



2022

வாரீகை வாரீகாவ ஆண்டறிக்கை Annual Report



கிதூல் சவ்வீவன மனீவலய
கிதூல் அபிவிருத்திச் சபை
Kithul Development Board

வூலீலி சபை பூசா யபீகல சபைகூகமீ அமலகலாங்கலய
பெருந்தோட்ட மற்றும் சமூக உட்கட்டமைப்பு வசதிகள் அமைச்சு
Ministry of Plantation and Community Infrastructure

Annual Report

2022

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01. Review of the Chairman

Although kithul is a plant found in many countries in the Asian region, the domestic industries associated with it are found only in Sri Lanka. I was appointed as the Chairman of the Kithul Development Board, which was established by Gazette Extraordinary No. 2219/37 dated 17th March, 2021, and a Board of Directors was also appointed for its operations. The necessary procedures have been prepared for it to function as a state statutory body, and it has been placed under the State Ministry of Coconut, Kithul Palmyrah Cultivation Promotion & Related Industrial Product Manufacturing & Export Diversification. Although the history of kithul treacle and jaggery production extends back hundreds of years, it is a fact known to all of us that this industry currently exists as a slow-moving domestic industry.

On the special instructions of His Excellency the President, and with the intervention of the Ministry of Plantations, this Board was established to identify those engaged in the kithul industry, recognize new trends in domestic and foreign markets, liberate traditional craftsmen living at subsistence level from their condition, use modern technological tools while protecting the authentic characteristics of kithul products, identify and implement the necessary strategies to elevate them to a higher level in Sri Lankan society as entrepreneurs skilled in production diversification using modern technology, and we have already emphasized that this is a key responsibility entrusted to the Kithul Development Board.

Demonstrating performance in this challenging journey, the guidance received from the Hon. Ramesh Pathirana, the Minister of Plantation Industries, and the assistance received from the Secretaries of the line ministry and state ministries will provide immense backing for successful operation.

The program to unveil the future roadmap of the Kithul Development Board, to be held in Galle on 17th February 2022, under the patronage of His Excellency the President, has marked an auspicious beginning to promote kithul products that can reflect Sri Lanka's uniqueness to the domestic market and export markets, overcoming all existing challenges, and bringing benefit to those who earn their livelihood from it.

I wish to extend my best wishes for this endeavor.

Gihan Perera (Attorney-at-Law)
Chairman
Kithul Development Board

02. Review of the General Manager

First and foremost, we wish to offer our sincere gratitude to all who supported the successful implementation of the Kithul Development Board's action plans for the year 2022. We also extend our heartfelt appreciation for the invaluable leadership exhibited by the Hon. (Dr.) Ramesh Pathirana, Minister of Plantation Industries, in establishing the Kithul Development Board in 2021, and we acknowledge that the steadfast leadership and motivation he provides for accomplishing our tasks effectively and efficiently is an immense asset to us. We also wish to express our appreciation for the contribution made by the Hon. Lohan Ratwatte, the State Minister of Plantation Industries, for the activities of the Kithul Development Board.

The continuous guidance, suggestions, and encouragement of the Board of Directors have been invaluable, and I express my gratitude for the guidance so extended by the Board of Directors.

I greatly value the invaluable support provided personally as well. The effective inputs provided by external stakeholders who show an interest in the kithul sector have been of great assistance in formulating and implementing our institutional framework and activities.

This annual report will review the work done to effectively uplift the Sri Lankan kithul industry and bring sustainable economic growth to the country, following the action plan for the year 2022. Once again, we wish to offer our heartfelt appreciation to all who supported us in this endeavor.

Shirani Weerakoon
General Manager
Kithul Development Board

03. Review of the Board of Directors

Previously, there was no statutory institution in Sri Lanka dedicated to promoting kithul-related products and sales, and the Kithul Development Board, established by Gazette Extraordinary No. 2219/37 dated 17th March 2021, is the first and only institution specifically designed for the advancement of kithul entrepreneurs. We firmly believe that the kithul industry has the capacity to make a significant contribution to the income flowing into the country by increasing the currently existing demand for kithul products both domestically and internationally. We expect to focus on obtaining a strong contribution from entrepreneurs to achieve this goal of ours. Although kithul plants are found in several South Asian countries, researchers have shown that there is a unique characteristic present in Sri Lankan kithul plants that is not found elsewhere. We firmly believe that by utilizing this unique characteristic, positive access to the international market can be obtained through new value-added products.

04. Chairman and Board of Directors of the Kithul Development Board

- I. Mr. Gihan Perera, Attorney-at-Law - Chairman
- II. Dr. Ravindra K. Vithanachchi - Member
- III. Dr. P. Ranasinghe - Member
- IV. Mr. Udaya Primal Fernando - Member
- V. Mrs. P. D. H. Dabare - Member
- VI. Mrs. K. K. S. R. Dayaratne - Member

Post	Name	Mobile No.	E-mail
Chairman	Mr. Gihan Perera, Attorney-at-Law	0774729108	chairmankdb@gmail.com
Member	Dr. Ravindra K. Vithanachchi	0713567935	raveendra@gmail.com raveendra.pre@gmail.com
Member	Dr. P. Ranasinghe	0714434767	pathmasiri@iti.lk pathmasiriranasingha@yahoo.com
Member	Mr. Udaya Primal Fernando	0773530735	udaya.primal@yahoo.com
Member	Mrs. P. D. H. Dabare	0714488286	dabaredharshani@yahoo.com
Member	Mrs. K. K. S. R. Dayaratne	0712174016	kkshiranthi81@yahoo.com

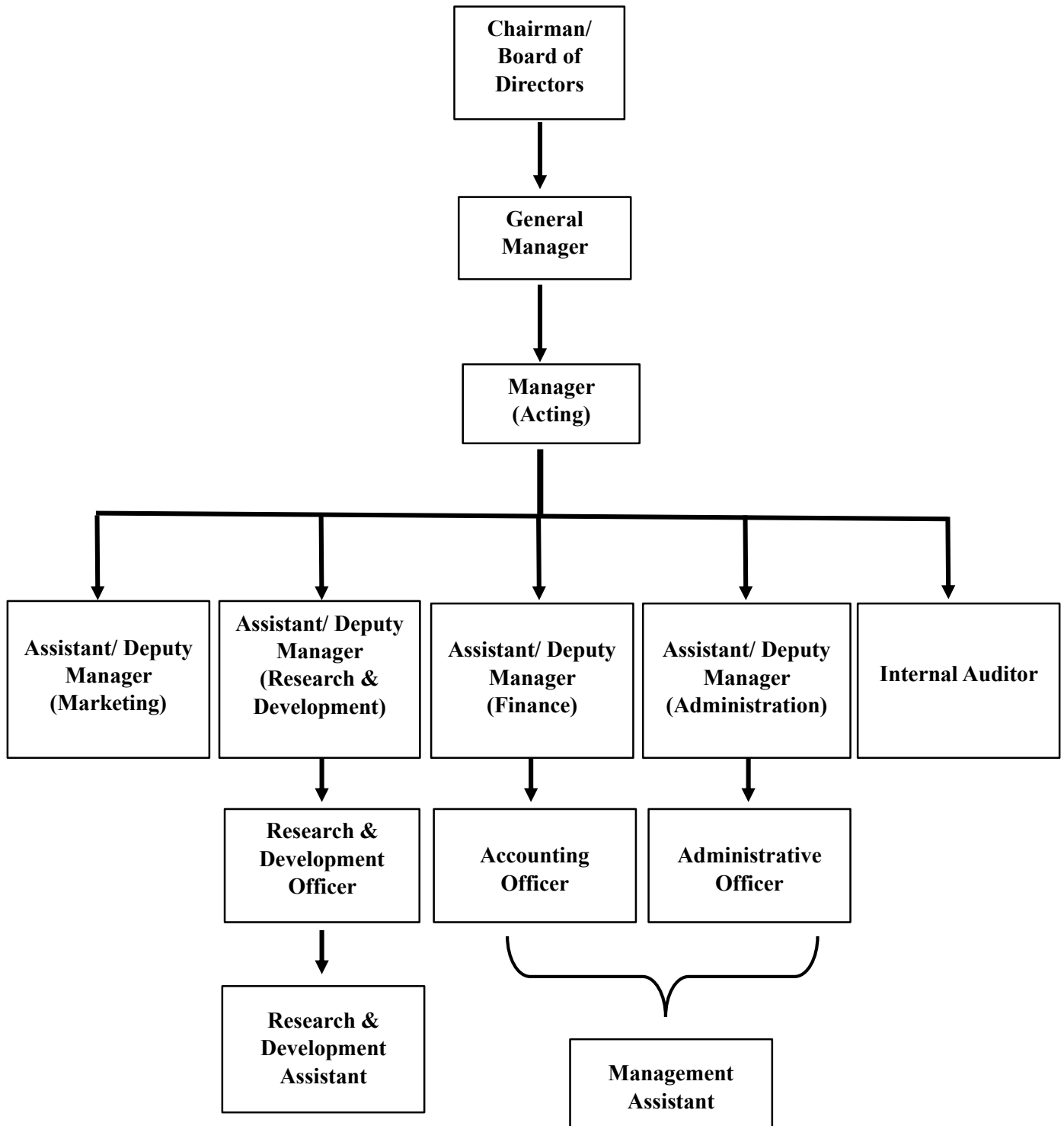
05. Executive Management Team

Post	Name	T.P. No.	E-mail address
General Manager	Ms. Shirani Weerakoon	0777844001	shirani101@gmail.com
Manager	Mr. A. H. N. Chinthaka	0766995035	ncaluthwalahewa@gmail.com
Deputy Manager (Finance)	Mr. S. C. S. Fernando	0714446503	champika1980june@gmail.com
Deputy Manager (Marketing)	Mrs. K. A. G. Dilrukshi	0714422305	dilrukshi76@yahoo.com

