,000,000,000) | - | - | (1,000,000,000) |
| Revaluation on Land and Building | - | 547,325,750 | - | - | - | 547,325,750 |
| Deferred tax on Revaluation gain on Land and Buildings | - | (164,197,725) | - | - | - | (164,197,725) |
| Actuarial Losses on defined benefit plans | - | - | - | - | 7,572,085 | 7,572,085 |
| Deferred tax attributable to Actuarial Losses on defined benefit plans | - | - | - | - | (2,271,626) | (2,271,626) |
| Profit for the Year | - | - | - | - | 650,877,152 | 650,877,152 |
| **Balance as at 31st December 2023** | **21,263,101** | **681,389,491** | **264,594,304** | **1,764,370,578** | **3,603,093,600** | **6,334,711,075** |
| | | | | | | |
| Prizes Reserve utilised | - | - | - | 1,563,152 | (1,563,152) | - |
| Writeoff Disposal Property, Plant & Equipment Revaluation Gain | | (316,118) | | | 316,118 | - |
| Special Levy Transfer to General Treasury | - | - | - | - | (1,060,000,000) | (1,060,000,000) |
| Actuarial Gains on defined benefit plans | - | - | - | - | (7,876,533) | (7,876,533) |
| Deferred tax attributable to Actuarial Gains on defined benefit plans | - | - | - | - | 2,362,960 | 2,362,960 |
| Profit for the Year | - | - | - | - | 1,504,202,812 | 1,504,202,812 |
| **Balance as at 31st December 2024** | **21,263,101** | **681,073,373** | **264,594,304** | **1,765,933,730** | **4,040,535,807** | **6,773,400,314** |

## STATEMENT OF CASH FLOWS

| For the year ended 31st December | 2024 Rs. | 2023 Rs. |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Profit before Taxation | 1,693,267,855 | 844,852,568 |
| | | |
| **Adjustments For** | | |
| Depreciation | 27,572,840 | 14,888,701 |
| Amortization | 2,560,708 | 1,473,622 |
| Defined Benefit Plan Cost | 17,156,070 | 19,498,310 |
| Fair Value increase of Investment Property | - | (26,884,983) |
| Revaluation Loss on Building | - | 581,103 |
| Impairment of Capital work in progress | - | 27,178,359 |
| Exchange (Gains )/ Loss | 6,004 | (3,300,399) |
| Bad Debt Provision / (Over provision reversal) | (901,639) | 4,697,428 |
| Other Income - Balances written back | (216,972,325) | (68,203,023) |
| Old balances correction and written off | 212,113 | 1,455,528 |
| Income from Circuit Bungalows & Hiring of Board Vehicles | (705,204) | (760,816) |
| Interest Income | (715,227,589) | (1,194,699,827) |
| Operating Profit before Working Capital Changes | 806,485,565 | (379,223,430) |
| | | |
| **Changes in Working Capital** | | |
| (Increase)/Decrease in Inventories | 13,110,275 | (9,747,636) |
| (Increase)/Decrease in Trade Receivables | 113,881,837 | (31,557,892) |
| (Increase)/Decrease in Other Current Assets | (92,646,674) | (95,557,684) |
| Increase/(Decrease) in VAT and SSCL Payables | 90,640,039 | 33,804,632 |
| Increase/(Decrease) in Prizes Obligations | (223,212,509) | 717,793,318 |
| Increase/(Decrease) in Government Contribution (Special Levy) Payables | 75,605,523 | 94,790,095 |
| Increase/(Decrease) in Trade & Other Payables | 500,140,605 | 158,549,045 |
| | 1,284,004,662 | 488,850,449 |
| | | |
| Income Tax Paid | (79,380,272) | (206,821,185) |
| Defined Benefit Plan Cost Paid | (8,810,834) | (7,004,270) |
| ***NET CASH FLOW FROM OPERATING ACTIVITIES*** | **1,195,813,556** | **275,024,994** |
| | | |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Additions to P.P.E, Investment Property, Intangible Assets & Work-in Progress | (266,229,089) | (6,157,118) |
| Proceeds from Disposal of Property, Plant & Equipment | 970,381 | - |
| Long Term Investments | - | 500,000,000 |
| Short Term Investments | (50,747,156) | 2,270,454,190 |
| Income from Circuit Bungalows & Hiring of Board Vehicles | 705,204 | 764,520 |
| Staff Loans Granted | (65,007,784) | (43,980,017) |
| Staff Loans Recovered | 66,598,313 | 45,032,870 |
| Interest Received | 728,405,237 | 1,599,775,459 |
| ***NET CASH FLOW FROM INVESTING ACTIVITIES*** | **414,695,106** | **4,365,889,903** |
| | | |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Special Levy transferred to General Treasury by Building Reserve Fund | - | (1,000,000,000) |
| Special Levy transferred to General Treasury by Retained Earnings | (1,060,000,000) | - |
| ***NET CASH FLOW FROM FINANCING ACTIVITIES*** | **(1,060,000,000)** | **(1,000,000,000)** |
| | | |
| Net Increase / (Decrease) in Cash & Cash Equivalent | 550,508,661 | 3,640,914,897 |
| Cash & Cash Equivalent at the beginning of the Year ( Note ) | 8,130,544,100 | 4,489,635,206 |
| **CASH & CASH EQUIVALENT AT THE END OF THE YEAR** | **8,681,052,763** | **8,130,550,104** |
| | | |
| **Note to the Cash Flow Statement** | | |
| **CASH & CASH EQUIVALENT** | | |
| Short Term Deposits | 8,386,932,808 | 7,751,325,604 |
| Cash in Hand & at Bank | 294,119,955 | 379,224,500 |
| **NET CASH & CASH EQUIVALENT AT THE END OF THE YEAR** | **8,681,052,763** | **8,130,550,104** |
| | | |
| **Note : Cash & Cash Equivalent at the beginning of the Year** | 8,130,550,104 | 4,486,334,807 |
| Add : Exchange Gains / (Loss) | (6,004) | 3,300,399 |
| **Cash & Cash Equivalent at the beginning of the Year** | ***8,130,544,100*** | ***4,489,635,206*** |

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS.

**Note No. 01**

## 1. CORPORATE INFORMATION

### 1.1 REPORTING ENTITY

National Lotteries Board (the “Board”) was established after abolishing Hospital Lotteries, under the Finance Act No.11 of 1963. Certain sections of the above Act were repealed and amended in 1997 under the Finance (amendment) Act, No. 35 of 1997, and Finance (amendment) Act, No.22 of 1998.

It is a Semi-governmental Institution under the purview of the Ministry of Finance.

The Registered Office and the principal place of business of the Board is located at No.32, Deshamanya N. W. J. Mudalige Mawatha, Colombo 01.

### 1.2 PRINCIPAL ACTIVITIES AND NATURE OF OPERATIONS

The main purpose of establishing the National Lotteries Board is to conduct national lotteries to raise funds for the Government.

### 1.3 FINANCIAL PERIOD

The financial period of the Board represents twelve months from 01st January 2024 to 31st December 2024.

### 1.4 RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and presentation of the Financial Statements of the Board following Sri Lanka Accounting Standards (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka.

These Financial Statements include the following components:

- A Statement of Comprehensive Income provides information on the financial performance for the year under review.
- A Statement of Financial Position provides information on the financial position of the Board at the year-end.
- A Statement of Changes in Equity depicts all changes in funds during the year under review by the Board.
- A Statement of Cash Flows provides information to the users, on the ability of the Board to generate cash and cash equivalents and the need to utilize those cash flows and
- Notes to the Financial Statements comprising accounting policies and other explanatory information.

**Note No. 02**

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 GENERAL ACCOUNTING POLICIES

**2.1.1 Basis of Preparation.**

These financial statements presented in Sri Lankan Rupees have been prepared on an accrual basis under the historical cost basis and on a fair value basis where applicable following Sri Lanka Accounting Standards (SLFRS & LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka. The Financial Statements for the year ended 31st December 2024 were authorized for issue by the Board of Directors on 26th February 2025.

**2.1.2 Statement of Compliance.**

The Statement of Financial Position, Statement of Comprehensive Income, Changes in Equity and Cash Flows, together with Notes to Financial Statement of the Board as at 31st December 2024 and for the year then ended have been prepared in compliance with the Sri Lanka Accounting Standards (LKAS & SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka and the requirement of the Finance Act No. 11 of 1963 with amendments to it in the Finance (Amendment) Act, No. 35 of 1997 and Finance (Amendment) Act, No. 22 of 1998 and the Finance Act, No. 38 of 1971.

**2.1.3 Going Concern.**

The Directors are confident of the Board's ability to continue as a going concern and they do not intend either to liquidate or to cease trading. The Management is satisfied that they have the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Board's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going-concern basis.

**2.1.4 Comparative Information.**

The accounting policies have been consistently applied by the Board and are consistent with those of the previous year. The previous year's figures and phrases have been rearranged and reclassified wherever necessary to conform to the current year's presentation. The Accounting Policies have been consistently applied by the Board with those of the previous financial year following LKAS 01 - Presentation of Financial Statements.

**2.1.5 Foreign Currency Transaction.**

All foreign exchange transactions are converted to Sri Lanka Rupees, which is the reporting currency, at the rate of exchange (spot exchange rate) prevailing at the time the transactions were affected. Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items at year-end exchange rates are recognized in profit or loss. Monetary assets and liabilities denominated in foreign currencies are translated to Sri Lankan Rupee equivalents using the spot foreign exchange rates at the year's end, the resulting gains or losses are accounted for in the Statement of Income.

**2.1.6 Basis of Measurement.**

The Financial Statements have been prepared under the historical cost conversion, except for the following material items in the Statement of Financial Position,

- Financial instruments at fair value through profit or loss are measured at fair value

- Liability for defined benefit obligations is recognized as the present value of the defined benefit obligation plus unrecognized actuarial gains, less unrecognized past service cost, and unrecognized actuarial losses.
- Financial assets available for sales are measured at fair value

No adjustments are being made for inflationary factors affecting the Financial Statements. The financial statements, except for information on cash flows have been prepared following the accrual basis of accounting.

### 2.1.7 Functional and Presentation Currency.

The financial statements of the Board are presented in Sri Lankan Rupees, which is the Board's functional currency. All the financial information presented in Rupees has been rounded to the nearest Rupees unless stated otherwise.

### 2.1.8 Materiality and Aggregation.

Each material class of similar items is presented cumulatively in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard-LKAS 01 on 'Presentation of Financial Statements'. Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position, only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of comprehensive income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies.

### 2.1.9 Significant Accounting Judgments, Estimates and Assumptions

a) **Judgments.**
In the process of applying the Accounting Policies, Management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

**Estimates and Assumptions.**
The preparation of the Board's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenue, expenses, assets, and liabilities and the disclosure of contingent liabilities at the reporting date. The key assumptions concerning the future and other key sources of estimation uncertainty at the date of financial position, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year, have been considered.

## 2.2 ASSETS

**Assets & Bases of Other Valuations**

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements unless otherwise indicated.

### 2.2.1. Property, Plant & Equipment

**Basis of Recognition**

Property, Plant, and Equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Board and the cost of the asset can be reliably measured.

All items of property, plant, and equipment are initially recorded at cost. Where items of Property, Plant, and Equipment are subsequently revalued, the entire class of such assets is revalued.

**Basis of Measurement**

**a) Cost.**

Property, Plant, and Equipment are stated at cost less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of Plant and Equipment are required to be replaced at intervals, the Board derecognizes the replaced part and recognizes the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

**b) Revaluation.**

Assets are measured at fair value less accumulated depreciation on the assets and impairment losses recognized after the date of the revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from it carrying amount.

Any revaluation surplus is recognized in Other Comprehensive Income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the Other Comprehensive Income, in which case the increase is recognized in the Other Comprehensive Income. A revaluation deficit is recognized in the Other Comprehensive Income, except to the extent that it offsets an existing surplus on the same assets recognized in the asset's revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

All items of Property, Plant, and Equipment are initially recorded at cost. Where items of Property, Plant, and Equipment are subsequently revalued, the entire class of such assets is revalued wherever feasible.

Land, buildings, motor vehicles, computers & accessories, office equipment, furniture & fittings of the Board are subsequently carried at fair value, based on periodic valuations by the Government Valuer for the Department of Valuation or internally appointed committee as per the Assets Management circular no. 04/2018. The recent valuation has been completed in 2023.

c) **Depreciation.**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Provision for depreciation is calculated by using the straight-line method on the cost or valuation of all Property, Plant, and Equipment other than freehold land, to write off such amounts over the estimated useful lives of such assets.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is de-recognized. The asset's residual values, useful lives, and methods of depreciation are reviewed at the end of each reporting period and adjusted only if required.

As per the depreciation policy of the National Lotteries Board, an asset is depreciated in the month of purchase and depreciation will not be calculated in the month of disposal or end of useful lives.

The principal annual rates used for this purpose, which are consistent with those of the preceding years are,

| | **Per annum %** |
|---|---|
| Freehold Buildings | 05 |
| Draw Barrels, Lottery Equipment | 20 |
| Motor Vehicles | 25 |
| Furniture and Fittings | 10 |
| Computers | 25 |
| Air Conditioners, General & Office Equipment | 20 |
| Promotional Equipment | 33.33 |

d) **Subsequent Cost.**

The cost of replacing part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item. If it is probable that the future economic benefits embodied within the part will flow to the Board and its cost can be measured reliably. The carrying amount of those parts that are replaced is derecognized under the de-recognition policy given below. The costs of the day-to-day servicing of Property, Plant & Equipment are recognized in the Statement of Income as incurred.

e) **De-recognition.**

An item of Property, Plant, and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Income when the asset is de-recognized.

The assets' residual values, useful lives, and methods of depreciation are reviewed at each financial year end and adjusted prospectively to the financial statements, to increase the relevance and reliability of the information provided in financial statements for decision makers if appropriate.

**f) Restoration Costs.**

Expenditure incurred on repairs or maintenance of Property, Plant, and Equipment to restore or maintain the future economic benefits expected from the originally assessed standard of performance is recognized as an expense when incurred.

**2.2.2 Capital Work in Progress.**

Capital work in progress is transferred to the respective asset accounts at the time of the first utilization of the asset. The cost of capital work-in-progress is the cost of purchase or construction together with any related expenses thereon.

Expenditure incurred on capital work-in-progress for a permanent nature or to increase the earning capacity of the business has been treated as capital expenditure.

Capital work-in-progress is transferred to the respective asset accounts at the time of first utilization or at the time the asset is commissioned.

**2.2.3 Intangible Assets.**

**Computer Software**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. The intangible asset is an identifiable non-monetary asset without physical substance held for use in the production or supply of goods or services, for rental, or administrative purposes.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Intangible assets have been amortized at the rate of 25% per annum. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the income statement in the expense category consistent with the function of the intangible assets.

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the assets will flow to the entity and the cost of the assets can be measured reliably under LKAS 38 - 'Intangible Assets'.

Gains or losses arising from the de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

**2.2.4 Leased Assets.**

**Leasing**

Assets acquired by way of a lease are measured at an amount equal to the lower of their fair value or the present value of minimum lease payments at the inception less accumulated depreciation and accumulated impairment losses.

The corresponding principal amount payable to the lessor is shown as a liability. The finance charges allocated to future periods are separately disclosed in the notes.

