



**Annual Report of
BCC LANKA LTD
For the financial year ended
31 March 2024**

Table of Contents

01. Corporate Information	1
02. Our Vision & Mission	2
03. Chairman’s Review	3
04. Annual Report of Board of Directors.....	4-5
05. About the Organization	6
06. Audit & Management Committee Report	7-10
07. Independent Auditor’s Report	11-19
08. Financial Report	
Income Statement	20
Statement of Financial Positions	21
Statement of Changes in Equity	22
Cash Flow	23
Notes to the Financial Information.....	24-45

B C C Lanka Limited – PB 221

Corporate information

Name of the Company	- BCC Lanka Limited
Registration Number of the Company	- P B 221
Incorporation of the Company	- It has been incorporated as a public company under the name BCC Lanka Limited on 04.11.1988 under the Conversion of State Corporations or Government-Owned Business Institutions into Public Companies Act, No. 23 of 1987.
Registered Office	- Hultsdorf Mills , No. 21, Miraniya Street, Colombo 12.
Business Address	- Hultsdorf Mills , No. 21, Miraniya Street, Colombo 12. Telephone : 011-2422111-5 email : bcclankaltd@gmail.com
Board of Directors	- The Board of Directors of the Company as of today, is as follows: Mr. P. I. Perera - Chairman Mrs. G. M. I. U. Bandara Mr. M. D. S. Perera Mrs. N. Balasubramaniam Mr. P. N. Molligoda Mr. K. W. M. Kulathunga
Company Secretaries	- S.S.P. Corporate Services (Private) Limited No. 101, Flower Road, Colombo 03
Auditor	- National Audit Office



Our Vision

“To Be the Premium Brand Name in a Sustainably Developed, Prosperous Sri Lanka While Maintaining the Century Old Traditions.”

Our Mission

“Satisfying The Consumer While Maintaining a Sustainable Environment, Core Values and Employee Satisfaction”

BCC LANKA LIMITED

CHAIRMAN'S REVIEW

FOR FINANCIAL YEAR ENDED ON 31ST MARCH 2024

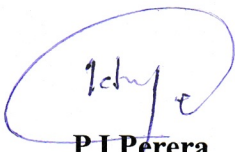
CHAIRMAN'S STATEMENT

Presenting the B C C Lanka Limited Annual Report and Audited Financial Statements for the financial year that concluded on March 31, 2024, brings me great pleasure.

The Company's 2023 profit of Rs. 102 million. Additionally, with profits from sales of Rs. 920 million documented this year. Over the previous fiscal year, there has been an increase in sales revenue for the year 2024, and this could possibly result in greater demand for our products in the marketplace as well.

Therefore, I would like to express my gratitude to our devoted and dedicated staff members for their constant support, which has helped us reach all of these accomplishments. The staff as a whole and top management have been performing firmly, and it shows in our achievements.

Finally, the Honorable state Ministers of the Ministry of Industry and Entrepreneurship Development, the Ministers of the Ministry of Finance, have sincere appreciation for their generous support and insightful recommendations. I express my appreciation to the Secretary of the Ministry of Industry and Entrepreneurship Development and the General Treasury for their outstanding and unwavering cooperation in enhancing the institute's milestones and accomplishing prearranged objectives.



P I Perera
Chairman

B C C LANKA LIMITED

B C C LANKA LIMITED – PB 221
Annual Report of the Board of Directors
On the Affairs of the Company

The Board of Directors of B C C Lanka Limited is pleased to present the Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March 2024. The Financial Statements have been prepared according to the Sri Lanka Accounting Standards.

Results for the year

The operating profit during the financial year amounted to Rs. 125,590,028.00. Profit Before Taxation of the Company during the financial year under review was Rs. 155,729,211.00. The company has reported a Net Profit of Rs. 102,463,744.00

Stated Capital

The Stated Capital of the Company is LKR 100,000,000/-. 100% of the shareholding of the Company, amounting to 10,000,000 ordinary shares, is held by the Secretary to the Treasury.

Board of Directors

The Board of Directors of B C C Lanka Limited as at 31st March 2024 was as follows,

Mr. D P De Kams - Chairman

Mr. W S R Jagath Kumara

Mr. K T S Chandrasiri

Mr. A H M Azmin

Mr. D M S P Dayananda

Mr. N D M J Wijesena

Mr. J M I Sampath

The Board of Directors of B C C Lanka Limited as at the date of the Directors' report is as follows,

Mr. P I Perera – appointed Director / Chairman w.e.f 31.01.2025

Mr. R C J Dalukotuwa - appointed w.e.f 22.07.2024

Mrs. G M I U Bandara – appointed w.e.f 08.11.2024

Mr. M D S Perera – appointed w.e.f 16.05.2025

Mr. P N Molligoda – appointed w.e.f 16.05.2025

Mrs. N Balasubramaniam – appointed w.e.f 16.05.2025

Mr. K W M Kulathunga – appointed w.e.f 16.05.2025

Directors' Interest in Contracts

Directors have complied with section 192 of the Companies Act No.07 of 2007.

Auditors

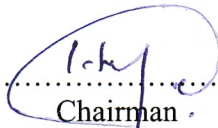
Auditor General continued to be the Auditor of the Company in terms of the 19th Amendment to the Constitution of Sri Lanka.

Company Secretaries

S S P Corporate Services (Private) Limited continues to be the corporate Secretaries of the Company.

Registered Office

The registered office of the Company is at Hultsdorf Mills, No. 21, Meeraniya Street, Colombo 12.

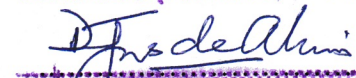

.....
Chairman

P.I. Perera
Chairman
Date: 21.06.2025
BCC Lanka Limited
Hultsdorf Mills, P.O Box 281
Meeraniya Street,
Colombo 12


.....
Director

G.M.I.U. Bandara
Director
Department of State Accounts
General Treasury
Colombo 01

**S S P CORPORATE
SERVICES (PRIVATE) LIMITED**


.....
S S P Corporate Services
(Private) Limited Secretaries

BCC LANKA LIMITED

The main production facilities of BCC Lanka Ltd comprises a Soap Factory, Coconut Oil Refinery. A brief description of products manufactured by these plants are given below.

1. Soap Factory

The Soap Factory Produces laundry soap, toilet soap, and disinfectants and detergents. The products with their brand names are given below.

- 1) Toilet Soap – Sandal Wood
 Suvendra Floral
 Suvendra Herbal
 Health Joy
- 2) Laundry Soap – Sovereign Bar
 Sno-Wite
- 3) Disinfectants – Pynol
 Toilet Bowl Cleaner
- 4) Detergents – Dish Wash Liquid
 Dish Wash Powder
 Snow-Wite Care detergent Liquid
- 5) Air Fresheners

2. Refinery Products

The Refinery produces Coconut Oil under the brand names of White Coconut Oil and Cooks Joy. These products are marketed in following container

Cooks Joy - 500ml, 01ltr, 05ltr, 20ltr

White Oil - 500ml,01ltr, 05ltr, 20ltr

AUDIT COMMITTEE REPORT 2023/2024

Audit Committee (AC) of BCC Lanka Ltd is a subcommittee of the Board of Directors (BoD) and it provides the assistance to the Board of Directors for taking remedial action for the accomplishment of the objectives of the organization. Audit Committee reports together with the observations and recommendations are submitted to the BoD in support with addressing issues and challenges of the dynamic environment. Also, it helps to ensure proper Internal control system and to mitigate the probable risks.