06. Corporate information

Name	: Kithul Development Board
Legal framework	: Gazette Notification No. 2219/37 of 17 th March 2021
Year of commencement	: 2021
Registered office address	: No. 239/1, Kandawatta Road, Pelawatta, Battaramulla.
Telephone No.	: 0112784638
E-mail addresses	: genkdb@gmail.com chairmankdb@gmail.com
Audit activities	: Internal Auditor of the Ministry of Plantation Industries Auditor General, Auditor General's Department.
Legal Advisor	: Attorney General's Department
Banker	: Bank of Ceylon

6.1 Organizational Structure



6.2 Corporate objectives

1. Regulating price and quality standards in export and import activities.
2. Reforming existing laws and regulations that adversely affect smooth operation of the industry.
3. Networking large-scale, small and medium scale enterprises to support production through a value chain approach.
4. Creating a cultural shift from a traditional industry mindset to a business mindset through entrepreneurial development.
5. Organizing collective community participation through social development.
6. Standardizing the industry with proper cultivation practices and production processes to increase efficiency through the use of technology.
7. Reaching new markets through publicity and promotion techniques.
8. Retaining kithul producers in the industry through awareness of existing economic opportunities, increasing youth participation, and building their self-confidence.
9. Introducing new products based on market and product-based research.
10. Systematically developing a reward mechanism to appreciate the industry community.
11. Reducing greenhouse effect through expansion of kithul cultivation.
12. Promoting gender equality by directing women toward value-added production.
13. Enhancing productivity of land containing kithul plants by identifying suitable intercropping.



Figure 1: - Kithul tapping

6.3 Powers of the institution

1. Registration of:
 - A. Kithul Estates and Owners
 - B. Kithul Producers
 - C. Auctioneers and Brokers Engaged in Buying and Selling Kithul Products
 - D. Shippers of Kithul Products
2. Determining the qualifications, rules and conditions, procedures and annual fees that must be in place for any such registration, and deciding on the removal or reinstatement of any name from registration as it deems fit.
3. Utilizing lands where kithul cultivation is carried out and engaging in, regulating, controlling, supervising, directing, managing and inspecting the cultivation of these and the cultivation of kithul on such lands.
4. Engaging in regulating, controlling, supervising, directing, managing and inspecting the production, packaging, storage, transportation and sale of kithul products.
5. Inspecting, supervising, regulating and controlling factories, warehouses, yards, buildings, premises, equipment and machinery used or to be used by the producer for packaging or storing kithul products.
6. Regulating, controlling, supervising, guiding, managing and inspecting the purchasing of kithul products, and the transportation, storage, import and export of kithul products for sale.
7. Establishing sales outlets for the purchase and sale of kithul products and determining the procedures of such sales outlets, and delivering any product sold in the sales outlets and determining the procedures therefor.
8. Issuing licenses for the export of kithul products and determining the qualifications, rules, conditions, procedures for issuing such licenses, and deciding on refusing to issue a license to any person or canceling an already issued license as it deems fit.

6.4 Key functions

1. Developing and supporting the development of productivity of lands where kithul cultivation is carried out.
2. Supporting, promoting and regulating kithul cultivation on lands and kithul cultivation.
3. Identifying kithul lands suitable for cultivation with other crops including grasses, and promoting, directing, implementing and supporting the implementation of intercropping programs on such lands.
4. Carrying out animal husbandry on lands where kithul cultivation is carried out and supporting the promotion and regulation of engagement in animal husbandry.
5. Determining, popularizing, promoting and directing proper cultivation practices regarding the cultivation of kithul and other crops in kithul plantations.
6. Supporting and promoting and regulating the production of kithul products.
7. Promoting new techniques of processing kithul products.
8. Providing support to increase the efficiency of institutions producing kithul products and promoting and directing their modernization.
9. Prescribing and maintaining quality standards for kithul products produced or exported within Sri Lanka.
10. Purchasing, selling, regulating, implementing or supporting kithul products for the purpose of formulating and implementing minimum and maximum price schemes and price stabilization schemes for kithul products in general.
11. Regulating the export and import prices of kithul products.
12. Creating demand for kithul products within and outside Sri Lanka through promotional programs and directing them to sales exhibitions.
13. Conducting market research for all sectors related to the transportation and marketing of kithul products within and outside Sri Lanka.
14. Conducting and advancing scientific research on the growth and cultivation of kithul trees, cultivation of other crops and engagement in animal husbandry related to kithul estates, and the prevention and treatment of diseases and pests.
15. Establishing and maintaining research institutions, research stations and nurseries.
16. Conducting and advancing scientific research on the processing and use of kithul products.
17. Establishing and maintaining pilot plants and experimental processing equipment for the processing of kithul products.
18. Training advisory and extension workers to support the kithul industry.
19. Guiding and advising the kithul industry on all matters of a technical nature.
20. Promoting cooperative and collective models of management and ownership of kithul estates or institutions that produce or trade kithul products.

6.5 Corporate administration

Under the leadership of Hon. (Dr.) Ramesh Pathirana, Minister, the Kithul Development Board was established under the Coconut Development Act by Gazette Extraordinary No. 2219/37 dated 17th March 2021, with an initial capital of Rs. 50 million allocated under the State Ministry of Coconut, Kithul and Palmyrah Cultivation Promotion & Related Industrial Product Manufacturing & Export Diversification for the development of the kithul industry. This Board is implementing a National Kithul Development Program, giving priority to protecting the kithul industry, which is a historical industry established in rural areas of the island, as a domestic kithul industry. The composition of the Kithul Development Board consists of Chairman Mr. Gihan Perera, with three members appointed ex-officio representing the Ministry of Plantation Industries, Ministry of Finance, and the Industrial Technology Institute (ITI).

The Kithul Development Board aims to improve the livelihoods of people engaged in the kithul industry and enhance domestic and export earnings through new technology and other methods. According to data available at present, between 300,000 and 500,000 people are currently engaged in this sector, and some entrepreneurs go beyond domestic products and also export kithul products to the international market.



Figure 2: - Inflorescence of the Kithul palm (*Caryota urens*)

07. Current resources

7.1 Historical values

Botanically known as *Caryota urens*, the kithul plant, currently used especially for food production, has a history spanning over 2000 years. It is believed that before the introduction of tea and coffee consumption with the migration of foreigners, Sri Lankans were said to have been accustomed to drinking medicinal beverages such as ranawara and pol pala with jaggery. Similarly, kithul jaggery and treacle have been used since ancient times to make confectionery. The consumption of fresh kithul toddy as a healthy beverage has also been popular among rural people since ancient times.

Although there is no clear data on when the kithul industry began, there is evidence that it existed even during the time of Lord Buddha. According to Buddhist literature, when the Buddha felt thirsty while meditating in the Himalayan Forest, Lord Sakra, seeing this, assumed the guise of a woodcutter and cut a kithul flower to fill His bowl until it overflowed. This is also mentioned in mantras related to kithul. References to kithul in ancient texts such as the Kumbha Jataka commentary and Shabda Neethi can be considered as evidence. In Pali language, what is called "hintala" refers to the kithul plant.

Similarly, what is referred to as "kithul" in Buddhist literature is also the kithul plant. According to available evidence, the kithul plant existed in the period dating back to 116 BC. It is mentioned that people in the kingdoms of former kings wore kithul leaves to celebrate after winning a battle. It is also mentioned that kithul plants were present in the gardens of King Parakramabahu the Great.

7.2 Current Values

Currently, as Sri Lanka progresses toward development, considerable attention has been directed toward rural development as well as urban development. The kithul industry is an industry that can be developed rurally, and it has been proven through experiences gained from programs implemented in recent times that it has the potential to raise the living standards of rural communities. However, when considering the current state of the kithul industry, it has not achieved widespread expansion as a somewhat developed rural industry or as self-employment. Although various programs have been implemented from time to time to develop the kithul industry, the effort to implement them in a long-term and sustainable manner has not provided adequate contribution at the practical level.



Figure 3: - A tapped kithul flower

Although technology and knowledge were provided through various programs, due to the lack of follow-up, kithul farmers were nominally connected to the programs but used that knowledge for the improvement of their industry. Although the government relaxed legal conditions for the advancement of the kithul industry, due to its non-implementation at the practical level, kithul industrialists have moved away from this industry. Although attention has been directed from time to time toward developing the kithul industry in the past, it has been done in the traditional manner, making it yet another program of a ministry.

Understanding well the need to take this sector that exists as a rural industry beyond that and transform it into an entrepreneurship-driven enterprise, the establishment of the Kithul Development Board as a separate institution to work toward the development of the kithul industry can be identified as marking a new beginning for the kithul industry.

7.3 Existing Strengths, Weaknesses, Opportunities and Threats

Promoting the kithul industry as an industry that can contribute to national income and rural economic development is the main objective of this Board. In doing so, opportunities are provided to expand businesses related to the kithul industry in order to improve the living standards of those directly connected to the kithul industry. Especially as the kithul industry is unique to Sri Lanka as an eco-friendly sector, the primary task of the Kithul Development Board was to identify the short-term and long-term strategies needed to develop it as a local industry that reflects the country's uniqueness and ensures sustainable existence. As a result of a decision taken at the meeting of the Board of Directors held in January 2022 to conduct an analysis of the kithul industry when establishing the Kithul Development Board as an institution, the following analysis was conducted to assess its strengths, weaknesses, opportunities and threats.

