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வருடாந்த அறிக்கை

Annual Report

2016

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மக்கள் தோட்ட அபிவிருத்திச் சபை

JANATHA ESTATES DEVELOPMENT BOARD

JANATHA ESTATES DEVELOPMENT BOARD

Annual Report 2016

Corporate Vision and Mission

Vision

To be the best mid grown orthodox tea manufacturer in the region whilst achieving the highest net sale average to make the organization, one of the profitable and viable state own institution.

Mission

Whilst utilization of available resources, with utmost care and dedication by developing skills of personnel, to achieve the desired goals with teamwork, towards a sustainable progress in the industry and for the benefit of the country at large.

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JANATHA ESTATES DEVELOPMENT BOARD

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Name	:	Janatha Estates Development Board
Legal Form	:	JEDB had been established by virtue of a Gazette Notification No.199/IM dated 06th February, 1976 under the State Agricultural Corporation Act No. 11 of 1972.
Address	:	55/75, Vauxhall Lane, Colombo 02.
Auditors	:	Department of Auditor General
Bankers	:	Bank of Ceylon People's Bank Pan Asia Bank Nations Trust Bank

Board of Directors	:	Prof. Dr. Kennedy D Gunawardena (From January to November)	- Chairman
		Mr. Keerthi B Kotagama (From December)	- Chairman
		Mr. Tarique Omar	- Member of the Board
		Ms. Nilupa Karunarathna	- Executive Director
		Mr. Nilu Dilhara Wijedasa	- Working Director
		Mr. Ananda Gallearachchi	- Director
		Mr. Dilhara Senanayaka (From January to September)	- Treasury Representative
		Mr. S M Dayarathna (From September to October)	- Treasury Representative

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HEAD OFFICE & REGIONAL OFFICE MANAGEMENT TEAM 2016

01. Mr. Hiran Dunuwila (From January to February)	- Actg. General Manager
02. Mr. Lalith Abeykoon (From March)	- Actg. General Manager
03. Mr. Manoj Deerasinghe	- Chief Operating Officer (Up to November)
04. Srilal Gunasekara	- Finance Manager (Contract) (Up to November)
05. Miss. Krishmi Nanayakkara	- Internal Auditor (Up to November)
06. Sampath Dayarathna	- Valuation Officer (Up to November)
07. Mr. M C Premathilaka	- Manager – Maintenance & Transport
08. Mr. K J T B Rajasuriya	- Accountant
09. Mrs. N Ranasinghe	- Accountant
10. Miss. S D W Alensu (From January to May)	- Manager - Legal
11. Mr.W M E S B Kandegama (From July)	- Manager – (Legal)
12. Mr. Rohan Bambaradeniya	- Manager – Regional Office
13. Mr. Sunil Rajapaksha	- Asst. Internal Auditor
14. Mr. S A L Perera	- Asst. Accountant
15. Mr. H G Anura	- Asst. Manager (Marketing)
16. Mr. W G P Wadduwage	- Asst. Manager (Consumer)
17. Mr. K A N Perera	- Asst. Manager (Maintenance)
18. Mrs. Chandima Ratiyala	- Asst. Manager (Transport)
19. Mr. R W M M Halangoda	- Asst. Manager – Regional Office
20. Namal Wijethunga	- Actg. Manager - Forestry

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ESTATE MANAGEMENT TEAM – 2016

Estate	Manager In Charge	Crop	Extent (Hect.)	Postal
Bopitiya	Mr. K G H Kossinna	Tea	321.00	Deltota
Bowhill	Mr. A M D I Rajakaruna	Tea	490.01	Kataboola
Deltotte	Mr. P Rajapaksha	Tea	410.10	Galaha
Great Valley	Mr. D C Kodituwakku	Tea	465.21	Deltota
Gallebodde	Mr. A B D R Kumara	Tea	752.75	Gallebodde
Hantane	Mr. Nishantha Raj	Tea	1405.63	Kandy
Hope	Mr. N S Athukorala	Tea	654.06	Hewahata
Kandaloya	Mr. D B S L Perera	Tea	930.79	Nawalapitiya
Kolapatane	Mr. W C S Bandara	Tea	361.00	Nawalapitiya
Levellon	Mr. C D Aluvihare	Tea	1255.92	Pupuressa
Loolecondera	Mr. L B Abeykoon	Tea	1048.03	Deltota
Mahavilla	Mr. Harsha Kumara	Tea	293.64	Ulapane
Mount Jean	Mr. M H Hettiarachchi	Tea	301.67	Watawala
Nagastenne	Mr. A S Dayarathna	Tea	506.82	Nawalapitiya
Rahathungoda	Mr. G G Pulasinghe	Tea	480.14	Hewahata
Rookwood	Mr. I M A B Ilangakoon	Tea	426.67	Hewahata
Kumarawatte	Mr. S M C Egodawela	Rubber	1822.46	Monaragala
Pallai	Mr. S H I Samarasinghe	Coconut	682.19	Pallai
Thelipotenna	Mr. S M S D Hunugala	Rubber	85.51	Nikapotha
Diyaluma	Mr. W A A K Wijesuriya	Rubber	204.09	Koslanda

JANATHA ESTATES DEVELOPMENT BOARD
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Message of the Chairman

I have pleasure in presenting this annual report and the audited Accounts of the Janatha Estates Development Board (JEDB) for the financial year ended 31st December 2016.

