

Ministry of Buddhasasana, Cultural and Religious Affairs



TOWER HALL THEATRE FOUNDATION

Annual Report 2021

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# **Tower Hall Theater Foundation**

## **Vision**

“To be the National Centre for Theatrical activities and Pioneer Institution in creating a culture of Quality Dramas and Theatrical Arts”

## **Mission**

To provide to the Creators of Dramas and Theatrical Arts, the necessary know-how, new ways and infrastructure, to achieve expertise, techniques and knowledge in full measure in the Universal innovative practices in Dramas and Theatrical Arts and to encourage them to produce creations for the development of the Country and enrichment of Mankind.

## **Aims and Objectives**

- (a) To encourage and promote National Theatrical activities
- (b) To develop and improve the knowledge, understanding and use of the theatre.
- (c) To provide financial assistance to Theatre Artists and Craftsmen and to assist in the training of drama artists.
- (d) To produce operas, dances, dramas and musical programs and to carry out experiments on those aspects and play those.
- (e) To restore, preserve, maintain and utilize the Tower Hall Theatre as a National Monument in order to secure the above objectives and aims and for such other purposes as the Board may consider fit, so that the Theatre shall not be used for biased political purposes.



## Introduction

Tower Hall Theatre Foundation; established by the Tower Hall Theatre Foundation Act No. 01 of 1978 with the prime objective of utilizing the Tower Hall Theatre as a National Theatre to encourage and promote the National Theatrical activities with the view to realizing the other objectives and purposes formulated for the betterment of drama and performing arts, is administered by a Board of Trustees, headed by Honorable Prime Minister of the Democratic Socialist Republic of Sri Lanka and ten Ex-Officio members including the Prime Minister and another five members appointed by the Honorable Prime Minister for a period of three years.

The Tower Hall Theater Foundation played a major role in achieving its goals and objectives under the guidance and supervision of the Hon. State **Minister of National Heritage Performing Arts and Rural Art Promotion**, and the Secretary to the said Ministry. Accordingly, despite the Covid epidemic situation prevailed in the year 2021, many programs were implemented throughout the year. Consequently, the actions have been taken to provide an amount of Rs 4,500,000/- throughout the year per the monthly allowance of Rs.7500/- given for the tower hall artists.

Also, a sum of Rs.8,380,000/- was spent for the cost of living allowance of Rs.7500 from the Presidential Welfare Fund for Performing Artists; established under the Tower Hall Theater Foundation and operating since 1996, in the year 2021. All this money was invested in fixed deposits of government banks belonging to these two funds, and the payments could be done from the monthly interest and incomes of the institute.

In addition to this, it was able to implement many welfare activities of artists such as medical aid, funeral aid, conducting eye clinics, distribution of spectacles and artist pilgrimage tour.

As another special project of the Tower Hall Theater Foundation implemented with the aim of encouraging the artists, the actions were taken to implement “Preksha Drama Festival”. This drama festival was organized with the view to encouraging the field of stage drama that was inactive due to the spread of the Covid-19 epidemic in the year 2021. Accordingly, 20 selected dramas were staged in the Towerhall and Elphinstone theaters, and the Tower Hall Theater Foundation was able to earn more than 50 Lakh Rupees as Artists' income from the income received from the tickets and from the grants received from the government and private institutions.

Advanced Diploma in Drama and Performing Arts; another special task, was continuously implemented in the year 2021, and lectures and programs were implemented through online method during the days when the country was closed.

Further, an insurance scheme called “Preksha Accident Medical Insurance” was implemented throughout the year 2021. Therein, 500 performing artists were insured, and an amount of Rs.10 million was received from the Treasury through the State Ministry. Under the said initiative, it was possible to grant a sum of Rs.07 million as medical and death benefits.

During the scenario of the Covid-19 pandemic, the revenues from theaters rapidly declined, and the Towner Hall Theater Foundation received all the treasury allocations with no shortage. Even under the said circumstance in the year 2021, the Tower Hall Theater Foundation was able to earn an income of Rs. 5, 027,482.

Even if there was a requirement for recruiting new officers to the staff, the said activities could not be done successfully due to the prevailing epidemic situation. However, the post of Director General, which was vacant, was filled with effect from 01<sup>st</sup> September.

02 audit inquiries from National Audit Office were received by the Tower Hall Theater Foundation in the year 2021 and the answers were provided to them within the prescribed timeframe. Also, 02 inquiries were received from the Internal Audit Section, and the quantitative answers were able to be provided to them and many deficiencies and omissions pointed out by them were rectified during this year.

## **Board of Trustees of Tower Hall Theater Foundation – 2021**

### **Ex-officio Members**

1. Chairman of the Tower Hall Theater Foundation, Hon. Mahinda Rajapaksa, Minister of Buddhasasana, Religious and Cultural Affairs and the Hon. Prime Minister of the Democratic Socialist Republic of Sri Lanka.
2. Hon. Basil Rajapaksa, Minister of Finance
3. Hon Janaka Bandara Thennakoon, Minister of Public Services, Provincial Councils and Local Governments
4. Ho. Vidura Wickramanayaka, State Minister of National Heritage, Performing Arts and Rural Arts Promotion
5. Mr.Gamini Senarath, Secretary to the Prime Minister
6. Dr. Kapila Gunawardena, Secretary to the Ministry of Buddhasasana, Religious and Cultural Affairs
7. Prof. Kapila C. K. Perera, Secretary to the Ministry of Education
8. Mrs. K.A. D. R. Nishanthi Jayasinghe, Secretary to the State Ministry of National Heritage, Performing Arts and Rural Arts Promotion
9. Mrs. Tarani Anoja Gamage, Director of Cultural Affairs
10. Mrs.Rosy Senanayaka, Hon. Mayor of Colombo Municipal Council
11. Mrs. Roshini Dissanayake, Municipal Commissioner of Colombo Municipal Council

### **Members appointed by the Hon. Prime Minister** **(For a period of 03 years from the date of appointment)**

01 Mr. G.R. Perera

02 Mrs. Charita Priyadarshini Peiris

03 Mr. Hashim Omar

- Treasury Representation - Miss Kuloja Peiris, Deputy Director, Department of Development Finance

Mr. G.D. Jinadasa, Director General (Acting), Tower Hall Theater Foundation.  
03.03.2021- 30.06.2021.

Mr. K.A.H.H. Kiriella, Director General (Acting), Tower Hall Theater Foundation.  
12.07.2021 – 31.08.2021

Dr. (Mr.) D.M.S. Dissanayake, Director General, Tower Hall Theater Foundation.From 01.09.2021

# **Administration and Development Division**

## Senior Staff Officers

- |   |   |
|---|---|
| 1. Director General   | - Attorney-at-Law Mr. Douglas Siriwardane<br>(01.01.2021 – 28.02.2021)<br>- Mr. G. D. Jeenadasa<br>(03.03.2021– 30.06.2021)<br>- Mr. K.G.H.H. Kiriella<br>(12.07.2021 – 31.08.2021)<br>Dr. D.M.S.Dissanayake<br>(From 01.09.2021) |
| 2 . Director (Administration and Development)                         | - Mr. Nipuna Dissanayake  |
| 3 . Actg. Director (Drama Promotion Education & Programs)             | - Mr. Sampath Perera  |
| 4 . Assistant Director (Finance) - Actg.                              | - Mrs. K.H.M.K. Dayananda   |
| 6 . Assistant Director (Drama Promotion, Artist Welfare and programs) | - Mr. Chandana Bandara  |
| 7 Assistant Director (Tamil Drama Promotion)                          | - Dr. Shammuga Sharma Jayaprakash   |
| 8 Administrative Officer  | - Miss. Nayani Liyanage   |



Approved staff and Actual staff as at 31.12.2021

Service Category	Salary Code	Number	Posts	Approved Cadre	Actual Cadre	Vacant Cadre
Senior level	HM-2-1	1	Director General	1	1	0
	HM-1-1	2	Director (Administration and Development)	1	1	0
		3	Director (Drama Promotion, Education and Programmes)	1	1	0
	MM-1-1	4	Assistant / Deputy Director (Administration and Development)	1	0	1
		5	Assistant / Deputy Director (Finance)	1	0	1
		6	Assistant/Deputy Director ( Educational Research and Conservation)	1	0	1
		7	Assistant/Deputy Director (Drama Development, Artists Welfare and Programs)	1	1	0
		8	Assistant / Deputy Director (Tamil Drama Promotion)	1	1	0
Artificial level	JM-1-1	9	Administrative Officer	1	1	0
		10	Manager (Theatre)	3	3	0
		11	Internal Audit Officer	1	1	0
	MA-4	12	Development Assistant (Sales)	1	1	0
		13	Development Assistant (Accounts and Finance)	1	1	0
		14	Coordinating Officer (Courses)	1	1	0
		15	Coordinating Officer (Programs and Promotions)	1	1	0
		16	Coordinating Officer (Welfare)	1	1	0
		17	Senior Sound Administrator	1	0	1
Secondary level	MA-2-1	18	Foreman Civil	1	0	1
		19	Technical Assistant	1	0	1
		20	Sound Manager	1	0	1
		21	Bookkeeper	1	1	0
	MA- 1-1	22	Management Assistant (Non-Technical)	26	23	3
		23	Management Assistant (Cashier)	1	1	0
		24	Management Assistant (Tamil Speaking)	1	1	0
Primary level	PL-3	25	Driver	6	4	2
		26	Electrician	1	1	0
		27	Sound Operator	4	1	3
		28	Stage Lighting Technician	3	2	1
		29	Maintenance Officer	1	0	1
	PL- 2	30	Stage Lighting Technician Helper	3	0	3
	PL-1	31	Office Assistant	7	4	3
		32	Theatre Hall Assistant	8	6	2
		33	Control Room Assistant	1	0	1
		34	Theater Service Studio Assistant	1	1	0
		35	Museum/Record Room Assistant	1	1	0
		36	Sound Operator Assistant	3	3	0
		37	Book Stall Assistant	1	1	0
		Approved Collection -		91	66	25

**Posts as Personal to Holders - Currently Employed**

<b>Secondary level Primary level</b>	MA 2-1	1	Computer Operator	<b>1</b>	1	0
	PL 3	2	Coordinator (Music)	<b>1</b>	1	0
	PL 2	3	Management Assistant	<b>2</b>	2	0
<b>Total</b>				<b>95</b>	<b>70</b>	

## **Year 2021**

### **Termination of Contract Period**

Mr. Dilshan Gayan - Technical Assistant  
(14.08.2021)

### **Resignations**

Mr. Indika Paranagama - Assistant Director (Finance)  
(31.01.2021)

Mr. Isuru Wijewickrama - Foreman (Civil)  
08.01.2021

### **Recruitment**

Dr. D.M.S. Dissanayake - Director General  
Mrs. K.H.M.K. Dayananda - Assistant Director (Finance) - Actg

## **Year 2021**

### **Staff who participated in training courses**

<b><u>Name of training / course</u></b>	<b><u>Duration</u></b>	<b><u>Number of participants</u></b>
Management Training Program	01 day	For all staff

### **Modernization and Development of Theatres**

#### **Sarasavipaya**

A project at a cost of Rs.7,640,800 was started to prevent the water leakage of the roof of Sarasavipaya building located next to Elphinstone Theatre of Maradana.

#### **Tower Theatre**

A project under an estimate of 5,000,00 0 .00 (50 Lakhs) was started to repair the roof of the Tower Theater and prevent water leakage of the roof of Tower Theatre, and it is scheduled to be completed in the year 2022. This work is being performed by the Western Province Industrial Development Authority.