ROLE AND RESPONSIBILITIES

The scope and responsibilities of the Audit Committee of BCC Lanka Ltd are governed by the Guideline on Corporate Governance for State Owned Enterprises issued by the Department of Public Enterprises in 2021. The scope of Audit Committee can be given as follows in line with the said guideline.

a) Financial Reporting

- Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, and recent professional and regulatory pronouncements and understand their impact on the Financial Statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual Financial Statements, and consider whether they are complete and consistent with information known to committee members, and ensure that the information is presented in accordance with the appropriate accounting standards and policies.
- Review other sections of the Annual Report (AR) and related regulatory filings before the release and consider the accuracy and completeness of the information.
- Review with management and the external auditors that all matters required to be communicated to the AC have been properly communicated.
- Review interim financial reports with management and if required with the external auditor before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.
- Review reports prepared by management and/or the independent auditor setting forth significant financial reporting issues, judgments made and key audit matters in connection with the preparation of the Financial Statements.

b) Internal Audit

- Approve the annual audit plan and all major changes to the plan.
- Ensure that there are no unjustified restrictions or limitations in the scope of the internal audit.
- Review the internal audit activity's performance relative to its plan.
- Review the effectiveness of the internal audit functions
- Consider the effectiveness of the entity's internal control system, including security and the control of information technology.
- Monitor the effectiveness, impartiality of the internal auditors, receiving regular reports from the internal audit function and addressing relevant issues concerning the subsidiaries of the SOE, if any on a regular basis.
- Ensure that the scope of the internal auditor through the review of internal matters.
- Review the procurement procedure and progress of implementation of the procurement plan.

c) Risk Management

AC should review the risk management framework of the SOE, if a separate RC is not established. The scope of the risk functions would include;

- Identification, evaluation, and assessment of the risk profile of the SOE having taken into account the SOE's legal and regulatory background, macro-economic dynamics etc.;
- Develop and implement a risk management framework and internal control system including a risk rating mechanism;
- Recommend strategies to mitigate the risks;
- Examine and determine the sufficiency of the SOE's internal processes for reporting on and managing key risk areas.

d) Relationship with External Auditors

- Understand the scope of the external auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with the management's responses.
- On a regular basis, meet with the external auditors, separately, to discuss any matters that the committee or auditors believe should be discussed privately.

e) Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations, directives and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Review the findings of any examinations by regulatory authorities, and any observations of the auditors.

- Review the process for communicating the code of conduct to entity personnel, and for monitoring compliance therewith.
 - Obtain regular updates from management and entity legal counsel regarding compliance matters.
 - Establish a process to ensure compliance with laws and regulations relating to statutory obligations including EPF, ETF, taxes, custom duties, foreign exchange, and other levies applicable to the entity.

COMMITTEE COMPOSITION

The Board members who served on the Audit Committee during the year ended 31 March 2024 were Mr. W.S.R. Jagath Kumara (Chairperson), Mr. D.M. S. P. Dayananda (Member/Director), Mr. A.H.M. Asmin (Member/Director). Superintendent of Audit of National Audit Office Ms. Udeni Perera and Chief Internal Auditor of Ministry of Industries Ms. Renuka Colombage were represented at the committee meetings as observers.

TASKS OF AUDIT COMMITTEE

The committee reserves the adequacy, timing and existence of the internal control system of company and in compliance of business operation, adequacy of disclosures in financial reporting system. Also, the committee ensure the consistence of accounting policies adopted and compliance with financial reporting system including SLFRS/LKAS, used for preparation of financial statements.

Further, the Audit Committee performed the following tasks during the last year.

- Reviewed the adequacy of the internal control system to safeguard all assets and to improve transparency of operational management.
- Discussed the audit report issued by the Auditor General and observations thereon.
- Reviewed the Year-end Financial Statements and recommended for Board approval.
- Reviewed the Annual Internal Audit Plan for the year.
- Discussed the key strategic issues faced by the company.
- Discussed the implementation of the process account system for the soap manufacturing factory and the way forward of the organization
- Took steps to settle long outstanding balances

MEETINGS

During the year under review, three (03) Audit Committee meeting have been conducted to discuss duties entrusted to them as noted above.

CONCLUSION

The Audit Committee has submitted its comments on the identified issues to the Board of Directors and Management. Accordingly, it is required to take remedial measures, including internal checks and balances, to address certain issues as recommended by the Audit committee.



W.S.R. Jagath Kumara

Chairperson

Audit Committee

The Chairman

B.C.C. Lanka Company Limited.

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the B.C.C. Lanka Company Limited for the year ended 31 March 2024 in terms of Section 12 of the National Audit Act, No. 19 of 2018

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the B.C.C. Lanka Company Limited for the year ended 31 March 2024 comprising the statement of Financial Position as at 31 March 2024 and the statement of comprehensive income, statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 . My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards .

1.2 Basis for Qualified Opinion

- (a) A sum of Rs.7,207,564,490 had been stated in the year 2022 as a receivable balance for a land handed over to the Ministry of Justice and the unrealized profit generated due to disposal of that asset amounting to Rs. 3,389,116,771 had been stated in the financial statements of the year 2022/2023 as a revaluation profit. However, due to the receiving of that receivable amount is uncertain as at 31 March 2024 the revaluation reserve had been understated by Rs.3,818,447,719 and the retained earnings had been overstated by the same amount due to the total value of Rs. 7,207,564,490 was adjusted to the revaluation reserve when removing of that value from the financial statements of the year under review .
- (b) Differed tax assets or liabilities as at 31 March 2024 had not been calculated and adjusted to accounts by the Company in terms of Sri Lanka Accounting Standards No.12 .
- (c) Even though it had been stated that the land and buildings are revaluated once in every 05 years in terms of accounting policy No. 3.1.5 of the Company, actions had not been taken according to that accounting policy.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Other Information Included in the Annual Report 2023 / 2024 of the Company

The other information comprises the information included in the Annual Report 2023 / 2024 of the Company , but does not include the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report. The Management is responsible for these other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to review the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated .

When reading the Company's 2023 / 2024 Annual Report, if I conclude that there are material misrepresentations, the matters should be communicated to the controlling parties for correction. If there are any further uncorrected misrepresentations, those will be included in the report tabled by me in Parliament in due course in accordance with Article 154 (6) of the Constitution .

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as Management determine 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, it 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 Company.

1.5 Auditor's Responsibilities for the Audit of the 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 scepticism 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 my 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, misrepresentations, or the override of internal control.
- Obtained 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 internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Concluded 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 Company'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. However, future events or conditions may cause 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.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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 and Companies Act No.7 of 2007 .

2.1.1 Except for the effects of the matters described in the basis for Qualified Opinion section of my report 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 as per the Section 163 (2) of the Companies Act No. 07 of 2007 and Section 12 (a) of the National Audit Act, No. 19 of 2018 .

2.1.2 The financial statements of the Company presented is consistent with the preceding year as per the requirement of Section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018 .

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of Section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018 .

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 Company has any direct or indirect interest in any contract entered into by the Company which are out of the normal cause of 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 Company has not complied with any applicable written law, general and special directions issued by the governing body of the Company as per the requirement of Section 12 (f) of the National Audit Act, No. 19 of 2018 except for,

**Reference to Laws, Rules/
Regulations**

Observation

(a) Operational Manual for State - owned Enterprises as introduced by Public Enterprises Circular No. 01/2021 dated 16 December 2021

(i) Section 3.2

The Scheme of Recruitment of the Company had not been got approved from the Department of Management Services. There were 40 permanent officers and 10 officers on contract basis as at 31 March 2024 had occupied in the service and a sum

of Rs. 57,448,854 had been paid as salaries and wages in the year under review by attaching 40 officers from a man power organization.

(ii) Section 3.11

A Distribution Coordinating Agent covering the entire island for the Company had been selected for the 05 years of time from 04 January 2024 in contrary to procurement process.

(iii) Section 6.6

The financial statements relating to the year under review were submitted to the Audit on 15 October 2024 after a delay of 4 months and 15 days and a draft of the Annual Report had not been submitted to audit even by 31 December 2024 .

2.2.3 To state that the Company had not been performed according to it's powers, functions and duties as per the requirement of Section 12 (g) of the National Audit Act, No. 19 of 2018 .