The universally accepted beverage. It is the world's second most popular drink. Basically, tea works in an almost in any situation. It comes in a variety of forms. Iced tea, hot tea or cold tea, bagged tea or loose tea etc.

The Sri Lankan tea industry had a challenging year due to production levels, decline export levels, climate changes, competitive environment which had a significant impact for the year 2016.

The total tea production of Sri Lankan tea for the year 2016 recorded 292.4 M. Kgs in comparisons to 328.8 M. Kg's for the same period in 2015 (-36.4 million Kilos) Through production declined by 36.4 M. Kilos, exports have decreased by 18.19 M. Kilos compared to the same period in 2015 then creating a shortage of tea for exports.

The total national average of teas sold for the year 2016 was Rs. 468.61 ($ 3.22) per Kilo in comparison to Rs. 402.14 ($2.96) (+ Rs.66.47) for the same period in 2015. Low grown having the largest market share with 60% of the production recorded the sharpest increase at Rs. + 70.42 with Mid Grown recording an increase of (+ Rs. 61.47) when compared to 2015. Low Grown averaged RS. 486.74. Mid Grown recorded Rs. 419.59 with High Grown at Rs. 449.85 for the cumulative period of January to December 2016.

Sri Lankan Tea Exports for the period of January to December 2016 amounted to 288.88 M. kilos. A decline of 18.19 million kilos compared with the same period last year.

According to the Tea market reports shows that the Russia remains as the largest importer of Sri Lanka tea for the period of January to December 2016 and followed by Iran and Iraq

Total export earnings for January to December 2016 amounted to Rs. 184.78 billion showing a slight gain of Rs. 2.72 billion (+1.50%) as against the same period of last year.

The Russian economy has gathered momentum in the last year despite dual shocks of collapsing oil prices and the continuation of western sanctions.

The top ten (10) countries which Sri Lanka has exported tea in the year 2016 as per the order of merits are. Russia ($611.9 million and 10.3% of total imports). United States ($468 million and 7.9% of total imports). United Kingdom ($400.9 million and 6.8 of total imports). Saudi Arabia ($255.7 million and 4.3 % of total imports). Iran ($251.3 million and 4.2% of total imports). Morocco ($232.7 million and 3.9% of total imports). Germany ($221.7 million and 3.7 % of total imports) . Japan ($174 million and 2.9% of total imports). France ($ 166.2 million and 2.8 % of total imports). United Arab Emirates ($ 163.0 million and 2.7 of total imports) Whilst Sri Lanka being the third (03) largest tea exporting country in the world.

There were 13 (Thirteen) numbers of tea estates 04 numbers of tea factories. Three (03) numbers of rubber estates and one (01) number of Coconut estate were operated during the year 2016.

Total estimated crop (Made Tea) for the year 2016 was 2,271,900 Kgs. Crop (Made Tea) was achieved 1,314,089.5 Kgs during the period and variance was recorded -42.16% . Cost of production total average for the year 2016 was estimated Rs. 473.97 and actual was recorded Rs. 602.81. Total net sales average for the year 2016 was estimated Rs. 293.75 and actual was recorded Rs. 326.61. Total crop (Made Tea) for the year 2016 was estimated of 2,271,900 Kgs. and actual was recorded 1,314,090 Kgs. Yield per hectare was estimated for the year 2016 of 619 Kgs. and actual was recorded 358 Kgs. Cost of production per Kg. was estimated for the year 2016 0f Rs. 473.97 and actual was recorded of Rs. 602.81. Net sales average per Kg. was estimated for the year 2016 of Rs. 293.75 and actual was recorded of Rs. 326.61. profit/Loss for the Kg. was estimated for the year 2016 of Rs. (180.22) and actual was recorded of Rs. (276.20) . Net Profit/Loss for the year 2016 was estimated of Rs. (425,605,201) and actual was recorded of Rs. (383,844,742)

Three (03) numbers of rubber estates were operated during the period and those were Kumarawatte, Diyaluma and Thelipotenne. During the period the Kumarawatte estate, Diyaluma estate and Thelipotenne estate were recorded crop, Kgs. 309,306, 29,478 and 13,385 respectively during the year 2016. The lowest total Profit/Loss was recorded by Diyaluma estate of Rs. (1,821,1510 and highest Profit/Loss was recorded by Kumarawatte estate of Rs. (17,874,794). The lowest Cost of Production was recorded by Kumarawatte estate of Rs. 271.38 and highest cost of production was recorded by Thelipotenne estate of Rs. 546.38. The lowest net sales average was recorded by Thelipotenne estate of Rs. 2014.69 and the highest net sales average was recorded by the Diyaluma estate of Rs. 206.00.