1. Strengths

- I. Unique and authentic value of products
- II. Use of traditional methods
- III. Wide distribution throughout Sri Lanka
- IV. Market potential
- V. Favorable health conditions/containing nutritional components
Part-time employment opportunities
- VI. Product diversification capability
- VII. eco-friendly nature

2. Weaknesses

- I. Limitations in the use of techniques
- II. Minimal social acceptance
- III. Not being popularized as organic cultivation
- IV. Weak coordination among relevant institutions
- V. Occupational risks
- VI. Research and development weaknesses

3. Opportunities

- I. Government intervention and establishment of the Kithul Development Board to develop the kithul industry
- II. Availability of health benefits
- III. Capability to promote as a value-added industry
- IV. Integration with various sectors (such as Ayurveda, handicrafts, energy)
- V. Growing public interest in a healthy lifestyle
- VI. Potential to be compared to world-famous maple syrup
- VII. Abundance of self-employment opportunities
- VIII. Potential to access foreign markets

4. Threats

- I. Urbanization
- II. Substitute and competitive products
- III. Growing trend of fake products manufactured using natural kithul raw materials
- IV. Insecurity that exists in identifying kithul as an industry
- V. Youth not being attracted and their withdrawal from the industry
- VI. Minimal social acceptance
- VII. Time taken for kithul cultivation

7.4 Progress of Special Projects (as at 31.12.2022)

Financial and physical progress of direct provisions allocated by the Budget Speech

Table 1: - Progress of Special Projects (as at 31.12.2022)

Project	Approved Allocation (Rs. Mn.)	Financial Progress (Rs. Mn.)	Physical Progress
Implementing agency – Kithul Development Board			
Settlement of bills related to projects implemented by the State Ministry in the year 2021. Outstanding bills have been settled.	44.34	44.34	<ul style="list-style-type: none"> ▪ Outstanding bills have been settled
Official inauguration of the Kithul Development Board.	4.20	4.12	<ul style="list-style-type: none"> ▪ Completed.
Updating the management status of the Kithul sector, taking into account future challengers and demands.	0.17	0.15	<ul style="list-style-type: none"> ▪ 100% completion of the preparation of the forward movement and strategic plan for the Kithul sector.
Unification and empowerment of Kithul farmers' associations.	3.80	1.83	<ul style="list-style-type: none"> ▪ Establishing community-based societies at district level for the advancement of Kithul industry by uniting the people engaged in the Kithul industry in 21 Divisional Secretariat Divisions of Galle and Kandy districts. ▪ Implementing a community-based mechanism with the participation of over a hundred entrepreneurs identified in the two Divisional Secretariat Divisions of Neluwa and Thawalama.
Issuing identity cards and introducing a life insurance scheme to provide an identity to Kithul producers.	2.00	-	<ul style="list-style-type: none"> ▪ The imprest received were not sufficient to start the projects.
The Ministry of Foreign Affairs and the Department of Commerce jointly preparing a brochure containing details of Kithul products and manufacturers to promote the international market through Sri Lankan embassies.	2.50	-	<ul style="list-style-type: none"> ▪ It was not implemented as per Circular No. 3/2022

Providing financial assistance to 20 Kithul entrepreneurs to obtain GMP and SLSI certificates to promote relevant technology and products for the international market.	3.00	-	<ul style="list-style-type: none"> ▪ Coordinating the awarding of GMP certificates to 8 Kithul entrepreneurs. ▪ Sri Lanka Standards Institution has been instructed to prepare a code of practice for Kithul honey and jaggery processing.
Establishing an international standard Kithul sales center at the Bandaranaike International Airport.	5.00	-	<ul style="list-style-type: none"> ▪ It was not implemented according to Circular No. 3/2022.
Providing safety kits for Kithul tappers. <ul style="list-style-type: none"> • Rechargeable headlamps • Hats • Raincoats • Buckets • Safety shoes 	0.20	0.17	<ul style="list-style-type: none"> ▪ Equipment provided to the beneficiaries.
Capital and recurrent expenditure for the Kithul Development Board	24.66	11.63	<ul style="list-style-type: none"> ▪ Monthly imprest allocated based on expenses.

7.5 Kithul jaggery and Treacle exportation



Figure 4: - Kithul jaggery



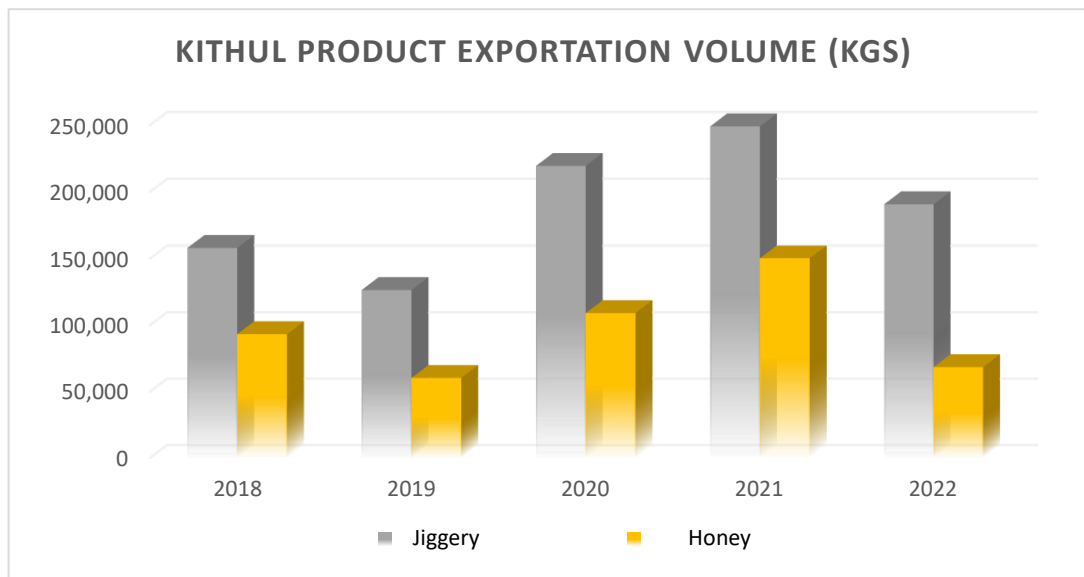
Figure 5: - Kithul treacle

Kithul product exportation Volume (Kgs)					
	2018	2019	2020	2021	2022
Jaggery	157,909	126,369	219,285	248,915	190,585
Honey	93,162	60,221	109,024	150,219	68,323
Total	251,071	186,590	328,309	399,134	258,908

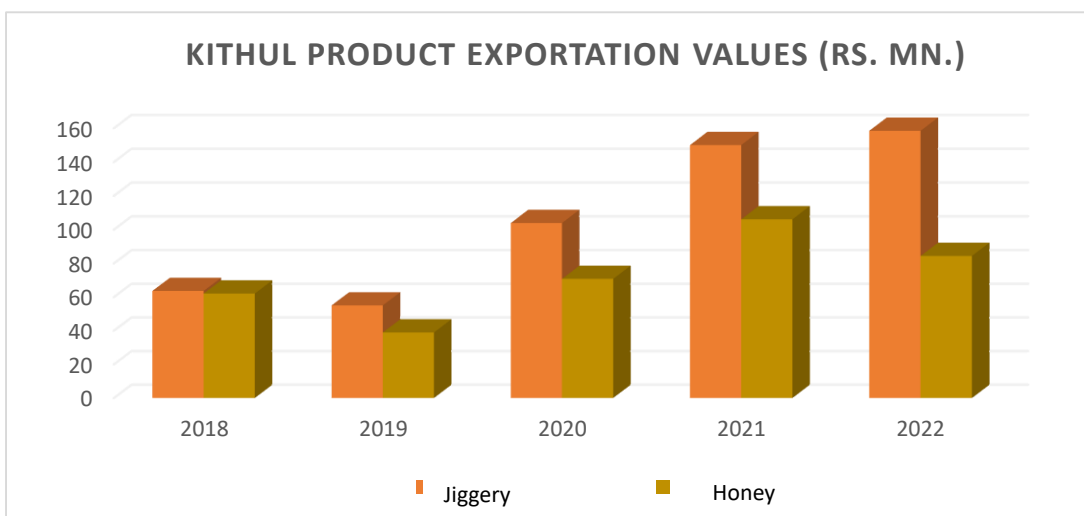
Table 2: - Kithul product exportation Volume (Kgs)

Kithul Product Export value (Rs. Mn)					
	2018	2019	2020	2021	2022
Jaggery	63.61	55.00	103.90	150.02	158.44
Honey	62.06	38.95	70.80	106.09	84.42
Total	125.67	93.95	174.70	256.11	242.86

Table 3: - Kithul product export value (Rs. Mn.)



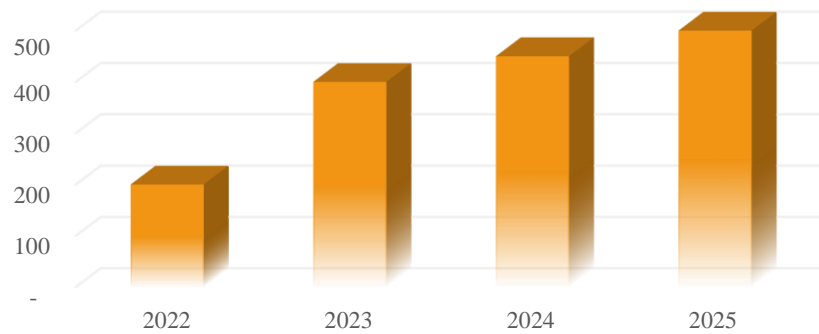
Graph 1:- Kithul production Volume from 2018 to 2022



Graph 2: - Kithul product exportation value (Rs. Mn.)
Source: Export Development Board

Export revenue targets (Rs. Mn.)				
	2022	2023	2024	2025
Annual revenue	200	400	450	500

Table 4: - Export revenue targets (Rs. Mn.)



Graph 3: Annual export revenue

Source: Kithul Development Board

08. Projects completed by the Kithul Development Board in 2022

8.1 Formulating a strategic plan.

The Kithul Development Board was established as a statutory institution in 2021. Prior to its establishment, various ministries and government institutions related to plantations initiated preliminary work for the promotion and development of the Kithul sector.