The interest element of the rental obligation applicable to each financial year is charged to the statement of comprehensive income throughout the lease to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The cost of improvements to or on leased property is capitalized, and depreciated over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Any excess of sales proceeds over the carrying amount of assets in respect of a sale and leaseback transaction is deferred and amortized over the lease term.

**Short-Term Leases and Leases of Low-Value Assets**

The Board has elected not to recognize Right-of-Use Assets and Lease Liabilities for leases of low-value assets and short-term leases. The Board recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**2.2.5 Investment property.**

Investment property of the Board includes Anuradhapura Circuit Bungalow & Mannar Circuit Bungalow.

**a) Basis of Recognition.**

Investment Property is Property held either to earn rental income for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes.

**b) Basis of Measurement.**

Investment Property is recognized when and only when it is probable that the future economic benefits associated with the item will flow to the group and the cost of the investment property can be measured reliably. Investment property, comprising freehold land and buildings, is property held for long-term rental for capital appreciation or both is not occupied substantially for the supply of goods or services or administration, and is not intended for sale in the ordinary course of business.

Investment property is initially and subsequently measured at its cost including related transaction costs and is therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

The Board's investment property is revalued annually to open market value, with changes in the carrying value recognized in the Statement of Comprehensive Income.

**c) De-recognition.**

Investment properties are de-recognized when disposed, of or permanently withdrawn from use because no future economic benefits are expected. Any gain or loss on retirement or disposal is recognized in the Statement of Comprehensive Income in the year of retirement or disposal.

d) **Subsequent Transfers to/from Investment Property.**

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner-occupation, the commencement of an operating lease to another party, or completion of construction or development with a sale view.

**2.2.6 Impairment of Non-Financial Assets.**

The Board assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists or when annual impairment testing for an asset is required the Board estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value fewer costs to sell and its value in use and determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset. These calculations are collaborated by valuation multiples, quoted share prices, or other available fair value indicators.

Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case, the impairment is also recognized in equity up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the Board estimates the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot "exceed" the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**2.2.7 Non-Current Assets held for Sale.**

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sales transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell.

Non-current assets and disposal groups are classified as held for sale only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Property, Plant and Equipment, and intangible assets once classified as held for sale are not depreciated or amortized.

**2.2.8 Financial Assets.**

**SLFRS 9 – Financial Instrument: classification and measurement**

SLFRS 9, issued in 2014, replaces the guidance in LKAS 39 Financial Instruments: Recognition and Measurement. SLFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on the recognition and de-recognition of financial instruments from LKAS 39.

The Board classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Board's accounting policy for each category is as follows:

**(a) Trade Receivables.**

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to district dealers (e.g. trade receivables) but also incorporate other types of contractual monetary assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

**(b) Other Current Assets.**

Trade and other receivables are initially measured at cost.

**(c) Provision for Bad Debts**

A provision for bad debts on unsecured trade debtors is made as provision of debtors after eliminating the value of bank guarantees obtained against individual debtor balances based on the below-age analysis,

| Debtor Period | | Percentage (%) |
|---|---|---|
| **Active Debtors** | | |
| 0 – 3 months | - | No Provision |
| 4 – 6 months | - | 2.5 % |
| 7 – 12 months | - | 5% |
| Over 12 months | - | 10% |
| **Inactive Debtors** | | |
| Debtors under legal case and Other disputes | - | 100% |

### 2.2.9 Inventories.

Inventories are measured at cost only as there is no net realizable value (NRV) due to the short life cycle of the product, after making due allowances for obsolete and slow-moving items. As the lottery ticket stocks are fast-moving, there is no requirement to identify NRV. Net realizable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale

The stock of prizes which includes gold items, motor vehicles, and other prizes are valued at cost as there is no sale value for them – only the cost incurred. All such stocks are offered as prizes at any time in the future but not sold in an arms-length transaction.

The cost incurred in bringing inventories to its present location and condition is accounted for as the cost of inventory.

### 2.2.10 Cash and Cash equivalents

Cash and cash equivalents are defined as cash in hand and demand deposits. This includes cash in hand, deposits held at calls with banks, and other short-term highly liquid investments with original maturities of three months or less and for the statement of cash flows.

The cash flow statements are reported based on the indirect method.

### 2.2.11 SLFRS 13 Fair Value Measurement

SLFRS 13 requires assets and liabilities that are measured at fair value on a recurring and non-recurring basis together with the valuation techniques adopted.

## 2.3 EQUITY, LIABILITIES & PROVISIONS

### 2.3.1 Equity

Accumulated Treasury Fund
This represents the initial capital introduced by the General Treasury.

**Revaluation Reserve**

Revaluation Reserve represents net of revaluation gain on revaluation of Property, Plant and Equipment carried out by the Chief Government Valuer or internally appointed committee as per the Assets Management circular no. 04/2018.

**Building Reserve Fund**

Building Reserve Fund was established to generate and utilize funds needed for construction of the proposed head office building.

**Prizes Reserve Fund**

Prizes Reserves Fund is maintained to offer super prizes and special draw prizes of the lotteries conducted by the Board.

**Retained Earnings**

This represents the accumulated net surplus after taxation from the operations.

### 2.3.2 Liabilities.

Liabilities classified under current liabilities in the Statement of Financial Position are those expected to fall due within one year from the balance sheet date. All known liabilities have been accounted for in preparing the financial statements.

Trade creditors and other payables are stated in their book values.

### 2.3.3 Provisions, Contingent Assets, and Contingent Liabilities.

**Trade and Other Payables.**

Provisions are recognized when the Board has a present obligation (legal & constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### 2.3.4 Income Tax Expense

Income tax expenses comprise current and deferred tax. Income tax expense is recognized directly in the statement of profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

**Current Tax**

The provision for Income Tax is based on the elements of income and expenditure as reported in the financial statements and computed under the provisions of the Inland Revenue Act No.24 of 2017 and subsequent amendments thereto. Income Tax due/paid on the contribution made to the Consolidated Fund was received/recoverable in installments basis from future remittances to the respective fund as agreed with the authorities concerned.

**Deferred Tax**

Deferred tax is provided using the liability method on temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognized for all temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits, and unused tax losses, to the extent that taxable profit will probably be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Unrecognized deferred tax assets are reassessed at each Statement of Financial Position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the date of the Statement of Financial Position.

## 2.4 EMPLOYEE BENEFITS

### 2.4.1. Short-term Employee Benefits

Salaries, Incentive, Travelling Allowance, Annual Bonus, Medical, Uniform Allowance, Draw Allowance, Risk Allowance, Overtime, and provision of meals.

### 2.4.2. Long–term Employee Benefits

Housing Loan and Distress Loan

### 2.4.3. Retirement Benefit Obligations

**a) Defined Contribution Plans - EPF & ETF**

All employees who are eligible for Employees Provident Fund (EPF) contributions and Employee Trust Fund (ETF) contributions are covered by relevant contribution funds in line with respective statutes and regulations. Contributions to defined contribution plans are recognized as expenditures in the Income Statement. Employee contribution for EPF is 10% whereas the

Board provides 15% of the salary. The Board contributes 3% of the salary of each employee to the Employees' Trust Fund.

**b) Defined Benefit Plan - Gratuity**

Gratuity is a defined benefit plan. To meet this liability, a provision is carried forward in the Statement of Financial Position. The provision is made based on an actuarial valuation as recommended by the Sri Lanka Accounting Standards considering the Projected Unit Credit (PUC) method and the premium for the period is charged as an expense to the Income Statement. The actuarial valuation is carried out by a professionally qualified valuer and the Board expects to carry out actuarial valuation every year.

The fund is not externally funded.

However, as per the Payment of Gratuity Act No. 12 of 1983, the liability arises only upon the completion of five years of continuous service.

## 2.5 INCOME STATEMENT

### 2.5.1 Revenue Recognition

The lottery business of the National Lotteries Board does not require contracts with customers as it is general sales.

**a) SLFRS 15 - Revenue from contracts with customers**

SLFRS 15 establishes a comprehensive framework for determining whether, and how much and when revenue is recognized. It replaces existing revenue recognition guidance,Including LKAS 18 Revenue, LKAS 11 Construction Contracts, and IFRIC 13 Customer Loyalty Programmes. Revenue of passive lotteries is recognized at the date of draw and revenue of instant lotteries is recognized at the date of invoice.

**b) Interest.**

Interest income is recognized using the effective interest method which is accrued on a time basis.

**c) Others.**

Other income is recognized on an accrual basis.

### 2.5.2 Expenditure Recognition.

Expenses are recognized in the income statement based on a direct association between the cost incurred and the earnings of specific items of income. All the expenditure incurred in the running of the business and in maintaining the Property, Plant, and Equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

### 2.5.3 Payments made to Government Contribution (Special Levy)

In terms of Section 9 (2) (f) of the Finance Act, No. 38 of 1971, payments made to the Government Consolidated fund (Special Levy) or payments made to the government as may be determined from time to time, by the Minister of Finance have been charged against revenue in determining the net surplus of the Board.

## 2.6 GENERAL

### 2.6.1 Events Occurring after the Reporting Date.

The materiality of the events occurring after the reporting date has been considered and appropriate adjustments to or disclosure have been made in the financial statements where necessary.

### 2.6.2 Comparative Figures

Where necessary, comparative figures have been reclassified to conform to the current year's presentation.

### 2.6.3 Loans and Receivables

- Housing Loan – Basic salary of 7 years (up to a maximum of Rs. 3,000,000/-) and recoverable before the age of 55 years. The interest rate applicable before 2023 was 4% and revised for loans up to Rs. 500,000 - 3%, Rs. 500,001- Rs. 1,000,000 – 6%, and the balance amount - 7%.
- The Board has adopted the fair value concept under SLFRS 9, Financial Instruments for Housing Loans given to staff.
- Distress Loan – Basic salary of 10 months (up to a maximum of Rs. 250,000/-). Interest rate 4.2%. Recoverable in 60 monthly instalments.

### 2.6.4 Commitments and Contingencies

- Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Capital commitment and contingent liabilities of the Board are disclosed in the respective notes to the Financial Statements.

### 2.6.5 Forfeited Prizes

The prizes are forfeited after six months from the date of the respective draw and this is remitted to the Consolidated Fund quarterly. Customer promotional prizes that expire six months after the draw date are retained with the Board for reuse in future draws.

### 2.6.6 Distribution of Funds

With the approval of the Ministry of Finance and Planning, the Board increased the price of a ticket from Rs. 10.00 to Rs. 20.00 with effect from 02nd September 2008 and from Rs.20 to Rs.40 effective from 06th July 2023. Agency Commission too was increased from 15% to 17.5% in 2008 accordingly. Further, on the 01st of July 2019, the Agency Commission was increased again from 17.5% to 18.75%.

**(a) Distributions of income for passive lotteries are as follows;**

| | Mahajana Sampatha | Govisetha | Dana Nidanaya | Mega Power | Handahana | Lucky 7 | Ada Sampatha |
|---|---|---|---|---|---|---|---|
| Prizes | 50.00% | 49.00% | 49.00% | 50.00% | 53.00% | 57.00% | 58.00% |
| Agent Commission | 18.75% | 18.75% | 18.75% | 18.75% | 18.75% | 18.75% | 18.75% |
| Dealer Commission | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% |
| Government Contribution | 16.50% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Board | 13.50% | 21.00% | 21.00% | 20.00% | 17.00% | 13.00% | 12.00% |
| Total | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

(b) **Distribution of income for Scratch Lotteries.**

| | Sevana Rs. 50/- | Sevana Rs.40/- | Samurdhi Rs. 50/- |
|---|---|---|---|
| Prizes | 53% | 53% | 53% |
| Agent Commission | 18.75% | 18.75% | 18.75% |
| Dealer Commission | 1.25% | 1.25% | 1.25% |
| Government Contribution | 10.00% | 10.00% | 10.00% |
| Board | 17.00% | 17.00% | 17.00% |
| Total | 100.00% | 100% | 100.00% |

(c) **Government Contributions remitted to the relevant Ministries through the Consolidated Fund is given below;**

| Passive Lotteries | Percentage | Consolidated Fund / Ministries |
|---|---|---|
| Mahajana Sampatha | 16.5% | Consolidated Fund |
| Govisetha | 10% | Consolidated Fund - Ministry of Agriculture |
| Lucky 7 (Wednesday) | 10% | Consolidated Fund - Ministry of Health |
| Lucky 7 (Saturday and Sunday) | 10% | Consolidated Fund - Ministry of Labour (Shrama Vasana Fund) |
| Lucky 7 (Monday, Tuesday, Thursday) | 10% | Consolidated Fund |
| Lucky 7 (Friday) | 10% | National Kidney Fund |
| Mega Power | 10% | Consolidated Fund |
| Dhana Nidhanaya | 10% | Consolidated Fund |
| Handahana (Monday, Tuesday and Wednesday) | 10% | Consolidated Fund - Ranawiru Sewa Authority |
| Handahana (Thursday, Friday, Saturday and Sunday) | 10% | Consolidated Fund - Ministry of Sports & Ministry of Social Services |
| Ada Sampatha | 10% | Consolidated Fund |
| **Instant Lotteries** | | |
| Sevana | 10% | Consolidated Fund - Ministry of Housing |
| Samurdhi | 10% | Consolidated Fund – Samurdhi and Youth Affairs |

### 2.6.7 Accounting for Prizes

The Board has maintained a Prize Reserve Fund Account to credit prize money not won in a particular draw to accumulate such prize money to award prizes in subsequent draws as stipulated in laws viz. section 5(1) of Finance (Amendment) Act No. 35 of 1997 and section 7(2) of Finance (Amendment) Act No.22 of 1998.

### 2.6.8 E- Lottery

Passive Lotteries are sold through SMS in addition to normal dealer channels.

### 2.6.9 Accounting Policies, Changes in Accounting Estimates and Errors.

The following amended standards are not expected to have a significant impact on the Board's financial statements.