2.2.4 To state that the resources of the Company had not 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 .

3. Other Matters

- (a) The balances of trade receivables remaining for more than a year amounting to Rs. 7,345,094 had not been recovered and the balances payable for more than 10 years amounting to Rs. 3,013,359 had not been settled.
- (b) According to the agreement entered into with the National Housing Development Authority and the Company, a house of Dias Place Gunasinghapura had been handed over to the Company in the year 1988. The Company had paid a rent instalment of Rs.160 per month up to 31 July 2024 to the National Housing Development Authority and even though an encroach had resided in this house from the year 1998, actions had not been taken to evacuate the resident and to take over the ownership of the house.
- (c) Due to the selling of 57,700 bar of soaps less than the marked price that could not be sold as a result of decline of prices of soap unexpectedly, a loss of Rs. 1,525,346 had occurred to the Company.
- (d) According to the Board of survey conducted on stock on 01 April 2024, although there was 17,691.5 kg of industrial oil in the Soap Production Division, that amount was 17,021.7 kg as per the information of that Division. Although there was a difference of 669.8 kg, the reasons for this difference had not been revealed.
- (e) Although 9 productions including coconut oil had been produced and sold, a Standard Certificate had not been obtained from the Sri Lanka Standard Institute for any other production besides coconut oil production.

- (f)** Out of 30 activities included in the Action Plan of the Company, 21 activities had not been implemented even by 31 March 2024 .
- (g)** Out of the Budgeted income of Rs . 1,434,440,000 of the year under review, a sum of Rs. 920,350,000 that is only a 65 per cent had been earned and although the budgeted volume of coconut oil sales was 1,278 metric tons, out of that, a 54 per cent equivalent to 693.8 metric tons had only been sold out. The budgeted administrative cost of the year under review amounted to Rs. 99,590,000 had been increased by 119 per cent up to Rs. 118,866,810 .
- (h)** The soap manufacturing plant of the Head Office of the Company had been installed in the Wathupitiwala Board of Investment premises and it had remained in idle even up to 30 November 2024 from the date of installed.
- (i)** A 6 parcels of land belonging to the Company had been handed over to the Ministry of Justice for the construction of Adhikarana Piyasa in the year 2019 as per the Decision of Cabinet of Ministers. Even though the Colombo District Chief Assessor had assessed the compensation of this land for Rs. 7,229,173,000 on 04 November 2022 and confirmed by the Divisional Secretary Colombo, the Company had not taken any action to receive any compensation to the Company.

W.P.C. Wickramaratne
Auditor General .

BCC LANKA LIMITED**STATEMENT OF COMPREHENSIVE INCOME****For the Month Ended 31st March 2024**

	Notes	2024 Rs.	2023 Rs.
Revenue	04	920,352,267	907,795,441
Cost of Sales	05	(660,649,845)	(683,984,549)
Gross Profit		259,702,422	223,810,892
Other Operating Income	06	9,677,180	592,992
Administrative Expenses	07	(118,866,810)	(94,394,210)
Distribution Cost	08	(24,922,764)	(10,921,098)
Profit from Operations		125,590,028	119,088,576
Finance Income	10	30,507,516	34,769,212
Finance Cost	11	(368,333)	(4,687,954)
Net Finance Income		30,139,183	30,081,258
Profit before Taxation		155,729,211	149,169,834
Income Tax Reversal / (Expenses)		(53,265,467)	(31,233,235)
Profit for the Year		102,463,744	117,936,599
Other Comprehensive Income / (Expenses)			
Actuarial Gain/(Loss) on Retirement Benefit Obligations		(330,829)	1,027,259
Actuarial Gain/(Loss) on Deferred Taxes		-	308,178
Total Comprehensive income /(loss) for the year		102,132,915	119,272,036

The notes from pages 13 to 24 form an intergral part of these financial statements.
Figures in brackets indicate deductions.

BCC LANKA LIMITED**STATEMENT OF FINANCIAL POSITION**

As at 31st March 2024

	Note	2024 Rs.	2023 Rs.
Non Current Assets			
Property Plant and Equipment	13	4,372,047,968	4,374,783,533
Available for Sale- Investment	14	240,000	240,000
		4,372,287,968	4,375,023,533
Current Assets			
Inventories	15	234,924,380	168,913,790
Trade and Other Receivables	16	232,181,370	206,925,249
Compensation Receivable	17	-	7,207,564,490
Current Tax Assets	18	1,424,932	1,393,576
Cash and Cash Equivalent	19	100,521,671	223,579,016
		569,052,353	7,808,376,121
Total Assets		4,941,340,321	12,183,399,654
EQUITY AND LIABILITIES			
Stated Capital	20	100,000,000	100,000,000
Revaluation Reserve	21	4,397,027,881	11,604,592,371
Retained Earnings		297,896,487	173,840,209
Total Equity		4,794,924,368	11,878,432,580
Non Current Liabilities			
Retirement Benefit Obligation	22	13,751,254	11,986,320
Loans and Borrowings	23	-	171,016,401
Deferred Tax Liabilities	25	134,354	134,354
		13,885,608	183,137,075
Current Liabilities			
Trade and Other Payables	24	132,530,345	121,829,999
		132,530,345	121,829,999
Total Liabilities		146,415,953	304,967,074
Total Equity and Liabilities		4,941,340,321	12,183,399,654

Figures in brackets indicate deductions

The significant Accounting Policies from page 5 to 12 and Notes to the Financial Statements from page 13 to 24 form an integral part of these Financial Statements.

It is certified that these Financial Statements have been prepared in compliance with the requirements of Companies Act No. 07 of 2007.

S/L
S.M.C.W Ranjan
General Manager

S M C W Ranjan
General Manager
B C C Lanka Limited
Hultsdorf Mills, P. O. Box 281,
Meeraniya Street, Colombo-12.

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

Dayan De Silva
Chairman / Hultsdorf Mills,
P O Box 281,
Meeraniya Street, Colombo 12.

D.M.S.P. Dayananda
Director

Colombo.

Date: ...23/08/2024



BCC LANKA LIMITED**STATEMENT OF CHANGES IN EQUITY****For the Year Ended 31st March 2024**

	Stated Capital Rs.	Revaluation Reserve	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2022	100,000,000	8,215,475,600	75,278,952	8,390,754,552
Profit for the Year	-	-	117,936,600	117,936,600
Other comprehensive income			1,335,437	1,335,437
J E D B Creditors written off			4,508,696	4,508,696
Soap Creditors Written off			900,635	900,635
Rental Income Receivable Written off			(1,120,111)	(1,120,111)
Revaluation of Land		3,389,116,771		3,389,116,771
Dividends provision for the year			(25,000,000)	(25,000,000)
		-		-
Balance as at 1st April 2023	100,000,000	11,604,592,371	173,840,209	11,878,432,580
Profit for the year	-	-	102,463,744	102,463,744
Other comprehensive income/(expenses)			(330,829)	(330,829)
Coconut Development Loan Interest Written off 23.1			61,177,037	61,177,037
Kalubovitiyana Loan Interest Written off 23.1			31,574,327	31,574,327
Coconut Development Authority Debt. Balance Written off			(828,000)	(828,000)
Dividends provision for the year 2022/23			(40,000,000)	(40,000,000)
Dividends provision for the year 2023/24			(30,000,000)	(30,000,000)
Compensation due for acquisition of Land reverse 17.1		(7,207,564,490)		(7,207,564,490)
Balance as at 31st March 2024	100,000,000	4,397,027,881	297,896,487	4,794,924,368

Figures in brackets indicate deductions.