The nominal wages of the public sector and the semi government sector was increased. This increase was mainly due to the step wise increase in the interim allowance to Rs. 10,000/- effected during 2015 and the inclusion of a portion of the interim allowance to the basic salary in 2016 bases on the Management Services Circular No. 02/2016 dated 25th April, 2016 due to affect of this circular all statutory contributions (EPF/ETF/Gratuity) and payments and overtime rates were increased automatically also directly effect to the wage bill and profitability of the organization.

The Public Enterprises Circular No. PED 1/2015 dated 27th October, 2016 on the transport facilities for the officers in Commercial Corporations, Statutory Boards and State owned Companies was increased by Rs. 20,000/- with effect from 01st November, 2016. This increase also directly affected to the wage bill and the profitability of the JEDB.

New plantation workers wages collective agreement (Tea and Rubber growing and manufacturing trade) – 2016 was signed on 18th October, 2016 by the trade unions and came in to power with effect from 15th October, 2016 also a significant issue for increasing Statutory contributions, overtime rates of estate workers and finally affected to the wage bill and the overall profitability of the JEDB.

The present collective agreement for the Plantation staff's was expired on 03rd September. 2016 . We have to enter a fresh agreement with Ceylon Estates Staff Union (CESU) to streamline the factory staff and allied grades salaries. It will also a significant impact for the JEDB. As per the said agreement it is agreed to increase the salary by 25% with effect from 01st of March, 2017 and scheduled to implement the salary increases same. This increases also a huge burden for the JEDB in the hour. As soon as the salary increases were implemented overtime (OT) rates and statutory (EPF/ETF and Gratuity etc.) payments also increased automatically.
When scrunizing the Act of JEDB that the Board of directors requires a multidisciplinary representation to match with market requirements.

Finally, I studied above facts, factory accounts, final accounts and monitored day to day activities of the head office, Regional office and factories, Audit and management committee activities etc. and found that JEDB in a very critical position at the time of preparing the report. Due to the present situation it is strongly recommended to introduce a re-structure (i.e. to introduce Voluntary Retirement Scheme – VRS for excess employees. Tea lands to be categorized as risk, low risk, medium and average and profit making etc. and make necessary arrangements to leased out or introduce any other model for creating income also apply its for unutilized office spaces etc.) programme for JEDB immediately to make sure the going concern to continue the re-structure programme it is required approximately 3000 million rupees for the process. If unable to obtain the said capital infusion on the JEDB can no longer survive as well as employees of the JEDB.

In the face of severe going concern issues, the management of JEDB is required to make initial steps to bring the attention of the Ministry of Public Enterprises Development and thereby the attention of the General Treasury.

Further I strongly recommend to undergone a credible re-structuring on a diversified basis so as to measure the performance focusing the change of structures, processes internal corporate governance as essential features of the JEDB re-structuring.

In conclusion based on the re-structuring plan and the operational aspects of the JEDB should be simplified reducing structures and associated cost and maximize return on investments while the core businesses of the JEDB in focus.

On behalf of Board of Directors of JEDB fund I wish to place on record my sincere appreciation to our Hon. Minister and Secretary to the Ministry of Plantation Industries and staff employees of Tea JEDB and their families, the management team of the JEDB, Factory/Estate Superintendents and all staff, Brokers, Customers, Ceylon Planters Society and Trade Unions for their dedication and tireless efforts towards ensuring the JEDB's success and continual support they have provided over the year.

I am grateful to my colleagues in the Board of Directors to their valid advises extended towards furtherance of the JEDB.

Keerthi B Kotagama

Chairman

J.E.D.B

JANATHA ESTATES DEVELOPMENT BOARD

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AUDIT COMMITTEE REPORT

ROLE OF THE AUDIT COMMITTEE

The role of the Audit Committee is to oversee the financial reporting system of the Board with a view to safeguarding the interests of the shareholders. The assurance framework required by the Audit Committee is provided by complementary contributions from management reports, internal and external audit.

COMMITTEE COMPOSITION

Independent Non-Executive Directors. 3 Non-Executive Directors. The Audit Committee was established for the purpose of assisting the Board in fulfilling their responsibilities relating to good governance. The Committee comprises as follows.

1. Mr. S M Dayarathna – Chairman – Independent Non-Executive Director
2. Mr. Nilu Dilhara Wijedasa – Non Executive Director
3. Mr. Gallearachchi - Independent Non-Executive Director
4. Mr. M P Kumara – Audit Superintendent – Auditor General Department
5. Mrs. Krishmi Nanayakkara – The Internal Auditor functions as the secretary to the Audit Committee.

PRINCIPAL FOCUS

The Audit Committee focuses principally on assisting to the board in fulfilling their duties by providing an independent and objective review of the financial reporting process, the proceedings of the audit committee meetings are tabled at the meetings of the board, where all key issues, concerns action taken, outcomes achieved or pending and follow up initiated are clarified discussed and board approval obtained therefor.

COMMITTEE MEETINGS AND INTERACTIONS WITH EXTERNAL AUDITORS

The committee met on two occasions during the year under review the members' attendance at Audit Committee meeting as follows.