SLFRS 03 – Business Combination (Definition of a Business)

SLFRS 17 – Insurance Contracts

## NOETS TO THE INCOME STATEMENT

**Note 03**

| **Turnover - VAT Inclusive** | **Note** | **2024 Rs.** | **2023 Rs.** |
|---|---|---|---|
| Mahajana Sampatha | | 10,951,635,560 | 9,854,274,680 |
| Govisetha | | 5,657,611,280 | 5,094,203,960 |
| Jathika Sampatha | | - | 1,096,931,360 |
| Mega Power | | 5,234,800,920 | 4,537,680,200 |
| Dana Nidanaya | | 3,253,052,480 | 2,971,642,960 |
| Handahana | | 5,497,416,080 | 6,034,965,800 |
| Lucky 7 | | 2,275,921,680 | 1,514,512,520 |
| Ada Sampatha | | 4,782,718,760 | - |
| Mega Million | | - | 143,192,000 |
| Mega 60 | | - | 143,253,000 |
| MS Jaya King 5000 | | - | 170,892,800 |
| Samurdhi | | 52,058,000 | 47,942,000 |
| Sevana - Scratch | | 277,992,000 | 404,710,000 |
| | | **37,983,206,760** | **32,014,201,280** |

**Note 04**

| **Cost of Sales** | **Note** | **2024 Rs.** | **2023 Rs.** |
|---|---|---|---|
| Tickets Printing Charges | 04-01 | 836,737,406 | 1,186,907,181 |
| Agency Commission | 04-02 | 7,121,851,268 | 6,002,662,740 |
| Main Agency Commission | 04-03 | 474,790,085 | 524,263,381 |
| Prizes | 04-04 | 19,617,689,592 | 16,671,455,496 |
| Government Contribution (Special Levy) | 04-05 | 4,510,176,987 | 3,841,947,982 |
| | | **32,561,245,336** | **28,227,236,781** |

**Note 04-01**

| **Tickets Printing Charges** | **Note** | **2024 Rs.** | **2023 Rs.** |
|---|---|---|---|
| **Opening Stock as at 1st January** | | | |
| Passive Lottery | | 6,899,988 | 14,296,425 |
| Sevana Lottery | | 5,431,530 | - |
| Samurdhi Lottery | | 2,967,306 | - |
| | | 15,298,824 | 14,296,425 |
| | | | |
| Add : Purchase of Tickets during the year | | 837,419,855 | 1,187,909,580 |
| | | 852,718,679 | 1,202,206,005 |
| **Less : Closing Stock as at 31st December** | | | |
| Passive Lottery | | 12,611,286 | 6,899,988 |
| Sevana Lottery | | 3,369,988 | 5,431,530 |
| Samurdhi Lottery | | - | 2,967,306 |
| | | 15,981,274 | 15,298,824 |
| | | **836,737,406** | **1,186,907,181** |

Note 04-02

| Agency Commission | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Mahajana Sampatha | | 2,053,431,668 | 1,847,676,503 |
| Govisetha | | 1,060,802,115 | 955,163,243 |
| Jathika Sampatha | | - | 205,674,630 |
| Mega Power | | 981,525,173 | 850,815,038 |
| Dana Nidanaya | | 609,947,340 | 557,183,055 |
| Handahana | | 1,030,765,515 | 1,131,556,088 |
| Lucky 7 | | 426,735,315 | 283,971,098 |
| Ada Sampatha | | 896,759,768 | - |
| Mega Million | | - | 26,848,500 |
| Mega 60 | | - | 26,859,938 |
| Mahajana Sampatha Jaya King 5000 | | - | 32,042,400 |
| Samurdhi | | 9,760,875 | 8,989,125 |
| Sevana - Scratch | | 52,123,500 | 75,883,125 |
| | | **7,121,851,268** | **6,002,662,740** |

Note 04-03

| Main Agency Commission | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Mahajana Sampatha | | 136,818,093 | 123,160,968 |
| Govisetha | | 70,721,350 | 63,648,956 |
| Jathika Sampatha | | - | 13,703,300 |
| Mega Power | | 65,399,046 | 56,675,928 |
| Dana Nidanaya | | 40,676,804 | 37,141,768 |
| Handahana | | 68,705,113 | 179,500,719 |
| Lucky 7 | | 28,560,070 | 37,844,930 |
| Ada Sampatha | | 59,783,985 | - |
| Mega Million | | - | 3,901,990 |
| Mega 60 | | - | 1,740,774 |
| Mahajana Sampatha Jaya King 5000 | | - | 2,109,720 |
| Samurdhi | | 650,725 | 479,545 |
| Sevana - Scratch | | 3,474,900 | 4,354,785 |
| | | **474,790,085** | **524,263,381** |

Note 04-04

| Prizes | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Mahajana Sampatha | | 5,277,943,509 | 4,849,466,042 |
| Govisetha | | 2,811,063,183 | 2,621,705,730 |
| Jathika Sampatha | | - | 543,682,512 |
| Mega Power | | 2,543,205,480 | 2,140,883,033 |
| Dana Nidanaya | | 1,654,825,230 | 1,508,636,940 |
| Handahana | | 3,054,906,960 | 3,606,142,591 |
| Lucky 7 | | 1,329,912,450 | 863,271,381 |
| Ada Sampatha | | 2,770,906,280 | - |
| Mega Million | | - | 109,764,000 |
| Mega 60 | | - | 126,109,500 |
| MS Jaya King | | - | 97,408,896 |
| Samurdhi | | 27,590,740 | 24,737,260 |
| Sevana - Scratch | | 147,335,760 | 179,647,610 |
| | | **19,617,689,592** | **16,671,455,496** |

Note 04-05

| Government Contribution (Special Levy) | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| **Contribution to the Consolidated Fund** | | | |
| Mahajana Sampatha | | 1,807,019,867 | 1,625,955,322 |
| Govisetha | | 565,761,128 | 509,420,396 |
| Jathika Sampatha | | - | 109,693,136 |
| Mega Power | | 523,480,092 | 453,768,020 |
| Dana Nidanaya | | 325,305,248 | 297,164,296 |
| Handahana | | 549,741,608 | 603,496,580 |
| Lucky 7 | | 195,337,952 | 147,272,520 |
| Ada Sampatha | | 478,271,876 | - |
| Mega Million | | - | 14,319,200 |
| Mega 60 | | - | 14,325,300 |
| MS Jaya King | | - | 17,089,280 |
| Samurdhi | | 5,205,800 | 4,794,200 |
| Sevana - Scratch | | 27,799,200 | 40,471,000 |
| | | **4,477,922,771** | **3,837,769,250** |
| **Contribution to the National Kidney Fund** | | | |
| Lucky 7 | | 32,254,216 | 4,178,732 |
| | | **32,254,216** | **4,178,732** |
| | | | |
| | | **4,510,176,987** | **3,841,947,982** |

Note 05

| Other Income | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Interest Income | | 715,227,589 | 1,194,699,827 |
| Sundry Income | | 224,025,725 | 128,049,341 |
| | | **939,253,314** | **1,322,749,168** |

Note 06

| Sales, Marketing & Distribution Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Distribution Costs | 06-01 | 370,792,590 | 532,775,998 |
| Marketing & Sales Promotion Expenses | 06-02 | 756,053,030 | 834,358,916 |
| Communication Expenses | 06-03 | 31,640,535 | 40,981,607 |
| | | **1,158,486,156** | **1,408,116,521** |

Note 06-01

| Distribution Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Motor Vehicles - Fuel (50%) | | 15,723,848 | 22,033,682 |
| Motor Vehicles - Repairs (50%) | | 16,452,652 | 9,913,316 |
| Motor Vehicles - Insurance (50%) | | 685,621 | 665,755 |
| Motor Vehicles - Revenue License (50%) | | 540,702 | 209,258 |
| Motor Vehicles - Tires and Tubes (50%) | | 1,972,954 | 1,527,462 |
| Motor Vehicles - Maintenance & Others (50%) | | 3,606,880 | 4,147,674 |
| Motor Vehicles - Depreciation (50%) | | 480,988 | 458,311 |
| Tickets Transport Charges | | 37,438,432 | 43,902,791 |
| Provision for Bad Debts | | (901,639) | 4,697,428 |
| Agent Relief Exp. /Cost of Returned Tickets | | 120,615 | 131,930 |
| Dealers & Agents Training & Conference | | 687,238 | 3,265,954 |
| Scholarships to Agents' Children | | 1,455,500 | 1,016,500 |
| Agent & Seller Medical & Insurance Expenses | | 15,961,000 | 18,191,000 |
| Agent Additional Sales Promotional Expenses | | 271,855,746 | 418,526,937 |
| Agent Appreciation Token for Prize Winners | | 4,161,000 | 4,083,500 |
| Agent's & Sellers Welfare | | 551,055 | 4,500 |
| | | **370,792,590** | **532,775,998** |

Note 06-02

| Marketing & Sales Promotion Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Production & Telecasting | | 499,124,600 | 523,318,217 |
| Publication of Lottery Results | | 36,884,615 | 61,022,462 |
| Brand Promotional Advertising | | 131,734,197 | 156,330,755 |
| Corporate Advertising | | 20,527,965 | 42,480,422 |
| CSR - Corporate Social Responsibility | | 8,046,400 | 4,655,000 |
| BTL Advertising Exp | | 5,000,000 | 18,638,975 |
| Sales Booth ect. to Agents | | 54,735,254 | 27,913,085 |
| | | **756,053,030** | **834,358,916** |

Note 06-03

| Communication Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Postage and Telegrams (60%) | | 482,699 | 447,938 |
| Telephone, Faxes and Internet (60%) | | 11,247,343 | 12,241,040 |
| Printing and Stationery (60%) | | 19,381,331 | 27,017,096 |
| Press Notices (60%) | | 529,162 | 1,275,533 |
| | | **31,640,535** | **40,981,607** |

Note 07

| Administrative Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Personnel Emoluments | 07-01 | 717,325,811 | 664,228,905 |
| Establishment Expenses | 07-02 | 163,081,305 | 141,548,554 |
| Other Administrative Expenses | 07-03 | 247,767,499 | 251,142,757 |
| | | **1,128,174,614** | **1,056,920,215** |

Note 07-01

| Personnel Emoluments | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Staff Salaries | | 250,605,815 | 210,229,783 |
| Staff Overtime | | 34,922,638 | 40,442,574 |
| Duty Allowance | | 1,527,288 | 1,599,403 |
| Staff EPF | | 34,350,534 | 28,163,545 |
| Staff ETF | | 6,870,107 | 5,624,787 |
| Staff Pension | | 238,159 | 211,464 |
| Staff Annual Bonus | | 30,000,000 | 24,402,489 |
| Leave Encashment | | 7,492,149 | 8,154,073 |
| Risk Allowance | | 1,132,200 | 1,095,000 |
| Staff Welfare | | 42,924,147 | 44,956,975 |
| Staff Uniforms | | 8,465,748 | 9,167,456 |
| Defined Benefit Plan Cost | 24 | 17,156,070 | 19,498,310 |
| Welfare & Thrift Fund | | 9,601,684 | 7,058,387 |
| Allowances to Chairman and Board Members | | 1,473,333 | 1,496,118 |
| Production Incentive | | 143,866,396 | 119,082,649 |
| Ex-gratia Payments | | 39,747,832 | 38,260,866 |
| Staff & Board Members Traveling, Subsistence & Special Allowance | | 41,703,310 | 40,366,325 |
| Target based employee motivation benefits | | 35,816,328 | 15,266,800 |
| Duty Allowance for Van Sales - Staff | | 4,708,000 | 2,936,000 |
| Gift to Staff | | - | 41,656,500 |
| Employee benifit on Housing loan | | 4,724,072 | 4,559,403 |
| | | **717,325,811** | **664,228,905** |

**Note 07-02**

| Establishment Expenses | Note | 2023 Rs. | 2022 Rs. |
|---|---|---|---|
| Rent | | 87,686,550 | 87,926,550 |
| Rates & Taxes | | 30,270 | 65,370 |
| Electricity | | 21,252,250 | 20,604,371 |
| Water | | 1,431,514 | 1,383,295 |
| Cleaning and Maintenance | | 10,898,447 | 9,913,650 |
| Building - Repairs | | 38,720 | 73,300 |
| Maintanance other than Vehicles | | 8,592,908 | 293,046 |
| Repairs other than Vehicles | | 3,287,757 | 5,172,912 |
| Insurance Other than Vehicles | | 599,912 | 670,359 |
| Depreciation Other than Vehicles | | 26,610,865 | 13,972,078 |
| Amortization of Investment Property | | 2,485,500 | 1,473,622 |
| | | **163,081,305** | **141,548,554** |

**Note 07-03**

| Other Administrative Expenses | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| External Audit Fee | | 2,700,000 | 2,440,500 |
| Legal Fee | | 10,098,470 | 2,203,238 |
| Over Seas Travel | | 456,363 | - |
| Newspapers and Periodicals | | 250,000 | 844,670 |
| Renewal Fee - Inter. Lottery Association | | 1,653,345 | 1,741,713 |
| Motor Vehicles - Fuel (50%) | | 15,723,848 | 22,033,682 |
| Motor Vehicles - Repairs (50%) | | 16,452,652 | 9,913,316 |
| Motor Vehicles - Insurance (50%) | | 685,621 | 665,755 |
| Motor Vehicles - Revenue License (50%) | | 540,702 | 209,258 |
| Motor Vehicles - Tires and Tubes (50%) | | 1,972,954 | 1,527,462 |
| Motor Vehicles - Maintenance & Others (50%) | | 3,606,880 | 4,147,674 |
| Motor Vehicles - Depreciation (50%) | | 480,988 | 458,311 |
| Non Consumable Items | | 1,631,696 | 1,887,016 |
| Consumable Items | | 1,591,916 | 1,765,051 |
| Incidental & General Expenses | | 3,599,832 | 13,367,066 |
| Scrutiny of Prize Winning Tickets | | 164,430 | 161,690 |
| Expenses at Board Meetings | | 273,585 | 318,435 |
| Training and Seminar Fee | | 1,074,819 | 1,667,980 |
| Circuit Bungalow Repair & Maintenance | | 380,852 | 1,601,778 |
| Consultancy & Professional Charges | | 1,909,123 | 3,639,082 |
| Prizes Validation Charges | | 14,247,734 | 17,813,843 |
| Medical Expenses - Staff | | 99,650,000 | 88,150,000 |
| Staff Accidental Insurance & Compansation | | 2,000,000 | 2,000,000 |
| Vehicle Hire Charges | | 9,886,500 | 10,029,750 |
| Software Maintenance | | 12,512,847 | 13,948,016 |
| Refreshments Board of Directors | | 224,455 | 258,900 |
| Fees to Tender Board Members | | 407,500 | 800,000 |
| Sweep Audit Fee | | 22,496,700 | 20,227,500 |
| Postage and Telegrams (40%) | | 321,799 | 298,625 |
| Telephone, Faxes and Internet (40%) | | 7,498,229 | 8,160,694 |
| Printing and Stationery (40%) | | 12,920,887 | 18,011,397 |
| Press Notices (40%) | | 352,775 | 850,356 |
| | | **247,767,499** | **251,142,757** |

Note 08

| Finance and Other Expenses | Note | 2024 *Rs.* | 2023 *Rs.* |
|---|---|---|---|
| Bank Charges | | 3,236,575 | 8,089,838 |
| Old balances correction and written off | | 212,113 | 1,455,528 |
| Revaluation Loss on Anuradhapura Regional Office Building | | - | 581,103 |
| Impairment Provision for Capital work in progress | | - | 27,178,359 |
| Exchange Loss | | 6,004 | - |
| | | **3,454,692** | **37,304,827** |

Note 09

| Income Tax | Note | 2024 *Rs.* | 2023 *Rs.* |
|---|---|---|---|
| Current year Income Tax | | 127,122,510 | 153,274,709 |
| Previous year Income Tax - under provision | | 54,188,242 | 38,769,324 |
| Deferred Tax Expense / (Reversal) | | 7,754,291 | 1,931,382 |
| **Income Tax Expense** | | **189,065,042** | **193,975,415** |