At that time, the government elevated the status of the Kithul Development Board and newly established it as a statutory institution and an affiliated institution of the State Ministry of Coconut, Kithul and Palmyrah Cultivation Promotion and Export Diversification. Operating under the State Ministry, the importance of creating a comprehensive action plan for the Kithul Development Board to carry out its operations for the next three years was recognized.

Arrangements were organized to conduct a workshop to prepare this action plan with the support and participation of resource persons. This workshop was held on 13th January 2022, at the Sri Lanka Institute of Development Administration. Respected academics, experts and stakeholders from various institutions and organizations, including the Industrial Technology Institute, Export Development Board, Sabaragamuwa University, National Crafts Council, and entrepreneurs in the Kithul sector, were invited to actively contribute to preparing the action plan.

The objective of this workshop was to utilize the knowledge, expertise, and insights of participants to develop a strong and strategic action plan for the Kithul Development Board. The workshop aimed to bring together various academics, a group of experts, and enhance the cooperation of industry representatives. Participants in the workshop shared their experiences, visions, and ideas related to the development and promotion of the Kithul industry.

Resource persons provided valuable contributions and guidance. Based on their expertise and research findings to shape the action plan, the workshop provided a platform for interactive sessions. Collective problem-solving and group discussions ensured active participation of all participants, allowing them to present valuable ideas and suggestions. As a result of the workshop, a well-defined action plan for the next three years was successfully prepared for the Kithul Development Board. This comprehensive plan included clear objectives.

During this workshop, special attention was paid to utilizing the analysis of the strengths, weaknesses, opportunities and threats (SWOT) of the Kithul industry and how its results could be applied for the future development of Kithul technicians and the government organization responsible for that industry. Participants were given space to actively discuss various aspects of the SWOT analysis and gain a broader understanding of its practical application within the Kithul context. This analysis was discussed around building views and making findings.

The objective of this program was to utilize the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to develop the capacities of Kithul technicians and improve the functionality of the organization responsible for industry supervision.

By identifying the strengths of workshop participants, strategies that could be utilized such as promoting the nutritional benefits of Kithul products or expanding export markets were explored, and plans were developed there to minimize their weaknesses.



Figure 6: - Formulating the Action Plan

8.2 Presenting the Strategic Plan to H. E. the President.

The Kitul Development Board was established as a statutory body in 2021 and provided that all matters related to Kitul was carried out by the relevant line ministry. The primary challenge faced after the establishment of the Board was to prepare a strategic plan outlining the Board's future activities. Accordingly, a strategic plan detailing the future activities of the Board was created and presented to His Excellency the President on 17th January 2022 at the Hiare Reservoir in Galle with the participation of over 500 Kithul entrepreneurs.



Figure 7 : -Kithul related products.



Figure 8 : - Kithul related products.



Figure 9 : - Kithul related products.



Figure 10 : - Kithul related products.



Figure 11 :-Kithul related products.

With the participation of 250 Kithul entrepreneurs, a new strategic plan containing the Board's strategic guidance for the development of the Kithul industry was presented to His Excellency the President, and the potential for the development of the Kithul industry was observed through His Excellency the President's intervention.

His Excellency the President was given the opportunity to gain a direct understanding of the complex processes of the Kithul industry, and his presence and active intervention was testimony to the support shown to this traditional and economically important sector. Furthermore, this ceremony provided an opportunity to showcase the progress and innovations in the Kithul sector. His Excellency the President's participation in the observation activities added a unique dimension to the program, further confirming the importance of the Kithul industry and its future prospects, highlighting the potential for industry growth and sustainable development. This was a valuable opportunity to strengthen cooperation, exchange ideas, and commitment for the upliftment of the Kithul industry in the region.

Kithul Flower Tapping:

His Excellency the President drew his attention to the process of Kithul flower tapping, an essential component of Kithul-related production. This activity demonstrates the initial stage of the production chain and highlights the importance of sustainable harvesting methods.

Observing Kithul Treacle Production:

The production of Kithul treacle through toddy, a raw material used for various Kithul-related products, was observed by the President.

His Excellency the President examined the sites where Kithul production takes place, gaining an understanding of the Kithul production process. Additionally, he had the opportunity to view modern technological equipment that plays a critical role in enhancing production efficiency and quality within the Kithul industry. Through these observations, His Excellency the President was able to gain a comprehensive understanding of the various stages of the Kithul industry, from Kithul tapping to the final product.

Subsequently, the Kithul Development Board presented a short documentary audiovisual program that outlined the future path of the Kithul industry.

The purpose of this program was to emphasize the economic opportunities and growth prospects that can be utilized through promoting and marketing Kithul products at an international level. The presentation of the documentary film provided an understanding of the future direction of the Kithul industry. It demonstrated the importance of strategic planning and effective marketing strategies to establish Kithul as a product that meets demand in the global market, ultimately showing through an audiovisual approach how it contributes to the economic development of the region and the empowerment of Kithul entrepreneurs.

Accordingly, several important tasks were accomplished under the patronage of His Excellency the President.

- Presentation of the Strategic Plan of the Kithul Development Board: The strategic plan of the Kithul Development Board was presented to His Excellency the President, outlining the strategic initiatives and goals for the development of the Kithul industry. This presentation highlighted the Board's commitment to promoting sustainable growth and economic empowerment within the Kithul sector.
- Establishment of a Standard for Kithul Treacle: In a notable development, the Sri Lanka Standards Institution developed a specific standard for Kithul treacle. The statement containing the standard was presented to His Excellency the President, emphasizing the significance of introducing standardized guidelines for Kithul treacle for the first time in Sri Lanka. The statement containing the standard was also presented to His Excellency the President, emphasizing the importance of quality assurance and competitiveness for Kithul treacle products.
- Certificates were awarded to individuals who received Kithul tapping training by the National Institute of Plantation Management (NIPM) under the Ministry of Plantation Industries. These recognitions highlighted their skills and knowledge in Kithul cultivation and production, emphasizing the commitment to enhancing expertise and professionalism within the industry.
- Distribution of Technology Equipment Kits: Technology equipment kits were offered as a means to further assist entrepreneurs engaged in the Kithul industry. The aim was to improve their production capabilities, promote innovation, and facilitate the use of modern technological methods in their enterprises.
- Presentation of a Commemorative Plaque: The program concluded with the presentation of a commemorative plaque.
- This memento received through the establishment of the Saubhagya Production Village symbolized the collective efforts and achievements made for the progress of the Kithul industry, sustainable development, and fostering pride and unity among participants.
- These activities carried out by His Excellency the President demonstrated his active contribution and support for the Kithul industry, emphasizing the government's commitment to its growth, development, and recognition at national and international levels.



Figure 12: - Products made from Kithul wood

8.3 Providing safety equipment kits for the domestic industries.

The aim of this project is to distribute equipment kits (Rechargeable headlamps, Hats, Raincoats, Buckets, Safety shoes) to those engaged in the Kithul tapping industry that will help them successfully run that industry. On the instructions and guidance of the Hon. Minister of Plantation Industries, on 29.09.2022, our board intervened to implement a program to distribute equipment kits to people engaged in the industry in several Divisional Secretariat Divisions where that industry is located.

The equipment was presented to the Akmeemana Divisional Secretary by His Excellency the President at a program held in Hiayare, Galle on 17th February 2022. Applications were invited from the following Divisional Secretariats under the Galle District Secretariats for the distribution of this equipment.

The following list has been prepared based on the list received from the above-mentioned Divisional Secretariats. The list is as follows.

Divisional Secretariats	No. of beneficiaries
Elpitiya	61
Welivitiya Divitura	04
Niya Gama	45
Wanduramba	02
Nagoda	19
Thawalama	42
Neluwa	70
Total	243

The Board was committed to providing the necessary resources and support to Divisional Secretariat offices and ensuring the smooth implementation of the distribution program.

The total number of Divisional Secretariat divisions in the region is 7. However, considering transportation-related challenges, the Board has decided to organize 07 separate programs and conduct the resource distribution programs at 04 locations. By implementing this approach, the Board's objective is to streamline the distribution process, reduce costs, and ensure that equipment reaches the designated beneficiaries on time. This decision was made with the welfare of the beneficiaries and the efficiency of the program in mind. The following arrangements were made for the convenience of the beneficiaries. The Board has recognized the importance of efficient organization and effective use of resources, and therefore these 04 locations were selected to minimize the supply challenges that arise when reaching the 07 Divisional Secretariat offices.

8.4 Organizing Kithul Farmers' Societies

A transformation and sustainable growth of industries have occurred in this period through technological advancement and changing consumer preferences. The Kithul industry, once confined to traditional rural areas, is now poised for a remarkable transformative process. The Kithul Development Board has taken on the task of transforming the Kithul industry, which is dedicated to changes and innovations, into a modernized and diversified sector that protects its unique and authentic values. Furthermore, the Kithul industry, deeply rooted in Sri Lankan traditions and heritage, has long been valued for the excellent products obtained from the sap of the Kithul tree. However, due to the limited exposure of this industry and the lack of use of

technology, the potential of this industry has largely remained unutilized. The Board's objective is to harness the full potential of the industry and elevate it to global status by utilizing technological integration and modern technological changes. The Board has recognized the critical role that technology plays in bringing about this transformative change and enhancing efficiency, quality, and market access. Through strategic partnerships and collaboration, the Board expects to introduce modern machinery and production techniques to optimize efficiency.

The Board is expected to work towards standardizing prices while maintaining the authenticity and uniqueness of Kithul products by minimizing manual labor, utilizing automation and digital solutions. The Board's expectation is to create a diversified industry that meets the evolving tastes and preferences of consumers worldwide while protecting the essence of Kithul products.

By conducting thorough market research and engaging with experts in the field, we identify new product opportunities and explore innovative applications of Kithul derivatives from culinary delights. From food items to natural flavorings and health supplements, the possibilities are limitless. Our transformative journey goes beyond modernization and diversification. It extends to empowering rural communities connected to the Kithul industry. The Board is committed to extensive training programs and skills development to equip farmers and technicians with the knowledge and tools needed to thrive in a rapidly changing world. By fostering entrepreneurship and ensuring fair trade practices, the Board's objective is to uplift the livelihoods of those connected to the Kithul industry's value chain. By embracing modern technology, fostering innovation, and empowering rural communities, the Board expects to transform the Kithul industry into a globally recognized and prestigious sector renowned for its unwavering commitment to its unique products and authenticity.