Name	13th July 2016	06th October 016
Mr. S M Dayarathna (Chairman)	•	•
Mr. Nilu Dilhara Wijedasa	•	•
Mr. Gallearachchi	•	•

In addition to the committee members, the meeting were attended by the Acting General Manager, Accountants, Legal Manager, Land Manager and the Internal Auditor by invitation.

The Committee has ongoing interactions with the representative of the Auditor General who was based on Plantation sector full time basis throughout the year.

Following matters were discussed during two meetings.

- Pending replies for the audit queries arose by external auditors.
- Preparation of Scheme of Recruitment and distribution of duty list in accordance with the approved cadre.
- Preparation of final accounts for the year ended 31.12.2015 and submission of financial to external auditors.
- Appropriateness and changes in accounting policies and presentation of financial accordance with SLFRSS.
- Significant estimates and judgments made by the management.
- Compliance with relevant accounting standards and applicable regulatory requirements
- Preparation of Fixed Asset Register
- Auditing of estates according to the internal audit plan.
- Submission of annual reports from 2011 up to now.
- Harvesting timber according to the tender guideline and specific approvals.

INTERNAL AUDIT

The committee is responsible for reviewing the role and effectiveness of the internal audit function by monitoring the results of its work and the responses of management to its recommendations. The Audit Committee meets the Internal Auditors on a twice during the year and reviews their findings in order to identify risks attached to different areas of operation and effectiveness of internal control.

මගේ අංකය / எனது இல. / My No. PLA/A/JEDB/01/16 ඔබේ අංකය / உமது இல. / Your No. දිනය / திகதி / Date 12 June 2018

The Chairman,

Janatha Estates Development Board

Report of the Auditor General on the Financial Statements of the Janatha Estates Development Board for the year ended 31 December 2016 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the Janatha Estates Development Board for the year ended 31 December 2016, comprising the statement of financial position as at 31 December 2016 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory 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 Section 13(1) of the Finance Act, No.38 of 1971 and Section 23 of the State Agricultural Corporations Act, No.11 of 1972. My comments and observations which I consider should be published with the Annual Report of the Board in terms of Section 14(2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7) (a) of the Finance Act was issued to the Chairman of the Board on 12 January 2018.

1.2 Management's Responsibility for the Financial Statements

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

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
+94-11-2887028-34 +94-11-2887223 ag@auditorgeneral.gov.lk www.auditorgeneral.gov.lk

1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit conducted in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000 – 1810).

1.4 Basis for Disclaimer of Opinion

As a result of the matters described in paragraph 2.2 of this report, I am unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded items and the elements making up the income statement, statement of changes in equity and cash flow statement.

2. Financial Statements

2.1 Disclaimer of Opinion

Because of the significance of the matters described in paragraph 2.2 of this report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.

2.2 Comments on Financial Statements

2.2.1 Going Concern of the Board

The net assets and the working capital of the Board had taken negative values of Rs.340,140,366 and Rs.1,845,703,984 as at 31 December 2016 respectively due to 23 estates belonging to the Board running at a loss and the excessive amount of statutory liabilities payable. Accordingly, the deterioration in net assets and the working capital was 37 per cent and 5 per cent respectively as compared with the preceding year and it was observed that the going concern of the Board is uncertain without further assistance from the Treasury or other financial assistance from the Government.

2.2.2 Sri Lanka Accounting Standards

The following non-compliances were observed.

(a) Sri Lanka Accounting Standard 01

Even though a provision of Rs.857,604 had been made as doubtful debts out of the debtors' balance of Rs.13,002,883 in the consumer division, only the net value of Rs.12,145,279 had been shown in the financial statements without disclosing it by notes.

(b) Sri Lanka Accounting Standard 07

(i) In terms of paragraph 20 of the Standard, the expenditure on surcharge relating to statutory payments amounting to Rs.196,480 unpaid by cash in the year under review, had not been adjusted to the loss before tax in the cash flow statement as a non-cash item.

(ii) Interest income of Rs.71,130 received in cash relating to the year under review should be deducted from the loss before tax and shown as a cash inflow under investment activities. However, it had been added to the loss before tax and shown.

(iii) Even though loans amounting to Rs.16,443,117 had been settled in the year under review for bank loans obtained from a State commercial bank, it had been shown as a cash outflow of Rs.15,150.616 under financial activities in the cash flow statement. As such, cash outflows had been understated by Rs.1,292,501.

(iv) According to financial statements, provisions for gratuity and gratuity paid in cash amounted to Rs.44,685,417 and Rs.9,383,451 respectively. However, as they had been shown in the cash flow statement as Rs.40,639,179 and Rs.8,425,958, the cash flow generated from operations had been understated by Rs.3,088,745.

(v) According to financial statements, provision for employees' bonuses on attendance and the allowance paid in cash amounted to Rs.3,277,158 and Rs.3,106,081 respectively. However, those sums had been indicated as Rs.2,372,806 and Rs.2,979,183 respectively in the cash flow statement. As such, the cash flow generated from operations had been understated by Rs.435,300.

(vi) Expenditure on depreciation and amortization amounting to Rs.32,290,549 relating to the year under review had been adjusted in the cash flow statement as Rs.32,732,929. As such, the cash flow generated from operations had been understated by Rs.442,380.