**TOWER HALL THEATRE FOUNDATION-**  
**Reservation of Theatres and Sound Studio -2021**

Monthly Reservations		Tower Hall				Elphinstone Hall				Rukmanidevi Hall				Sound Studio
		Drama	Perfor mance	Drama	Other	Drama	Perfor mance	Drama	Other	Drama	Perfor mance	Drama	Other	Tape Recording.
	January	1	1	-	-	-	-	-	3	-	-	-	4	6
	February	4	-	8	1	-	-	1	5	-	1	-	4	8
	March	6	1	1	2	1	1	-	2	-	-	-	5	20
	April	-	-	-	-	1	2	-	0	-	-	-	4	18
	May	-	-	-	-	-	-	-	0	-	-	-	-	2
	June	-	-	-	-	-	-	1	2	-	-	-	-	-
	July	7	-	-	-	-	1	-	-	-	-	-	3	3
	August	12	-	-	-	-	-	-	1	-	-	-	1	1
	September	24	-	1	-	-	-	3	0	-	-	-	-	-
	October	1	-	1	-	-	-	-	0	-	-	-	1	7
	November	-	-	-	-	-	1	1	0	-	1	-	5	2
	December	-	-	-	-	7	3	-	0	-	-		6	4
	Total	55	2	11	3	9	8	6	13	-	2	-	33	71



# **Drama Promotion, Artist Welfare and Programs Division**

- **Drama Promotion, Artist Welfare and Programs Division**

- 20.01.2021 - Monthly allowances of Rs. 7500.00 per person have been given for 51 tower artists and 97 performing artists.
- 26.01.2021 – Funeral aid of Rs. 5000.00 was given for the death of Mr. S.W.G. Setunga who received allowances from the President's Welfare Fund.
- Medical assistance per Rs. 3000.00 has been given for the period from January to December 2021 for Mrs. Lata Walpola, who receives allowances from the President's Welfare Fund.
- Medical assistance per Rs. 2000.00 has been given for the period from January to December 2021 for Mr. Sudath Ravindra Neel, who receives allowances from the Tower Hall Theatre Foundation.
- Medical assistance per Rs. 5000.00 has been given for the period from January to December 2021 for Mrs. Sheila De Silva, who receives allowances from the Tower Hall Theatre Foundation.
- 2021.02.19 - Monthly allowances of Rs. 7500.00 per person have been given for 51 tower artists and 97 performing artists.
- 2021.02.22 - Funeral aid of Rs. 5000.00 was given for the death of Mr. U.P. Chandoris who received allowances from the President's Welfare Fund
- 2021.03.16 - The insurance policy awarding ceremony for 500 artists was held at Temple Trees.
- 2021.03.19 - Monthly allowances of Rs. 7500.00 per person have been given for 51 tower artists and 97 performing artists.
- 2021.04.01 - A cheque of Rs.200,000.00 for the death of the Artist; Mariyasaviar Adihal, was given to his guardians under the Preksha Accident and Medical Insurance cover.



09.04.2021 - New Year Gift Awarding ceremony for 50 artists was held at Savsiripaya Auditorium.



2021.04.09 - Monthly allowances of Rs. 7500.00 per person have been given for 51 tower artists and 96 performing artists.

2021.05.20 - Monthly allowances of Rs. 7500.00 per person have been given for 51 tower artists and 94 performing artists.

2021.05.28 - A cheque of Rs.200, 000.00 for the death of the Artist; Mr. Michael Winston Peiris, was given to his guardians under the Preksha Accident and Medical Insurance cover.



2021.06.18 - Monthly allowances of Rs. 7500.00 per person have been given for 50 tower artists and 94 performing artists.

2021.07.20 - Monthly allowances of Rs. 7500.00 per person have been given for 50 tower artists and 94 performing artists.

2021.07.31 - A cheque of Rs.600, 000.00 for the death of the Artist; Mrs. **Hyacinth Wijeratn**, was given to her guardians under the Preksha Accident and Medical Insurance cover.



- 2021.08.09 - Although the Circular related to All Ceylon Sinhala and Tamil School Drama Competition - 2021 was prepared and submitted for approval, the program was not implemented due to the Covid-19 epidemic situation prevailed at the said time.
- 2021.08.20 - Monthly allowances of Rs. 7500.00 per person have been given for 50 tower artists and 92 performing artists.
- 2021.08.30 - Medical insurance at a value of Rs. 96,150.00 for spectacles has been awarded to artists under Preksha accident.
- 2021.09.17 - Monthly allowances of Rs. 7500.00 per person have been given for 50 tower artists and 91 performing artists.
- 2021.10.04 - The project report related to conducting the independent drama script writing competition was submitted for approval. However, the program could not be implemented due to the Covid-19 epidemic situation.
- 2021.10.05 - Rs. 320,428.12 has been awarded to artists for outpatient treatments under Preksha accident and medical insurance.
- 2021.10.10 - Rs. 3,334,691.38 has been awarded to artists for hospitalization and death under Preksha accident and medical insurance.
- 2021.10.18 - Monthly allowances of Rs. 7500.00 per person have been given for 49 tower artists and 90 performing artists.
- 2021.11.15 - The project report related to conducting the online drama poster and art competition was submitted for approval. However, this program could not be implemented due to the financial situation in the institution.
- 2021.11.19 - Monthly allowances of Rs. 7500.00 per person have been given for 49 tower artists and 89 performing artists
- 2021.12.02 - A cheque of Rs.200, 000.00 for the death of the Artist; Ananda Kumara, was given to his guardian; Mr.Sarath Kumara, under the Preksha Accident and Medical Insurance cover.





- A cheque of Rs.02 Lakhs for the death of the veteran actor; Sampath Thennakone, was given to his wife; Mrs. Ratna Lalani Jayakodi, under the Preksha Accident and Medical Insurance cover.



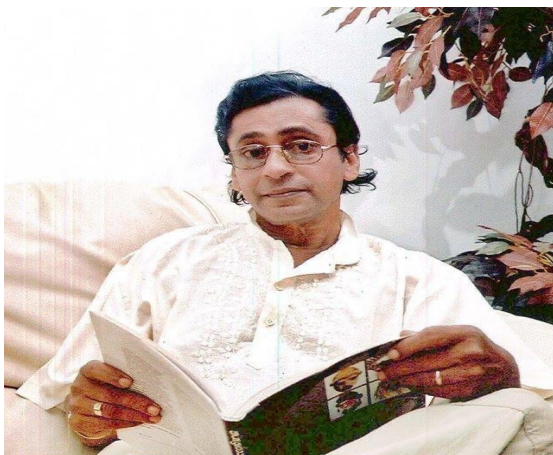
- Preksha Performing Arts Festival was held at Maradana Tower and Elphinstone Theaters from 11.12.2021 to 21.12.2021. 20 dramas were shown in 10 days under this



- A cheque of Rs.02 Lakhs for the death of the veteran actor; Mr. Daminda, was given to his guardian; Mrs.Shyamali Anoja, under the Preksha Accident and Medical Insurance cover



- 2021.12.15 - A cheque of Rs.02 Lakhs for the death of the veteran actor; Mr. Ananda S. Wijayasiri, was given to his wife; Mrs.Irangani Swarnalatha, under the Preksha Accident and Medical Insurance cover.



- 20.12.2021 - Monthly allowances of Rs. 7500.00 per person have been given for 49 tower artists and 88 performing artists.
- 2021.12.31 – More than Rs. 7.5 million have been given to the artists by the end of the year 2021 under Preksha accident and medical insurance.

# **Education, Research and Conservation Division**

- 2021.03.27 - Mrs. Helen Mirren; a British national stage drama, television and film actress, has presented the World Theater Day message for World Theater Day. It was read in Sinhala by Mrs. Ratna Lalani Jayakodi, in English by Mrs. Kaushalya Fernando, and in Tamil by Mrs. Neranjani Shanmugarasa. Its audio clip was disseminated on the Tower Hall Theater Foundation website, and the World Theater Day message was sent by post to 1000 dramatists.
- 2021.08.21 - Although the acceptance of applications for Bhatkhanda Dance/ Music Examination was to be stopped, the said date was extended to 25.08.2021.
- 2021.09.30 - Bank order related to Bhatkhanda Exam was sent to the College of Bhatkhanda Music, India.

### **School of Drama and Theatre**

- Theoretical lectures related to the first semester of the academic year 2019/2020 students were conducted through the online method from 04.01.2021 to 10.05.2021.
- 2021.04.21 - Induction ceremony for the academic year 2020/2021 was conducted at Maradana Elphinstone Theatre.



- The lectures related to the conclusion of the theoretical parts in first semester of the academic year 2020/2021 students were conducted in the form of a workshop. This was planned to be held until 11<sup>th</sup> May. However, it had to end on 01<sup>st</sup> May due to the Covid-19 epidemic situation.
- 2021.04.27 - Although the application forms to enroll the students for the academic year 2021/2022 of the School of Drama and Performing Arts were to be called and finalized, the date was extended to 28.05.2021.
- The theoretical subjects related to the first semester for the academic year 2020/21 students were completed through the online method.

- The final practical test of the students of the academic year 2018/19 was conducted through the online method on 11, 12 and 13 of August 2021. For this, 37 students participated.
- Due to the Covid 19 epidemic situation and the delay to release the results of the G.C.E (O/L) Examination, the calling for applications for the enrollment of students for the academic year 2021/22 of the drama school was extended to 01.11.2021.
- In the year 2021, the drama "Siganarale Opera" was produced as an academic work of the students of the academic year 2017/18 of the Tower Drama and Theatre School.



### ❖ Tamil Drama Promotion Section

2021.12.27 - Preliminary arrangements were made for the commencement of the two-year full-time Advanced Diploma in Drama and Theater (Tamil) at the Jaffna Sandilippai Cultural Centre.

# **Finance Division**



**Tower Hall Theater Foundation**

**Auditor General's report for the year 2021**

Director General  
Tower Hall Theater Foundation

**Auditor General's Report on the Financial Statements and other legal and regulatory requirements of the Tower Hall Theater Foundation for the year ended on 31<sup>st</sup> December 2021 as per the section 12 of the National Audit Act No.19 of 2018.**

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**1. Financial Statements**

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**1.1. Qualified Opinion**

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The statement of financial position of the Tower Hall Theatre Foundation as at 31<sup>st</sup> December 2021 and the Financial Statements comprising the extended income statement, statement of changes in equity as well as cash flow statement and notes to the financial statements, including a summary of significant accounting policies for the year ended 31<sup>st</sup> December 2021 were 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 and Finance Act, No. 38 of 1971. My report will be tabled in the Parliament in due course as per the Article 154 (6) of the Constitution.

In my opinion, except for the effects of the matters described in the “Basis for Qualified Opinion of my report, the financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2021, and its financial performance and cash flows for the year then ended are in accordance with Sri Lanka Public Sector Accounting Standards.

**1.2. Basis for Qualified Opinion**

.....

**(a) Non-compliance with Sri Lanka Public Sector Accounting Standard**

- (i) The value of a Cab donated by the Ministry of Education in 2018 had been accounted on 01<sup>st</sup> January 2019 considering the sum of Rs.4,000,000 which was the amount valued for the insurance activities in the year 2017 as the cost instead of the reasonable value as at the date of acquisition of the property according to the paragraph no.25 and 43 of the standard. The said value and the value of Rs.443,800 capitalized in the year 2019 had been removed from the vehicle account. Even if the reasonable value as at the date of acquisition of this asset was to be accounted as the cost of the asset, the value of Rs,4,000,000 and the value of Rs. 443,800 borne in the



year 2019 and capitalized to the said asset account has been credited to the vehicle account and this vehicle has been removed from the books in the year 2020. Accordingly, this Cab had been removed from the details of property, plants and equipment mentioned in the financial

statements from the year 2020. Any disclosure on this matter had not been made by the financial statements.