BCC LANKA LIMITED

STATEMENT OF CASH FLOWS

For the Month ended 31 st March 2024

	No	2024 Rs.	2023 Rs.
Cash Flow from Operating Activities			
Profit/(Loss) before Taxation		155,729,211	149,169,835
Adjustments for -			
Depreciation		8,233,993	8,210,088
Interest Income		(30,507,516)	(34,769,212)
Increase in provision for retirement benefit obligation		2,266,005	1,940,149
Profit on sales of Fixed Assets		(7,178,317)	-
Interest cost		-	4,467,595
Operating Profit / (Loss) before Working Capital Changes		128,543,376	129,018,455
Changes in Working Capital:			
(Increase) / Decrease in inventories		(66,010,590)	(109,523,643)
(Increase) / Decrease in Trade and Other Receivables		(26,084,121)	(30,033,871)
Increase/(Decrease) in Trade and Other Payables		(16,005,696)	16,218,254
Cash Generated from Operations		20,442,969	5,679,195
Income Tax Paid		(28,977,777)	(11,006,403)
WHT Paid		(2,613,003)	(362,255)
I Retiring Gratuity paid		(831,900)	(380,160)
Net Cash generated from Operating Activities		(11,979,711)	(6,069,623)
Cash Flow from Investing Activities			
Purchase of Property, Plant and Equipment		(5,498,430)	(1,927,527)
I Sales of Property ,Plant and Equipment		7,178,317	-
Interest Received		30,507,516	18,881,774
Net Cash Flow from / (Used in) Investing Activities		32,187,404	16,954,247
Cash Flow from Financing Activities			
Loan Repayment		(78,265,037)	(10,000,000)
Dividends Paid		(65,000,000)	-
Net Cash from Used in Financing Activities		(143,265,037)	(10,000,000)
Net Increase/(Decrease) in Cash and Cash Equivalents		(123,057,345)	884,626
Cash and Cash Equivalents at the Beginning of the Year		223,579,016	222,694,390
Cash and Cash Equivalents at the End of the Year		100,521,671	223,579,016
Analysis of Cash and Cash Equivalents at the End of the 31st March			
People's Bank		14,884,132	83,325
Cash in Hand		277,000	233,105
Short Term Investment - People's Bank		85,360,538	223,262,586
		-	
		100,521,671	223,579,016

Figures in brackets indicate deductions.

The significant Accounting Policies from pages 5 to 12 and Notes from pages 13 to 19 form an integral part of these Financial Statements.

1. Reporting entity**1.1 Domicile and Legal Forms**

BCC Lanka Limited is a limited liability Company incorporated and domiciled in Sri Lanka. The registered office and the principal place of business is situated at Hultsdorf Mills, No. 21, Meeraniya Street, Colombo 12.

1.2 Principal Activities and Nature of Operations

The Principal activities of the Company during the year review include..

- Filtering, Packing & Trading of coconut oil.
- Manufacturing and trading of toilet soap, household soap, disinfectant and detergent requisites.
- Renting Buildings.

2. Basis Of Preparation**2.1 Statement of compliance**

The Statements of Financial Position, statement of Comprehensive Income, Statement of changes in equity, Statement of cash flows, together with Accounting policies and notes, ('Financial Statements') of the Company as at 31st March 2024 and for the year then ended, comply with Sri Lanka Accounting Standards (SLFRSs and LKASs) as laid down by the Institute of Chartered Accountants of Sri Lanka, and the requirements of Companies Act No. 7 of 2007.

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis, except that the retirement benefit Obligations are measured at the present value of the defined benefit plans as explained in the respective notes to the financial statements.

2.3 Comparative Information

The Accounting policies applied by the Company are, unless otherwise stated, consistent with those used in the previous year. Previous year figures and phrases have been re-arranged, wherever necessary, to confirm to the current year's presentation.

2.4 Events occurring after the date of Statement of Financial Position

All material events have been considered and appropriate adjustment or disclosures have been made in these financial statements.

2.5 Functional and Presentation Currency

These Financial Statements are presented in Sri Lanka Rupees (LKR), which is the Company's functional currency and the presentation Currency. All financial Information has been rounded to the nearest one rupee unless stated otherwise.

2.6 Materiality and Aggregation

Each material class of similar items is presented separately 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 - "Presentation of Financial Statements".

2.7 Approval of Financial Statements

The Financial statements of the Company for the year ended 31st March 2024 were approved and authorized for issue by the board of Directors in accordance with Resolution of the Directors on 23 August 2024.

2.8 Responsibility for Financial Statements

The Board of Directors of the Company is responsible for the preparation and presentation of the Financial Statements in accordance with Sri Lanka Accounting Standards and as per the provisions of the Companies Act No. 07 of 2007.

The Board of Directors acknowledges this responsibility and such responsibilities include the following components:

Information on the financial performance of the Company for the year under review.

- Information on the financial position of the company as at the year end.
- Information to the users on the movement of the cash and cash equivalents.
- Notes to the financial statements including the Accounting Policies and other explanatory notes.
-

2.9 Use of Estimates and Judgements

The preparation of the financial statements in conformity with SLFRSs/LKASs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the Financial Statements are described in the following notes:

- Employee Retirement Benefits
- Depreciation on Property, plant and equipment
- Provisions for impairment.

2.10 Going Concern

The Management has made an assessment of its ability to continue as a going concern and is satisfied that it has 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 Company's ability to continue as a going concern. Therefore, the Financial Statements of the Company continue to be prepared on a going concern basis.

2.11 Events after the Reporting Date

Events after the Reporting date are those events, favourable and unfavourable, that occur between the Reporting date and the date when the Financial Statements are authorised for issue. In this regard, all material and important events that occurred after the reporting period are considered and appropriate disclosures are made where necessary.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, unless otherwise indicated.

3.1 Property, Plant and Equipment

3.1.1 Cost

Property, Plant and Equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses. All items of Property, Plant and Equipment are initially recorded at cost.

The cost of Property, Plant and Equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its condition for its intended use.

3.1.2 Subsequent Cost

The subsequent cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Group and its cost can be reliably measured. The costs of the day to day servicing property, plant and equipment are charged to the Statement of Comprehensive Income.

3.1.3 Depreciation

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year-end, with the effect of any change in estimate accounted for on a prospective basis. The estimated useful lives of Property, Plant and Equipment are as follows;

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Class of tangible assets	Useful life
Plant and machinery	10 Years
Buildings	20 Years
Tools & Equipment	04 Years
Motor vehicle	04 Years
Office equipment	04 Years
Furniture and fittings	04 Years

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. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The company decides to divide the annual depreciation of property, plant and equipment in to products and services sectors at the following rates.

Class of tangible assets	Product sector	service sector
Plant and machinery	70%	30%
Buildings	40%	60%
Tools & Equipment	30%	70%
Motor vehicle	-	100%
Office equipment	-	100%
Furniture and fittings	-	100%

3.1.4 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.1.5 Revaluation

The Company revalues its land and buildings at least once in every five years which is measured at its fair value at the date of revaluation less any accumulated depreciation and any accumulated impairment losses.

3.2 Intangible Asset

3.2.1 Recognition and Measurement

An intangible Asset is recognized if it is probable that future economic benefits will flow to the entity and the cost of the asset can be measured reliably in accordance With LKAS 38 "Intangible Asset". Intangible assets with finite useful lives are Measured at cost less accumulated amortization and accumulated impairment losses.

3.2.2 Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill is recognized in the statement of profit or loss and other comprehensive income as incurred.

3.2.3 Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

3.2.4 Derecognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal.

3.3 Employee Retirement Benefits**3.3.1 Defined Contribution plans**

A Defined contribution plan is a post- employment benefit plan under which contributions are made into a separate fund and the entity will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plan are recognized as an employee benefit expense in the statement of profit or loss and other comprehensive income in the periods during services is rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payment is available.

3.3.1.1 EPF and ETF

All executive staff and the office staff are members of BCC Staff Provident Fund and other employees who are eligible for Employees Provident Fund. All Employees are members of Employees Trust Fund. The Company contributes 15% and 3% respectively of such employees' gross emoluments.

3.3.2 Defined Benefit plans

A defined benefit plan is a post – employment benefit plan other than a defined contribution plan. The defined benefit obligation is calculated annually by the company, using internally generated method. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The assumptions based on which the results of the valuation were determined are included in the financial statements. The liability is not externally funded, nor actuarially valued.

The company recognizes all actuarial gains and losses arising from defined benefit plan in other comprehensive income and expenses related to defined benefit plans in staff expenses in profit or loss.

Provision has been made for retirement gratuities from the first year of service for all employees, in conformity with LKAS 19 "Employee Benefits". However, under the payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of 5 year of continued service.

3.4 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.5 Statement of Profit or Loss and other Comprehensive Income

3.5.1 Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company, and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, into account contractually defined terms of payment.