## NOTES TO THE FINANCIAL POSITION

**Note 10 - Property, Plant & Equipment - Free Hold**

| | Land<br>*Rs.* | Buildings<br>*Rs.* | Motor Vehicles<br>*Rs.* | Computers & Accessories<br>*Rs.* | Office Equipment<br>*Rs.* | Draw Barrels<br>*Rs.* | Furniture & Fittings<br>*Rs.* | Promotinal Equipment<br>*Rs.* | 2024 Total<br>*Rs.* | 2023 Total<br>*Rs.* |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost or Revalued Amount** | | | | | | | | | | |
| **Balance Beginning of the Year** | 1,008,450,000 | 50,965,000 | 275,810,109 | 145,902,680 | 61,079,671 | 162,980,392 | 39,486,680 | 13,389,940 | 1,758,064,472 | 1,215,002,574 |
| Revaluation | - | - | - | - | - | - | - | - | - | 536,083,680 |
| Additions during the Year | - | - | - | 2,749,200 | 3,521,883 | 258,678,758 | 519,248 | - | 265,469,089 | 6,978,218 |
| Disposal during the Year | - | - | (1,057,000) | (770,900) | (1,005,202) | - | - | - | (2,833,102) | - |
| Transferred during the Year | - | - | - | - | - | - | - | - | - | - |
| **Balance end of the Year** | **1,008,450,000** | **50,965,000** | **274,753,109** | **147,880,980** | **63,596,352** | **421,659,149** | **40,005,928** | **13,389,940** | **2,020,700,459** | **1,758,064,472** |
| **Depreciation** | | | | | | | | | | |
| **Balance Beginning of the Year** | - | 635,604 | 273,411,124 | 136,332,413 | 52,193,996 | 162,980,392 | 29,780,032 | 13,389,940 | 668,723,501 | 664,495,767 |
| Revaluation adjustment | - | - | - | - | - | - | - | - | - | (10,660,967) |
| Depreciation for the Year | - | 2,548,250 | 961,975 | 5,170,091 | 3,291,475 | 12,933,938 | 2,667,112 | - | 27,572,840 | 14,888,701 |
| Depreciation on Disposal | - | | (1,057,000) | (770,900) | (518,090) | - | - | - | (2,345,990) | - |
| **Balance End of the Year** | **-** | **3,183,854** | **273,316,099** | **140,731,604** | **54,967,381** | **175,914,329** | **32,447,144** | **13,389,940** | **693,950,351** | **668,723,501** |
| **Carrying amount as at 31.12.2024** | **1,008,450,000** | **47,781,146** | **1,437,010** | **7,149,376** | **8,628,971** | **245,744,820.01** | **7,558,784** | **-** | **1,326,750,107** | |
| **Carrying amount as at 31.12.2023** | **1,008,450,000** | **50,329,396** | **2,398,985** | **9,570,267** | **8,885,675** | **-** | **9,706,648** | **-** | | **1,089,340,971** |
| **Rate of Depreciation** | **-** | **05%** | **25%** | **25%** | **20%** | **20%** | **10%** | **33.33%** | | |

**Land - Vauxhall Street**

**Building - Narahenpita Chairman's Bunglow & Vauxhall Building**

**Fair Value Measurement**

As per the valuation carried out in 2023 by the Government Valuer for the Department of Valuation, the assets were valued on an open market value for existing use basis.

| Assets | Valuation Technique | Significant unobservable inputs | Sensitivity of the input to the fair value |
|---|---|---|---|
| Freehold Land & Building | Market Comparable method<br>This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature & location of the property. | Price per perch of land. | Estimated fair value would increase (decrease) if; - Price per perch increases (decreases). |

**Property, Plant & Equipment - Free Hold Property**

Land and Buildings carried at revalued amount

| Location | Last Revalued Date | Extent | Cost/Revalued Amount as at 31.12.2022 Rs. | Carrying Amount Rs. Before Revaluation | Revaluation Amount Rs. 2023 | Revaluation Surplus/(loss) Rs. 2023 | Carrying Amount Rs. 31.12.2024 | Carrying Amount Rs. 31.12.2023 |
|---|---|---|---|---|---|---|---|---|
| **Land - Vauxhall Street**<br>No. 55/57, Vauxhall Street, Colombo 02 | 01.09.2023 | 112.05 P | 500,000,000 | 500,000,000 | 1,008,450,000 | 508,450,000 | 1,008,450,000 | 1,008,450,000 |
| **Chairmans Bunglow -**<br>D 8/1/2, Mangala Path, Mannin Town, Colombo 02 | 01.12.2023 | 0.1415Ha | 9,900,000 | 4,991,250 | 17,000,000 | 12,008,750 | 16,079,167 | 16,929,167 |
| **WareHouse at Vauxhall Street**<br>No. 55/57, Vauxhall Street, Colombo 02 | 01.09.2023 | | 12,240,000 | 6,783,000 | 33,650,000 | 26,867,000 | 31,406,667 | 33,089,167 |
| **Anuradhapura Regional Office**<br>No. 352, 1st lane, Harischandra Mawatha, Anuradhapura | 01.10.2023 | | 1,191,320 | 896,103 | 315,000 | (581,103) | 295,313 | 311,063 |
| | | | **523,331,320** | **512,670,353** | **1,059,415,000** | **546,744,647** | **1,056,231,146** | **1,058,779,396** |

Board Property, Plant and Equipment with a cost of Rs. 638,426,325 (2023 - Rs. 628,666,509 ) have been fully depreciated and continue to be in use by the Board.

## Note 11 - Investment Property - Lease hold

**Circuit Bungalows - Anuradhapura & Mannar**

| Buildings - Lease Hold | 2024 Rs. | 2023 Rs. |
|---|---|---|
| **Cost or Revalued Amount** | | |
| **Balance Beginning of the Year** | 49,710,000 | 50,530,000 |
| Additions during the Year | - | - |
| Revaluation | - | (820,000) |
| **Balance end of the Year** | **49,710,000** | **49,710,000** |
| **Accumulated Amortization** | | |
| **Balance Beginning of the Year** | 485,083 | 26,716,444 |
| Revaluation adjustment | - | (27,704,983) |
| Amortisation for the Year | 2,485,500 | 1,473,622 |
| **Balance end of the Year** | **2,970,583** | **485,083** |
| **Carrying amount as at 31.12.2024** | **46,739,417** | |
| **Carrying amount as at 31.12.2023** | | **49,224,917** |

**Fair Value Measurement**

As per the valuation carried out in 2023 by the Government Valuer for Department of Valuation, the assets were valued on an open market value for existing use basis.

| Assets | Valuation Technique | Significant unobservable inputs |
|---|---|---|
| Investment Property | Market Comparable method. This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature & location of the property. | Price per perch of land. |

**Investment Property**

| Location | Last Revalued Date | Extent | Cost Amount as at 31.12.2022 Rs. | W.D.V. Amount as at Revaluation Date | Revaluation Amount as at Revaluation Date | Revaluation Surplus 2023 | W.D.V. Amount as at 31.12.2023 | W.D.V. Amount as at 31.12.2024 |
|---|---|---|---|---|---|---|---|---|
| **Anuradhapura Circuit Bunglow** 1st Lane, Harischandra Mv, Anuradhapura | 01.10.2023 | 1R 18.52P | 16,030,000 | - | 17,000,000 | 17,000,000 | 16,787,500 | 15,937,500 |
| **Mannar Circuit Bunglow** Jubilee Road, Murungan | 01.11.2023 | 0.2683 Ha | 34,500,000 | 22,825,017 | 32,710,000 | 9,884,983 | 32,437,417 | 30,801,917 |
| | | | **50,530,000** | **22,825,017** | **49,710,000** | **26,884,983** | **49,224,917** | **46,739,417** |

Carrying amount has been adjusted for amortization for investment property.

## Note 12 - Intangible Assets

| Computer Software | 2024 Rs. | 2023 Rs. |
|---|---|---|
| **Cost** | | |
| **Balance Beginning of the Year** | 90,598,131 | 90,598,131 |
| Additions during the Year | 760,000 | - |
| **Balance end of the Year** | **91,358,131** | **90,598,131** |
| **Accumulated Amortization** | | |
| **Balance Beginning of the Year** | 90,598,131 | 90,598,131 |
| Amortisation for the Year | 75,208 | - |
| **Balance end of the Year** | **90,673,339** | **90,598,131** |
| **Carrying amount as at 31.12.2024** | **684,792.00** | |
| **Carrying amount as at 31.12.2023** | | **-** |

Note 13

| Capital Work in Progress | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Capital Work in Progress - Building | | 27,178,359 | 27,178,359 |
| Less: Provision for impairment - Capital work in Progress | | (27,178,359) | (27,178,359) |
| | | - | - |

Note 14

| Deferred Tax Assets / (Liability) | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Balance at the beginning of the year | | (154,179,246) | 14,221,487 |
| Current year Deferred Taxation | | (7,754,291) | (1,931,382) |
| Add : Deferred Tax attributable to remeasurment of Retirement benefit Obligation | | 2,362,960 | (2,271,626) |
| Deferred Tax Liability on Revaluation surplus of Land and Buildings | | - | (164,197,725) |
| **Balance at the end of the year** | | **(159,570,577)** | **(154,179,246)** |
| | | | |
| **Movement in Deferred Tax Assets / (Liability)** | | | |
| Balance at the beginning of the year | | (154,179,246) | 14,221,487 |
| Recognised in profit / (loss) | | (7,754,291) | (1,931,382) |
| Recognised in other comprehensive income on Actuarial Gain | | 2,362,960 | (2,271,626) |
| Recognised in other comprehensive income on Revaluation surplus of Land and Buildings | | - | (164,197,725) |
| **Balance at the end of the year** | | **(159,570,577)** | **(154,179,246)** |
| | | - | |
| **Composition of Deferred Tax Assets / (Liability)** | | | |
| Deferred tax assets attributable to; | | | |
| Defined benefit obligations | | 29,215,037 | 24,348,506 |
| Provision for Bad debts | | 6,123,383 | 6,393,875 |
| Accelerated depreciation for tax purposes on property, plant & Equipment | | (30,711,272) | (20,723,902) |
| Revaluation surplus of Land and Buildings | | (164,197,725) | (164,197,725) |
| **Net deferred tax assets / (liability)** | | **(159,570,577)** | **(154,179,246)** |

Note 15

| Staff Loans | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Distress Loans | | 47,284,036 | 50,066,507 |
| Housing Loans | | 72,563,542 | 71,300,921 |
| | | **119,847,578** | **121,367,428** |

Note 16

| Long Term Investments | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Fixed Deposits (matured after 12 months) | | - | - |
| | | - | - |

Note 17

| Inventories | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Printed Tickets Stocks | | 15,981,274 | 15,298,824 |
| Prizes Stocks | | 18,367,381 | 26,159,916 |
| Consumable Stocks | | 10,559,258 | 16,559,447 |
| | | **44,907,912** | **58,018,187** |

Note 18

| Trade Receivables | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Trade Debtors | | 156,206,809 | 270,088,647 |
| Less : Provision for Doubtful Debts | | (20,411,278) | (21,312,917) |
| | | **135,795,532** | **248,775,730** |

Note 19

| Other Current Assets | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Other Debtors | 19-01 | 82,415,401 | 12,219,215 |
| Accounts Receivables | 19-02 | 1,541,203 | 1,724,024 |
| Staff Loans | 19-03 | 31,740,874 | 36,456,044 |
| Deposits & Prepayments | 19-04 | 136,868,696 | 125,462,155 |
| | | **252,566,174** | **175,861,437** |

Note 19-01

| Other Debtors | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Advances to Staff | | 12,603 | 557,603 |
| Advances to Outsiders | | 79,401,003 | 7,414,067 |
| Recovery of Computer & Accessories to Agents | | 92,336 | 92,336 |
| Recovery of Sales Booth to Agents | | 2,628,208 | 318,208 |
| Recovery of Bicycles to Agents | | 281,250 | 3,802,000 |
| Recovery of Motor Bicycles to Agents | | - | 15,000 |
| Recovery of Bicycle Loss - Procurement Division | | - | 20,000 |
| | | **82,415,401** | **12,219,215** |

Note 19-02

| Accounts Receivables | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Sundry Income Receivable | | 1,541,203 | 1,724,024 |
| | | **1,541,203** | **1,724,024** |

Note 19-03

| Staff Loans | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Festival Advance | | 110,577 | 245,577 |
| Distress Loans | | 15,217,972 | 15,114,271 |
| Motor Bike Loans | | 11,164,998 | 14,354,999 |
| Staff advance for Laptops | | - | 1,460,847 |
| Housing Loans | | 5,247,327 | 5,280,349 |
| | | **31,740,874** | **36,456,044** |

Note 19-04

| Deposits & Prepayments | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Staff Security Deposits - Peoples Bank | | 2,500 | 2,500 |
| Staff Security Deposits - NSB | | 13,400 | 13,400 |
| Postal Franking Machine Deposits | | 66,610 | 43,483 |
| General Deposits -Building and others | | 28,023,010 | 28,523,010 |
| Prepaid (deferred) expenses for employee Benifits | | 33,954,118 | 25,767,018 |
| Payments in Advance | | 11,479,882 | 7,783,568 |
| Rent Paid in Advance | | 63,329,175 | 63,329,175 |
| | | **136,868,696** | **125,462,155** |

Note 20

| Short Term Investments | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Fixed Deposits (matured within 03 to 12 months) | | 462,977,820 | 425,408,312 |
| | | **462,977,820** | **425,408,312** |

A Bank Guarantee has been given to the Tax Appeals Commission amounting Rs. 308,195,850.25 for an appeal made for Income Tax case for the year of assessment 2017/2018 as disclosed in Note 30.

Note 21

| Cash & Cash Equivalent | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Cash in Hand and at Bank | 21-01 | 294,119,955 | 379,224,500 |
| Short Term Deposits | 21-02 | 8,386,932,808 | 7,751,325,604 |
| | | **8,681,052,763** | **8,130,550,104** |

Note 21 - 1

| Cash in Hand and at Bank | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Cash in Hand | | 797,081 | 809,437 |
| Cash at Bank | | 293,322,874 | 378,415,063 |
| | | **294,119,955** | **379,224,500** |

Note 21 - 2

| Short Term Deposits | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Fixed Deposits (matured within 03 months) | | 4,324,797,608 | 5,696,196,084 |
| Treasury Repo Deposits | | 4,022,128,898 | - |
| Call Deposits | | 40,006,301 | 2,055,129,520 |
| | | **8,386,932,808** | **7,751,325,604** |

Note 22

| Retained Earnings | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Balance at the beginning of the year | | 3,603,093,604 | 2,396,866,790 |
| Profit for the Year | | 1,504,202,812 | 650,877,152 |
| | | 5,107,296,418 | 3,047,743,944 |
| | | | |
| Net change in Prizes Reserve | | (1,563,152) | 550,049,200 |
| Less : Special Levy transferred to General Treasury by Retained Earnings | | (1,060,000,000) | - |
| Add : Writeoff Disposal Property,Plant & Equipment Revaluation Gain | | 316,118 | - |
| Less : Actuarial Gain / (Loss) on defined benefit plans | | (7,876,533) | 7,572,085 |
| Add : Deferred Tax attributable to remeasurment of Retirement benefit Obligation | | 2,362,960 | (2,271,626) |
| **Balance at the end of the year** | | **4,040,535,811** | **3,603,093,604** |

Note 23

| Other Components of Equity | Note | 2024 Rs. | 2023 Rs. |
|---|---|---|---|
| Accumulated Treasury Fund | | 21,263,101 | 21,263,101 |
| Revaluation Reserve | | 681,073,373 | 681,389,491 |
| Building Reserve | | 264,594,305 | 264,594,305 |
| Prizes Reserve | | 1,765,933,728 | 1,764,370,577 |
| **Balance at the end of the year** | | **2,732,864,507** | **2,731,617,473** |