Accordingly, within the implementation plan for the year 2022, a budget allocation of 1 million was approved for projects aimed at establishing and empowering the aforementioned Kithul farmers' societies. Under the project mentioned above, the foundation was laid to implement a comprehensive initiative focusing on organizing Kithul producers, human skills development, and social empowerment. This project is proposed to be implemented throughout 2022 and 2023 across 11 districts where the Kithul industry is prevalent in Sri Lanka. Although previously operational, the current situation of the social system operating with the aim of uniting individuals engaged in the Kithul industry shows that the society system is inactive.

Therefore, it is the opinion of the Kithul Development Board that these societies need to undergo a reorganization process. With special attention to obtaining young leadership, additionally, it is crucial to create the necessary psychological incentives to encourage voluntary engagement in this industry. The Kithul Development Board also aims to provide these societies with a business-oriented identity. The Board strongly believes that implementing such a process will effectively eliminate the feeling of isolation or loneliness among industry participants. Furthermore, it will foster the creation of a unified group that can stand independently. A fundamental challenge we collectively face is that increasing exports has become essential, especially in the face of the currently prevailing COVID-19 pandemic and the economic crisis existing in Sri Lanka.

8.4.1 Kithul Manufacturers' Organization Human Skills Development and Social Empowerment Program (Galle District)

The Kithul Entrepreneurs' Organization, concurrent with its human skills development and social empowerment program, recognizes the importance of developing human skills to enhance the capabilities of individuals engaged in the Kithul industry, aiming to uplift the Kithul industry and empower individuals within the sector. Through its human skills development program, it provides comprehensive training and educational initiatives to equip farmers, artisans, and other stakeholders with the knowledge and skills necessary for sustainable growth and success.

Additionally, the social empowerment program implemented by the organization was carried out with the aim of uplifting the rural community connected to the Kithul industry. By fostering entrepreneurship, facilitating access to resources, and nurturing fair trade models, it seeks to improve the socio-economic conditions of individuals and provide opportunities for their overall well-being. Through this integrated effort, the Kithul Manufacturers' Organization strives to create an ecosystem that empowers individuals, fosters innovation, and contributes to the sustainable development of the Kithul industry.

With the aim of elevating the Kithul industry to a new level, the Kithul Development Board organized its first project activities in Galle. This ceremony, attended by approximately 120 enthusiastic Kithul entrepreneurs from 11 Divisional Secretariat divisions including Neluwa, Akmeemana, Weliwita, Divithura, was held at the Galle District Secretariat office. Entrepreneurs from Nagoda, Imaduwa, Yakkalamulla, Baddegama, Elpitiya, Niyagama, Tawalama, and Wanduramba areas participated. This ceremony was held in Galle.

As the distinguished resource person of the program, Dr. Chaminda Weerasinghe conducted an awareness program on "Entrepreneurship through a Psychological View" for Kithul entrepreneurs. This program clarified the critical role psychology plays in entrepreneurship. His expertise provided Kithul entrepreneurs with a unique perspective and empowered them to harness the power of their psychology for their ultimate entrepreneurship. "Entrepreneurship through a Psychological View" was an eye-opening experience for Kithul entrepreneurs, providing them with a fresh perspective on their entrepreneurial journey. The objective of the program was to equip Kithul entrepreneurs with the psychological tools necessary for sustainable growth and success by exploring these critical areas through various psychological dimensions guided by Mr. Weerasinghe, exploring topics such as mindset, motivation, resilience, risk-taking, and innovation. Throughout the program, Dr. Weerasinghe shared valuable insights, research-backed findings, and practical strategies for developing an entrepreneurial mindset. By following these principles, Kithul entrepreneurs were empowered to overcome challenges, embrace innovation, and build thriving businesses in the Kithul industry. This program facilitated interactive and engaging sessions. The interactive teaching methods demonstrated by Dr. Weerasinghe, including group discussions, case studies, and experiential exercises, ensured that participants had a practical learning experience, encouraging active participation of Kithul entrepreneurs. Through these collaborative activities, Kithul entrepreneurs had the opportunity to share their experiences.

However, the most significant outcome of this ceremony was the establishment of the Galle District Kithul Entrepreneurs' Association, uniting Kithul entrepreneurs in the Galle

District and supporting them. Providing them with a platform for collaboration, knowledge exchange, and exploring new opportunities marked a critical step in the growth, development, and nurturing of the Kithul industry in that region. In addition to establishing the Galle District Kithul Entrepreneurs' Association, important appointments and designations were also made to establish the leadership and committee of that association. The Galle District Secretary was appointed as the patron of the association, and demonstrating their support and intervention for these activities, the Divisional Secretaries of the 11 Divisional Secretariat divisions covering Kithul cultivation were designated as convenors representing various regions.

Eleven regional coordinating officers were appointed to facilitate efficient communication, coordination, and facilitation among various sectors. Key positions such as President, Vice President, Secretary, Assistant Secretary, and Treasurer were elected to lead the association. These individuals will play an important role in shaping the direction of the association and organizing activities. Additionally, several officers who actively contribute to the association's functionality and decision-making process were selected as committee members.

8.4.2 Organization of Kithul Manufacturers Human Skills Development and Social Empowerment Program (Kandy District)

The comprehensive project for establishing and empowering Kithul societies operates across 11 districts. As part of its initiative, the second phase is prepared to be conducted in the Kandy District under the Board's supervision. The objectives of this phase are to organize Kithul producers, facilitate human skills development, and promote social empowerment. The project significantly emphasizes social empowerment as a critical component of sustainable development. The project's objective is to enhance social cohesion and well-being by providing support and creating a sense of community among Kithul producers. This will be achieved through various initiatives such as capacity development programs and environmental conservation awareness campaigns. The project's objective is to elevate the standard of living of the entire community by creating a positive and supportive ecosystem to uplift the entire community by including and promoting gender equality in the industry and socially empowering Kithul producers. 107 Kithul entrepreneurs participated in the program.

Representing 10 Divisional Secretariat divisions where the Kithul industry exists in significant amounts in the Kandy District, entrepreneurs engaged very enthusiastically in the program, demonstrating their commitment to the development of the Kithul sector. With great anticipation, the entrepreneurship development program was held on 21.12.2022, in the conference hall of the Kandy District Secretariat office. Dr. Chaminda Weerasinghe played a prominent role as the main resource person of the Kandy District Kithul Entrepreneurship Development Program. As part of the program, an engaging and enlightening session titled "Entrepreneurship through a Psychological View" was conducted by Dr. Weerasinghe. His profound expertise and knowledge contributed to guiding beneficiaries toward success. The main objective of this session was to present a fresh perspective on entrepreneurship and inspire participants to overcome challenges and pursue their goals with new determination.

Mixing various raw materials for Kithul treacle and jaggery production is a major challenge in today's market; for example, some entrepreneurs use sugar to increase

sweetness. However, the quality of the final product deteriorates, and as a result, consumer trust and willingness to purchase decrease. It is essential to always provide consumers with a high-quality product.

During this workshop, the Central Province Cooperative Commissioner made an in-depth presentation about the wide range of services that can be provided through the cooperative system. Emphasizing the cooperative system as a people-centered business mechanism, the Commissioner highlighted the potential to attract individuals engaged in the Kithul industry.

8.5 Kithul Tourism Hospitality Villages (Lanka Gama)

The Kithul Tourism Hospitality Villages project aims to unite Kithul entrepreneurs through the establishment and empowerment of Kithul entrepreneurial societies, with the objective of enhancing their role in the tourism industry. This innovative program expects to utilize the unique characteristics of Kithul, a valuable natural resource commonly found in Sri Lanka. The fundamental objective of the project is to uplift Kithul entrepreneurs by providing them with the support and resources needed to thrive in the tourism industry. The project's aim is to enhance the value of Kithul-related products by promoting sustainable cultivation practices and ensuring the production of high-quality Kithul products, thereby attracting local and foreign tourists.

Establishing Kithul Tourism Hospitality Villages is one of the key strategies of this project. These villages will become hubs for Kithul-related tourism activities. These villages will provide a platform for entrepreneurs to showcase their products. Engaging with tourists and providing immersive experiences such as Kithul tapping demonstrations, traditional Kithul product manufacturing, and cultural events, as well as organizing workshops, training sessions, and mentoring programs to enhance their skills regarding products. Through the Kithul Tourism Hospitality Villages project, they will be able to create unique and marketable Kithul-related experiences that meet the diverse needs of tourists, recognizing the economic potential of Kithul and its contribution to the local community. The project's goals are to generate employment opportunities, promote sustainable livelihoods, and preserve traditional knowledge and practices related to Kithul cultivation and utilization by strengthening the value sector and integrating it into the tourism industry.

With the support and organization of the Neluwa Divisional Secretary, a unique event took place on 03.12.2022, at the Lanka Gama Sinharaja Environmental Lodge. Under the intervention of Mr. Gihan Perera (Attorney-at-Law), Chairman of the Kithul Development Board, and Director General Mrs. Shirani Weerakoon, members of the Lanka Gama Kithul industry, members of their families, and distinguished individuals such as the Chairman of the Ruhuna Tourism Industry, Managing Director, Chairman of the Southern Province Industrial Development Authority, and Regional Economic Development Officers were present.

Approximately 88 individuals who played a unique role in the project gathered for the foundation stone laying ceremony of the Lanka Gama Tourism Hospitality Village program. The commitment of all stakeholders to the success of the Lanka Gama Tourism Hospitality Village program was symbolized in this ceremony.