(vii) The non-financial expenditure of Rs.18,218,710 transferred from immature biological assets to mature biological assets in the year under review had been indicated as a cash outflow under field development expenditure in the cash flow generated from investment activities.

(viii) The expenditure incurred for purchase of fixed assets and for work-in- progress of capital relating to the year under review amounted to Rs.2,125,980. Nevertheless, in preparing the cash flow statement, it had been indicated as Rs.20,805,107 and as such, the cash flow generated from investment activities had been understated by Rs.18,679,127.

(ix) Subsidies amounting to Rs.2,127,249 received in the year under review from the Rubber Development Department had been indicated in the cash flow statement as Rs.2,400,224. As such, the cash inflows from investment activities had been overstated by Rs.272,975.

(c) Sri Lanka Accounting Standard 16

(i) Amortization had been made exceeding the specified value for Mature Plantation vested costing Rs.17,925,625 since the year 2011. As such, amortization totalling Rs.594,554 had been overstated as at 31 December of the year under review.

(ii) In terms of paragraph 55 of the Standard, depreciation of an asset begins when it is available for use. However, provision for depreciation had not been made from the year 2011 up to the year under review relating to Other Vested Assets costing Rs.8,699,304 existed at the instance of establishment of the Board and revaluation as well had not been carried out.

(iii) Even though the stores and office buildings of the Board located at No.320, Darley Road had been shown as Rs.129,630 in the financial statements, action had not been taken to revalue them and account the fair value thereof.

(d) Sri Lanka Accounting Standard 32

In terms of paragraph 15 of the Standard, financial assets should be indicated in the statement of financial position under a separate heading. However, financial assets totalling Rs.3,651,833 had been shown under accounts receivable.

(e) Sri Lanka Accounting Standard 39

In terms of paragraph 09 of the Standard, financial assets should be adjusted to the fair value. However, the Board had not made the relevant adjustments.

(f) Sri Lanka Accounting Standard 41

(i) An actuarial valuation had not been carried out to obtain the value of plants with a commercial value. As such, the value of consumable biological assets had not been identified through accounts.

(ii) The cost incurred for immature timber plantations valued at Rs.21,041,223 had been capitalized under inter crops instead of recording under immature consumable biological assets.

2.2.3 Accounting Policies

The period of changing from immature plantation to mature plantation for inter crop plantation had not been specifically revealed by accounting policies. As such, the expenditure of Rs.19,881,889 capitalized relating to those plantations as at 31 December of the year under review could not be recorded under mature plantations.

2.2.4 Accounting Deficiencies

The following observations are made.

(a) Depreciation relating to mature plantations had been under computed by Rs.82,143,685 up to 31 December 2015 and over computed by Rs.4,119,729 in the year under review. As such, the value of accumulated depreciation that should remain as at the end of the year under review had been understated by Rs.78,023,956.

(b) An expenditure of Rs.319,649 incurred for immature plantations in the year under review had been shown as an expenditure in the statement of comprehensive income instead of capitalizing that cost relating to immature plantations.

(c) A sum of Rs.225,955 incurred in the years 2002 and 2011 for short term crops such as ginger and plantains had been capitalized under immature plantations. However, action had not been taken to write off that cost from accounts.

(d) Value of work-in-progress in the year under review totalled Rs.1,169,657 while the capitalized value in the year amounted to Rs.8,456,124. Nevertheless, they had been shown in the financial statements as Rs.28,504,581 and Rs.21,974,671 respectively.

(e) Expenditure totalling Rs.2,339,481 incurred in the year under review for forest plantation and for purchase of equipment through the Board, had been shown under work-in-progress instead of capitalizing separately under the relevant accounts.

(f) In the computation of the value of closing stocks of tea and rubber, the net book value of Rs.78,915,712 had been brought to account instead of carrying out a stock verification and accounting the closing stocks. Moreover, in computing that balance, negative balances of Rs.3,568,335 and Rs.1,014,417 existed from the year 1999 up to the year 2014 had been set off against the balance of closing stocks and shown instead of identifying and settling same.

(g) Expenditure on motor vehicle repairs of Rs.234,859 incurred in the year under review by the Rahathungoda Estate had been capitalized as an expenditure incurred on timber plantation.

(h) Depreciation of Rs.2,567,521 relating to the year under review for machinery, motor vehicles, equipment, computers and household appliances of the estates and the Head Office of the Board to the total cost of Rs.12,829,343, had not been brought to account. As such, the net value of those assets and the loss from operations had been overstated and understated respectively.

(i) Depreciation of Rs.963,119 relating to preceding years for Roads and bridges, machinery and equipment to the total cost of Rs.13,756,219 of the estates and the Head Office of the Board had been adjusted relevant to the year under review and as such, the loss of the year had been overstated in accounts by that value.

(j) Depreciation had been computed exceeding the depreciation rate followed by the Board for computers and equipment at a total cost of Rs.4,098,997 of the estates and the Head Office of the Board and as such, depreciation of Rs.636,873 relating to the year under review had been overstated in accounts and the loss from operations had been overstated by that amount while the net value of assets had been understated.