Note 24

| Retirement benefit Obligation | 2024 Rs. | 2023 Rs. |
|---|---|---|
| Balance at the beginning of the year | **81,161,686** | **76,296,051** |
| | | |
| Interest Cost | 10,551,019 | 13,733,289 |
| Past and Current Service Costs | 6,605,051 | 5,765,021 |
| Charge to Income Statement | 17,156,070 | 19,498,310 |
| | | |
| Actuarial (Gain) / Loss included in Other Comprehensive Income | 7,876,533 | (7,572,085) |
| | 25,032,603 | 11,926,225 |
| | | |
| Paid / Payable for during the year | (8,810,834) | (7,060,590) |
| Balance at the end of the year | **97,383,455** | **81,161,686** |

**Principal Actuarial Assumptions**

An actuarial valuation was carried out as at 31st December 2024 by Mr. M. Poopalanathan, AIA, of Messrs Actuarial and Management Consultants (Pvt) Ltd., a firm of professional actuaries. Principal Actuarial Assumptions as follows;

| | 2024 | 2023 |
|---|---|---|
| Rate of discount | 11.00% | 13.00% |
| Salary escalation rate | 10.00% | 10.00% |
| Retirement Age in years | 60 | 60 |
| Staff Turnover | 3.00% | 3.00% |
| Disability Rate | 10% of Mortality table | |
| Mortality Table | A 1967/70 Mortality table | |

**Sensitivity Analysis**

A one percentage change at the reporting date to one of the actuarial assumptions would have the following effects to defined benefit obligation.

| Variable | 2024 | | 2023 | |
|---|---|---|---|---|
| **Discount Rate** | **Increase** | **Decrease** | **Increase** | **Decrease** |
| Sensitivity level | +1% | -1% | +1% | -1% |
| Impact on defined benefit obligation Rs. | 88,500,472 | 107,689,735 | 74,117,117 | 89,332,022 |
| | | | | |
| **Salary Escalation Rate** | **Increase** | **Decrease** | **Increase** | **Decrease** |
| Sensitivity level | +1% | -1% | +1% | -1% |
| Impact on defined benefit obligation Rs. | 107,957,839 | 88,140,979 | 88,172,530 | 75,023,732 |

| Distribution of Present Value of Defined Benefit Obligation in future years are as follows. | 2024 | 2023 |
|---|---|---|
| | Rs. | Rs. |
| Within the next 12 months | 5,086,751 | 8,107,903 |
| Between 2 to 5 years | 23,861,934 | 20,123,449 |
| After 5 years | 68,434,769 | 52,930,334 |
| | **97,383,454** | **81,161,686** |
| The Weighted Average duration of Defined Benefit Obligation in years | 10.80 | 10.50 |

**Note 25**

| **Trade & Other Payables** | **Note** | **2024**<br>***Rs.*** | **2023**<br>***Rs.*** |
|---|---|---|---|
| Payable to Government Contribution (Special Levy) | | 442,037,522 | 366,431,999 |
| Sweep Collection in Advance | | 336,415,125 | 251,455,350 |
| Prizes Obligations | | 1,902,640,070 | 2,125,852,579 |
| Trade & Other Creditors | | 283,300,753 | 306,797,518 |
| Accrued Expenses | | 773,171,598 | 551,466,327 |
| | | **3,737,565,067** | **3,602,003,773** |

**Note 26**

| **Current Tax Payables** | **Note** | **2024**<br>***Rs.*** | **2023**<br>***Rs.*** |
|---|---|---|---|
| VAT Payables | | 151,508,992 | 80,962,172 |
| VAT Payable - Previous periods | | 8,638,749 | - |
| Social Security Contribution Levy (SSCL) Payables | | 70,167,353 | 58,712,883 |
| Income Tax Payables | | 52,622,282 | (33,578,372) |
| | | **282,937,376** | **106,096,683** |

## 27. Related Party Disclosures

The Board carried out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24 - Related Party Disclosures. The details of which are given below.

### 27.1 Key Management Personnel

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, the Key Management Personnel (KMP) are those having authority and responsibility for planning, directing, and controlling the activities of the entity. Accordingly, the Directors of the Board and the Chairman/CEO have been classified as KMP of the Board directly or indirectly.

#### 27.1.1 Transaction with key management personnel (KMP)

| | 2024<br>Rs. | 2023<br>Rs. |
|---|---|---|
| Short Term Benefits | 3,671,932 | 4,025,764 |

## 28. Financial Assets and Financial Liabilities - Accounting Classification and Fair Values

### 28.1 Fair Value of Financial Instruments Carried at Amotised Cost

Following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at the fair value if the carrying amount is a reasonable approximation of fair value.

| | Carrying Amount<br>2024<br>Rs. | Carrying Amount<br>2023<br>Rs. |
|---|---|---|
| **As at 31 December 2024** | | |
| **Financial Assets not Measured at Fair Value** | | |
| Trade Receivables | 135,795,532 | 248,775,730 |
| Staff Receivables | 31,740,874 | 36,456,044 |
| Other Current Assets | 83,956,604 | 13,943,238 |
| Short Term Investments | 462,977,820 | 425,408,312 |
| Cash and Cash Equivalents | 8,681,052,763 | 8,130,550,104 |
| | **9,395,523,592** | **8,855,133,427** |
| **Financial Liabilities** | | |
| **Financial Liabilities not Measured at Fair Value** | | |
| Trade Payables | 283,300,753 | 306,797,518 |
| Prizes Payables | 1,902,640,070 | 2,125,852,579 |
| | **2,185,940,822** | **2,432,650,097** |

### 28.2 Classes of financial instruments that are not carried at fair value and of which carrying amounts are a reasonable approximation of fair value,

This includes trade, staff and other receivables, short term investments, cash and cash equivalents, trade and other payables.

The carrying amounts of these financial assets and liabilities are a reasonable approximation of fair values due to their short term nature.

**29. Financial Instruments - Risk Management**

**Overview**

The Board has exposure to the following risks from its use of financial instruments:

1. Credit risk
2. Liquidity risk
3. Market risk
4. Operational risk.

This note presents information about the Board's exposure to each of the above risks, the Boards's objectives, policies and processes for measuring and managing risk, and the Boards's management of capital. Further quantitative disclosures are included throughout this financial statement.

**Risk Management Framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Board's risk management framework. The Board is responsible for developing and monitoring the Board's risk management policies.

The Board's risk management policies are established to identify and analyze the risks faced by the Board's, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Board's activities. The Board, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**29.1 Credit Risk**

Credit risk is the risk of financial loss to the Board if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from its' operating activities principally from the Board's receivables from customers and investment securities and cash at bank.

**29.1.1 Trade and Other Receivables**

The Board's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Board has established a credit policy under which each customer is analyzed individually for creditworthiness, before the Board's standard payment and delivery terms and conditions are offered. credit limits and credit periods are established for each customer at the time of entering in to agreements and these are timely reviewed.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

| | Carrying Value | |
|---|---|---|
| **As at 31 December,** | **2024** | **2023** |
| | **Rs.** | **Rs.** |
| Trade Receivables | 135,795,532 | 248,775,730 |
| Staff Receivables | 31,740,874 | 36,456,044 |
| Other Current Assets | 83,956,604 | 13,943,238 |
| Short Term Investments | 462,977,820 | 425,408,312 |
| Cash at Bank | 8,680,255,682 | 8,129,740,667 |
| | **9,394,726,512** | **8,854,323,991** |

**Age analysis of trade receivables after provision for impairment**

| **As at 31 December 2024,** | **Past due but not impaired** | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 30 days** | **31 -90 days** | **90 - 365 days** | **More than 365 days** | **Impaired** | **Gross trade receivables** |
| Trade receivables | 105,248,248 | 17,266,477 | 11,964,062 | 1,316,744 | 20,411,276 | 156,206,809 |
| | 105,248,248 | 17,266,477 | 11,964,062 | 1,316,744 | 20,411,276 | 156,206,809 |

| **As at 31 December 2023,** | **Past due but not impaired** | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 30 days** | **31 -90 days** | **90 - 365 days** | **More than 365 days** | **Impaired** | **Gross trade receivables** |
| Trade receivables | 242,967,323 | 3,387,480 | 279,360 | 2,141,567 | 21,312,917 | 270,088,647 |
| | 242,967,323 | 3,387,480 | 279,360 | 2,141,567 | 21,312,917 | 270,088,647 |

All individually significant receivables are individually assessed for impairment by considering objective evidence.

**29.2 Liquidity Risk**
Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Cash flow forecasting is done by the Board on a regular basis. The finance division monitors rolling forecasts of the Board's liquidity requirements to ensure it has sufficient cash to meet operational needs.

**29.3 Market Risk**
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and security prices will affect the Board's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**29.4 Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Board's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Board's operations.

Compliance with Board standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the Audit Committee and the relevant divisions to which they relate, with summaries submitted to the Board of Directors and senior management. The responsibility is supported by the development of overall Board standards for the management of operational risk in the following areas.

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified

- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance when this is effective.

**29.5 Capital Management**
The Primary Objective of the Board's capital management is to ensure that it maintains a strong financial position and healthy capital ratios in order to support its business.

**30. Capital Commitments and Contingencies**

The Department of Inland Revenue has issued an assessment in respect of Income Tax filed, by disallowing amount given to Consolidated fund, for the year of assessment 2016/2017 amounting to additional tax value of Rs. 946,462,661/- and penalty of Rs. 397,514,318/-. Tax Appeal Commission has determined the case in favour of NLB and the Deapartment of Inland Revnue disagreed with the decision and filed a case in Court of Appeal. The said case is hearing in the court of appeal.

The Department of Inland Revenue has issued an assessment in respect of Income Tax filed, by disallowing the amount given to Consolidated fund, for the year of assessment 2017/2018 amounting to an additional tax value of Rs. 839,397,821/- and a penalty of Rs. 421,865,677/-. The Board has appealed against the assessment by giving a Bank Guarantee of Rs. 308,195,850.25 and the decision is pending at Tax Appeal Commission.

The Department of Inland Revenue has issued an assessment in respect of Income Tax filed, disallowing the amount allocated to the Consolidated fund, for the year of assessment 2020/2021. This has resulted in an additional tax liability of Rs. 92,115,271/- and a penalty with interest amounting to Rs. 55,729,739/-. The Board has appealed to the Commissioner General of Inland Revenue against the assessment, and the decision is pending.

The Department of Inland Revenue has issued notices of assessments to the Board for the years 2016,2017,2018, and 2019, for Value Added Tax (VAT). The Board has appealed against these assessments to Commissioner General of Inland Revenue.

Estimated amount of the contracts remaining to be executed on capital commitments not provided for (net of advance) is zero.

A case has been filed by a former employee, requesting Rs. 500 million as compensation in the District Court Kandy and the case is hearing. The said amount is payabie if the Judgment is entered against the National Lotteries Board.

Apart from the above, there were no significant contingent liabilities and capital commitments as at the reporting period end that would require adjustments to/or disclosure in the financial statements.

**31. Events after the Reporting Period End**

There were no significant events after the balance sheet date which require adjustments to or disclosures in the financial statements.

## 32. Other Notes

32.01 One employee of the Board has misappropiated an approximate amount of Rs. 4,736,005/- during the year 2020 and investigation is being carried out by Criminal Investigation Department of Sri Lanka Police. Hence, this misappropiated amount has not been adjusted in this Financial Statements.

32.02 Forfeited prizes always represent two financial years and payments were made as follows;

| | 2024<br>Rs. | 2023<br>Rs. |
|---|---|---|
| 1st Quarter (Draw held during 3rd Quarter of previous year) | 194,292,630 | 96,425,800 |
| 2nd Quarter (Draw held during 4th Quarter of previous year) | 227,796,800 | 117,117,850 |
| 3rd Quarter (Draw held during 1st Quarter of current year) | 175,199,240 | 144,979,950 |
| 4th Quarter (Draw held during 2nd Quarter of current year) | 187,226,860 | 154,674,310 |
| | **784,515,530** | **513,197,910** |

32.03

Value Added Tax (VAT) rate for 2024 was 18%, and the VAT rate applicable for 2023 was 15%.

## SEGMENTAL ANALYSIS

| | 2024 Rs. | | | 2023 Rs. | | |
|---|---|---|---|---|---|---|
| | Lottery Operation | Investment Operation | Total | Lottery Operation | Investment Operation | Total |
| | | | | | | |
| **Gross Turnover** | **37,983,206,760** | - | **37,983,206,760** | **32,014,201,280** | - | **32,014,201,280** |
| | | | | | | |
| **Less : Indirect Taxes** | | | | | | |
| Value Added Tax (VAT) | 1,658,592,022 | - | 1,658,592,022 | 1,164,695,700 | - | 1,164,695,700 |
| Social Security Contribution Levy (SSCL) | 719,239,399 | - | 719,239,399 | 597,823,835 | - | 597,823,835 |
| **Net Turnover** | **35,605,375,339** | **-** | **35,605,375,339** | **30,251,681,745** | **-** | **30,251,681,745** |
| | | | | | | |
| Less : Cost of Sales | 32,561,245,336 | - | 32,561,245,336 | 28,227,236,781 | - | 28,227,236,781 |
| **Gross Profit** | **3,044,130,003** | **-** | **3,044,130,003** | **2,024,444,964** | **-** | **2,024,444,964** |
| | | | | | | |
| **Add : Other Income** | | | | | | |
| Interest Income | - | 715,227,589 | 715,227,589 | - | 1,194,699,827 | 1,194,699,827 |
| Other Income | 224,025,725 | - | 224,025,725 | 128,049,341 | - | 128,049,341 |
| | **3,268,155,728** | **715,227,589** | **3,983,383,317** | **2,152,494,305** | **1,194,699,827** | **3,347,194,132** |
| | | | | | | |
| **Less : Expenses** | | | | | | |
| Sales, Marketing & Distribution Cost | 1,158,486,156 | - | 1,158,486,156 | 1,408,116,521 | - | 1,408,116,521 |
| Administrative Expenses | 1,128,174,614 | - | 1,128,174,614 | 1,056,920,215 | - | 1,056,920,215 |
| Financial Cost | 3,454,692 | - | 3,454,692 | 37,304,827 | - | 37,304,827 |
| | **2,290,115,462** | **-** | **2,290,115,462** | **2,502,341,564** | **-** | **2,502,341,564** |
| | | | | | | |
| **Profit before Tax** | **978,040,266** | **715,227,589** | **1,693,267,855** | **(349,847,259)** | **1,194,699,827** | **844,852,568** |
| Less : Income Tax | (25,503,234) | 214,568,277 | 189,065,042 | (164,434,533) | 358,409,948 | 193,975,415 |
| **Profit / ( Loss ) after Tax** | **1,003,543,500** | **500,659,312** | **1,504,202,812** | **(185,412,727)** | **836,289,879** | **650,877,152** |


# 04 OPERATING & FINANCIAL REVIEW

## Financial Highlights

### For the year ended 31st December

| Description | 2024 Rs.Mn | 2023 Rs.Mn | Change Compared with 2023 (%) |
|---|---|---|---|
| Turnover | 37,983.2 | 32,014.2 | 18.6 |
| Contribution to Consolidated Fund | 4,510.1 | 3,841.9 | 17.4 |
| Agency Commission | 7,596.6 | 6,526.9 | (4.2) |
| Prizes Allocation | 19,617.6 | 16,671.4 | 17.7 |
| Value Added Tax | 1,658.6 | 1,164.7 | 42.4 |
| Social Security Contribution Levy (SSCL) | 719.2 | 597.8 | 20.3 |
| Other Income | 939.2 | 1,322.7 | (29.0) |
| Expenses | 2,290.1 | 2,502.3 | (8.5) |
| Profit before Tax | 1,693.2 | 844.8 | 100.4 |
| Profit for the Year | 1,504.2 | 650.9 | 131.1 |
| Income Tax | 189.0 | 194.0 | (2.6) |
| Total Assets | 11,050.8 | 10,278.1 | 7.5 |
| Total Net Assets / Equity | 5,556.7 | 5,330.5 | 4.2 |
| Profit before Tax to Turnover % | 4.5 | 2.6 | 68.9 |
| Profit before Tax to Total Assets % | 15.3 | 8.2 | 86.6 |
| Liquidity Ratio | 2.4 :1 | 2.4:1 | - |