- (ii) As the effective life period of non-current assets was not reviewed annually in line with the paragraph 65 of the Sri Lanka Public Sector Accounting Standard No. 07, the actions had not been taken to review the effective life period of 09 vehicles at a cost of Rs.37,296,993; which was fully depreciated and however is being further used, and to account as per the Sri Lanka Public Sector Accounting Standard No. 03.
  - (iii) The reasonable value of property, plants and equipment; which were fully depreciated and however is being further used, had not been disclosed by the notes as per the paragraph 92 of the Sri Lanka Public Sector Accounting Standard No. 07.
  - (iv) As the head office building with a cost of Rs.161,750,000 and the record studio with a cost of Rs.1,250,000 had not been depreciated since 2017 as per the depreciations-related Sections of the Sri Lanka Public Sector Accounting Standard No. 07, the financial statements had indicated the depreciated expenses with a lack of Rs.16,300,000 and accumulated depreciation with a lack of Rs.81,506,962 (Depreciations related to the period 2017-2021).
  - (v) Even if the expenses borne for the modification of Elphinstone Theatre had been identified as a fixed asset since the year 2019, the accumulated amount of depreciation was indicated with a lack of Rs.9,557,988 as at 31<sup>st</sup> December 2021 as the depreciation had not been accounted accurately.
- (b) Examining the gratuity payment
- Although a sum of Rs.23, 343,775 had been allocated for the payment of gratuity as post benefits for employees as at 31<sup>st</sup> December 2021, the compatible value of the investment from the fixed deposits was Rs.20, 752,432. Consequently, an investment deficit of Rs.2, 591,343 was observed.
- (c) Though it had been mentioned in the Financial Statement that the debtors' balances with a total of Rs.1, 069,650 were to be received from the Department of Cultural



Affairs and a sum of Rs.20,735 was to be received from the Ministry of Cultural Affairs, the said institutes had confirmed they do not have such sorts of balances to be paid.

- (d) Though a fund balance of Rs.60,399,700 titled President Welfare Fund for Performing Artists under the reserves of the financial reports in the year 2021, the total amount of the fixed deposit in the name of relevant welfare fund was Rs.70,999,700. Accordingly, the balance of the fund was indicated with a lack of Rs. 10,600,000.
- (e) Though a sum of Rs.46,930,196; as a deferred revenue for the year 2021, had been charged from the reserve of the receipts of government capital and credited to the general reserve, the basis for identifying the deferred revenue had not been revealed by the account notes.
- (f) Though the annual depreciation for “Sarasavipaya” building was Rs.26,043,008, a sum of Rs.43,071,923 had been identified as deferred revenue.
- (g) As the details/files/documents about the total balances of Rs.79,368,600 carried forward from the accounts for several years were not presented for the audit, the said balances could not be satisfactorily observed in the audit.

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

### **1.3 Other details included in the Annual Report 2021 of the Foundation**

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Other details mean the details included in the annual report 2021 of the foundation which I obtained before the date of this audit report, but not included in financial statements and my audit report on those statements. The management is responsible for these other details.

My opinion on financial statements does not cover other details and I do not express any certification and opinion on that matter.

My responsibility about the financial statements in relation to my audit is to read the other details when possible to have and seek whether those details are quantitatively matching with financial statements or my knowledge gained by the audit or by other means.

On the basis of other details which I obtained before the date of this audit report and the tasks I performed, if I include that these other details have been indicated with quantitative errors, such details should be reported by me. I have nothing to be reported in respect of this matter.

## **1.4 Responsibilities of Management and the Governing Parties about the Financial Statements**

.....

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements that can be caused due to frauds or errors.

In preparing the financial statements, management is responsible for assessing the ability of the Foundation for continuous existence and it is a responsibility of the management to have accounts on the basis continuous existence and disclosing the details related to the continuous existence of the foundation except if the management intends to liquidate the foundation or if the actions are taken to stop the operations when other alternatives are not available.

The responsibility of the financial reporting process of the Foundation is held by the governing parties.

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

## **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 uncertainties throughout the audit. I also:

- Design and performed Opportunistic and appropriate audit procedures to identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error in respect of providing a basis for my audit opinion. The impact of a fraud is higher than the impact of a material misstatement resulting from an error, as the fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding about internal control in order to design opportunistic and appropriate audit procedures, though it was not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the fairness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of using the basis of continuous existence of the foundation for accounting based on the audit evidence obtained on whether a material uncertainty exists related to events or conditions that may cast significant doubt the ability of continuous existence of the foundation. 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, my opinion should be modified. However, continuous existence can be ceased due to the future events or conditions.
- Evaluate 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 inform the parties in charge of governance about the important findings of my audit, main internal weaknesses of the governance and other particulars.

## **2. Report on other Legal and Regulatory Requirements**

.....

- 2.1. Special provisions are included in relation to the following requirements of the National Audit Act No.19 of 2018.
  - 2.1.1. Except the impact caused by the particulars described in the section "Basis for Opinion" in my report, all details and clarifications required for the audit were obtained by me except the impact caused by the particulars described in "Basis for Audit Opinion" in my report as per the report specified in the Section 12(a) of the National Audit Act No.19 of 2018, and the due basis for financial reporting has been maintained as revealed by my inspection.
  - 2.1.2. The financial statements of the foundation are compatible with the previous year in line with the requirement of the Section 6(1) (d) (iii) of the National Audit Act No.19 of 2018.
  - 2.1.3. The recommendations made by me in the previous year have been included in the financial statements except the observations stated in the paragraphs 1.2(a), (i), (ii), (iv), (v), (c) (g) under the section "Basis for the opinion" of my report according to the requirement indicated in the Section 6(1) (d) (iv) of the National Audit Act No.19 of 2018.

- 2.2. Based on the procedures followed and the evidences obtained as well as due to being limited to quantitative facts, nothing enough was caught by my attention to express the following statements.
- 2.2.1. That a certain member of the Governance Board of the Foundation has a connection directly or by other means outside the normal business condition regarding an agreement related to the foundation as per the requirement stated in the Section 12(d) of the National Audit Act No.19 of 2018.
- 2.2.2. That it has been proceeded in contrast to a certain relevant written law or other general or special provisions issued by the Board of Governance other than the following observations as per the requirement mentioned in the Section 12 (f) of the National Audit Act No.19 of 2018

**References to Laws, Rules and Regulations**

**Description**

.....

.....

(a) Section 8 of the Tower Hall Theater Foundation Act No. 1 of 1978 and the provisions of the Special Grant dated 08 October 1980 related to the transfer of Sawsiripaya Building and the land areas; where it is situated, to the Tower Hall Foundation.

1. It had been stated that this land and the buildings situated therein should not be used for any activity other than the tasks to encourage and promote dancing activities and if not used for the said purpose, it will then be transferred back to the Democratic Socialist Republic of Sri Lanka, However, the Suwsiripaya Building and the land areas; where it is situated and owned by the Foundation, had been given on lease to the Construction Industry Development Authority.
2. The above Lease Agreement had been terminated on 14<sup>th</sup> May 2016. Even though the said authority continuously stayed in the building, any rental had not been levied for the foundation for the period from 15<sup>th</sup> May 2016 and 31<sup>st</sup> December 2021.
3. As per the rental assessment report dated 14<sup>th</sup> February 2022 of the Government Valuation Department, a rental value of Rs.3,490,000 per month should be charged from the authority for the period from 14 May 2016 to 31 December 2021, no actions had been taken to make such charges.
4. The building had been given to the Construction Industry Development Authority on 06<sup>th</sup> March 2019 again for a period of 30 years on a lease agreement signed by a Director General who did not have a formal approval and appointment. Even if more than 06 months had been passed after the end of first lease agreement, the legal actions had not been taken to cancel the second lease agreement; which is not legal, and to remove the Construction Industry Development Authority; staying in the premises illegally, from the premises.

(b) Section 06 of the Tower Hall Theater Foundation (Amendment) Act No.11 of 1997

The approval of the board of trustees had been granted to remove the Sarasavipaya old building and to construct a 08-storeyed multi-purpose commercial building under the public-private partnership in contrast to the objectives of the foundation, and to construct a multi-purpose building with several stories in the land wherein the Rukmani Devi Theater of Negambo is situated.

(c) Section 20(1) and 102 of the Inland Revenue Act, No.24 of 2017

(d) Paragraph 6.1 in the Chapter VIII of the Establishments Code of the Democratic, Socialist Republic of Sri Lanka.

The one hour overtime ratio of the employees of the Foundation was decided as 1 1/2 hours for an hour, and a sum of Rs.1,438,435 had been paid to 51 employees on 08<sup>th</sup> March 2019 as the outstanding overtime payments for the period from 01<sup>st</sup> January 2016 to 11<sup>th</sup> April 2018 on the basis of the said ratio in contrast to the paragraph 02(i) (a) of the Management Services Circular No.02/2016(ii) dated 11.04.2018. Even though the covering approval of the Trustees Board had been granted on 15<sup>th</sup> March 2019 for this outstanding overtime payment, the Director of Management Services had rejected the granting approval for this paid arrears of overtime payments.

(e) Financial Regulation of the Democratic Socialist Republic of Sri Lanka.

(i) Financial Regulation No.119 (1), 119 (2) and 233.

1. Though the overtime payment amounting to a sum of Rs.1,438,435 that had been paid to 51 employees on 08<sup>th</sup> March 2019 without approval should be recovered as it is an illegal payment, the actions had been taken to delay it until October 2020 and to recover as installments.
2. Even though the approval for the period to recover money exceeding 12 installments can be given by the Secretary to the Ministry, the Director General had given the power to levy the overtime payment made without approval up to 48 installments. However, a balance of Rs.612,345 that was to be levied from 21 employees as at 31<sup>st</sup> December 2021 was remaining to

- |   |   |
|---|---|
| (ii) Financial Regulation<br>No.454   | 06 Printers and 09 Laptop Computers purchased in the year 2021 had not been recorded in the Inventory Books.  |
| (iii) Financial Regulation<br>No.751  | The goods; revealed as not recorded in the books and recommended to be recorded in the books during the board of survey, had not been taken to the books. |
| (iv) Financial Regulation<br>No.754   | Some items included in the inventory books had not been balanced and the balances had not been carried forward since several years.                       |
| (v) Financial Regulation<br>No.772 (3)  | The actions had not been taken to remove the items; auctioned or destroyed after the year 2010, from the books at each respective occasion.               |
| (vi) Financial Regulation<br>No.804   | The goods exchanged among the divisions had not been properly included in the inventory books as issuances and receipts.                                  |
| (vii) Financial Regulations<br>from 880 to 893 and the<br>Security Ordinance of<br>the Public Officers on<br>Chapter 612. | The actions had not been taken to identify the officers who should keep securities and to have securities accordingly.                                    |
- (f) Public Enterprise Circular  
No. PED -12 dated 02<sup>nd</sup>  
June 2003
- i. Section 4.2.6

Quarterly, Bi-annual and Annual Reports had not been submitted to the Trusted Board.

ii. Section 5.1.3 and  
5.2.1

The Budget Report 2021 had been presented to the Auditor General on 28<sup>th</sup> July 2022 and the Budgeted Comprehensive Income Statement, Budgeted Statement of Financial Position and Budgeted Cash Flow Statement had not been presented together with the Budget Document.

iii. Section 6.5.3.

The Annual Report for the year 2020 had not been tabled in the Parliament even by the date of this report.

iv. Section 7.3

The approval of the Line Ministry and the agreement of the Treasury had not been obtained for the Handbook of the Foundation which had been implemented since the year 1977 on the approval of the Trusted Board.



Section 03 of the Public Finance Circular No.02/2020 dated 28 August 2020

The budget report, action plan and procurement plan of the year 2021 had been presented to the Chief Accounting Officer on 28<sup>th</sup> June 2021 and internal audit plan and the plan of imprest requirement for annual activities had not been presented.

(g) Public Finance Circular No.01/2020 dated 28 August 2020

(h) Section 11.04

The proceedings had not been made to report the deficiencies and excesses observed by the reports of the board of surveys and to take actions before 28<sup>th</sup> February of next finance year.

No actions had been taken to proceed with reference to the goods reported by General 47 in the board of surveys before 15<sup>th</sup> March of next finance year.