Resource contribution for this program was provided by Professor M.S.M. Aslam, Dean of Sabaragamuwa University. At this ceremony, Professor Aslam emphasized the importance of establishing Lanka Gama as a tourism village and detailed the course of action to be taken. His valuable insights highlighted the potential to earn additional income for the Kithul industry through tourism-related activities.

A special event that occurred here was the establishment of an organization called "Sinharaja Sumithuro," composed of a group of selected Kithul entrepreneurs to implement the future activities of the tourism village.

8.6 Technical Interventions Required for Marketing High-Quality Kithul Products

This is another activity operating under the project for establishing and empowering Kithul societies. This analysis reveals an additional activity of the project aimed at establishing and empowering Kithul societies. By examining this specific activity, the effort taken to strengthen the Kithul industry and support the community connected to it can be further understood. This program held on 02.12.2022, was organized with the support of several key individuals and organizations.

It commenced at the auditorium of the Neluwa Divisional Secretariat office with the participation of 200 Kithul entrepreneurs representing the Neluwa and Tawalama Divisional Secretariat office areas. The fundamental objective of this program was to establish a community-based business mechanism specifically designed for the production and marketing of Kithul treacle and jaggery. The aim of this mechanism was to create a unique brand for the Neluwa and Tawalama Divisional Secretariat divisions where the Kithul industry is prevalent. The program focused on implementing this new project and ensuring that the business mechanism is legally sound. During the program, Mr. Suminda Singappuli, Director of the Ministry of Internal Trade and former Cooperative Commissioner, emphasized the importance of the cooperative system in meeting the various needs of individuals connected to Kithul.

He explained this detail about the cooperative system as a people-centered business mechanism that empowers and improves the livelihoods of those engaged in the Kithul industry, prioritizing economic, social, and other essential needs. During the program, Deputy Director Mr. Bandula, representing the Industrial Development Board of Lanka, emphasized the importance of integrating new technological uses to empower the Kithul production process. He emphasized that such advancement is necessary to create and ensure high-quality Kithul products. Mr. Jayasekara, District Director of the Galle Small Business Development Division, emphasized the need to provide knowledge on various subjects related to business development and entrepreneurship to individuals engaged in the Kithul industry.

During the program, the Deputy Director of the Export Development Board shared valuable information about utilizing modern packaging methods for marketing Kithul products. This presentation emphasized the important role that contemporary packaging techniques can play in maximizing the economic benefits from the Kithul industry.

This program, held with the participation of approximately 200 people, concluded after selecting ten representatives each from both the Neluwa and Tawalama Kithul-related business groups. These individuals were selected to connect with the Kithul Development Board, marking an important step in ensuring inclusive representation and active participation in the activities of the Board of Directors.

8.7 Nursery Development to Increase the Number of Kithul Trees and Transforming Kithul Cultivation into a Commercial Operation in the Country.

Accordingly, the Kithul Development Board has decided to launch this project in collaboration with the Provincial Department of Agriculture and the Industrial Technology Institute of Sri Lanka. In 2021, a program for the production of Kithul and Palmyrah-related industrial goods and export diversification was initiated by the former State Ministry of Coconut. As part of this initiative, focusing on the promotion of coconut, palmyrah, and Kithul cultivation, technical training, supervision for 10 Kithul seedling nurseries, and post-monitoring facilities are provided.

By 19.04.2022, applications had been submitted for participation in this program, representing over 75 seedling nurseries from various locations throughout Sri Lanka. The estimated amount budgeted for this project for the year 2022 is Rs. 5.55 million. As a result of the inability to launch this project throughout Sri Lanka, the Kithul Development Board has identified 10 seedling nurseries in the Galle District as a pilot project. A discussion was held with Provincial Director of Agriculture Mr. Gunawardana to support Kithul nursery owners.

Accordingly, the Kithul Development Board, the Provincial Department of Agriculture, and the Industrial Technology Institute of Sri Lanka decided to jointly launch this project. As the first step of the project, pilot nurseries were to be identified from the Galle District. For this purpose, the Provincial Department of Agriculture provided the Board with information on 12 seedling nurseries identified based on criteria presented by the Board. As a result, the Board decided to initiate a preliminary round of discussions by engaging the owners of these nurseries.

Additionally, the total number of nurseries selected for this pilot project is 19. Meanwhile, the former State Ministry held the preliminary discussion round on 16.12.2022, including several selected from among those who submitted applications from the Galle District, with three officials participating. Representing the Kithul Development Board, Chairman Attorney-at-Law Mr. Gihan Perera and Director General Mrs. Shirani Weerakoon, and representing the Industrial Technology Institute, Dr. P. Ranasinghe and several other officials participated.

Officials from the Provincial Office of Agriculture also participated in this meeting. During the session, the responsibility for the nursery supervision program was undertaken by the Provincial Board of Directors of Agriculture, and tasks from the commencement to the completion of the project were identified. Furthermore, discussions were held regarding the tripartite agreements necessary for successful implementation of the project. As discussed, the Industrial Technology Institute first undertook the responsibility of seed identification.

The Industrial Technology Institute also bears the responsibility of teaching nursery operators how to collect seeds, how to plant them, and how to obtain healthy seedlings, including information about soil composition. The process of Kithul seedling production includes providing Kithul seeds and utilizing the nursery owners' land, as well as water, soil, labor, and other necessary inputs.

The Provincial Department of Agriculture calculates the cost per plant for a nursery owner. Accordingly, the price set for one plant is Rs. 100. Dr. Ranasinghe's study revealed that the time from seed planting to the seedling stage is two to three months. The time for obtaining seeds for the project was initially planned in January, and the purchasing time in April-May has been rescheduled to June. Our institution has identified 10 seedling nurseries, and the total number of plants to be cultivated is 50,000. The Board's budget for purchasing these plants is Rs. 5 million. However, due to the Board's procurement limitations, the project also had to be suspended.

09. Auditor General's Report



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කිතුල් සංවර්ධන මණ්ඩලයේ 2022 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් තෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්වගණනය කළ මතය

කිතුල් සංවර්ධන මණ්ඩලයේ 2022 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය කාර්යසාධන ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ ප්‍රමාණාත්මක ගිණුම්කරණ ප්‍රතිපත්තිවලට අදාළ තොරතුරුද ඇතුළත් මූල්‍ය ප්‍රකාශනවලට අදාළ සටහන්වලින් සමන්විත 2022 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන, ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 1971 අංක 38 දරන මුදල් පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

මාගේ වාර්තාවේ තත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණුවලින් වන බලපෑම හැර, මණ්ඩලයේ මූල්‍ය ප්‍රකාශන තුළින් 2022 දෙසැම්බර් 31 දිනට මූල්‍ය තත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා එහි මූල්‍ය ක්‍රියාකාරිත්වය හා මුදල් ප්‍රවාහ ශ්‍රී ලංකා රාජ්‍ය අංශයේ ගිණුම්කරණ ප්‍රතිපත්තිවලට අනුකූලව සත්‍ය හා සාධාරණ තත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

Ms. Anuraadbukex /IA acty.

F.N.A. Pl.

1.2 තත්වගණනය කළ මතය සඳහා පදනම

(අ) ශ්‍රී ලංකා රාජ්‍ය අංශ ගිණුම්කරණ ප්‍රමිති අංක 07හි 69 ඡේදය ප්‍රකාරව මණ්ඩලය විසින් 2022 අප්‍රේල් මස මිලදී ගත් එකතුව රු. 378,891ක් වූ ලී බඩු හා සවි කිරීම් වලට අදාළව අවශ්‍ය ක්ෂය වෙන්කිරීම් මූල්‍ය ප්‍රකාශනවල සලකා නොතිබුණි.

(ආ) 2022 දෙසැම්බර් මසට අදාළ එකතුව රු. 631,236ක් වූ වියදම් 2023 වර්ෂයේ ගෙවා තිබුණද 2022 වර්ෂයේ මූල්‍ය ප්‍රකාශන තුළ ඒ සඳහා වෙන් කිරීම් කර නොතිබුණි.

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි.ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මෙම විගණන ප්‍රමිති යටතේ වූ මාගේ වගකීම, මෙම වාර්තාවේ මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම යන කොටසේ තවදුරටත් විස්තර කර ඇත. මාගේ තත්වගණනය කළ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබාගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

1.3 මණ්ඩලයේ 2022 වාර්ෂික වාර්තාවේ ඇතුළත් අනෙකුත් තොරතුරු

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් මණ්ඩලයේ 2022 වාර්ෂික වාර්තාවේ ඇතුළත් කර ඇති නමුත් මූල්‍ය ප්‍රකාශන සහ ඒ පිළිබඳව වූ මගේ විගණන වාර්තාවේ ඇතුළත් නොවන තොරතුරු, අනෙකුත් තොරතුරු යන්නෙන් අදහස් වේ. මෙම අනෙකුත් තොරතුරු සඳහා කළමනාකරණය වගකිව යුතුය.

මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් වූ මගේ මතයෙන් අනෙකුත් තොරතුරු ආචරණය නොකරන අතර මම ඒ පිළිබඳ කිසිදු ආකාරයක සහතිකවීමක් හෝ මතයක් ප්‍රකාශ නොකරමි.

මූල්‍ය ප්‍රකාශන පිළිබඳ මගේ විගණනයට අදාළව, මගේ වගකීම වන්නේ ඉහත හඳුනාගත් අනෙකුත් තොරතුරු කියවීම සහ එසේ කිරීමේදී අනෙකුත් තොරතුරු මූල්‍ය ප්‍රකාශන සමඟ හෝ විගණනයේදී හෝ වෙනත් ආකාරයකින් ලබාගත් මගේ දැනුම අනුව ප්‍රමාණාත්මක වශයෙන් නොගැලපෙනවාද යන්න සලකා බැලීමයි.