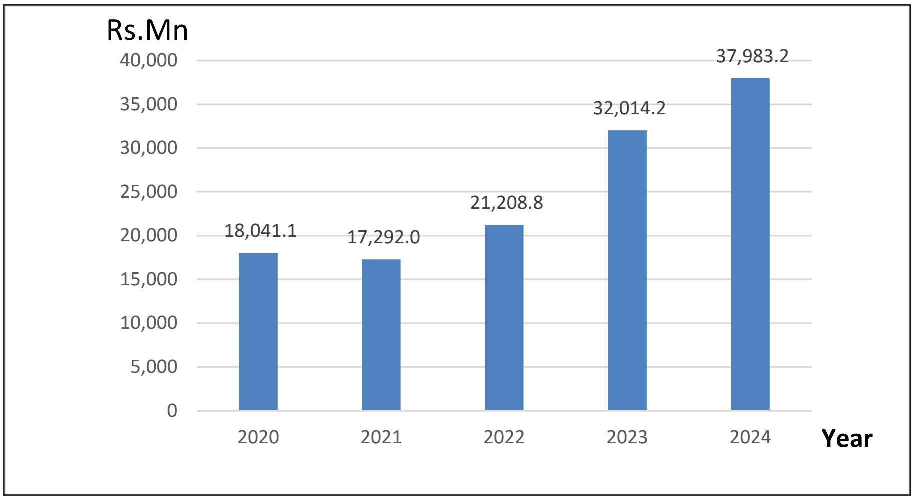
### Contribution to State

| Description | 2024 Rs.Mn | 2023 Rs.Mn |
|---|---|---|
| **Direct Remittances** | | |
| Government Contribution (Special Levy) on sales | 4,510.1 | 3,841.9 |
| Government Contribution (Special Levy) | 1,060.0 | 1,000.0 |
| | **5,570.1** | **4,841.9** |
| **Indirect Remittances** | | |
| VAT | 1658.6 | 1,164.6 |
| Social Security Contribution Levy (SSCL) | 719.2 | 597.8 |
| Income tax | 189.0 | 194.0 |
| Forfeited prizes | 784.5 | 513.1 |
| | **3,351.3** | **2,469.5** |
| **Total remittances to state** | **8,921.4** | **7,311.4** |

## OVERALL PERFORMANCE

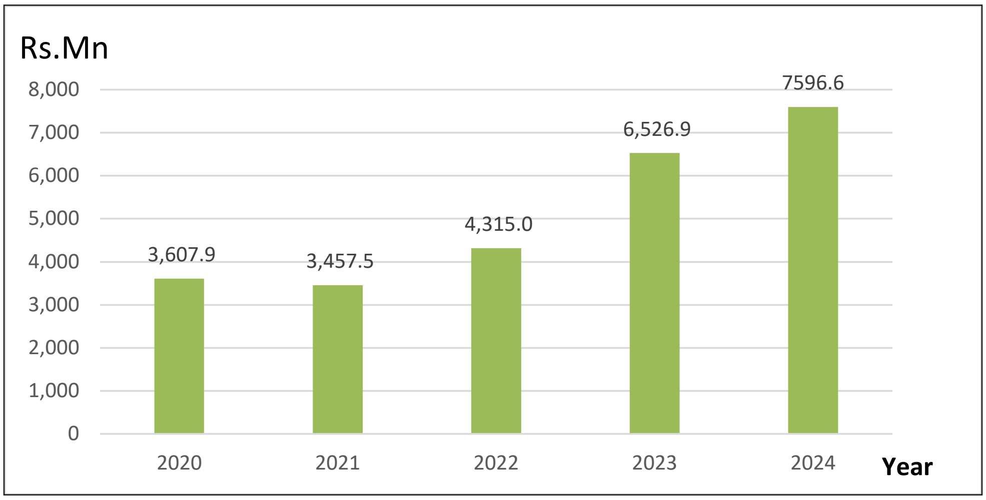
### Turnover

| Year | Rs.Mn |
|---|---|
| 2020 | 18,041.1 |
| 2021 | 17,292.0 |
| 2022 | 21,208.8 |
| 2023 | 32,014.2 |
| 2024 | 37,983.2 |



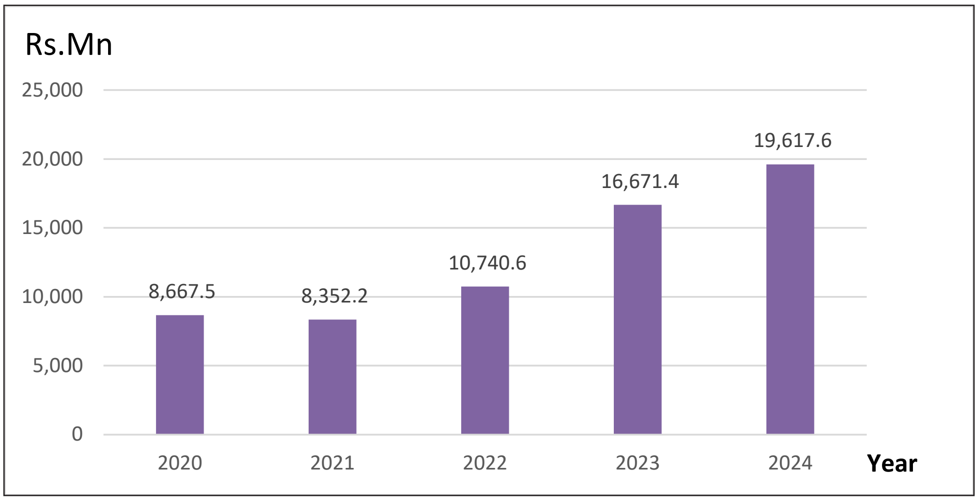

### Agency Commission

| Year | Rs.Mn |
|---|---|
| 2020 | 3,607.9 |
| 2021 | 3,457.5 |
| 2022 | 4,315.0 |
| 2023 | 6,526.9 |
| 2024 | 7,596.6 |



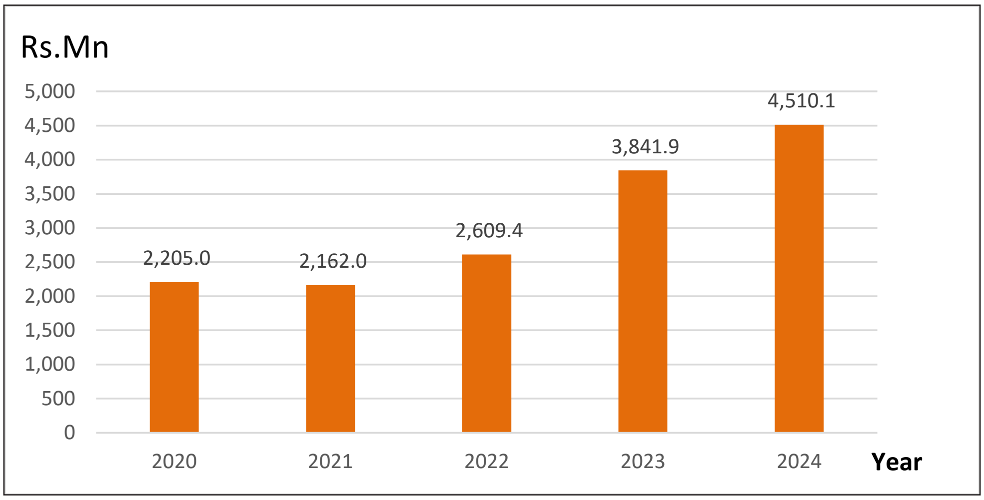
## Prizes Declared

| Year | Rs.Mn |
|---|---|
| 2020 | 8,667.5 |
| 2021 | 8,352.2 |
| 2022 | 10,740.6 |
| 2023 | 16,671.4 |
| 2024 | 19,617.6 |




## Contribution to Government (On sales)

| Year | Rs.Mn |
|---|---|
| 2020 | 2,205.0 |
| 2021 | 2,162.0 |
| 2022 | 2,609.4 |
| 2023 | 3,841.9 |
| 2024 | 4,510.1 |

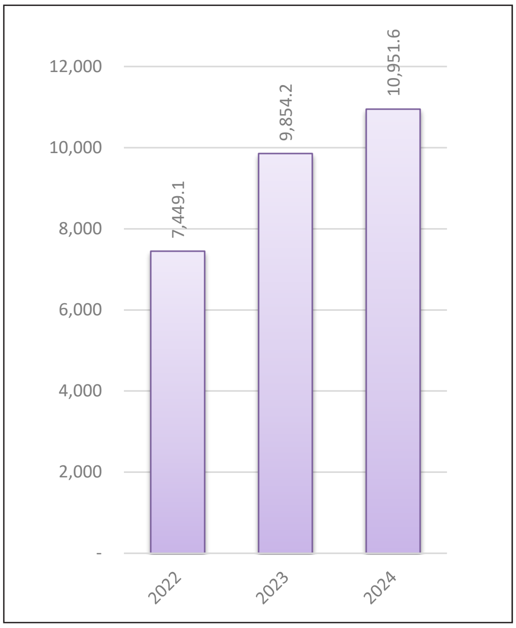


## PRODUCT WISE PERFORMANCE

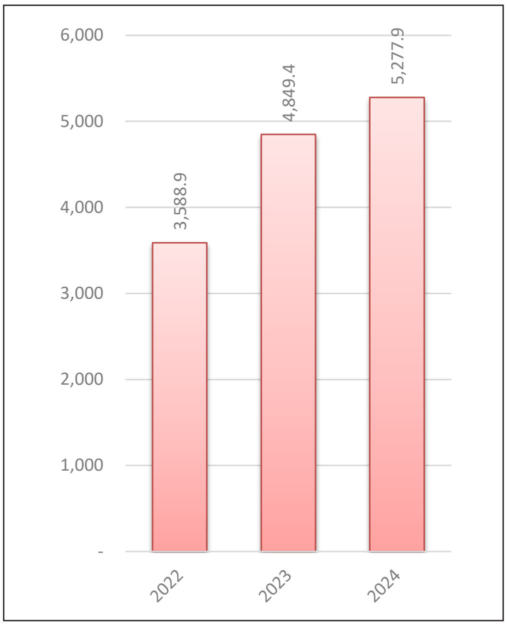
### MAHAJANA SAMPATHA

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 10,951.6 | 9,854.2 | 7,449.1 |
| Prizes Declared | 5,277.9 | 4,849.4 | 3,588.9 |
| Agency Commission | 2,190.2 | 1,970.8 | 1,489.8 |
| Contribution to Government (On sales) | 1,807.0 | 1,625.9 | 1,229.1 |

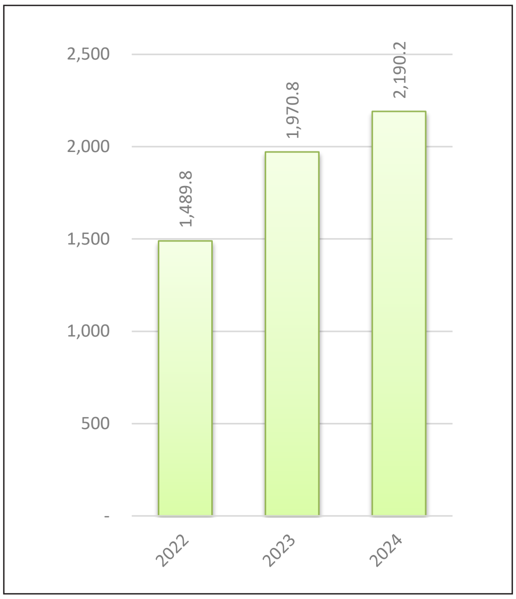
Turnover (Rs.Mn)



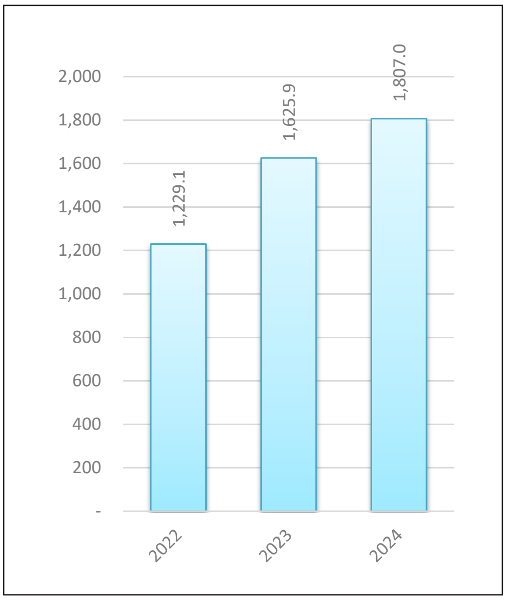

Prizes Declared (Rs.Mn)




Agency Commission (Rs.Mn)



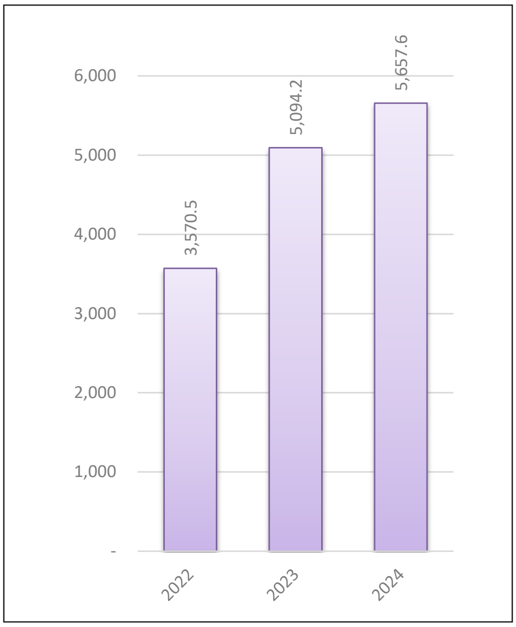

Contribution to Government (On sales) (Rs.Mn)



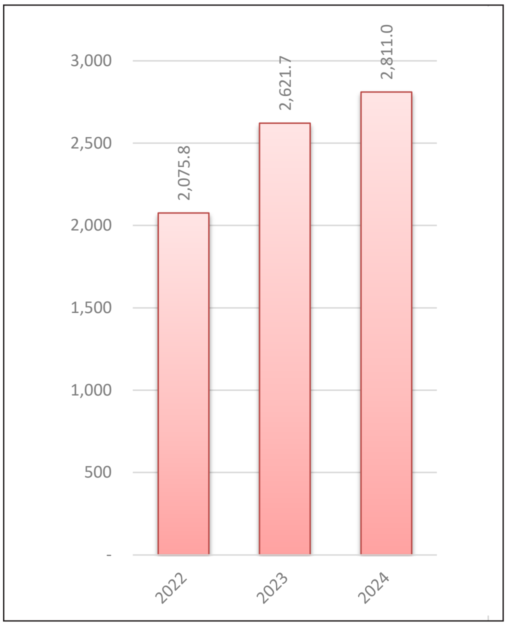
## GOVISETHA

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 5,657.6 | 5,094.2 | 3,570.5 |
| Prizes Declared | 2,811.0 | 2,621.7 | 2,075.8 |
| Agency Commission | 1,131.5 | 1,018.8 | 714.0 |
| Contribution to Government (On sales) | 565.7 | 509.4 | 357.0 |