(i) Government Procurement Guidelines

(i) Guidelines No.2.7

Even if a Procurement Committee should be appointed in terms of obtaining the security services and Preksha Accidents and Medical Insurance Coverage, a Divisional Procurement Committee had been appointed.

(ii) Guidelines No.3.2.2.

The security services had been obtained for a period of 22 months giving extensions at 09 occasions without calling for competitive bids.

(iii) Guidelines No.4.2.2.

A procurement timetable had not been made to obtain the security services.

2.2.3. That it had been proceeded as not compatible with the powers, duties and functions of the foundation as per the Section 12 (g) of the National Audit Act No.19 of 2018.

2.2.4. That the resources of the foundation have not been procured and used thriftily, efficiently and effectively within the timeframe in line with related rules and regulations except the observation mentioned below as per the requirement of the Section 12 (h) of the National Audit Act No.19 of 2018.

- (a) A written agreement had been entered into with the institute called “Rana-Ro Security Services Company” by the Tower Hall Theater Foundation for one-year period from 11<sup>th</sup> March 2019

to 10<sup>th</sup> March 2020 in terms of obtaining security services for Tower Hall Theatre, Elphinston Theatre and Rukmani Devi Theatre, and the said service had been extended at 10 occasions from 17<sup>th</sup> February 2020 to 11<sup>th</sup> January 2022 when the required no. of security service cadre had not been provided. Accordingly, the actions had not been taken by the Foundation to proceed with procurement activities for yearly services as per the procurement guidelines.

- (b) The bids documents had been evaluated by the Technical Evaluation Committee and 02 institutes that presented minimum prices had been removed from the evaluation activities as the salaries of those two institutes were below the price of Wages Control Board and the details of providing services for 02 public institutes had not been presented, and the Uni Lanka Security Services (Pvt) Ltd; that had presented the third minimum bid, had been selected and the consent had been given by the Divisional Procurement Committee on 18<sup>th</sup> August 2021 for this decision of the Technical Evaluation Committee.
- (c) Though the bid was awarded to the selected institute and informed to come to sign the agreement and the said institute had accepted it and deposited a performance security in cash, the service of the existing security service company had been extended without entering into a written agreement with the said institute.
- (d) Though a period of about one year had been spent to complete the procurement task of the year 2021/2022, the contract had finally been awarded to the previous company that acted in contrast to the procurement guidelines and the provisions of the Wages Boards Ordinance. However, the actions had not been taken by the Foundation to enter into a written agreement with the said company also.

### **2.3. Other particulars**

.....

- (a) The actions had not been taken to have timely amendments to the Tower Hall Theater Foundation Act No.01 of 1978.
- (b) A proposal had been made by the governance board paper no.2019/294/03/01 dated 15<sup>th</sup> March 2019 of the Director General to increase the amount; Rs.3,000, given in appreciation of Tower Hall Artists and the pension allowance paid by the President Welfare Fund 02 up to Rs.7,500 and it had been informed that new strategies can be identified to find the additional amount of money that may be required in that regard. However, the governance board had approved the said paper and the pensions per Rs.7,500 had been paid from April 2029 to date without identifying the new strategies. However, the pension allowances had been paid in the year under review using the funds of the theater without identifying such new strategies.

- (c) As per the Section 40(1) of the National Audit Act, in order to execute the internal audit of the entities functioning under a Ministry, the said entity should have its own internal auditor duly appointed by the board of governance of the said entity. However, only an internal audit officer had been included into the approved cadre of the foundation, and the actions had had not been taken to include a post of Internal Auditor to the approved cadre and to appoint an internal auditor.
- (d) As per the Section 38 (f) of the National Audit Act, it is a responsibility of the Accounting Officer to ensure that an effective methodology is in process for the proper implementation of the internal audit. Accordingly, the facilities and the environment required for the proper execution of internal
- (e) audit by appointing an Internal Auditor should be made available by the Accounting Officer. However, no actions had been taken to appoint an adequate number of auditing staff for the internal audit activities of the foundation.
- (f) Though the plans had been made; as per the internal audit plan, to execute 18 audit activities and 03 special audit activities under the field of finance and salaries and cadre management by spending 66% from the total 3184 human hours of the foundation; that is 2110 human hours, only 02 internal audit reports had been presented during the year and one of those was about Rukmani Devi Memorial Center and Museum which was not included in the Audit Plan.
- (g) The presented report included with the performance had not been prepared in accordance with the action plan. It did not contain the physical targets and physical achievements related to each activity. Since the physical progress had been indicated only as a percentage, it was not possible to examine in the audit that how far the targets have been reached by each activity.
- (h) Though Rs.58 million had been allocated for 35 programs/projects as per the action plan presented for the year 2021, 21 of those programs/projects had never been implemented and the amount allocated for that was Rs.13,478 million.
- (i) Even if the performance index and the output had been indicated as per the Action Plan 2021, the value of expected performance index and the output was not mentioned in the presented progress report. Further, although the project or the program had been completed in 100%, it was not possible by the audit to confirm that the expected performance had been achieved.
- (j) There were 26 vacancies related to 16 posts as at 31<sup>st</sup> December 2021, and 03 posts in senior level, 01 post in tertiary level, 06 posts in secondary level and 16 posts in primary level were among those.

**W.P.C.Wickramarathna**

Auditor General



# **Tower Hall Theater Foundation**

Finance Statement for the year 2021

TOWER HALL THEATRE FOUNDATION			
STATEMENT OF FINANCIAL POSITION AS AT 31 <sup>ST</sup> DECEMBER 2021			
	Notes	2021 Rs.	2020 Rs.
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash in Hand and Bank Balances	6	1,397,386	11,008,636
Inventories	9	2,715,953	2,516,796
Deposits	7	158,000	158,000
Prepayments	7	427,006	2,320,886
Distress Loan Receivable within one year	7	2,633,047	2,745,048
Advances	7	8,213,892	4,849,694
Debtors	8	2,455,957	2,548,357
Other Receivables	8	679,792	2,073,221
Investments - THT & TRT	10	124,568,211	124,568,211
Investments - PWF	10	70,999,700	70,999,700
<b>Total Current Assets</b>		<b>214,248,944</b>	<b>223,788,548</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	11	1,550,262,090	1,618,062,659
Work in progress - R.D.M.C		274,303	274,303
Work in progress - "Sarasavipaya" Renovation		4,736,893	4,736,893
Work in progress - "Tower Hall" Renovation		-	-
Distress Loan Receivable after the one year	7	6,694,250	9,757,297
<b>Total Non - Current Assets</b>		<b>1,561,967,536</b>	<b>1,632,831,152</b>
<b>Total Assets</b>		<b>1,776,216,480</b>	<b>1,856,619,700</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors & Accrued Expenses	12	8,995,909	9,596,664
Amounts Received in Advance	13	824,750	9,796,940
Refundable Deposits	14	789,300	1,667,087
<b>Total Current Liabilities</b>		<b>10,609,959</b>	<b>21,060,690</b>
<b>Non Current Liabilities</b>			
Provision for Gratuity		23,343,775	23,035,515
<b>Total Non - Current Liabilities</b>		<b>23,343,775</b>	<b>23,035,515</b>
<b>Total Liabilities</b>		<b>33,953,733</b>	<b>44,096,205</b>
<b>Net Assets</b>		<b>1,742,262,747</b>	<b>1,812,523,494</b>
<b>Net Assets / Equity</b>			
Accumulated Fund	15	131,654,669	161,601,150
<b>Reserves</b>			
Grant From Government		1,000,000	1,000,000
Capital Grant from Government		288,723,166	329,088,330
President Welfare Fund		60,399,700	60,399,700
Donations in Cash		18,577,319	18,577,319
Donations in Kind		58,890,541	58,890,541
Donations in vehicle		-	-
Late Rukmani Devi Fund		21,176	21,176
Re-Valuation of Assets	16	1,181,780,453	1,181,780,453
Drama & Theatre Scholarship Fund		336,161	285,260
Scholarship Fund		602,665	602,665
Tower Repertory Theatre Fund		276,900	276,900
<b>Total Net Assets / Equity</b>		<b>1,742,262,747</b>	<b>1,812,523,494</b>
The notes appearing on pages 05 to 23 form an integral part of the financial statements.			
The Members of the Tower Hall Theatre Foundation are responsible for the preparation and presentation of these financial statements.			
For and on behalf of the Members of the Board,			
.....	.....	.....	.....
S.K.Deshappriya	Dr. D M S Dissanayake	Member of the	Member of the
Assistant Director (Finance) (Act)	Director General	Board of Trustee	Board of Trustee



TOWER HALL THEATRE FOUNDATION			
STATEMENT OF COMPREHENSIVE INCOME			
FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
	Notes	2021 Rs.	2020 Rs.
<b>Revenue</b>			
<b>Add:</b>			
Grant from Government - Recurrent Expenditure		55,000,000	67,900,000
Operational Income	1	5,027,482	6,235,796
Interest & Other Income	2	12,826,706	20,126,190
Programme Income	2	14,709,640	4,233,010
		87,563,827	98,494,997
<b>Expenses</b>			
<b>Less:</b>			
Administration & Establishment Expenses	3	137,172,874	169,383,658
Promotional & Welfare Expenses	4	27,567,160	25,581,820
Finance & Other Expenses	5	68,280	61,500
		164,808,315	195,026,978
<b>Excess of Expenditure over Income</b>		<b>-77,244,487</b>	<b>-96,531,981</b>





TOWER HALL THEATRE FOUNDATION													
STATEMENT OF CHANGES IN EQUITY													
FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021													
	TRT Fund Rs.	Scholarship Funds Rs.	DTS Fund Rs.	Revaluation Reserve Rs.	Rukmani Devi Fund Rs.	Donations in Kind Rs.	Dona; in Vehicle Rs.	Donations in Cash Rs.	PWF Fund Rs.	Cap; Grant from Gov. Rs.	Grant from Gov; Rs.	Accumulated Gain/Loss Fund Rs.	Total Rs.
Balance as at 01.01.2021	276,900	602,665	285,260	1,181,780,453	21,176	58,890,541	-	18,577,319	60,399,700	329,088,330	1,000,000	161,601,157	1,812,523,494
Prior year Adjustment	-	-	-	-	-	-	-	-	-	(284,968)	-	367,803	82,834
Grant from the year	-	-	-	-	-	-	-	-	-	6,850,000	-	-	6,850,000
Transfer to Income	-	-	-	-	-	-	-	-	-	-	-	-	-
For the year	-	-	50,901	-	-	-	-	-	-	-	-	(77,244,487)	(77,193,586)
Differed Income for the Year	-	-	-	-	-	-	-	-	-	(46,930,196)	-	46,930,196	-
Balance as at 31.12.2021	276,900	602,665	336,161	1,181,780,453	21,176	58,890,541	-	18,577,319	60,399,700	288,723,166	1,000,000	131,654,669	1,742,262,742

TOWER HALL THEATRE FOUNDATION													
STATEMENT OF CHANGES IN EQUITY													
FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2020													
	TRT Fund Rs.	Scholarship Funds Rs.	DTS Fund Rs.	Revaluation Reserve Rs.	Rukmani Devi Fund Rs.	Donations in Kind Rs.	Dona; in Vehicle Rs.	Donations in Cash Rs.	PWF Fund Rs.	Cap; Grant from Gov. Rs.	Grant from Gov; Rs.	Accumulated Fund Rs.	Total Rs.
Balance as at 01.01.2020	276,900	602,665	239,967	1,181,780,453	21,176	58,890,541	1,590,000	18,577,319	56,149,700	350,835,694	1,000,000	212,295,862	1,882,260,277
Prior year Adjustment	-	-	-	-	-	-	-	-	-	-	-	(222,095)	(222,095)
Grant from the year	-	-	-	-	-	-	-	-	-	24,312,000	-	-	24,312,000
Transfer to Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Deficit for the year	-	-	45,293	-	-	-	(1,590,000)	-	4,250,000	(46,059,364)	-	(96,531,981)	(139,886,052)
Differed Income for the Year	-	-	-	-	-	-	-	-	-	-	-	46,059,364	46,059,364
Balance as at 31.12.2020	276,900	602,665	285,260	1,181,780,453	21,176	58,890,541	-	18,577,319	60,399,700	329,088,330	1,000,000	161,601,150	1,812,523,494