3.5.1.1 Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of Ownership of the goods have passed to the buyer, usually on delivery of the goods.

Disaggregation of revenue

SLFRS 15 Requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature , amount ,timing , and uncertainty of revenue and cash flows are affected by economic factors.The Company's revenue represent amount received and receivable for goods supplied to the customers and no disaggregation is required.

3.5.1.2 Rental Income

Rental income is recognized in profit and loss as it accrues.

3.5.1.3 Finance Income

Finance Income comprises interest income on treasury bill investment and interest on fixed deposit .Interest income is recognized as it accrues in the profit or loss , using the effective interest method.

3.5.2 Expenditure

The expenses are recognized on an accrual basis. All expenses incurred in the ordinary course of business and in maintaining property, plant & equipment in a state of efficiency is charged against income in arriving at the profit for the year.

3.5.2.1 Finance Expenses

Finance cost comprise interest expenses on borrowings.

3.6 Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories is comprised of all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

All inventory items except manufactured inventories and work-in-progress are measured using first in, first out basis.

3.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as Current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

3.8 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash balances, fixed deposits, treasury bill investment, and short term highly liquid investment.

3.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income.

3.9.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted on the reporting date, and any adjustment to tax payable in respect of previous years.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017.

The relevant details are disclosed in the respective notes to the financial statements.

3.9.2 Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

3.10 Comparatives

Except when a standard permit or requires otherwise, comparative information is disclosed in respect of the previous period. Where the presentation or classification of items in the Financial Statements are amended, comparative amounts are reclassified unless it is impracticable.

3.11 Cash flow statement

The Cash Flow Statement has been prepared using the indirect method of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard (LKAS 7) - Statement of Cash Flows. Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalent include cash in hand, balances with banks and repurchase agreements.

3.12 Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

The relevant details are disclosed in the respective notes to the financial statements.

3.12 Subsequent Events

All material post reporting events have been considered and where appropriate adjustment or disclosures have been made in the respective notes to the Financial Statements.

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 st March

	2024 Rs .	2023 Rs.
04 Revenue		
Soap	144,186,802	61,832,211
Refinery	687,048,062	760,387,431
Rent Income	89,117,403	85,575,799
	920,352,267	907,795,441
05 Cost of Sales		
05.1 Inventory as at 01st April		
Soap Department	68,720,630	20,768,477
Refinery Department	99,811,844	38,240,354
Drum Department	381,316	381,316
Sub Total	168,913,790	59,390,147
05.2 Purchases		
Soap Department	86,371,004	95,252,371
Refinery Department	615,381,836	678,835,355
Sub Total	701,752,840	774,087,726
05.3 Direct Expenses		
Wages	14,540,558	11,374,814
Employees' Provident Fund	640,546	552,625
Employees' Trust Fund	128,109	110,525
Chemicals	35,214	80,149
Sub Total	15,344,427	12,118,113
05.4 Production Overhead		
Salary	3,069,747	2,202,262
Employees' Provident Fund	199,210	185,339
Employees' Trust Fund	39,842	37,068
Depreciation	Note13.2 925,010	930,756
Power	3,890,831	2,264,890
Building & Premises Maintenance - Rent buildings	91,000	91,000
Upkeep of Machinery	1,347,527	1,591,037
Sub Total	9,563,167	7,302,352
05.5 Inventory as at 31st December		
Soap Factory	64,646,426	68,720,630
Refinery	169,896,638	99,811,844
Drum Plant	381,316	381,316
Sub Total	234,924,380	168,913,790
Cost of Sales Summary	Note 05	
Inventory as at 01st April	Note 05.1	59,390,147
Purchases	Note 05.2	774,087,726
Direct Expenses	Note 05.3	12,118,113
Production Overhead	Note 05.4	7,302,352
Inventory as at 31st March	Note 05.5	(168,913,790)
Total		683,984,548
	660,649,845	

BCC LANKA LIMITED**NOTES TO THE FINANCIAL STATEMENTS****For the Year Ended 31st March****05.6 Cost Of Sales- Soap , Refinery & Rent**

	Soap	Refinery	Rent
Inventoty as at 01.04.2023	68,720,630	99,811,844	-
Purchases	86,371,004	615,381,836	-
Direct Expenses			
Wages	7,779,878	6,760,680	-
E P F	390,570	249,976	-
E T F	78,114	49,995	-
Chemicals	-	35,214	-
Production Overhead			
Salary	2,047,698	1,022,049	
E P F	121,402	77,808	
E T F	24,280	15,562	
Depreciation	404,281	404,281	116,447
Power	2,503,769	1,387,062	-
Upkeep of Machinery	673,763	673,763	-
Building & Premises Maintenance			91,000
Inventoty as at 31.03.2024	(64,646,426)	(169,896,638)	-
	104,468,964	555,973,433	207,447

05.7 Gross Profit

Revenue	144,186,802	687,048,062	89,117,403
Cost Of Sales Note 5.6	(104,468,964)	(555,973,433)	(207,447)
	39,717,838	131,074,628	88,909,956

For the Year Ended 31st March

	2024	2023
	Rs .	Rs.
06 Other Operating Income		
Sundry Income	1,711,603	-
Weighing Income	-	15,700
Water Income	260,260	322,768
Disposal of Plant & Machinery	7,178,317	-
Supply Registration Income	527,000	254,525
	9,677,180	592,993

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March		2024 Rs .	2023 Rs.
07 Administrative Expenses			
Salaries and Wages		39,838,549	34,602,314
Salaries and Wages - Employees' Provident Fund		3,983,828	3,523,601
Salaries and Wages - Employees Trust Fund		794,569	704,721
Directors' Remuneration	Note.7.1	1,383,463	1,114,110
Bonus, Sick Leave Bonus		2,324,213	2,261,975
Staff Welfare		4,765,623	2,682,859
Staff Training		9,000	-
Telephone Charges		750,525	691,037
Postage		71,330	66,855
Printing and Stationery		928,982	612,896
Auditors' Remuneration		249,400	266,600
Professional Fees	Note.7.2	651,132	1,050,770
License and Registration		246,789	119,050
Rent		1,920	1,920
Electricity		2,844,825	2,780,144
Water		868,107	573,827
Insurance		1,547,691	1,370,376
Security		7,252,254	7,159,417
Rate and Taxes		1,994,300	1,561,175
Vehicle Maintenance		3,825,797	3,062,808
Traveling and Subsistence		967,575	742,912
Gratuity		2,266,005	1,940,149
Office Equipment Maintenance		620,511	928,801
Subscription and Periodicals		86,820	26,268
Laboratory Expenses		187,941	322,977
Depreciation		7,308,983	7,279,332
Annual Service Agreement		130,628	87,718
Building & Premises Maintenance		2,905,168	1,349,574
Donation		125,000	25,000
Transport Charges		856,458	789,300
Fuel		4,748,078	3,946,750
Refreshment		253,061	148,618
Vehicle Rent		1,440,000	360,000
Weighing Charges		2,800	38,900
Ceremony Expenses		850	120,130
Penalties and Surcharges		-	70,000
SSCL Tax		22,440,635	11,531,776
Advertisement		194,000	479,550
		118,866,810	94,394,210
7 Director Remuneration			
Board Meeting		1,239,637	952,888
Audit & Management Meeting		143,826	161,222
		1,383,463	1,114,110
7 Professional Fees			
Land Surveying Charges		-	475,000
Secretarial Charges/Roc Charges		245,341	286,330
Translation Charges- Annual Reports		63,325	128,140
Tax Consultant Charges		40,000	70,000
Hosting & Domain Charges		-	49,600
Inspection & certification of Boiler		22,500	21,000
Preparation of Strategic & Action Plan		170,000	-
Trade mark appliance fees		86,878	-
Valuation Reports of the Removed Machinery		23,088	20,700
		651,132	1,050,770