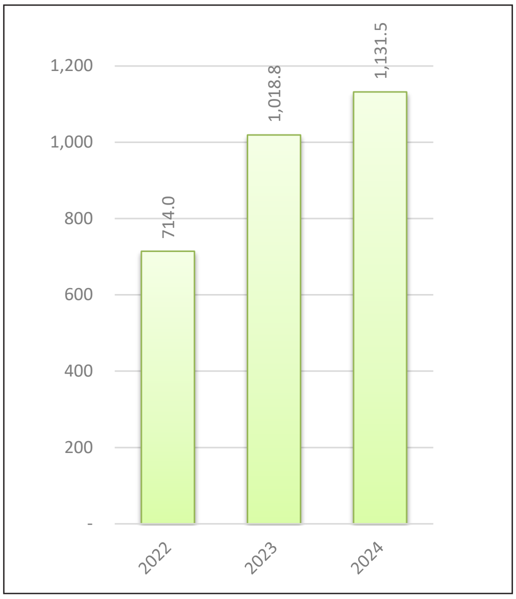
Turnover (Rs.Mn)



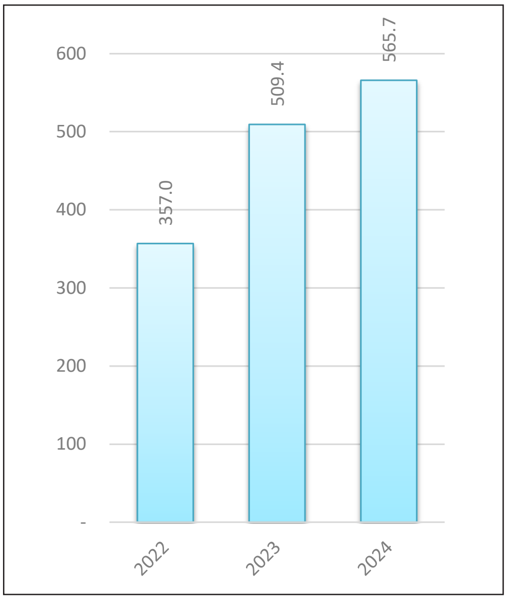

Prizes Declared (Rs.Mn)




Agency Commission (Rs.Mn)



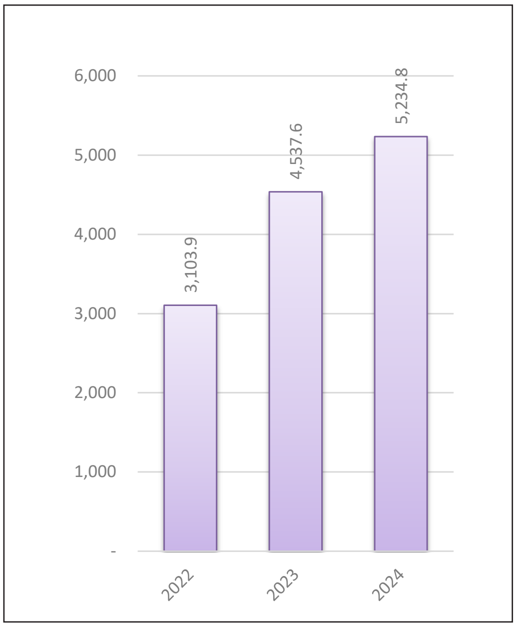

Contribution to Government (On sales) (Rs.Mn)



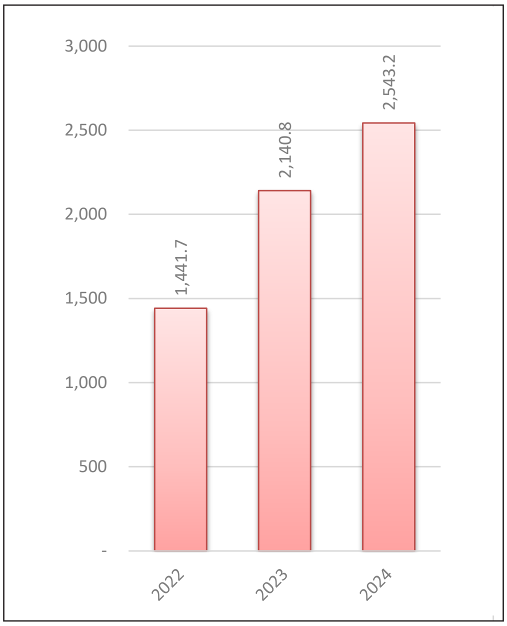
## MEGA POWER

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 5,234.8 | 4,537.6 | 3,103.9 |
| Prizes Declared | 2,543.2 | 2,140.8 | 1,441.7 |
| Agency Commission | 1,046.9 | 907.4 | 620.7 |
| Contribution to Government (On sales) | 523.4 | 453.7 | 310.3 |

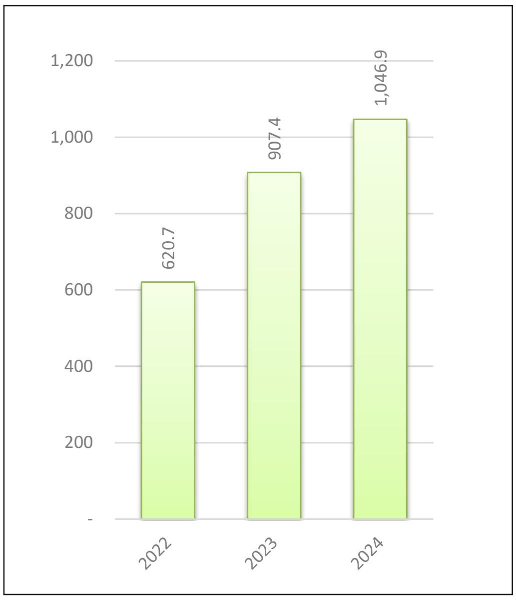
### Turnover (Rs.Mn)



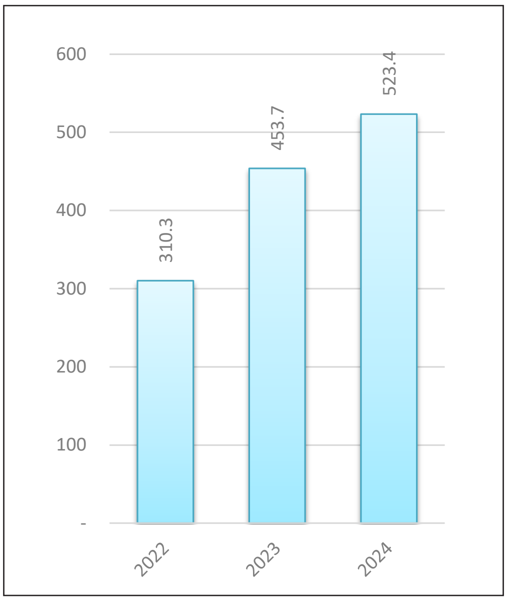

### Prizes Declared (Rs.Mn)




### Agency Commission (Rs.Mn)



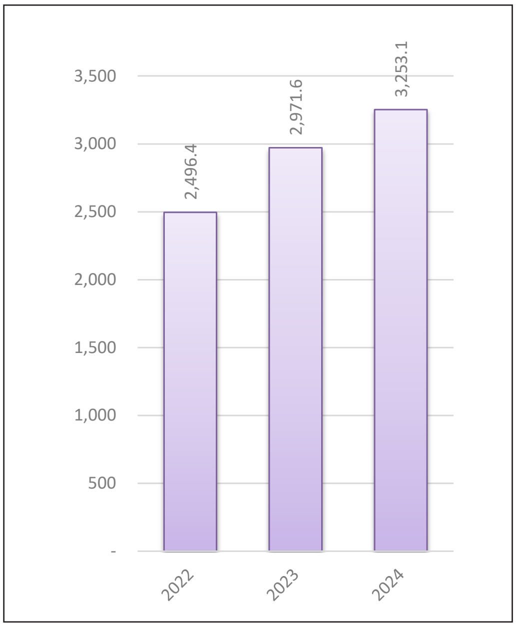

### Contribution to Government (On sales) (Rs.Mn)



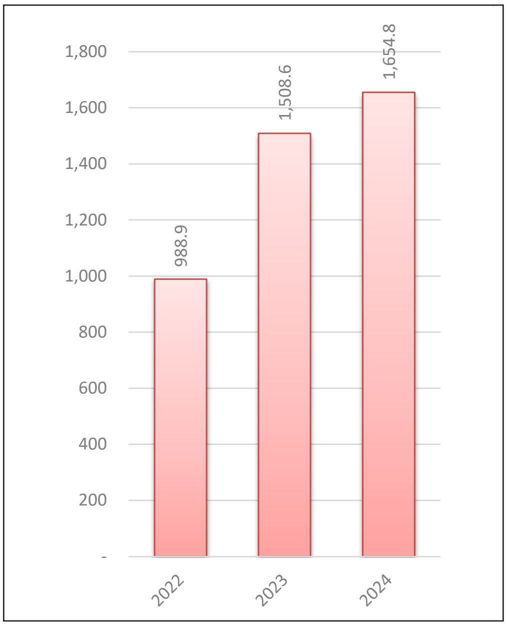
## DHANA NIDHANAYA

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 3,253.1 | 2,971.6 | 2,496.4 |
| Prizes Declared | 1,654.8 | 1,508.6 | 988.9 |
| Agency Commission | 650.6 | 594.3 | 499.2 |
| Contribution to Government (On sales) | 325.3 | 297.1 | 249.6 |

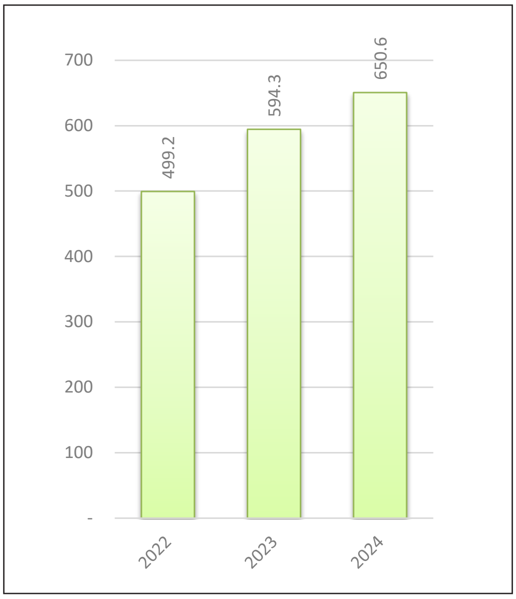
Turnover (Rs.Mn)



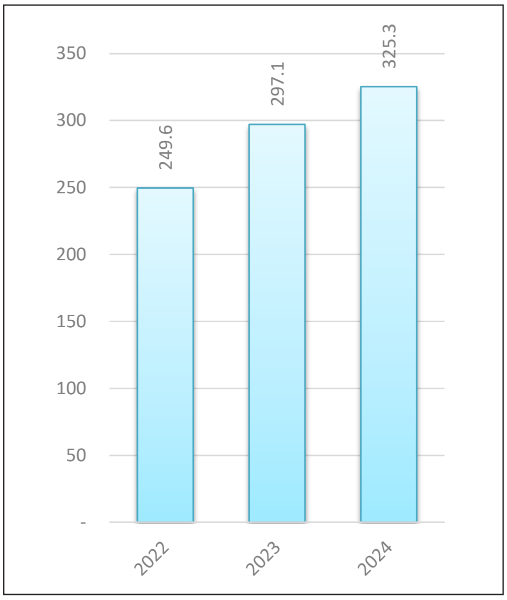

Prizes Declared (Rs.Mn)




Agency Commission (Rs.Mn)



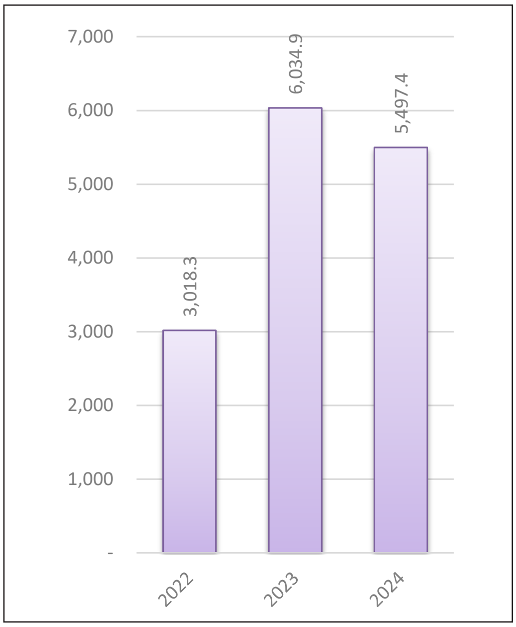

Contribution to Government (On sales) (Rs.Mn)



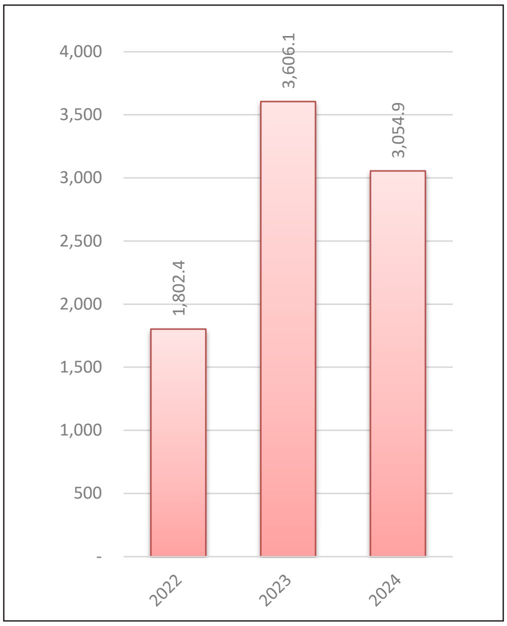
## NLB HANDAHANA

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 5,497.4 | 6,034.9 | 3,018.3 |
| Prizes Declared | 3,054.9 | 3,606.1 | 1,802.4 |
| Agency Commission | 1,099.4 | 1,311.0 | 679.1 |
| Contribution to Government (On sales) | 549.7 | 603.4 | 301.8 |