NOTE:  
**TRT Fund** -Tower Repertory Theatre Fund  
**DTS Fund** - Drama & Theatre Scholarship Fund  
**PW Fund** - president Welfare Found

TOWER HALL THEATRE FOUNDATION STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021		
	2021 (Rs.)	2020 (Rs.)
<b>Cash Flows from Operating Activities</b>		
Excess of Expenditure Over Income	(77,244,487)	(96,531,981)
Add: Adjustment for the Prior year	82,834	(222,094)
<b>Adjusted Excess of Expenditure Over Income</b>	<b>(77,161,654)</b>	<b>(96,754,075)</b>
<b>Adjustment for</b>		
Profit on Disposal Assets	-	(470,120)
Depreciation	71,134,980	90,286,666
Write off balance	-	78
Interest Income	(12,826,706)	(16,815,110)
Donations & Capital Aids vehicle	-	(1,590,000)
Gratuity	1,724,518	3,503,174
<b>Operating cash flows before Working Capital Changes</b>	<b>(17,128,862)</b>	<b>(21,839,390)</b>
(Increase)/Decrease in Inventories	(199,157)	(33,704)
(Increase)/Decrease in Debtors & Other Receivables	1,485,828	1,373,335
(Increase)/Decrease in Deposit, Prepayments & Advances	(1,470,318)	(923,347)
Increase/(Decrease) in Creditors & Accrued Expenses	(600,756)	(14,597,253)
Increase/(Decrease) in Amount received in Advance	(8,972,190)	8,848,940
Increase/(Decrease) in Refundable Deposits	(877,787)	(1,207,213)
Increase/(Decrease) in Distress Loan Receivable	112,001	655,473
<b>Operating cash flows After Working Capital Changes</b>	<b>(27,651,241)</b>	<b>(27,723,159)</b>
Gratuity Paid	(1,416,258)	(2,341,597)
<b>Net Cash from / (Used in) operating Activities</b>	<b>(29,067,499)</b>	<b>(30,064,756)</b>
<b>Cash Flows from Investing Activities</b>		
Sales Property Plant & Equipment	-	470,167
Purchases of Property Plant & Equipment	(3,334,406)	(5,101,544)
Work in progress - Tower Hall Renovation	-	-
Sarasavipaya Renovaton	0	(2,172,120)
Distress Loan Receivable	3,063,047	-
Interest Received on Investment	12,826,706	16,815,110
Investment	-	(4,250,000)
<b>Net Cash Flows from / (used in) Investing Activities</b>	<b>12,555,347</b>	<b>5,761,613</b>
<b>Cash Flows from Financing Activities</b>		
Capital Grant from Government	6,850,000	24,312,000
Received PWF - Land Sale Commission	-	4,250,000
TRT Fund	-	-
Interest on Scholarship Fund Account (A/C 73854255)	50,901	45,293
<b>Net Cash Flows (used in) Financing Activities</b>	<b>6,900,901</b>	<b>28,607,293</b>
Net Cash Increase in Cash & Cash Equivalents	(9,611,250)	4,304,150
Cash & Cash Equivalents at the beginning of the year	11,008,636	6,704,486
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>1,397,386</b>	<b>11,008,636</b>
<b>Note A - Analysis of Cash &amp; Cash Equivalents</b>		
Bank of Ceylon ( A/c No.2327541 - Hyde Park )	335,772	9,743,104
Bank of Ceylon ( A/c No.2322658 - Torrington )	13,829	290,330
Bank of Ceylon ( A/c No.72324517 - Hyde Park )	669,222	660,742
Scholarship Fund (A/C 73854255)	335,351	284,450
Cash in hand	43,212	30,011
	<b>1,397,386</b>	<b>11,008,636</b>





TOWER HALL THEATRE FOUNDATION							
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021							
NOTE 01							
OPERATIONAL INCOME							
INCOME	Head Office Rs.	Rukmani Devi Centre Rs.	Tower Hall Theatre Rs.	Sarasavipaya/ Elphinstone Rs.	Sound Studio Rs.	Total 2021 Rs.	Total 2020 Rs.
Hall Rent	-	549,000	929,250	1,045,500	-	2,523,750	5,092,000
Shop Rent	-	-	5,000	242,550	-	247,550	301,000
Class Charges	-	20,000	-	-	-	20,000	174,975
Profit on Sales Cassette & CD sale	-	-	9,422	-	-	9,422	42,350
Profit on Tower Publications	-	-	2,847	-	-	2,847	16,885
Profit on Other Book sales	-	-	5,713	-	-	5,713	19,626
Other Income	1,149,495	50,000	260,000	289,235	-	1,748,730	318,450
Hire of Multimedia Projector	-	-	6,000	-	-	6,000	18,000
Hire of Costumes	-	-	30,220	-	-	30,220	16,460
Hire of Light & Sound Equipment	-	-	6,500	58,000	356,750	421,250	216,050
Bus Hire	-	-	-	-	-	-	8,000
Quarters Rent	-	-	12,000	-	-	12,000	12,000
	1,149,495	619,000	1,266,952	1,635,285	356,750	5,027,482	6,235,796

**TOWER HALL THEATRE FOUNDATION**  
**ACCOUNTING POLICIES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**01. Accounting Convention.**

The Statement of Financial Position and the Statement of Comprehensive Income , Statement of Changes in Equity, Cash Flow Statement, Accounting Policies and notes to the accounts have been prepared and presented in accordance with the Sri Lanka Public Sector Accounting Standards.  
No adjustments have been made for inflationary factors affecting the accounts.

**02. Investment**

Investments are treated as long-term investments and recorded at cost. There is no provision made for falling value of Investments.

**03. Inventory**

Inventory has been valued at cost or net realizable value, which ever is lower.

**04. Receivables**

Receivables have been stated at the amounts estimated to be realized.

**05. Property, Plant & Equipment**

Basis of Valuation -

These are stated at the cost less accumulated depreciation. The cost Property, Plant & Equipment is the cost of acquisition or construction together with any expenses incurred in bringing the assets to its working condition for its intended use.

Depreciation for National Heritage Assets

As per the Auditor General's Report 2019, depreciation of Elphinstone Theater and Tower Hall Theaters, which have been identified as National Heritage, has been accounted for from the year 2020 in accordance with paragraph 10 of Sri Lanka Accounting Standards No. 07.

The rates of depreciation are as follows.

Freehold Building	10% on Cost
Leasehold land & Building	Over the period of Lease
Plant & Machinery	20% on Cost
Vehicles	20% on Cost
Furniture , Fixtures & Office Equipment	10% on Cost
Other Assets (Other than studio Equipment)	10% on Cost
Studio Equipment	20% on Cost
Computer Equipment & Software	20% on Cost

Head office building owner is Tower Hall Theatre Foundation but not using all of the building areas, The building using CIDA because of there is not depreciating to the foundation.

TOWER HALL THEATRE FOUNDATION ACCOUNTING POLICIES FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021	
<b>06. Retirement Benefit</b>	<p>A - Defined Benefit Plan</p> <p>The retirement benefit plan adopted is as required under the Payment of Gratuity Act No. 12 of 1983 in respect of employees with Five or more years of continued services.</p> <p>B - Defined Contribution Plan</p> <p>All employees who are eligible for Defined Provident Fund contributions (Employee - 10% &amp; Employer - 15% ) and Employees Trust Fund contributions (3%) are covered by relevant contributory funds in line with respective statutes.</p>
<b>07.</b>	Deposit for reservation of theatres unclaimed by the depositors for more than 2 years, to be credited to the Revenue of the current year.
<b>08.</b>	A fund named "President Welfare Fund for Performing Artistes" is operated under the Tower Hall Theatre Foundation with effect from 18th November 1996 and it had been decided at the meeting of the Cabinet of Ministers held on 2nd April 1996 to operate this fund under a separate Account affiliated to the Foundation. The financial statements of this Fund had been affiliated with the financial statements of the Foundation.
<b>09.</b>	The foundation has not made provision for the Court Case & the disciplinary inquiry pending which have been filed against the Tower Hall Theatre Foundation.
<b>10.</b>	Distress Loan Interest calculating monthly and deducting balance method.
<b>11.</b>	The government grant accounting, Applied Income Approach method according to the Sri Lanka accounting standards
<b>12.</b>	The land which constructed Ruckmanidevi Museum and Theatre has leased from National Housing Authority for a period of (99) ninety nine Years commencing from 01 st of October 1986 for the total lease rent of Rs.1,188. The portion of the lease rent (Rs.12) applicable for the Year is treated as lease payment.
<b>13 Vehicle Revaluation</b>	As per the 2019 Auditor General's report, the vehicle valuation has been corrected and the year 2019 has been restated.
<b>14 Elphinston Renovation</b>	Elphinstone Theater Renovation from 2011 to 2019 were accounted for in the Working Progress Account and have been identified as Fixed Assets for the year 2019 and have been adjusted for depreciation in 2019. Its opening in end of January 2019 and the year 2019 has been restated.
<b>15 Depreciation for National Heritage Assets</b>	As per the Auditor General's Report 2019, depreciation of Elphinstone Theater and Tower Hall Theaters, which have been identified as National Heritage, has been accounted for from the year 2020 in accordance with paragraph 10 of Sri Lanka Accounting Standards No. 07.
<b>16 Staff Insurance</b>	The insurance scheme for staff is in operation and is renewed annually. The employee contributes 1/3 of the sum insured and the employer contributes 2/3.

TOWER HALL THEATRE FOUNDATION			
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
NOTE 02			
OTHER INCOME	Page No	2021 Rs.	2020 Rs.
<b><u>Interest Income</u></b>			
Interest Income			
-Fixed Deposits	138	7,880,025	11,226,253
- Fixed Deposits -TRT	138	6,496	8,427
-Fixed Deposits - PWF	138	4,469,585	6,254,181
-BOC Savings Account -TRT		19,858	23,684
Interest on Staff Loans		450,742	553,525
		<b>12,826,706</b>	<b>18,066,070</b>
<b><u>Other Income</u></b>			
Donations & Capital Aids		-	1,590,000
Profit on Disposal Items		-	470,120
		<b>-</b>	<b>2,060,120</b>
<b>Total Interest &amp; other</b>		<b>12,826,706</b>	<b>20,126,190</b>
<b><u>Programme Income</u></b>			
Drama School		3,647,500	1,923,150
Bathkanda Exam		295,200	354,300
Preksha Drama Week		740,000	175,000
Ceremony of Nadagam Noorthi		40,000	-
Artistes Insurance		9,986,940	213,060
Inter school Sinhala & Tamil Drama Comp - 2019		-	1,567,500
<b>Total Programme Income</b>		<b>14,709,640</b>	<b>4,233,010</b>
<b>Total Other Income</b>		<b>27,536,345</b>	<b>24,359,201</b>