මෙම විගණන වාර්තාවේ දිනට පෙර මා ලබාගත් අනෙකුත් තොරතුරු මත හා මා විසින් කරන ලද කාර්යයන් මත පදනම්ව, මෙම අනෙකුත් තොරතුරු ප්‍රමාණාත්මක වශයෙන් වැරදි ලෙස දක්වා ඇති බව මම නිගමනය කරන්නේ නම්, එම කරුණ මා විසින් වාර්තා කිරීමට අවශ්‍ය වේ. මේ සම්බන්ධයෙන් මට වාර්තා කිරීමට කිසිවක් නැත.

1.4 මූල්‍ය ප්‍රකාශන පිළිබඳ කළමනාකරණයේ සහ පාලනය කරන පාර්ශවයන්ගේ වගකීම

මෙම මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා රාජ්‍ය අංශයේ ගිණුම්කරණ ප්‍රමිතීන්ට අනුකූලව පිළියෙල කිරීම හා සාධාරණ ලෙස ඉදිරිපත් කිරීම සහ වංචා හෝ වැරදි හේතුවෙන් ඇතිවිය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවනු පිණිස අවශ්‍ය වන අභ්‍යන්තර පාලනයන් තීරණය කිරීම කළමනාකරණයේ වගකීම වේ.

මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමේදී, මණ්ඩලය අඛණ්ඩව පවත්වාගෙන යාමේ හැකියාව තීරණය කිරීම කළමනාකරණයේ වගකීමක් වන අතර, කළමනාකාරිත්වය මණ්ඩලය ඈවර කිරීමට අදහස් කරන්නේ නම් හෝ වෙනත් විකල්පයක් නොමැති විටදී මෙහෙයුම් නැවැත්වීමට කටයුතු කරන්නේ නම් හැර අඛණ්ඩ පැවැත්මේ පදනම මත ගිණුම් තැබීම හා මණ්ඩලයේ අඛණ්ඩ පැවැත්මට අදාළ කරුණු අනාවරණය කිරීමද කළමනාකරණයේ වගකීමකි.

මණ්ඩලයේ මූල්‍ය වාර්තාකරණ ක්‍රියාවලිය සම්බන්ධව පරීක්ෂා කිරීමේ වගකීම, පාලනය කරන පාර්ශවයන් විසින් දරනු ලබයි.

2018 අංක 19 දරන ජාතික විගණන පනතේ 16(1) උප වගන්තියේ ප්‍රකාරව, මණ්ඩලයේ වාර්ෂික සහ කාලීන මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවන පරිදි ස්වකීය ආදායම්, වියදම්, වත්කම් හා බැරකම් පිළිබඳ නිසි පරිදි පොත්පත් හා වාර්තා පවත්වාගෙන යා යුතුය.

1.5 මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම

සමස්තයක් ලෙස මූල්‍ය ප්‍රකාශන, වංචා සහ වැරදි නිසා ඇතිවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොර බවට සාධාරණ තහවුරුවක් ලබාදීම සහ මාගේ මතය ඇතුළත් විගණන වාර්තාව නිකුත් කිරීම මාගේ අරමුණ වේ. සාධාරණ සහතිකවීම උසස් මට්ටමේ සහතිකවීමක් වන නමුත්, ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාශන විගණනය සිදු කිරීමේදී එය සෑමවිටම ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් අනාවරණය කරගන්නා බවට වන තහවුරු කිරීමක් නොවනු ඇත. වංචා සහ වැරදි තනි හෝ සාමූහික ලෙස බලපෑම නිසා ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවිය හැකි අතර, එහි ප්‍රමාණාත්මකභාවය මෙම මූල්‍ය ප්‍රකාශන පදනම් කරගනිමින් පරිශීලකයන් විසින් ගනු ලබන ආර්ථික තීරණ කෙරෙහි වන බලපෑම මත රඳා පවතී.

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකවුසුබවින් යුතුව ක්‍රියා කරන ලදී. මා විසින් තවදුරටත්,

- ප්‍රකාශ කරන ලද විගණන මතයට පදනමක් සපයා ගැනීමේදී වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇතිවීමේ අවදානම් හඳුනාගැනීම හා තක්සේරු කිරීම සඳහා අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්සන්ධානයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, වේතනාන්විත මඟහැරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.
- අභ්‍යන්තර පාලනයේ සඵලදායීත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීමේ අදහසින් නොවුවද, අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබාගන්නා ලදී.
- භාවිතා කරන ලද ගිණුම්කරණ ප්‍රතිපත්තිවල උචිතභාවය, ගිණුම්කරණ ඇස්තමේන්තුවල සාධාරණත්වය සහ කළමනාකරණය විසින් කරන ලද සම්බන්ධිත හෙළිදරව් කිරීම් අගයන ලදී.
- සිද්ධීන් හෝ තත්ත්වයන් හේතුවෙන් මණ්ඩලයේ අඛණ්ඩ පැවැත්ම පිළිබඳ ප්‍රමාණාත්මක අවිනිශ්චිතතාවයක් තිබේද යන්න සම්බන්ධයෙන් ලබාගත් විගණන සාක්ෂි මත පදනම්ව ගිණුම්කරණය සඳහා ආයතනයේ අඛණ්ඩ පැවැත්ම පිළිබඳ පදනම යොදා ගැනීමේ අදාළත්වය තීරණය කරන ලදී. ප්‍රමාණවත් අවිනිශ්චිතතාවයක් ඇති බවට මා නිගමනය කරන්නේ නම් මූල්‍ය ප්‍රකාශනවල ඒ සම්බන්ධයෙන් වූ හෙළිදරව්කිරීම් වලට මාගේ විගණන වාර්තාවේ අවධානය යොමු කළ යුතු අතර, එම හෙළිදරව්කිරීම් ප්‍රමාණවත් නොවන්නේ නම් මාගේ මතය විකරණය කළ යුතුය. කෙසේ වුවද, අනාගත සිද්ධීන් හෝ තත්ත්වයන් මත අඛණ්ඩ පැවැත්ම අවසන් වීමට හැකිය.
- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව සහ හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ත ඉදිරිපත් කිරීම් අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැරදි විගණන සොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව පාලනය කරනු ලබන පාර්ශවයන් දැනුවත් කරමි.

- 2. වෙනත් නෛතික හා නියාමන අවශ්‍යතා පිළිබඳ වාර්තාව
 - 2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ පහත සඳහන් අවශ්‍යතාවයන් සම්බන්ධයෙන් විශේෂ ප්‍රතිපාදන ඇතුළත් වේ.
 - 2.1.1 මාගේ වාර්තාවේ තත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර, 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(අ) වගන්තියේ සඳහන් අවශ්‍යතාවන් අනුව, විගණනය සඳහා අවශ්‍ය සියලු තොරතුරු සහ පැහැදිලි කිරීම් මා විසින් ලබාගන්නා ලද අතර, මාගේ පරීක්ෂණයෙන් පෙනී යන ආකාරයට නිසි මූල්‍ය වාර්තා මණ්ඩලය පවත්වාගෙන ගොස් තිබුණි.
 - 2.2 අනුගමනය කරන ලද ක්‍රියාමාර්ග සහ ලබා ගන්නා ලද සාක්ෂි මත හා ප්‍රමාණාත්මක කරුණුවලට සීමා කිරීම තුළ, පහත සඳහන් ප්‍රකාශ කිරීමට තරම් කිසිවක් මාගේ අවධානයට ලක් නොවීය.
 - 2.2.1 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඇ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මණ්ඩලයේ පාලක මණ්ඩලයේ යම් සාමාජිකයෙකුට මණ්ඩලය සම්බන්ධ වී යම් ගිවිසුමක් සම්බන්ධයෙන් සෘජුව හෝ අන්‍යාකාරයකින් සාමාන්‍ය ව්‍යාපාරික තත්වයෙන් බැහැරව සම්බන්ධයක් ඇති බව.
 - 2.2.2 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඊ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව පහත සඳහන් නිරීක්ෂණය හැර යම් අදාළ ලිඛිත නීතියකට හෝ මණ්ඩලයේ පාලක මණ්ඩලය විසින් නිකුත් කරන ලද වෙනත් පොදු හෝ විශේෂ විධානවලට අනුකූල නොවන ලෙස ක්‍රියා කර ඇති බව.

නීතිරීති/ විධානයට යොමුව


අනුකූල නොවීම්

2021 නොවැම්බර් 16 දිනැති අංක පීර්ඩ් 01/2021 දරන රාජ්‍ය ව්‍යාපාර වක්‍රලේඛයේ 6.6 වගන්තිය

ගිණුම් වර්ෂය අවසන් වී දින 60 ක් ඇතුළත මූල්‍ය ප්‍රකාශන සහ කෙටුම්පත් වාර්ෂික වාර්තා විගණකාධිපති වෙත ඉදිරිපත් කළ යුතු වුවත් 2022 වර්ෂයට අදාළ ගිණුම් විගණනයට ඉදිරිපත් වූයේ 2025 මාර්තු 20 දින වන අතර එහි ප්‍රමාද කාලය වර්ෂ 02 ක් වේ.

2.2.3 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(උ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මණ්ඩලයේ බලතල, කර්තව්‍ය සහ කාර්යයන්ට අනුකූල නොවන ලෙස කටයුතු කර ඇති බව.

2.2.4 2018 අංක 19 දරන ජාතික විගණන පනතේ 12(ඌ) වගන්තියේ සඳහන් අවශ්‍යතාවය අනුව මණ්ඩලයේ සම්පත් සකසුරුවම් ලෙස, කාර්යක්ෂම ලෙස සහ ඵලදායී ලෙස කාලසීමාවන් තුළ අදාළ නීතිරීති වලට අනුකූලව ප්‍රසම්පාදනය කර භාවිතා කර නොමැති බව.