(k) Even though the income receivable relating to the year under review from leasing out 12 buildings located in Colombo belonging to the Board amounted to Rs.43,789,256, it had been brought to account as Rs.10,041,700. As such, the income relevant to the year under review and the income receivable had been understated by Rs.33,747,556 in the financial statements.

(l) According to the financial statements presented as at 31 December 2016, the income from leased out lands for the year under review had been shown as Rs.44,541,880. However, that income comprised of a sum of Rs.15,854,592 paid relating to preceding years and income from building rents amounting to Rs.16.978,168. Moreover, income from lease for 20 lands used in the computation of lease income in the year under review had been understated by Rs.459,372.

(m) According to the accounting policies of the Board, annual depreciation for equipment should be 12.5 per cent. Nevertheless, those assets had been depreciated under a 5 per cent ratio. As such, depreciation for the year under review had been understated in accounts by Rs.61,438.

(n) Even though provision for amortization should be made by 5 per cent for all mature plantations, provision for amortization had not been made relating to other immature plantations of Rs.8,203,624.

(o) Even though 5 per cent should be annually depreciated for roads and bridges, line rooms and buildings established from the year 1997 and following years, depreciation had not been computed from many years so as to include all assets. Accordingly, depreciation of Rs.21,248,940 up to 31 December 2015 and depreciation of Rs.2,000,877 for the year under review relating to those assets costing Rs.40,017,533 had not been brought to account.

(p) It was the policy of depreciation of the Board to depreciate machinery purchased after the year 2012 and preceding years at the rate of 20 per cent and 33 1/3 per cent respectively. However, 04 estates had not followed this accounting policy and as such, depreciation had been overstated in accounts by Rs.1,030,073 in the year under review.

(q) Even though a sum of Rs.6,051,265 incurred for projects commenced in the year 2009, had been shown under capital work-in-progress in the financial statements, those projects had failed by 31 December of the year under review. However, action had not been taken to write off those expenses.

(r) The expenditure incurred for plant nurseries valued at Rs.177,961 to be accounted under mature position, had been shown under work-in-progress even by the year under review.

(s) Action had not been taken to write off expenditure in the nature of surcharge amounting to Rs.3,339,466 indicated in the capital work-in-progress balance for over a period of 05 years, as expenditure.

(t) Income from interest on fixed deposits amounting to Rs.231,859 relating to the year 2016 had been omitted from accounts.

2.2.5 Unexplained Differences

The following observations are made.

(a) According to financial statements, the balance of the Capital Work-in-Progress Ledger Account amounted to Rs.21,974,761 as at 31 December of the year under review. However, according to schedules, it was Rs.21,218,114, thus observing a difference of Rs.756,647.

(b) Differences of Rs.75,508,295 and Rs.88,120,005 were reflected respectively for immature plantations and mature plantations between the values in the financial statements and the schedules relating to tea, rubber and other plantations as at 31 December of the year under review.

(c) The balance according to Ledger Accounts relating to Fixed Deposits amounted to Rs.3,651,833 while that value was Rs.3,582,416 according to the Register of Fixed Deposits, thus observing a difference of Rs.69,417.

(d) According to financial statements as at 31 December of the year under review, a difference totalling Rs.34,993,072 was observed between the balances such as balance of provision for gratuity, gratuity payable and surcharge expenditure on gratuity and the relevant schedules.

(e) According to statements of accounts of the Board as at 31 December 2016, the amount receivable from Elkaduwa Plantations was Rs.670,350. However, according to financial statements of that company, that amount was Rs.1,185,670.

2.2.6 Lack of Evidence for Audit

As evidence indicated against the following items of accounts had not been made available to Audit, they could not be satisfactorily vouched or accepted.

Item	Value	Evidence not made Available
	Rs.	
(a) Lands, buildings and motor vehicles	1,651,989,274	i. Schedules ii. Register of Fixed Assets iii. Physical verification reports
(b) Debtors receipts of the consumer division and debtors' receipts of the Galaha Estate	28,986,415	i. Schedules ii. Debtors Age Analysis iii. Confirmations of Balances
(c) Trade accounts payable	2,532,160,239	i. Schedules ii. Creditors Age Analysis
(d) Capital Work-in-Progress	3,197,506	Project files
(e) Fixed deposits	3,651,833	Fixed deposit certificates and Confirmation of Bank Balances

2.3 Accounts Receivable and Payable

The following observations are made.

(a) Action had not been taken to recover the monies receivable from debtors amounting to Rs.339,549,051 had remained dormant over a period of 05 years.

(b) Action had not been taken to recover unsettled festival advances of Rs.654,077 remaining since the year 2009 from the relevant employees.

(c) Unsettled accrued expenditure of Rs.17,352,768 and repayable deposits of Rs.48,338,488 remained from many years and action had not been taken to identify and settle them accurately.

(d) Action had not been taken to remit members' fees for labour societies, amounting to Rs.7,789,052 deducted from the salaries of estate labourers from many years by the Board.