TOWER HALL THEATRE FOUNDATION		
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021		
NOTE 03		
ADMINISTRATION & ESTABLISHMENT EXPENSES	2021 Rs.	2020 Rs.
Salaries & Wages	37,124,933	40,389,459
Other Allowance	22,125	-
E.P.F - 15%	5,812,027	6,276,038
E.T.F - 3%	1,162,405	1,255,208
Over Time	1,271,130	2,930,936
Holiday Payment	216,101	301,494
Acting Allowance	741,162	366,231
Fuel Allowance	544,460	425,843
Vehicle Allowance	800,000	350,000
Gratuity	1,724,518	3,503,174
Board Member Fees	181,000	205,500
Training & Scholarships	14,750	32,500
Travelling subsistence & Bata	134,944	123,965
Printing & Stationary	1,223,255	1,131,703
Fuel & Lubricants	883,962	1,031,637
Uniform	-	910,900
Other Expenses	190,089	37,553
Welfare & Entertainment	331,153	759,943
Staff Insurance	1,633,385	2,647,851
News Papers	40,390	46,250
Repairs & Maintenance	5,484,854	8,682,329
Transport	500	4,500
Telephone	838,184	945,506
Postage	55,159	66,980
Electricity	27,112	31,611
Security charges	4,175,536	5,193,408
Lease Rent - R.D.M.C	12	12
Advertising	-	223,242
Audit Fees	300,000	150,000
ITI Membership Fee	-	105,836
Insurance	721,111	792,362
Insurance - Money In Transit	2,828	-
Legal Expences	355,500	-
Poster & Banner	-	3,500
Loss & write-off	3,546	78
Depreciation	71,134,980	90,286,665
Tower Hall Web Site	10,800	30,650
Donations / Free of Charge	10,963	140,795
	<b>137,172,874</b>	<b>169,383,658</b>

TOWER HALL THEATRE FOUNDATION		
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021		
NOTE 04		
PROMOTIONAL AND WELFARE EXPENSES	2021 Rs.	2020 Rs.
Old Artistes & PWF Artistes Pension	12,880,000	14,022,500
Artists Funeral & Medical Expenses	150,654	257,500
New Year present to Old Artistes	315,517	189,510
Artistes Pilgrimage Expenses	-	719,114
Artistes Entertainment & Other Expenses	19,744	32,468
Commemoration Programme	-	205,265
Primary expenses Artistes Insurance Scheme	10,324,072	213,060
Drama School - Sinhala Language	2,447,701	2,851,530
Drama School - Tamil Language	84,407	-
Bathkanda Exam	164,064	138,407
Scholarship-Tower Repertory	7,500	15,000
Inter School Drama Comp. - 2019 & 2020	-	2,379,119
Drama Production & presentation- "Singana Rale Operawa"	367,045	195,055
Rangabhumi	40,000	69,696
World theatre day	16,250	74,443
Bodu Gee Prasanga - Sithul Pawwa	-	426,016
Artistes Suhadahamuwa	-	114,820
Monthly Discussion	-	12,340
Preksha Drama week - Sinhala	750,207	3,385,306
Openning Ceramony ELP Theatre	-	280,672
	<b>27,567,160</b>	<b>25,581,820</b>
NOTE 05		
FINANCE & OTHER EXPENSES		
Bank Charges & Tax	68,280	61,500
	<b>68,280</b>	<b>61,500</b>



TOWER HALL THEATRE FOUNDATION			
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
<b>NOTE 06</b>			
CASH IN HAND & AT BANK	Page No	2021 Rs.	2020 Rs.
Bank of Ceylon ( A/c No: 2327541 - THT - Hyde Park)		335,772	9,743,104
Bank of Ceylon (A/C - 2322658 - PWF - Torrington)		13,829	290,330
Bank of Ceylon ( Saving A/C - 72324517 TRT - Hyde Park)		669,222	660,742
Bank Of ceylon (Saving A/C - 73854255- Scholarship Fund)		335,351	284,450
Cash in Hand		43,212	30,011
		<b>1,397,386</b>	<b>11,008,636</b>
<b>NOTE 07</b>			
<b>DEPOSITS, PREPAYMENTS &amp; ADVANCES</b>			
Deposit	142	158,000	158,000
		<b>158,000</b>	<b>158,000</b>
Prepayment	142	427,006	2,320,886
Distress Loan Receivable within one year	135	2,633,047	2,745,048
Distress Loan Receivable after the one year	135	6,694,250	9,757,297
		<b>9,754,303</b>	<b>14,823,231</b>
Festival Advance	133	1,250	1,250
Amount Pd. In Advance - Other	136	76,006	76,506
Amount paid in Advance -Ceromony of Noorthi Nadagam CD		-	40,000
Amount Pd.In Advance- Capital Exp.	136	8,133,596	4,728,898
Special Advance - Book loan	134	3,040	3,040
		<b>8,213,892</b>	<b>4,849,694</b>
		<b>18,126,195</b>	<b>19,830,925</b>
<b>NOTE 08</b>			
<b>DEBTORS &amp; OTHER RECEIVABLES</b>			
<b>Debtors</b>			
F.D. interest	140	535,751	673,750
Sri Lanka Insurance Cor.		6,913	6,913
Sameera Chathuranga		17,628	17,628
DS Course Fee - 2019/20		76,000	90,000
Hall Rent- 2016/2017 - Ministry of Cultural Affairs		952,500	952,500
Class Charges - RDMC	121	18,700	37,200
Class Charges - Sarasavipaya	122	875	875
Sound Studio - 2010 to 2020	123	53,163	53,163
Costume (Singana Ralle Opera) - R M V B Ratnayake		-	20,000
Shop Rent - THT	124	185,200	160,000
Shop Rent - Sarasavipaya	125	207,000	201,000
Bathkanda Preveshika Exam		-	8,100
Bus Hire Income	126	72,004	72,004
Fire System - Abans Engineering		154,723	154,723
Donation from SMIB for Preksha Drama Week		75,000	-
Sound Hire - Ministry of Cultural Affairs		100,500	100,500
		<b>2,455,957</b>	<b>2,548,357</b>
<b>Receivables</b>			
Health Insurance	127	67,447	1,006,386
E P F Contribution 10%		-	18,515
Ereas OT Payment ( Jan 2016 to Mar 2018)	128	612,345	1,027,596
Mr. Nipuna Dissanayake		-	20,724
		<b>679,792</b>	<b>2,073,221</b>
<b>Total</b>		<b>3,135,750</b>	<b>4,621,577</b>



TOWER HALL THEATRE FOUNDATION		
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021		
<b>NOTE 09</b>		
<b>INVENTORIES</b>	<b>2021</b>	<b>2020</b>
	<b>Rs.</b>	<b>Rs.</b>
Cassettes & CD's	803,388	812,021
Books	674,009	472,158
Printing & Stationery	458,053	573,670
Cleaning Equipment	156,263	21,224
Stamps postage	4,425	6,945
Bags Tower Book Shop	7,877	18,840
TFTH & Drama School Library books	611,938	611,938
	<b>2,715,953</b>	<b>2,516,796</b>
<b>NOTE 10</b>		
<b>INVESTMENTS</b>		
<b><u>Fixed Deposits Number and Bank</u></b>		
A156016-SMIB/IFD/001047 - THTF		9,000,000
A156018-SMIB/IFD/001049 - THTH		3,000,000
A156017-SMIB/IFD/001048 - THTF - Gratuity		7,250,432
A156032-SMIB/IFD/001063 - THTF		167,508
A156033-SMIB/IFD/001064 - THTF		1,200,000
A159451-SMIB/IFD/001081 - THTF		100,000
A159453-SMIB/IFD/001083 - THTF - Gratuity		13,502,000
A159459-SMIB/IFD/001089 - THTF		30,610,000
101200000313 / 1 - 156826 - HDFC - THTF		47,766,029
101200000313 / 2 - 158617 - HDFC - THTF		11,972,242
Total Fixed Deposit - THT & TRT		<b>124,568,211</b>
A156012-SMIB/IFD/001043 - PWF		944,700
A156013-SMIB/IFD/001044 - PWF		1,000,000
A156014-SMIB/IFD/001045 - PWF		1,600,000
A156015-SMIB/IFD/001046 - PWF		2,275,000
A156029-SMIB/IFD/001060 - PWF		2,500,000
A156030-SMIB/IFD/001061 - PWF		3,266,500
A156031-SMIB/IFD/001062 - PWF		2,250,000
A156034-SMIB/IFD/001065 - PWF		1,200,000
135032500004/1 (828480) - RDB - PWF		2,813,500
135032500007/1 (828495) - RDB - PWF		2,500,000
A159454-SMIB/IFD/001084 - PWF		1,900,000
A159460-SMIB/IFD/001090 - PWF		1,000,000
A159466-SMIB/IFD/01096 - PWF		400,000
101200000314 / 1 - 156825 - HDFC - PWF		41,000,000
A159487-SMIB/IFD/001117 - PWF		1,000,000
1012080000060 / 1 - 158710 - HDFC - PWF		1,100,000
101200000314 / 2 - 158678 - HDFC - PWF		4,250,000
Total Fixed Deposit - PWF		<b>70,999,700</b>
A 163809 - SMIB/IFD/001138	9,000,000	
A 163810 - SMIB/IFD/001139	3,000,000	
A 163811 - SMIB/IFD/001140 - Grauity	7,250,432	
101200000313/3 (171420) HDFC	167,508	
101200000313/4 (171421) HDFC	1,200,000	
101200000313/5 (171550) HDFC	100,000	
101200000313/6 (164454) HDFC - Grauity	13,502,000	
A 163830 - SMIB/IFD/001160	30,610,000	
101200000313/8 (164518) - HDFC	47,766,029	
88038556 (1915315) BOC TORRINGTON	11,972,242	
Total Fixed Deposit - THT & TRT	<b>124,568,211</b>	



TOWER HALL THEATRE FOUNDATION		
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2019		
<b>NOTE 10</b>		
<b>INVESTMENTS</b>		
<b><u>Fixed Deposits Number and Bank</u></b>		
101200000314/3 (158739) HDFC	944,700	
A 163806 - SMIB/IFD/001136	1,000,000	
A 163807 - SMIB/IFD/001142	1,600,000	
A 163808 - SMIB/IFD/001137	2,275,000	
101200000314/5 (164830) HDFC	2,500,000	
101200000314/4 (164829) HDFC	3,266,500	
101200000314/6 (171419) HDFC	2,250,000	
101200000314/7 (171422) HDFC	1,200,000	
135032500009 (0946496) RDB	2,813,500	
101200000314/8 (171544) HDFC	2,500,000	
101200000314/9 (164455) HDFC	1,900,000	
A 163831 - SMIB/IFD/001162	1,000,000	
A 163832 - SMIB/IFD/001163	400,000	
101200000314/11 (164519) - HDFC	41,000,000	
88086610 (1915323) BOC TORRINGTON	1,000,000	
101200000314/12 (164635) - HDFC	1,100,000	
101200000314/14 (171557) - HDFC	4,250,000	
Total Fixed Deposit - PWF	<b>70,999,700</b>	
Total Fixed Deposit	<b>195,567,911</b>	<b>195,567,911</b>