ඒ.එච්.ඩී.ධර්මසේන
විගණකාධිපති (වැ.බ)


10. Financial Reports

10.1 Statement of Financial Position


**Kithul Development Board
Statement of Financial Position
as at 31st December 2022**

	Note	31.12.2022 Rs.
ASSETS		
Non- Current Assets		
Property, Plant and Equipment	1	378,891.00
Current Assets		
Cash balance at BOC Pelwatta Acct		335,581.58
Total Assets Value		714,472.58
Less : Liabilities		
Current Liabilities		
Dist Secre- Nuwara Eliya		(308,613.36)
Total Net Assets		405,859.22
Represented BY,		
Total Revenue Reserves	2	405,859.22

These Financial Statements have been prepared in accordance with Sri Lanka Public sector Accounting Standards (SLPSAS)


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S.C.S Fernando
Asst/Dep Manager Finance (Acting)
Kithul Development Board


S.C.S. Fernando
Asst/Deputy Manager (Finance)
Kithul Development Board

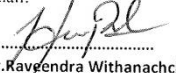

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Gihan Perera (Attorney At Law)
Chairman
Kithul Development Board

GIHAN PERERA (AAL, MAHRM, Dip-Mng)
CHAIRMAN
Kithul Development Board
No: 23/1, Kandawatte Road,
Pelawatte, Battaramulla.

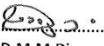
The Accounting Policies and Notes are integral part of these Financial Statements.
The board of Directors is responsible for the preparation and presentation of these Financial Statements.

Financial Statements for 2022 in the Kithul Development Board were approved by the Board of Directors and signed on their behalf.


.....
P.D.H.Dabare
Director
Ministry of Finance


.....
Dr. Ravendra Withanachchi
Director
University of Sri Jayewardenepura


.....
Dr. P. Ranasinghe
Director
Industrial Technology Institute


.....
D.M.M.Dissanayake
Director
Ministry of Plantation Industries


.....
R.U.Primal Fernando
Director



10.2 Statement of Financial Performance for the Year Ended

Kithul Development Board Statement of Financial Performance for the Year Ended 31 st DECEMBER 2022

	<u>Rs.</u>
Operating Revenue	
Government Recurrent Grant	11,246,250.44
Government Capital Grant	<u>6,651,332.48</u>
Total operating revenue	17,897,582.92
Less: Development Programme expenses - 2022	
Proj 01 exp	4,122,466.48
Proj 02 exp	149,975.00
Proj 03 exp	1,829,035.00
Proj 06 exp	<u>170,965.00</u>
	<u>(6,272,441.48)</u>
Net surplus before the operating expenses	11,625,141.44
<u>Less: Operating Expenses</u>	
1001 Salaries & Wages	3,277,119.78
1002 Overtime & Holiday payments	80,466.89
1003 Other Allowance	332,322.58
1201 Stationaries and office requirements	319,166.62
1202 Fuel	1,139,190.00
1301 Vehicles Maintain	739,004.00
1401 Transport	2,410,090.00
1402 Postal & Communication exp	89,767.85
1403 Electricity & Water	77,205.50
1404 Rent	2,259,075.00
1409 Other	<u>495,874.00</u>
	<u>(11,219,282.22)</u>
Net surplus generated during the year	<u><u>405,859.22</u></u>



10.3 Statement of Cash Flow

Kithul Development Board
Statement of Cash flow as at 31.12.2022

	<u>As at</u> <u>2022.12.31</u>
<u>Cash flow from operating activities</u>	
Net surplus/ (Deficit) for the year	405,859
Adjustment for	
Depreciation	-
	<hr/> 405,859
Working capital Changes	
(Increase)/decrease in trade & other receivables	-
Increase/(decrease) in trade & other payables	308,613
	<hr/> 714,473
Cash generated from operating activities	714,473
<u>Cash generated from Investing activities</u>	
(Purchase)/ disposal of PPE during the year	(378,891)
Cash generated from financing activities	-
	<hr/> 335,582
Net increase/ (decrease) in cash & cash equivalent during the year	335,582
Cash & cash equivalent at the beginning of the year	-
Cash & cash equivalent at the end of the year	<hr/> <u><u>335,582</u></u>



10.4 Property, Plant and Equipments

Note 01 Property, Plant and Equipments

Property, plant & Equipmen

<u>Discription</u>	<u>Balance as at</u> <u>01.01.2022</u>	<u>Additions</u>	<u>Disposal</u>	<u>Balance as at</u> <u>31.12.2022</u>
Office Tables	-	359,992	-	359,992
Office Cupboards	-	18,899	-	18,899
	-	378,891	-	378,891

	<u>Cum depreciate</u> <u>as at 01.01.2022</u>	<u>Depreciation</u> <u>for the year</u>	<u>Depreciation</u> <u>on disposal</u>	<u>Cum depreciate</u> <u>as at 31.12.2022</u>
Office Tables	-	-	-	-
Office Cupboards	-	-	-	-
	-	-	-	-

Net Book Value	-			378,891
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Note 02 Revenue Reserves

Retained earnings

	<u>Rs.</u>
Balance as at 01.01.2022	-
surplus/(deficit) for the year	405,859
Balance as at 31.12.2022	405,859



10.5 Significant accounting policies

KITHUL DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2022

1. CORPORATE INFORMATION

Domicile and Legal Form

Kithul Development Board incorporated under “THE COCONUT DEVELOPMENT ACT, No 46 of 1971.”

The address of the Institute is located at 239/1” Kandawaththa Road, Pelawaththa, Baththaramulla.

1.2 Principal activities & Nature of Operations

1. The Development and Assistance in the development of the productivity of land in Kithul Plantation
2. The Cultivation and Assistance in and promotion and regulation of the cultivation
3. The specification polarization and direction of proper cultivation practices in respect of the growing of Kithul and other crops in Kithul plantation
4. The Manufacture; and assistance in and promotion and regulation of the manufacture, of Kithul products
5. The promotion of new techniques in the processing of Kithul products
6. The Prescription and maintenances of standards of quality of Kithul products manufactured in or exported Form Sri Lanka
7. The export and import and the regulation of the export and import and of the export price and import prices of the Kithul Products
8. The conducting of Market research into all aspects of the transport and marketing Kithul products with and outside Sri Lanka
9. The establishment and maintenances of research in states, experiment station and nurseries
10. The guiding and Advising of the Kithul Industry on all matters of a technical name
11. The Promotion of Co-operative and collective form of management and ownership of Kithul plantation and of establishments manufacturing or trending in Kithul Products

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 General Policies

2.1.1 Basis of Preparation

The financial statement of the Board such comprise statement of financial position. Statement of financial performance, statement of charges of equity, statement of Cash Flow, statement of Budgeted and actual performance together with the significant Accounting Policies and Note to the Financial Statement which have been prepared in accordance with Sri Lanka Public Sector Accounting Standards on the accrual basis of accounting formulated by Association of Public Finnane Accountants O Sri Lanka.

2.1.2 Basis of Measurement

The Financial Statement have been prepared accordance with the historical cost conversion basis.

2.1.3 Summary of Significant Accounting Policies

Financial statement has been prepared on a going concern concept and the account policy has been applied consistently throughout the period. Fund is available for government grants. Government grant is Utilized to meet institutional liabilities as and when necessary.

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied in all years presented unless otherwise stated.

3. VALUATION OF ASSETS THEIR MEASUREMENT BASE

3.1 Inventories

Inventories are valued at the lower of cost and realizable value, after making due allowances for obsolete and slow-moving items. 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 the estimated cost necessary to make the sale. The cost incurred in bringing inventories to the present location and condition are accounted using the following cost formular;

Raw Materials	- At actual cost in FIFO Basis
Work -In-Progress	- At the cost of direct materials, labor and an Appropriate portion of fixed production overheads Based on normal operating Capacity.
Finished Goods	- At the cost of direct materials, labor and. appropriate portion of fixed production overheads base on normal operating capacity
Consumables & Spares	- At actual cost on FIFO Basis
Packing/Indirect and Other Stocks	- At actual cost on FIFO basis

3.2 Cash & Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits short term highly liquid investments readily convertible to know amount of cash and subject to insignificant risk of change of value.

For the purpose of cash flow statement cash and cash equivalents consist of cash in hand and deposits in bank net of outstanding bank overdrafts. The cash flow statements are reported based in indirect method.



3.3 Property Plant & Equipment

3.3.1 Cost/Valuation

Property Plant & Equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. This historical cost includes all cost directly attributable to bringing as asset to working condition for its intended use and significant renovation.

When part of an item of property Plant & Equipment has different useful lives, they are accounted for as separate items (Major Component) of Property Plant & Equipment.

3.3.2 Restoration Costs

Expenditure incurred as repairs or maintenance of Property Plant & Equipment in order to restore or maintain the future economic benefits expected form originally assessed standard of performance is recognized as an expense when incurred

3.3.3 Depreciation

Depreciation is calculated using straight line method based on rates estimated to write-off the assets over the term of its useful life living a residual value for accounting purpose.

<i>Asset</i>	<i>Percentage</i>
Equipment	20%
Office Furniture	20%
Computer	20%

Kithul Development Board now determine the depreciation charge separately for each significant part of an item of property, plant and equipment and begin to depreciate when it is available for use, rather than adopting a method whereby property, plant and equipment are depreciated fully in the year of disposal with no such charge being accounted for in the year of purchase.

4. Liabilities and provisions

4.1 Provisions

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

5. Income Statement

5.1 Revenue Recognition

5.1.1. Government Grant

The Department of National budget allocates significant amount of fund from the annual budget & the Institute recognizes the both re-current and capital grant as the income of the Institute and capitalized by the capital goods purchased excluding development expenditure from capital grant in accordance with the SLPSAS II



11. Actions Taken to Correct Weaknesses Indicated in the National Audit Report

- I. The deficiencies pointed out in the Auditor General's Report 1.2 (a) and (b) were corrected in the preparation of the final accounts for the year 2023.
- II. To promptly complete the preparation of the Board's financial statements for previous years and to plan activities so that financial statements for future years can be prepared and submitted in a timely manner.