(e) The income from lease rent receivable comprised of specifically unidentified debit balances of Rs.16,619,043 and credit balances of Rs.2,274,185 and action had not been taken to identify those balances and to recover or settle them.

2.4 Non-compliances with Laws, Rules, Regulations and Management Decisions

The following non-compliances with laws, rules, regulations and management decisions were observed.

Reference to Laws, Rules, Regulations etc.	Non-compliances
(a) Employees' Trust Fund Act, No.46 of 1980, Payment of Gratuity Act, No.12 of 1983 and Employees' Provident Fund Act, No.15 of 1958	The statutory liabilities of the Board had not been properly settled. As such, statutory liabilities totalling Rs.1,451,209,847 comprising sums of Rs.381,475,552, Rs.32,367,337,

	Rs.19,139,467, Rs.3,200,018, Rs.512,688,406 and Rs.502,339,067 relating to the Employees Provident Fund, Employees Trust Fund, Estate Workers Provident Fund, Lanka Planters Provident Fund, gratuity payable and Employees Provident Funds and Employees Trust funds payable on court decisions, existed as at 31 December 2016 respectively.
(b) Public Enterprises Circular No. PED 1/2015 of 25 May 2015	Transport and fuel allowances had been paid at the rate of Rs.30,000 monthly to officers who are not entitled to official vehicles and the Board had incurred an expenditure of Rs.1,791,120 therefor in the year under review.
(c) Public Finance Circular No.03/2015 of 14 July 2015	Even though relevant advances should be settled within 10 days immediately after completing the purpose, advances amounting to Rs.20,911,975 remained, exceeding one year.
(d) Economic Service Charge Act, No.13 of 2006	Economic service charge should be paid to the Department of Inland Revenue at the end of every quarter before the 20^{th} of the following month. However, payments had not been made as such since many years. As a result, charges payable as at 31 December for the year under review was Rs.7,819,534.

(e) Nation Building Tax Act, No.09 of 2009	The Board had retained the Nation Building Tax of Rs.8,549,879 recovered from external parties without taking action even by 31 December 2016 to remit to the Department of Inland Revenue.
(f) Guidelines issued on Vesting of State Lands of 21 July 1995	According to Guideline 8, in vesting of state lands, tax should be charged based on the valuation report of the Chief Government Valuer. However, contrary to that, 4,825 square feet and 5,322 square feet had been leased out to a private institution and to another institution for periods of 25 years and 30 years respectively from 01 April 2003 by a Memorandum of Understanding.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the operations of the Board had been a deficit of Rs.563,961,014 for the year under review as compared with the corresponding deficit of Rs.443,532,303 for the preceding year, thus indicating a deterioration of Rs.120,428,711 in the financial result for the year under review. The decline in the production of Made tea and the decrease in the gross profit by Rs.28,228,298 as a result, decrease in the income from lease rent of buildings by Rs.95,819,181 and the decrease in other income by Rs.48,226,325 in the year under review had mainly attributed to the deterioration of the above financial result.

An analysis of the financial results for the year under review and 04 preceding years revealed a loss from the year 2012 up to the year under review. The highest loss of Rs.676,285,352 was indicated in the year 2013 and it had decreased to Rs.413,342,669 in the year 2014. The loss had gradually increased again since the year 2015. However, in readjusting the employees' remuneration, Government tax and depreciation to the financial result, a negative contribution of Rs.177,128,495 had taken place in the year 2012. Even though it had improved from the year 2013 up to the year 2015 with a positive contribution of Rs.666,532,742, that contribution had again decreased in the year under review to Rs.265,931,450.

3.2 Analytical Financial Review

The following observations are made.

(a) The interest income paid to brokers had decreased by 46 per cent as compared with the preceding year, thus observing a decrease by 21 per cent in the financial expenditure for the year under review.

(b) The profitability of the main items of production of the Board of the year under review is compared with the two preceding years and given below.

Production	Total Contribution		
	2016	2015	2014
	Rs.	Rs.	Rs.
Tea	(374,060,186)	(416,531,996)	(309,250,507)
Rubber	(23,958,649)	(18,419,436)	(19,453,637)
Coconut	(4,958,669)	(4,467,633)	(3,315,237)
Inter crops	910,931	9,483,167	6,332,600
Jana Tea	3,200,522	2,841,547	2,401,614

The following observations are made.

(i) The loss sustained from sale of Made tea and Green tea in the year under review had increased by 21 per cent as compared with the year 2014 while it had decreased by 10 per cent as compared with the year 2015.

(ii) Even though the production of rubber latex had increased by 84,267 kilograms in the year under review as compared with the preceding year, the production cost had increased by 14 per cent. As such, the loss had increased by 30 per cent as compared with the year 2015.

(iii) The quantity of coconuts sold in the year under review had increased by 26,769 nuts as compared with the preceding year and the income had increased by 57 per cent. Moreover, the production cost had increased by 17 per cent as compared with the preceding year and as such, the contribution of coconut production had further declined.