BCC LANKA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 st March	2024 Rs .	2023 Rs.
08 Selling and Distribution Expenses		
Advertisement	7,620,975	593,940
Sales Promotions	4,160,011	1,818,397
Sales Commisions	1,376,536	-
Discounts	10,100,151	6,947,083
Trade Stall Rent charges	362,703	333,400
Handling and Distribution Expenses	1,262,549	1,223,278
Tender fees	39,840	5,000
	24,922,764	10,921,098
09 Profit from Operations is Stated after charging all expenses including following :		
Directors' Remuneration	1,383,463	1,114,110
Depreciation on property,plant & equipment-	7,308,983	7,279,332
Auditors' Remuneration	249,400	266,600
Donations	125,000	25,000
Professional & Legal fees	651,132	1,050,770
Staff costs (Note 9.1)	46,882,951	40,770,785
	56,600,929	50,506,597
9.1 Staff Costs		
Salaries, Wages and Other Related Expenses	39,838,549	34,602,314
Defined Benefit Plan Costs-Employee Benefits	2,266,005	1,940,149
Defined Contribution Plan Costs -EPF & ETF	4,778,397	4,228,322
	46,882,951	40,770,785
10 Finance Income		
Interest income from fixed deposit	16,746,809	15,026,185
Interest income from treasury bills	13,760,707	19,743,027
	30,507,516	34,769,212
11 Finance Cost		
Interest on Coconut Development Authority Loan	-	4,011,609
Interest on Kalubovitiyana Loan	-	455,986
Bank Charges	368,333	220,359
	368,333	4,687,954
12 Income Tax Expenses		
Current Tax Expenses Note 12.1	53,265,467	26,346,449
Transferred from Deferred Tax	-	4,886,786
	53,265,467	31,233,235
12.1 Reconciliation of Accounting Profits to Income Tax Expenses		
Profit Before Income Tax Expenses	155,729,211	149,169,835
Other Income/Exempt Income	(30,507,516)	(34,769,212)
Disallowable Expenses	17,803,315	10,245,237
Allowable Expenses	(11,203,317)	(2,255,086)
Profit from Trade or Business	131,821,693	122,390,774
Interest on fixed deposit & treasury bills	45,729,864	17,894,697
Taxable Income	177,551,557	140,285,471
Deduction from Carry forward Loss	-	(33,329,043)
Taxable Income	177,551,557	106,956,428
Tax Liability @ 30%	53,265,467	26,346,449
Total Current Tax Charges	53,265,467	26,346,449

NOTES TO THE FINANCIAL STATEMENTS

13 Property, Plant and Equipment

	Balance as at			Balance as at
COST./ REVALUATION	01.04.2023	Additions	Disposal	31.03.2024
	Rs.	Rs.		Rs.
Freehold assets				
Land	4,355,143,771	-	-	4,355,143,771
Building	11,424,371	-		11,424,371
Building - Investment	7,191,604	-		7,191,604
Furniture and Fittings	6,489,624	209,499		6,699,123
Tools and Equipment	4,605,520	171,595		4,777,115
Office Equipment	8,098,338	2,086,742		10,185,080
Plant and Machinery	36,767,553	3,030,594	4,223,255	35,574,892
Motor Vehicle	22,028,501	-		22,028,501
	4,451,749,282	5,498,430	4,223,255	4,453,024,457
ACCUMULATED DEPRECIATION				
Freehold assets				
Building	8,831,344	173,385		9,004,729
Building - Investment	5,819,192	117,734		5,936,926
Furniture and Fittings	6,298,946	162,923		6,461,869
Tools and Equipment	4,109,055	337,654		4,446,709
Office Equipment	6,796,368	1,006,917		7,803,285
Plant and Machinery	33,932,345	1,010,381	4,223,255	30,719,471
Motor Vehicle	11,178,500	5,425,000		16,603,500
	76,965,750	8,233,993	4,223,255	80,976,488
WRITTEN DOWN VALUE				
Freehold assets				
Land	4,355,143,771			4,355,143,771
Building	2,593,027			2,419,642
Building - Investment	1,372,412			1,254,678
Furniture and Fittings	190,678			237,254
Tools and Equipment	496,465			330,406
Office Equipment	1,301,970			2,381,795
Plant and Machinery	2,835,208			4,855,421
Motor Vehicle	10,850,001			5,425,001
Net book value	4,374,783,532			4,372,047,968

13.1 Details of Land

The 12 Acres, 03 Roods and 8.77 perch land owned by the BCC premises at Meeraniya Street , Colombo 12 was re-evaluated in 2013 by the Department of Government Valuation for Rs.8195 million.

Ownership of a 06 acres part of BCC land transferred to the Ministry of Justic on 11th April 2019 in accordance, with the cabinet memorandum No 15/1874/702/010 and No. 16/0332/731.

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

13.2 Depreciation

A class wise analysis of the Depreciation of the company as at the reporting date is as follows.

	Total	Production Overhead	Administrative Expenses
Building	291,119	116,447	174,671
Furniture & fittings	162,923	-	162,923
Tools & Equipment	337,654	101,296	236,358
Office Equipment	1,006,917	-	1,006,917
Plant & Machinery	1,010,381	707,267	303,114
Motor Vehicle	5,425,000	-	5,425,000
	8,233,993	925,010	7,308,983

13.3 Fully Depreciated Assets

A class wise analysis of the Fully Depreciated Assets of the company as at the reporting date is as follows.

Building	12,793,601
Furniture & fittings	6,195,352
Tools & Equipment	4,061,931
Office Equipment	6,157,411
Plant & Machinery	25,528,036
Motor Vehicle	328,500
	55,064,831

14 Available for Sale -Investment

Company	No. of Shares	Market Price	Market Value As at 31.03.2024 Rs.	Market Value As at 31.03.2023 Rs.
Ceylon Hotel Corporation	10,000	24.00	240,000	240,000

15 Inventories

Raw Materials and Consumables (15.1)	192,064,365	138,049,976
Finished Goods (15.2)	42,860,014	30,863,814
	234,924,380	168,913,790

15.1 Raw Materials and Consumables

Soap	34,489,055	41,666,106
Refinery	157,193,994	96,002,554
Drum Plant	381,316	381,316
	192,064,365	138,049,976

15.2 Finished Goods

Soap	30,157,370	27,054,524
Refinery	12,702,644	3,809,290
	42,860,014	30,863,814

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March		2024	2023
		Rs.	Rs.
16 Trade and Other Receivables			
Trade Debtors	16.1	210,559,733	170,205,372
Deposits, Advances and Prepayments	16.2	3,919,840	22,603,588
Other Receivable	16.3	17,701,797	14,113,372
Staff Loans	16.4	-	2,917
		232,181,370	206,925,249
16.1 Trade Debtors			
Distributor Debtors	16.1.4	21,919,561	8,112,096
Direct Buyers	16.1.5	162,548,629	135,751,580
Corporation Debtors - Related parties	16.1.2	19,253,293	20,658,442
Asphalt Debtors		90,105	90,105
Government Debtors -Related parties	16.1.3	6,748,145	5,593,150
		210,559,733	170,205,373
6.1. Related party Disclosures			
The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24) "Related Party Disclosures" the details of which are reported below.			
6.1. Corporation Debtors - Related parties			
Ceylon Petroleum Coporation		-	492,750
Ceylon Electricty Board		67,201	-
Ceylon Fertilizer Co. Ltd.		230,006	250,010
Lanka Sathosa Ltd		17,081,121	18,126,663
SL State Trading (General) Corp.		249,995	1,484,987
SL Ports Authority		1,429,931	-
National Food Promotion Board		130,080	116,390
The Associated News Papers Of Ceylon Ltd		64,961	187,641
		19,253,293	20,658,441
6.1. Government Debtors - Related Parties			
Department of Government factory		172,384	-
Sri Lanka Navy		638,135	-
Sri Lanka Foundation		458,810	271,810
Sri Jayawardana General Hospital		243,700	1,081,784
Lady Righway Hospital		708,000	831,692
Medical Supply Division		1,621,011	-
Teaching Hospital - Kurunagala		905,027	-
Municipal Council - SriJayawardanapura		485,423	48,000
Ministry of Defence		17,998	17,998
Medical Research Institute		225,746	-
Institue of Oral Health		243,999	-
National Hospital Kandy		348,017	-
Anti Malaria Campaign		-	47,600
Soysa Hospital for Women		-	1,225,504
Avissawella Hospital		247,293	-
Sri Lanka Police		156,801	148,500
Bureau of Rehabilitation		-	548,999
Family Health Bureau		275,801	-
Department of Government Printing		-	224,999
Teaching Hospital - Kalubovila		-	115,000
National Programme for Tuberculosts control Chest		-	238,605
Base Hospital -Mulleriyawa		-	554,461
Sirimavo Badaranayake Children Hospital		-	238,199
		6,748,145	5,593,151