TOWER HALL THEATRE FOUNDATION				
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 ST DECEMBER 2021				
NOTE 11				
PROPERTY, PLANT & EQUIPMENT				
At cost	Balance as at 01.01.2021 Rs.	Addition/ Revaluation during the year Rs.	Disposal during the year Rs.	Balance as at 31.12.2021 Rs.
Land	942,000,000	-	-	942,000,000
Building-National monument	384,579,001	(0)	-	384,579,001
Building-Others	177,601,552	(0)	-	177,601,552
Office Equipment	10,063,286	356,400	-	10,419,686
Computer Equipment	12,092,726	2,546,000	-	14,638,726
Software System	1,913,655	-	-	1,913,655
Furniture & Fitting	40,815,372	(0)	-	40,815,372
Plant & Machinery	90,125,533	0	-	90,125,533
Vehicles	37,975,493	375,270	-	38,350,763
Implement & Tool	302,387	(0)	-	302,387
Studio Equipment	13,268,849	0	-	13,268,849
Musical Instruments	684,955	-	-	684,955
Light & Sound Equipment	138,273,350	-	-	138,273,350
Curtain & Curtain Rollers	41,846,783	(0)	-	41,846,783
Museum Assets	51,050	-	-	51,050
Audio Visual	2,219,171	(0)	-	2,219,171
Drama Costume	445,400	(0)	-	445,400
Net work Systems	117,000	-	-	117,000
Circulars - Books	9,127	-	-	9,127
Other Assets	23,225,066	56,737	-	23,281,803
	<b>1,917,609,755</b>	<b>3,334,406</b>	<b>-</b>	<b>1,920,944,162</b>
Depreciation	Balance as at 01.01.2021 Rs.	Disposal during the year Rs.	Charge the year Rs.	Balance as at 31.12.2021 Rs.
Building	63,465,281	-	39,254,148	102,719,429
Office Equipment	6,777,424	-	607,628	7,385,052
Computer Equipment	9,376,665	-	885,897	10,262,562
Software System	1,184,518	-	215,883	1,400,401
Furniture & Fitting	26,880,310	-	1,857,625	28,737,935
Plant & Machinery	48,385,171	-	13,731,345	62,116,516
Vehicles	37,460,144	-	135,700	37,595,844
Implement & Tool	268,622	-	8,189	276,811
Studio Equipment	13,268,709	-	(0)	13,268,709
Musical Instruments	549,420	-	28,680	578,100
Light & Sound Equipment	73,855,057	-	8,151,460	82,006,517
Curtain & Curtain Rollers	11,315,828	-	3,834,686	15,150,514
Museum Assets	51,040	-	-	51,040
Audio Visual	1,892,104	-	56,415	1,948,519
Drama Costume	208,721	-	44,540	253,261
Network Systems	117,000	-	-	117,000
Circulars	5,006	-	913	5,919
Other Assets	4,486,070	-	2,321,873	6,807,943
	<b>299,547,092</b>	<b>-</b>	<b>71,134,982</b>	<b>370,682,072</b>
<b>Net Book Value</b>	<b>1,618,062,663</b>			<b>1,550,262,090</b>

TOWER HALL THEATRE FOUNDATION			
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
NOTE 12			
CREDITORS / ACCRUED EXPENSES	Page No	2021 Rs.	2020 Rs.
<b>Creditors / Accrued Expenses</b>			
Programme Exp.		219,660	193,549
E.P.F & E.T.F		912,439	971,359
Retention		3,066,347	3,066,347
Newspapers		4,370	13,020
Staff Welfare & Other Entertainment		26,740	44,660
Security Charges		761,632	728,048
Travelling & Subscription		-	1,600
Printing & Stationery		63,847	247,780
Telephone		138,320	146,140
Electricity		3,412	7,786
Book Shop		-	911
Audit Fees		870,000	1,325,100
Maintenance of Building		433,033	125,490
Fuel & Lubricant		80,013	94,040
Hall rent		85,625	235,500
Maintenance of Vehicle		308,915	511,568
Maintenance of Software		128,736	-
Capital Expenditures		819,670	964,671
Vehicle Insurance		-	11,241
Over Charged Health Insurance Premium		-	1,524
Balance Payment - Mr. G Kariyawasam		-	1,197
Staff Uniform - 2020		-	290,100
Legal exp. - Hon. Attorney General - Mr. A J Malawaraarachchi		355,500	-
Ms. Kaushalya Fernando		25,000	-
Maintenance of Office Equipment		77,517	15,888
Maintenance of Light & Sound		-	212,220
Maintenance of Plant & Machinery		-	154,653
		<b>8,380,776</b>	<b>9,364,391</b>
<b>Payable</b>			
Overtime & Holiday payment		599,318	205,103
Fuel Allowance		2,520	-
Acting Allowance		13,294	-
Salaries & Wages		-	27,170
		<b>615,132</b>	<b>232,273</b>
<b>Total Creditors / Accrued Expenses</b>		<b>8,995,909</b>	<b>9,596,664</b>
<b>NOTE 13</b>			
<b>AMOUNT RECEIVED IN ADVANCE</b>		<b>Rs.</b>	<b>Rs.</b>
Hall Reservation - ELP		689,750	10,000
Amount received in advance A/C - Ceramony of Nadagam C		135,000	9,786,940
		<b>824,750</b>	<b>9,796,940</b>

TOWER HALL THEATRE FOUNDATION			
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
NOTE 14			
REFUNDABLE DEPOSITS	Page No.	2021 Rs.	2020 Rs.
Shop Rent	152	89,300	217,800
Refundable Deposit	143-151	505,000	1,140,000
Tender Deposits	152	195,000	309,287
		<b>789,300</b>	<b>1,667,087</b>

## TOWER HALL THEATRE FOUNDATION

NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

Note 15

## PRIOR YEAR ADJUSTMENT

Prior Year Adjustment to the Accumulated Fund	(Rs.)	(Rs.)
Prior year adjustment included following adjustments;		
<b>Opening Balance</b>		161,601,150
Opening balance adjustment - 2020		7
<b>Balance as 2021.01.01</b>		<b>161,601,157</b>
<b>Add:</b>		
Cancelled Cheque - Inter School Drama Com.	7,500	
Cancelled Cheque - Book Printers Payment	930	
Cancelled Cheque - Lecture Fee	15,000	
Cancelled Cheque - Lanka Bell	827	
Cancelled Cheque - Mr. S P Kavisena - PWF	6,000	
Audit Fee - 2018	374,000	
Audit Fee - 2019	248,000	
Maintanance Vehicle	15,450	
Class Charges - Mr. Namal Wewaldeniya - 2020.09.01	1,875	
Class Charges - Mr. Namal Wewaldeniya - Sep 2020	20,125	
Shop Rent - Elphinston - Sarasi Musical - March 2020 to July 2020	8,750	
Shop Rent - Elphinston - Sarasi Musical - March 2020 to July 2020	4,750	
nimsh thilina -march 2020 to july2020 oc	21,600	
Oct, Nov 2020 90% discount	25,200	
Shop Rent - THT - Mohomed Nusky - Sep 2020	36,000	
Erroe correction - Refundable Deposit - 2020	20,000	
Over Estimate Tele. Charges	5,292	
Over Estimate Tea Expences - HO - Nov 2020	15,000	
Capital Grant - Amotizer 2018	284,968	
Refundable Deposit - Shop Rent - Elp - Mohomed Nusky	72,000	<b>1,183,268</b>
<b>Less:</b>		
Service Agreement - Tower Clock Tower - 2020	5,000	
Bank Charges	1	
Correction FD Interest Receivable	377,492	
Hall Charges - 2019 - Bathkande Exam	21,000	
Audit Fee - 2017	106,900	
Repair Inetrcom System - Sri Lanka Telephone Com	9,759	
Drinking Water - Dec 2020 - Elp - Alka Drinking Water	1,260	
Show Cancelled - R/No. 14227 - BelBoir Education Fou	20,000	
Show Cancelled - R/No. 14228 -	45,000	
Show Cancelled - R/No. 15543 - Mr. Sanjaya Nirosh	37,500	
Show Cancelled - R/No. 15613	10,000	
Show Cancelled - R/No. 15537 - Mr. K L Dayasiri	27,500	
Show Cancelled - R/No. 15403 - Ms. Sharmila Lankatileke	9,000	
Hall Rent - 2020	10,000	
Printing - Inter School Drama Com - Government Priting	68,688	
Postage - Inter School Drama Com	4,700	
Postage - 2018 - Bathkande Exam	1,665	
Refundable Deposit - Tender - Collette Enterprises	50,000	
Refundable shop rent - Elp Cafe -	10,000	<b>(815,466)</b>
<b>Adjusted Accumulated Fund Balance as at 31.12.2021</b>		<b>161,968,960</b>
<b>Excess of Expenditure over Income</b>		<b>(77,244,487)</b>
<b>Differed Income</b>		<b>46,930,196</b>
		<b>131,654,669</b>

TOWER HALL THEATRE FOUNDATION			
NOTE TO THE ACCOUNTS FOR THE YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021			
NOTE 16			
ASSETS REVALUATION			
<b>Assets Revaluation</b>			
Revaluation done by the Government Valuation Department			
Asset	Cost/Valuation	Value Increased From Revaluation	Revaluation Value as at 12.06.2007
	Rs.	Rs.	Rs.
<b>Land</b>			
Head Office	8,348,262	266,651,738	275,000,000
Tower Hall Theatre	1,634,027	121,365,973	123,000,000
Elphinstone	39,710,998	165,289,002	205,000,000
<b>Building</b>			
Tower Hall Theatre	16,217,609	55,782,391	72,000,000
Elphinstone	23,058,651	71,941,349	95,000,000
<b>Total</b>	<b>88,969,547</b>	<b>681,030,453</b>	<b>770,000,000</b>
Asset	Cost/Valuation	Value Increased From Revaluation	Revaluation Value Year 2016
	Rs.	Rs.	Rs.
Head Office Land	275,000,000	339,000,000	614,000,000
Head Office Building	1,250,000	161,750,000	163,000,000
	<b>276,250,000</b>	<b>500,750,000</b>	<b>777,000,000</b>
(Above land & building are recording to books from year 2017)		<b>1,181,780,453</b>	

TOWER HALL THEATRE FOUNDATION TRIAL BALANCE AS AT 31 <sup>ST</sup> DECEMBER 2021				
Led. Page No.		NOTE #	DR. Rs.	CR. Rs.
9010	Tower A/C - BOC - Hyde Park - A/No. - 2324541	N 6	335,772	
9040	P.W.F A/C - BOC - Torrington - A/No. - 2322658	N 6	13,829	
9060	Cash in Hand	N6	43,212	
9070	T.R.T Saving A/C - BOC - Hyde Park - A/No. - 72324517	N 6	669,222	
9071	S/Ship Fund Saving A/C - BOC - Hyde Park - A/C No. 73854255	N 6	335,351	
8905	Donation In Kind	EQ		58,890,541
8910	Donation in Cash	EQ		18,577,319
8915	Excess of Income over Expenditure		-	161,968,960
8920	Late Rukmani Devi fund	EQ		21,176
8925	Re-valuation Of Assets	EQ		1,181,780,453
8930	Drama & Theatre Scholarship Fund	EQ		336,161
8935	Scholarship Fund	EQ		602,665
8940	Capital Grant from Govt.	EQ		288,723,165
8945	Grant From Government	EQ		1,000,000
8950	President Welfare Fund	EQ		60,399,700
8960	Grant From Government - Recurrent Expenditure	P&L		55,000,000
8961	Tower Repertory Theatre Fund	EQ		276,900
8964	Control A/C - Fund Transfer THTF A/C to PWF A/C		3,721,000	3,721,000
7400	Fixed Deposit - HO	N 10	124,468,211	
7401	Fixed Deposit - PWF	N 10	70,999,700	
7402	Fixed Deposit - TRT	N 10	100,000	
4111	Hall Rent -THT	N 1		929,250
4111	Hall Rent - RDMC	N 1		549,000
4111	Hall Rent - ELP	N 1		1,045,500
4120	Shop Rent - ELP	N 1		242,550
4120	Shop Rent - Café - THT	N 1		5,000
4130	Class Charges - RDMC	N 1		20,000
4170	Profit on Tower Pulications - Sales Cassette & CD sale	N 1		9,422
4190	Other Income - H.O	N 1		1,149,495
4190	Other Income - T.H.T	N 1		260,000
4190	Other Income - ELP	N 1		289,235
4190	Other Income - R.D.M.C	N 1		50,000
4193	Deferred Income - Capital Grant	EQ		46,930,196
4250	Quarters Rent - T.H.T	N 1		12,000
4270	Costume Hire - T.H.T	N 1		30,220
4320	Sound Equipment Hire - T.H.T	N 1		5,000
4320	Sound Equipment Hire - ELP	N 1		46,000
4350	Hire Of Projector -T.H.T	N 1		6,000
4360	Sound Studio Hire charges	N 1		356,750
4390	Hire of Rangaloka - THT	N 1		1,500
4390	Hire of Rangaloka - ELP	N 1		12,000
4420	Profit on Tower Pulications - Sales THTF Books	N 1		2,847
4420	Profit on Sales Other Book	N 1		5,713
4811	Interest - F.D Interest - THTF	N 2		7,880,025
4811	Interest - F.D. Interest - PWF	N 2		4,469,585
4811	Interest - B.O.C Savings Tower Rep.	N 2		19,858
4811	Interest - Fixed Deposit Int. Tower Repertory	N 2		6,496
4812	Interest - Distress Loan	N 2		450,742