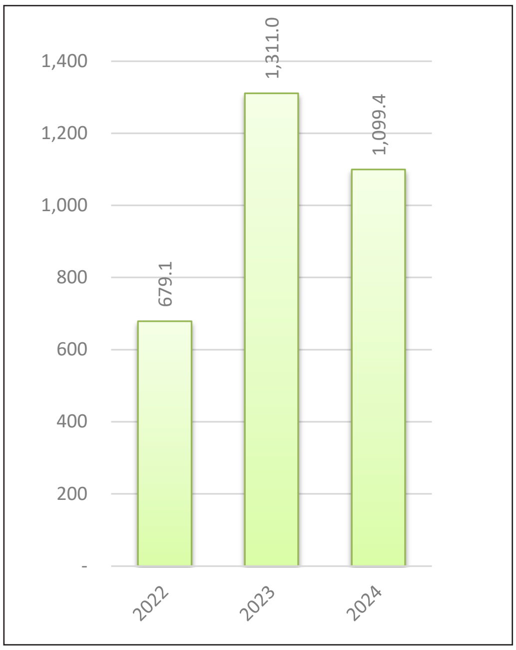
**Turnover (Rs.Mn)**



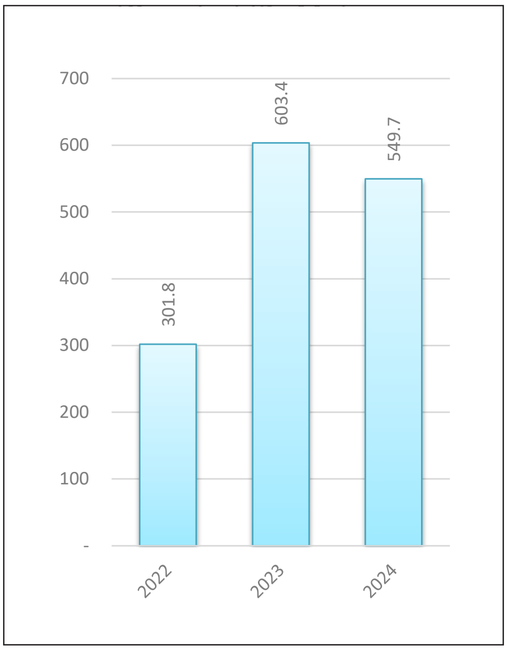

**Prizes Declared (Rs.Mn)**




**Agency Commission (Rs.Mn)**



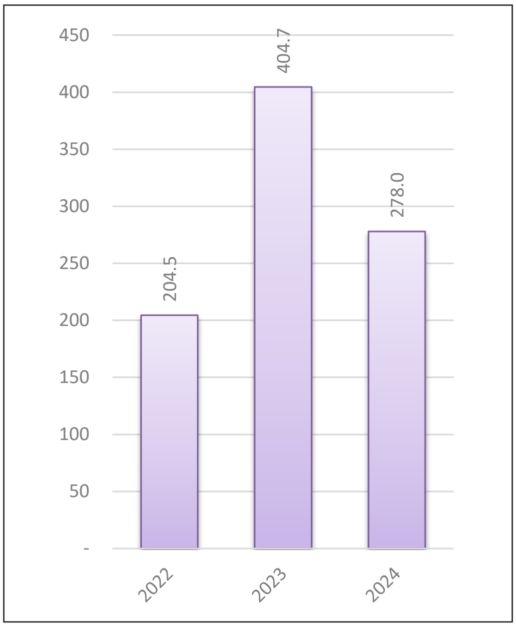

**Contribution to Government (On sales) (Rs.Mn)**



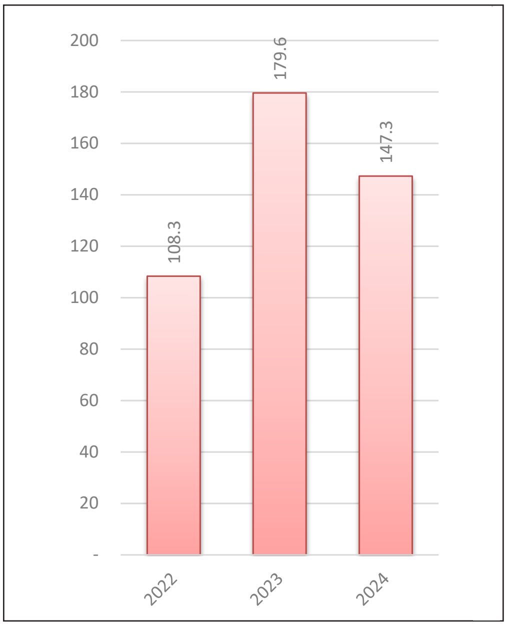
## SEVANA - SCRATCH

| Description | 2024 Rs. Mn | 2023 Rs. Mn | 2022 Rs. Mn |
|---|---|---|---|
| Turnover | 278.0 | 404.7 | 204.5 |
| Prizes Declared | 147.3 | 179.6 | 108.3 |
| Agency Commission | 55.5 | 80.2 | 40.3 |
| Contribution to Government (On sales) | 27.7 | 40.4 | 20.4 |

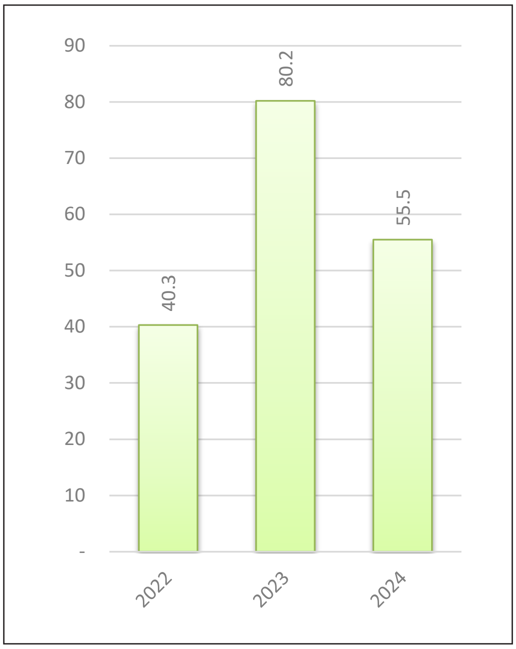
### Turnover (Rs.Mn)



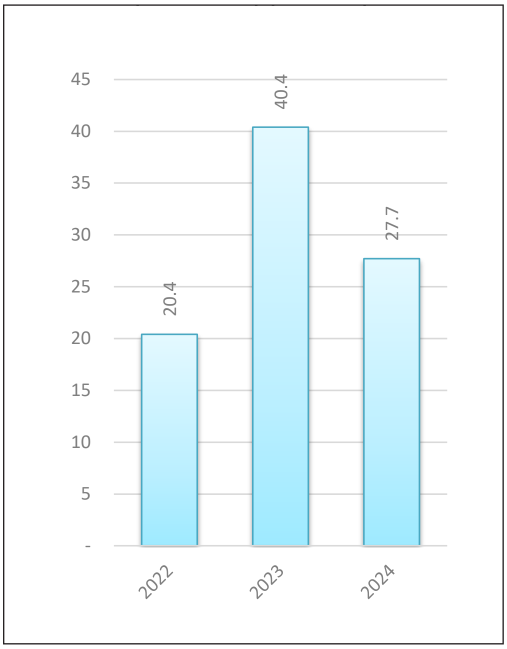

### Prizes Declared (Rs.Mn)




### Agency Commission (Rs.Mn)




### Contribution to Government (On sales) (Rs.Mn)



## TEN YEAR OPERATIONAL ROUND UP

Figures in Rs.

| | 2015 | 2016 | 2017 | 2018 Restated | 2019 Restated | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | 17,394,463,681 | 20,170,417,750 | 16,747,180,220 | 20,438,643,440 | 22,079,260,575 | 18,041,145,000 | 17,292,066,080 | 21,208,808,240 | 32,014,201,280 | 37,983,206,760 |
| Less: Direct Taxes | | | | | | | | | | |
| Excise duty | - | - | 130,831,250 | - | - | - | - | - | - | - |
| | **17,394,463,681** | **20,170,417,750** | **16,616,348,970** | **20,438,643,440** | **22,079,260,575** | **18,041,145,000** | **17,292,066,080** | **21,208,808,240** | **32,014,201,280** | **37,983,206,760** |
| Less: Indirect Taxes | | | | | | | | | | |
| VAT | 573,252,862 | 706,868,280 | 742,298,500 | 890,352,095 | 911,198,767 | 430,383,218 | 409,319,517 | 640,950,292 | 1,164,695,700 | 1,658,592,022 |
| NBT | 253,267,754 | 285,776,997 | 235,767,246 | 286,551,044 | 281,800,099 | - | - | - | - | - |
| SSCL | - | - | - | - | - | - | - | 119,531,829 | 597,823,835 | 719,239,399 |
| **Net Turnover after direct & indirect taxes** | **16,567,943,065** | **19,177,772,473** | **15,638,283,224** | **19,261,740,301** | **20,886,261,709** | **17,610,761,782** | **16,882,746,563** | **20,448,326,119** | **30,251,681,745** | **35,605,375,339** |
| Less: Cost of Sales | | | | | | | | | | |
| Ticket Printing Charges | 494,409,498 | 609,845,633 | 453,128,924 | 506,763,590 | 530,636,181 | 443,032,509 | 425,035,522 | 874,347,794 | 1,186,907,181 | 836,737,406 |
| Agency Commission | 3,244,659,091 | 3,771,736,589 | 3,103,001,814 | 3,826,289,663 | 4,278,989,075 | 3,608,007,678 | 3,457,637,648 | 4,315,043,889 | 6,526,926,121 | 7,596,641,352 |
| Prizes | 8,367,984,720 | 9,723,421,286 | 7,994,845,746 | 9,834,736,614 | 10,607,765,403 | 8,667,549,257 | 8,352,173,636 | 10,740,612,432 | 16,671,455,496 | 19,617,689,592 |
| Government Contribution (Special Levy) | 2,130,953,970 | 2,445,594,544 | 2,016,986,336 | 2,426,947,888 | 2,637,962,164 | 2,205,079,779 | 2,162,030,441 | 2,609,494,086 | 3,841,947,982 | 4,510,176,987 |
| | 14,238,007,279 | 16,550,598,052 | 13,567,962,820 | 16,594,737,754 | 18,055,352,822 | 14,923,669,222 | 14,396,877,246 | 18,539,498,202 | 28,227,236,781 | 32,561,245,336 |
| **Gross Profit** | **2,329,935,786** | **2,627,174,421** | **2,070,320,404** | **2,667,002,547** | **2,830,908,885** | **2,687,092,560** | **2,485,869,317** | **1,908,827,917** | **2,024,444,964** | **3,044,130,003** |
| Add: Other Income | 92,197,950 | 249,546,105 | 387,784,659 | 414,302,302 | 1,070,594,943 | 422,918,093 | 416,022,651 | 1,248,092,878 | 1,322,749,168 | 939,253,314 |
| | 2,422,133,736 | 2,876,720,526 | 2,458,105,063 | 3,081,304,849 | 3,901,503,827 | 3,110,010,652 | 2,901,891,967 | 3,156,920,795 | 3,347,194,132 | 3,983,383,317 |
| Less: Expenses | | | | | | | | | | |
| Sales, Marketing & Distribution Expenses | 872,391,364 | 1,246,168,647 | 1,130,365,799 | 1,247,541,649 | 1,226,074,624 | 893,002,443 | 1,074,102,918 | 920,609,013 | 1,408,116,521 | 1,158,486,156 |
| Administrative Expenses | 602,377,490 | 693,449,471 | 666,740,574 | 752,237,186 | 809,263,882 | 772,500,258 | 811,945,418 | 839,811,722 | 1,056,920,215 | 1,128,174,614 |
| Finance and Other Expenses | 36,563,614 | 40,212,740 | 36,583,170 | 43,391,442 | 25,053,822 | 9,683,721 | 12,488,494 | 5,863,160 | 37,304,827 | 3,454,692 |
| | 1,511,332,468 | 1,979,830,858 | 1,833,689,543 | 2,043,170,277 | 2,060,392,328 | 1,675,186,422 | 1,898,536,830 | 1,766,283,895 | 2,502,341,563 | 2,290,115,462 |
| **Profit before Tax** | **910,801,268** | **896,889,668** | **624,415,520** | **1,038,134,572** | **1,841,111,500** | **1,434,824,231** | **1,003,355,136** | **1,390,636,900** | **844,852,569** | **1,693,267,855** |
| Less: Income Tax Expense | 669,785,229 | 482,128,237 | 484,610,312 | 1,076,227,498 | 862,526,227 | 351,648,231 | 43,005,519 | 304,867,252 | 193,975,415 | 189,065,042 |
| **Profit/ (Loss) for the year** | **241,016,039** | **414,761,431** | **139,805,208** | **(38,092,926)** | **978,585,273** | **1,083,176,001** | **960,349,617** | **1,085,769,648** | **650,877,154** | **1,504,202,812** |
| **Direct & Indirect Contribution to Government** | | | | | | | | | | |
| Contribution to Consolidated Fund on Sales | 2,130,953,970 | 2,445,594,544 | 2,016,986,336 | 2,426,947,888 | 2,637,962,164 | 2,205,079,779 | 2,162,030,441 | 2,609,494,086 | 3,841,947,982 | 4,510,176,987 |
| Special Contribution to General Treasury | 50,000,000 | 550,000,000 | - | - | - | - | 900,000,000 | 361,054,980 | 1,000,000,000 | 1,060,000,000 |
| Contribution to Treasury on Forfeited Prizes | 257,691,450 | 365,393,530 | 339,076,910 | 361,185,010 | 389,032,360 | 352,138,230 | 397,655,070 | 455,416,005 | 513,197,910 | 784,515,530 |
| Indirect Contributions - (Direct/Indirect Taxes) | 1,496,305,845 | 1,474,773,514 | 1,593,507,308 | 2,253,130,637 | 2,055,525,093 | 782,031,449 | 452,325,036 | 1,065,349,373 | 1,956,494,950 | 2,566,896,463 |
| **Total** | **3,934,951,265** | **4,835,761,588** | **3,949,570,554** | **5,041,263,535** | **5,082,519,617** | **3,339,249,458** | **3,912,010,547** | **4,491,314,444** | **7,311,640,842** | **8,921,588,980** |
| **Performance Indicators** | | | | | | | | | | |
| Gross Profit as a % of Turnover | 13.39% | 13.02% | 12.36% | 13.05% | 12.82% | 14.89% | 14.38% | 9.00% | 6.32% | 8.01% |
| Profit Before Tax as a % of Turnover | 5.24% | 4.45% | 3.73% | 5.08% | 8.34% | 7.95% | 5.80% | 6.56% | 2.64% | 4.46% |
| Expenses as a % of Turnover | 8.69% | 9.82% | 10.95% | 10.00% | 9.33% | 9.29% | 10.98% | 8.33% | 7.82% | 6.03% |
| Profit/ (Loss) for the year as a % on Turnover | 1.4% | 2.1% | 0.8% | -0.2% | 4.4% | 6.0% | 5.6% | 5.1% | 2.03% | 3.96% |
| Consolidated Fund Contribution on sales as a % Turnover | 12.25% | 12.12% | 12.04% | 11.87% | 11.95% | 12.22% | 12.50% | 12.30% | 12.00% | 11.87% |
| Total Contribution to Govt. as a % on Turnover | 22.62% | 23.97% | 23.58% | 24.67% | 23.02% | 18.51% | 22.62% | 21.18% | 22.84% | 23.49% |
| Growth rate of Turnover | 14.79% | 15.96% | -16.97% | 22.04% | 8.03% | -22.38% | -4.15% | 22.65% | 50.95% | 18.64% |

Notes:

2018 Profit / (Loss) for the year before restatement was Rs.(136,267,795) .

2019 Profit for the year before restatement was Rs.605,583,060/-.

Income Tax recovery from CF/NKFof Rs.518,058,629/- and 28% taxes thereon (Rs. 145,056,416/-) adjusted in restated figures.

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