BCC LANKA LIMITED
NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March	2024 RS.	2023 RS.		
16.1.4 Distributors Debtors				
Rumana Agencies	(4,708)	-		
Dulan Distributors	4,552,707	2,511,615		
Sisaara Agencies	-	1,468		
A J R Products	2,946,076	1,926,445		
D K T Distributors	2,226,006	2,401,906		
S.D.S.Marketing	1,598,179	-		
J.A.A.L. Keerthirathne	944,209	-		
Prasad Ddistributors	-	1,270,661		
Thilina Dasun Distributor	1,780,683	-		
M.B.M.Safi	2,255,891	-		
W.M.M.G.G.C. Jayasinghe	2,994,603	-		
Zeenath Distributor	1,079,801	-		
V.G.Distributor	1,546,114	-		
	21,919,561	8,112,095		
16.1.5 Direct Buyer Debtors				
Dankotuwa Porcelain Ltd	-	24,348		
JayKay Marketing Ltd (Keells)	35,063,196	38,202,791		
Richerd Pieris Distributors Ltd	12,452,231	6,364,899		
Royal Pernwood Porcelain Ltd	189,564	94,226		
Laugh Super Market	3,072,653	2,630,984		
P.D.K.Holding (pvt) Ltd	2,249,627	2,671,054		
Softlogic Super Market (pvt) Ltd	40,214,085	14,460,264		
Inoka Stores	20,820	20,978		
Kahatagaha Graphite Lanka Ltd	370,236	196,122		
Spar SL (pvt) Ltd	9,436,589	2,247,397		
Cargills Food Co. Ltd	56,611,049	67,083,190		
Nawaloka Resturant	1,365,000	679,525		
Colombo Commercial Ltd	42,502	-		
Innodata Ltd	(345,603)	-		
South Asia Gateway Terminals Ltd	1,132,996	970,500		
Milco (pvt) Ltd	673,685	105,301		
	162,548,629	135,751,579		
16.1.6 Age Analysis of Trade Debtors are as follows.				
	0 - 03 months	03-12 months	Over 12 months	Total
Distributor	21,919,561	-	-	21,919,561
Direct Buyers	130,679,417	31,772,262	96,949	162,548,628
Corporation	10,001,177	2,156,389	7,095,727	19,253,293
Asphalt	-	-	90,105	90,105
Government	4,156,109	905,027	1,687,009	6,748,145
	166,756,264	34,833,678	-	210,559,732
As at 31 st March				
	2024 RS.	2023 RS.		
16.2 Deposits,Advance & Prepayments				
Purchase Advance	315,840	706,919		
Staff Welfare Prepayment	-	170,000		
Annual Service Prepayment	11,894	87,159		
Insurance Prepayment	560,589	486,660		
Cash Sales Con.	(0.00)	39,715		
Bid Bond Deposit	321,000	912,400		
Sundry Deposit	580,928	538,828		
Welfare Shop	0.00	3,465		
Rajavasa Shop	99,718	132,201		
Value Added Tax Receivable	372,290	2,607,288		
WithHolding Tax Receivable	-	31,356		
License and Registration Prepayment	5,413	13,082		
Interest Receivable	1,652,167	16,874,515		
	3,919,840	22,603,588		

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March

2020

		2024	2023
		Rs.	Rs.
16.3 Other Receivable			
Rental Income Receivable	16.3.2	17,229,486	12,236,721
Rental Income Receivable- Related Parties	16.3.1	472,311	1,876,651
		17,701,797	14,113,372
16.3.1 Rental Income Receivable - Related Parties			
Sri Lanka State Plantation Corporation		352,311	928,652
Sri Lanka Cement Corporation		120,000	120,000
Coconut Development Authority		-	828,000
		472,311	1,876,652
16.3.2 Rental Income Receivable			
Sunil Traders		514,141	264,069
Nadeshan Parameshwaran		412,449	593,435
Eagle Security Services Ltd		277,581	244,743
N.E. Traders		810,813	-
Timex Garment Ltd		1,241,891	587,898
Dialstar Ltd		1,259,677	606,966
H.M.A.Carder		243,187	236,630
A.F.M.Farzan		2,503,282	2,433,425
BE.ES.EN.Enterprises		203,155	-
M.M. Niyas		36,267	55,660
P. Niranjana		309,925	301,853
Soap & Allied Industries Ltd		1,618,201	1,518,672
Unity Trading Co.		128,710	125,123
Crystal Colombo International Ltd		295,142	78,258
Eastern Traders		1,049,434	-
Sena Mills Refineries		3,377,757	2,889,745
Kandy Hardware Ltd		446,825	434,836
A.One Polythene		165,755	-
A.C.M.Azath		434,304	419,444
A.C.M.Nazeem		89,004	-
H.K.Imports		165,197	-
M.S.M.Nasar		722,649	176,215
Chem Lanka (pvt) Ltd		-	100,062
Mabuthoon Brothers		75,247	105,247
Deal Motors		-	642,130
Agilex Holding (pvt) Ltd		-	325,702
A.C.E.International Ltd		-	96,612
Ayana Imports		770,790	-
Triways Lanka		78,101	-
		17,229,486	12,236,725

16.3.3 Age Analysis of Rental Income Receivable

	0 - 03 months	03-12 months	Over 12 months	Total
Rental Income Receivable	17,154,239	-	547,558	17,701,797

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March	2024 Rs.	2023 Rs.
16.4 Staff Loans		
Festival Advance - Salaries	-	2,917
	-	2,917
17 Compensation Receivable		
Compensation due for acquisition of Land	7,207,564,490	7,229,173,000
Land Acquisition compensation Advances	-	(21,608,510)
Compensation due for acquisition of Land Reverse	17.1 (7,207,564,490)	
	-	7,207,564,490
18 Current Tax Assets		
Balance at the Beginning of the Year	1,393,576	1,733,996
WHT Paid	2,613,003	362,254
Claim for the year	(2,581,647)	(702,674)
Balance as at the End of the Year	1,424,932	1,393,576
19 Cash and Cash Equivalents		
People's Bank- 0056100163078093	14,800,807	-
People's Bank- 004100170002337	83,325	83,325
Cash in Hand	277,000	233,105
Short Term Investment - People's Bank(Note 19.1)	85,360,538	223,262,586
Cash and Cash Equivalents for Cash Flows purpose	100,521,671	223,579,016
19.1 Short Term Investment - People's Bank		
FD NO - 4317-9	-	6,478,877
FD NO - 4316-0	-	6,478,877
FD NO - 4357-0	19,167,941	15,854,376
FD NO - 4405-2	-	8,938,320
FD NO - 4452-4	-	20,000,000
FD NO - 4493-5	-	10,792,558
FD NO - 4508-8	-	9,005,674
FD NO - 4585-4	29,128,711	23,112,999
Treasury Bill - 01	-	12,381,495
Treasury Bill - 04	-	11,712,320
Treasury Bill - 05	-	24,032,525
Treasury Bill - 06	-	16,613,658
Treasury Bill - 07	-	16,679,729
Treasury Bill - 08	-	21,181,264
Treasury Bill - 09	25,063,900	19,999,914
Treasury Bill - 10	11,999,987	-
	85,360,538	223,262,586

The Company held cash and cash equivalents with reputed People's Bank.