6010	Land	N 11	942,000,000	
6030	Building - National Monument	N 11	384,579,001	
6030	Building - Others	N 11	177,601,552	
6050	Office Equipment	N 11	10,419,686	
6060	Computer Equipment	N 11	14,638,726	
6070	Furniture & Fitting	N 11	40,815,372	
6080	Plant & Machinery	N 11	90,125,533	
6090	Vehicles	N 11	38,350,763	
6100	Implement & Tool	N 11	302,387	
6110	Studio Equipment	N 11	13,268,849	
6120	Musical Instruments	N 11	684,955	
6130	Light & Sound Equipment	N 11	138,273,350	
6140	Curtain & Curtain Rollers	N 11	41,846,783	
6150	Museum Assets	N 11	51,050	
6160	Audio Visual	N 11	2,219,171	
6170	Software System	N 11	1,913,655	
6210	Drama Costume	N 11	445,400	
6220	Network Systems	N 11	117,000	
6240	Circulars - Books	N 11	9,127	
6260	Other Assets	N 11	23,281,803	
6270	Capital working in progress - RDMC New Building	BS	274,303	
6280	Sarasavipaya Renovation	BS	4,736,893	
6290	Tower Hall Renovation	BS	-	
6600	Prov. For Dep.- Building	N11		102,719,429
6610	Prov. For Dep.- Office Equipment	N11		7,385,052
6620	Prov. For Dep.- Computer Equipment	N11		10,262,562
6630	Prov. For Dep.- Software System	N11		1,400,401
6640	Prov. For Dep.- Furniture & Fitting	N11		28,737,935
6650	Prov. For Dep.- Plant & Machinery	N11		62,116,516
6660	Prov. For Dep.- Vehicles	N11		37,595,844
6670	Prov. For Dep.- Implement & Tool	N11		276,811
6680	Prov. For Dep.- Studio Equipment	N11		13,268,709
6690	Prov. For Dep.- Musical Instruments	N11		578,100
6700	Prov. For Dep.- Light & Sound Equipment	N11		82,006,517
6710	Prov. For Dep.- Curtain & Curtain Rollers	N11		15,150,514
6720	Prov. For Dep.- Museum Assets	N11		51,040
6730	Prov. For Dep.- Audio Visual	N11		1,948,519
6740	Prov. For Dep.- Drama Costume	N11		253,261
6750	Prov. For Dep.- Network Systems	N11		117,000
6760	Prov. For Dep.- Circulars	N11		5,919
6770	Prov. For Dep.- Other Assets	N11		6,807,943
7310	Receivable Health Insurance	N 8	67,447	
7310	Receivable Ereas OT payment ( Jan 2016 to Mar 2018)	N 8	612,345	
7310	Debtors Sound Studio - 2010	N 8	6,100	
7310	Debtors Sound Studio - 2011	N 8	5,700	
7310	Debtors Sound Studio - 2012	N 8	27,068	
7310	Debtors Sound Studio - 2013	N 8	14,295	
7632	Debtors Shop Rent - ELP & Sarasavipaya	N 8	207,000	
7632	Debtors Tower Café - TH	N 8	185,200	
7645	Debtors Bus Hire - 2014	N 8	53,999	
7645	Debtors Bus Hire - 2015	N 8	25	
7645	Debtors Bus Hire - 2016	N 8	17,980	
7670	Debtors Class Charges - RDMC	N 8	18,700	

7670	Debtors	Class Chgs. - ELP - 2010	N 8	875	
7710	Debtors	Donation from SMIB for Preksha Drama Week	N 8	75,000	
7353	Debtors	F.D. interest - THTF	N 8	279,780	
7353	Debtors	F.D. interest - PWF	N 8	255,530	
7353	Debtors	F.D. interest-Tower Reportery -	N 8	441	
7592	Debtors	Sri lanka Insurance Corporation-2012/13	N 8	6,913	
7593	Debtors	Drama S. Student Course Fee 2019/20	N 8	76,000	
7330	Debtors	Mr. Sameera Chathuranga	N 8	17,628	
7339	Debtors	Fire System - Abans Engineering	N 8	154,723	
7357	Debtors	Hall Rent - 2016/17/19	N 8	952,500	
7359	Debtors	Sound Hire - Cultural Affairs	N 8	100,500	
7900	Deposit	Fuel & Water Dispenser	N 7	158,000	
7900	Prepayment		N 7	341,788	
7905	Prepayment	Lease Rent RDMC	N 7	85,218	
7910	Festival Advance		N 7	1,250	
7915	Distress Loan		N 7	9,327,297	
7940	Advance Payment - Other		N 7	76,006	
7946	Advance payment	for Capital Exp.	N 7	8,133,596	
7951	Special advance - Book Loan		N 7	3,040	
7020	Inventries	CD's & Cassettes	N 9	803,388	
7090	Inventries	Stamps	N 9	4,425	
7100	Inventries	Cleaning Equipment	N 9	156,263	
7200	Inventries	Printing & Stationary	N 9	458,053	
7260	Inventries	Books - T.H.T.F	N 9	674,009	
7261	Inventries	Bags - Tower Book Shop	N 9	7,877	
7280	Inventries	THTF Staff & Drama School Library	N 9	611,938	
8110	Creditors	Book Shop	N 12		-
8115	Creditors	E.P.F & E.T.F	N 12		912,439
8118	Creditors	Retention	N 12		3,066,347
8121	Creditors	Capital Expenditure	N 12		819,670
8122	Creditors	News papers	N 12		4,370
8123	Creditors	Staff Welfare & Entertainment	N 12		26,740
8124	Creditors	Security Charges	N 12		761,632
8126	Creditors	Programme Expences	N 12		219,660
8127	Payable	Overtime & Holiday Payment	N 12		599,318
8129	Creditors	Maintenance of Vehicle	N 12		308,915
8130	Creditors	Printing & Stationary	N 12		63,847
8133	Creditors	Telephone Charges	N 12		138,320
8134	Creditors	Electricity - Elp. Office	N 12		3,412
8139	Creditors	Maintenance of Building	N 12		433,033
8140	Creditors	Fuel & Lubricant	N 12		80,013
8145	Creditors	Hall Rent, Sound & Other Equipment	N 12		85,625
8159	Creditors	Maintanance Office Equipment	N 12		77,517
8168	Creditors	Legal exp. - Hon. Attorney General - Mr. A J Malawa	N 12		355,500
8176	Creditors	Maintanance software	N 12		128,736
8179	Creditors	Acting Allowance	N 12		13,294
8187	Creditors	Artistes Insurance		2,200,000	2,200,000
8191	Creditors	Fuel Allowance	N 12		2,520
8199	Creditors	Ms. Kaushalya Fernando	N 12		25,000
8800	Provision for Gratuity		BS		23,343,775
8805	Provision for Audit Fee		N 12		870,000
8643	Hall Reservation	TH - 2022	N 13		55,000
8645	Hall Reservation	ELP - 2022	N 13		627,250



8647	Hall Reservation RDMC - 2022	N 13		7,500
8681	Amount received in advance A/C - Ceramony of Nadagam CD	N 13		135,000
8710	Refundable Deposit - Shop Rent	N 14		89,300
8720	Refundable Deposit - THT	N 14		120,000
8721	Refundable Deposit - ELP	N 14		320,000
8722	Refundable Deposit - RDMC	N 14		65,000
8723	Refundable Deposit - Tender	N 14		195,000
1101	Salaries & Wages	N 3	37,124,933	
1101 A	Other Allowance	N 3	22,125	
1102	Over Time	N 3	1,271,130	
1104	E.P.F - 15%	N 3	5,812,027	
1105	E.T.F - 3%	N 3	1,162,405	
1106	Gratuity	N 3	1,724,518	
1108	Board Member Fees	N 3	181,000	
1109	Staff Training & Scholarships	N 3	14,750	
1111	Acting Allowance	N 3	741,162	
1112	Fuel Allowance	N 3	544,460	
1115	Holiday Payment	N 3	216,101	
1116	Vehicle Allowance	N 3	800,000	
1201	Travelling subsistence & Bata	N 3	134,944	
1301	Printing & Stationary	N 3	1,223,255	
1302	Fuel & Lubricant	N 3	883,962	
1305	Other Expenses	N 3	190,089	
1306	Staff Welfare & Other Entertainment	N 3	331,153	
1307	Staff Welfare - Health Insurance	N 3	1,633,385	
1308	News Papers	N 3	40,390	
1401	Maintenance Vehicle	N 3	2,103,778	
1402	Maintenance Plant & Machinery	N 3	273,914	
1403	Maintenance Building	N 3	490,250	
1403 -1	Maintenance Cleaning	N 3	1,968,540	
1406	Maintenance Computer Equipment	N 3	14,550	
1408	Maintenance Office Equipment	N 3	376,385	
1413	Maintenance Light & Sound	N 3	111,357	
1415	Maintenance Software System	N 3	146,080	
1501	Transport Charges	N 3	500	
1502	Telephone Charges	N 3	838,184	
1503	Postage	N 3	55,159	
1504	Electricity Charges- ELP	N 3	27,112	
1508	Security charges	N 3	4,175,536	
1509	Lease Rent - R.D.M.C	N 3	12	
1511	Audit Fees	N 3	300,000	
1513	Insurance - Building	N 3	466,044	
1513	Insurance - Other Workman accident	N 3	25,068	
1513	Insurance - Vehicle	N 3	229,999	
1513	Insurance - Money in Transit	N 3	2,828	
1520	Legal Expences	N 3	355,500	
1602	Losses & write-off	N 3	3,546	
1603	Bank Charges	N 5	47,270	
1606	Depreciation	N 3	71,134,980	
1608	Donation / Free of charge	N 3	10,963	
1616	Tower Hall Web Site	N 3	10,800	
3220	Artistes Pension- PWF	N 4	8,380,000	
3221	Artistes Medical - PWF	N 4	36,000	

3222	Artistes Funeral Expenses - PWF	N 4	15,000	
3223	Postage - PWF	N 4	19,744	
3224	Bank Charges PWF	N 5	21,010	
3241	Artistes Funeral Expenses - T.H.T.	N 4	15,654	
3260	Old Artistes Pension- T.H.T	N 4	4,500,000	
3261	Old Artistes Medical -T.H.T	N 4	84,000	
3280	Hampers to Old Artistes	N 4	315,517	
3290	Primary expenses Artistes Insurance Scheme	N 4, N 2	10,324,072	9,986,940
3360 A	Drama School - HO	N 4, N 2	90,739	-
3360 B	Drama School - Sarasavipaya	N 4, N 2	45,244	
3360 G	Drama School - 2018/19	N 4, N 2	29,030	-
3360 C	Drama School - 2019/20	N 4, N 2	262,245	105,000
3360 D	Drama School - 2020/21	N 4, N 2	1,940,748	3,280,000
3360 F	Drama School - 2021/22	N 4, N 2	79,695	262,500
3360 E	Production of Drama - "Singana Ralle Operawa"	N 4	367,045	
3380	Primery Expences - Tamil Lanuage Drama School	N 4	84,407	
3420	Bathkanda Exam	N 4, N 2	164,064	295,200
3520	Scholarship - Tower Reportary	N 4	7,500	-
3651	World theatre day	N 4	16,250	-
3697	"Preksha" Drama week - Sinhala	N 4, N 2	750,207	740,000
3699	Ceramony of Nadagam Noorthi	N 4, N 2	40,000	40,000
			<b>2,317,627,869</b>	<b>2,317,627,869</b>