17.0: Compensation due for acquisition of Land

According to the letter dated 29.11.2023 and No.4-3/5/2018/J/302 the Ministry of Tourism and Lands Secretary, on the recommendation of the Commissioner General of Lands, If a Land owned by a Government Institution, no compensation and interest payment should be made for it. Accordingly, on 12.02.2024, based on the discussions held in the Department of the Public Enterprises, the compensation due for acquisition of Land was reversed from the Account.

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March		2024	2023
		Rs.	Rs.
20	Stated Capital		
	10,000,000 number of Ordinary Share	100,000,000	100,000,000
	Issued and Fully Paid	100,000,000	100,000,000
21	Capital Reserves		
	Revaluation Reserve	4,397,027,881	11,604,592,371
		4,397,027,881	11,604,592,371
22	Retirement Benefit Obligation		
	Movement in the present Value of Defined Benefit Obligation		
	Balance as at the Beginning of the Year	11,986,320	11,453,590
	Current service cost	1,152,560	861,398
	Interest cost	1,113,445	1,078,751
	Actuarial (gain)/loss on obligation	330,829	(1,027,259)
	Benefit paid	(831,900)	(380,160)
	Balance as at the End of the Year	13,751,254	11,986,320

The retirement benefit obligation as at 31st March 2024 is calculated based on the actuarial valuation carried out by the our company.As recommended by the SriLanka Accounting Standards (LKAS 19)- Employee Benefit " the project unit Credit (PUC)" method has been used in this valuation.

22.1	Actuarial assumptions	2024	2023
	Principal actuarial assumptions at the reporting date.		
	Discount Rate	10%	10%
	Future Salary Increases	10%	10%
	Retirment Age (years)	60	60
23	Loans and Borrowings		
	The Coconut Development Authority	119,442,074	115,430,465
	Less: Settled the Loan Amount 2023/24	(58,265,037)	-
	Less: Writte off Loan Interest	(61,177,037)	-
	Add: Capitalized interest during 2023/24		4,011,609
		-	119,442,074
	Kalubowitiyana Tea Company Ltd	51,574,327	51,118,341
	Less : Settled the Loan Interest	(20,000,000)	
	Less : Writte off the Loan Interest	(31,574,327)	
	Add: Capitalized interest during 2022/23		455,986
		-	51,574,327
		-	171,016,401

23.1 C.D.A. & Kalubovitiyana Tea Co. Ltd

As per Public Enterprises Department agareement regarding the Loan Payable to Coconut Development Authority and Kalubovitiyana Tea Co. Ltd, it was decided to write off the Loan interest as follows.

Coconut Development Authority	61,177,037.00
Kaluboviyana Tea Co. Ltd	31,574,327.00

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March		2024	2023
		Rs.	Rs.
24	Trade and Other Payables		
	Trade Creditors	24.1	6,931,250
	Accrued Expenses	24.2	4,320,604
	Other Payables	24.3	96,645,372
	Deposits Payable	24.4	24,633,120
		132,530,345	121,829,999
24.1	Trade Creditors		
	Oil	-	-
	Soap	24.1.1	1,185,199
	Refinery	24.1.2	5,746,051
	Sundry	0	55,893
		6,931,250	18,848,309
24.1.1	Trade Creditors - Soap		
	Tuffline Ltd	963,083	963,083
	Soap & Allied Industries Ltd	-	9,626,679
	Interplast Asia Ltd	-	2,183,563
	Sealine Trading Co.	110,625	-
	Devi Trading co	31,250	-
	Lanka Mineral & Chemical Co.	80,240	-
	Dollor Corporation Ltd	-	86,250
		1,185,198	12,859,575
24.1.2	Trade Creditors - Refinery		
	Tuffline Ltd	3,013,359	3,013,359
	Interplast Asia Ltd	254,113	-
	Packwell Lanka Ltd	1,343,386	-
	Vouage Printers	434,096	-
	Cap Snap Lanka (pvt) Ltd	701,097	2,919,482
		5,746,051	5,932,841
24.1.3	Age Analysis of Trade Creditors are as follows.		
	0 - 03 months	03- 60 m	Over 60 months
	Soap	222,115	963,083
	Refinery	2,732,692	3,013,359
		2,954,807	-
		3,976,442	6,931,249

BCC LANKA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at 31 st March

		2024	2023
		Rs.	Rs.
24.2 Accrued Expenses			
Security Charges		603,656	582,067
Professional Fees		18,162	46,971
Water Charges		109,547	62,950
Telephone Charges		81,652	53,244
Audit Fees		247,200	245,000
Staff Welfare		127,650	-
Wages Soap Sundry		1,382,791	1,284,482
Postage & Stmp fees		5,325	4,325
Upkeep of machinery		4,000	-
Transport Charges		50,000	65,000
Electricity		780,099	797,364
Sales Commission		884,100	-
Trade Stall Rent Charges		26,423	19,000
		4,320,604	3,160,403
24.3 Other Payables			
Turnover Tax		141,280	141,280
Value Added Tax		26,781,607	179,115
Value Added Tax - Old		-	36,361,606
Income Tax		36,343,415	14,637,372
SSCL Tax Payable		2,278,718	2,667,741
APT Tax Payable		17,068	9,276
Outside Loan Payable		42,620	101,668
Stamp Duty Payable		3,700	3,700
Salary & Wages Payable		579,374	257,530
Employees' Provident Fund		366,766	259,146
Employees' trust Fund		90,824	71,154
Medical Insurance Payable		-	3,560
Bank Overdraft - Peoples Bank		-	1,629,995
Dividends Payable		30,000,000	25,000,000
		96,645,372	81,323,143
24.4 Deposits Payable			
Rental Deposits	24.4.1	23,340,820	16,886,945
Supply Deposit	24.4.2	1,292,300	1,246,200
Employee Deposit		-	40,000
Tender Deposits		-	325,000
		24,633,120	18,498,145

BCC LANKA LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

As at 31 st December	2024	2023
	Rs.	Rs.

24.4.1 Rental Deposit

Sunil Traders	398,688	398,688
Nadeshan Parameshwaran	369,029	369,029
Eagle Security Services Ltd	201,600	201,600
Timex Garment Ltd	482,670	482,670
Dialstar Ltd	1,409,992	1,409,992
H.M.A.Carder	496,303	496,303
A.F.M.Farzan	1,576,214	1,576,214
BE.ES.EN.Enterprises	556,697	556,697
M.M. Niyas	20,513	20,513
H.K. Imports	480,068	-
P. Niranjan	309,120	309,120
Soap & Allied Industries Ltd	1,878,300	1,878,300
Unity Trading Co.	370,875	370,875
Crystal Colombo International Ltd	230,925	230,925
A.One Polythene	497,264	-
Sena Mills Refineries	8,617,440	3,097,440
Kandy Hardware Ltd	612,731	612,731
A.C.M.Azath	379,500	379,500
M.S.M.Nasar	528,644	528,644
A.C.M.Nazeem	264,013	-
Eastern Traders	1,175,988	-
Chem Lanka (pvt) Ltd	-	257,301
Delta Import & Export Ltd	-	450,846
Triways Lanaka LLtd	112,712	-
Aayana Imports Ltd	697,935	-
Agilex Holding (pvt) Ltd	-	484,622
A.C.E.International Ltd	-	362,296
Mohamad Ameerdeen	5,000	5,000
N.E.Traders	1,668,600	1,668,600
Adamjee Lukmanjee & Sons Ltd	-	739,040
	23,340,819	16,886,946

24.4.2 Supply Deposit

Wanasinghe Holding (pvt) Ltd	528,000	228,000
Shiromani Copra & Oil Stores	514,300	214,300
Prime Star Trading Co.	200,000	200,000
A. One Polymer Ltd	25,000	
J.D. Polymer Ltd	25,000	
Dollor Corporation		603,900
	1,292,300	1,246,200

25 Deffred Tax Assets and Liabilities**25.1 Deferred Tax Assets**

At the beginning of the year	134,354.00	(4,444,254.00)
Recognized in income statement		4,886,786.00
Other comprehensive income		(308,178.00)
At the end of the year	134,354.00	134,354.00