(iv) The total loss of the income in the year under review amounting to Rs.5,179,517 received in the preceding year by the sugarcane project in Kumarawatte Estate had mainly attributed to the decrease in the contribution from inter crops in the year under review.

(c) Several significant ratios of the Board for the year under review are compared with the preceding year and given below.

Details	2016	2015	2014
Gross profit ratio	-80%	-73%	-49%
Net profit ratio	-114%	-76%	-26%
Current ratio	1:3.7	1:3.8	1:4.3
Quick ratio	1:4.2	1:4.2	1:4

The gross profit ratio and the net profit ratio of the Board had taken a negative value for the year under review as compared with the preceding year and it had further deteriorated from 35 per cent to 65 per cent and from 76 per cent to 114 per cent respectively. Moreover, as the liquidity ratio of the Board had been at a very low level, there was a risk of problems rising in the working capital.

4. Operating Review

4.1 Performance

The following observations are made.

(a) Installation and maintenance of machinery and equipment necessary for agricultural activities and establishment of factories was one of the key objectives of the Board. Six factories so existed in operative condition were leased out and tea factories located in 5 tea estates had been in inoperative condition by the end of the year under review. Moreover, the machinery of factories to the book value of Rs.7,639,107 had been subjected to decay.

(b) The contribution of a kilogram of Made tea in 17 estates had taken a negative value for the year under review as compared with the preceding year and it had been ranging between Rs.179 and Rs.533. Accordingly, the initial cost to be incurred in producing one kilogram of tea by the Board could not be covered from the sales income and as such, it had resulted in a negative contribution.

(c) According to the standards of the Tea Research Institute, the average yield of Medarata tea per hectare was about 1200 kilograms. The yield of Made tea per one hectare of the Board in the year under review ranged between 221 kilograms and 508 kilograms and according to the Standards of the Tea Research Institute, it had taken a very low value as compared with the average yield of 1200 kilograms. Moreover, except for the Great Valley Estate of the Board, the produce of Made tea from a hectare of other estates had decreased in the year under review as compared with the preceding year.

4.2 Operating Activities

(a) The following observations are made in respect of the property leased out by the Board.

(i) A case bearing No. S/71049/2010 had been filed by the Board against a private company for failure in paying lease rent in terms of the lease agreement for a leased out property and according the court order dated 02 February 2011, it had been decided to eject the lessee from the relevant property. As the Letter of Appeal No. RA 39/2011 submitted by the lessee as well had been rejected, the Acting General Manager had informed the lessee to hand over the relevant premises to the officers of JEDB within 7 days from 02 October 2014. Nevertheless, the lessee had not handed over the relevant property to the Board even by the date of this report and the attention of the Management had not been drawn thereon.

(ii) The Board had leased out 23,989 square feet from 01 January 2013 up to 31 December 2014 for two years to a private company. Even though the relevant lease period had come to an end, the lessee had been occupying the buildings even by the end of the year under review without entering into a new agreement or paying the lease rent.

(iii) A building of 11,500 square feet in extent had been leased out at the rate of Rs.60 per square foot to the Sri Lanka Institute of Advanced Technological Education for a period of 4 years from 04 August 2012 and the relevant lease period had come to an end on 03 August 2016. The General Manager of the Board had informed the Technological Institute by a letter dated 03 September 2016 to pay a sum of Rs.1,437,500 as the new lease rent. However, the Technological Institute had not agreed to that and the old lease rent was further being paid. Even though the lease period had ended, attention had not been paid by the Management to enter into a new lease agreement or to lease out to another lessee after carrying out a proper valuation.

(iv) A building of 14,500 square feet located at No.320, Darley Road had been given out on lease basis at the rate of Rs.13.50 per square foot to a private company since the year 2003 for a period of 25 years and had entered into a lease agreement to be operated from 25 October 2005. According to clause 3(a) of that agreement, monthly lease rentals should be charged according to a Government valuation once in every 5 years. Nevertheless, the relevant lease rent had not been recovered according to the Government valuation by the Board and the lessee had been paying the old lease rent even by the end of the year under review.

(v) The outstanding lease rents recoverable for buildings of the JEDB Head Office given out on lease basis to the institutions of Rubber Development Department, Plantation Industries Supervision Division, Thurusaviya Fund and Ministry of Plantation Industries amounted to Rs.14,248,699 and the Board had failed to recover the relevant lease rent even by the end of the year under review. Moreover, action had not been taken to give these buildings out on lease basis after being vacated by those institutions. As such, these buildings remained idle since the year 2015 and according to the amounts charged by those institutions for the last time, the Board had been deprived of an income of approximately Rs.22,515,000 that could have been gained per year by leasing out an extent of 33,567 square feet.

(vi) The Board had issued invoices for the recovery of lease rents at the rate of Rs.60 per square feet up to 31 December 2015 for 2,572 square feet of the first floor of the building located at No.520, Darley Road, given out on lease basis to the Elkaduwa Plantations PLC. However, no lease rent had been paid even up to the end of the year under review and no lease agreement had been entered into by the two parties as well.

(b) Even though there should be 550 rubber plants per one hectare according to the data of the Annual Report of the Rubber Development Department, that number ranged between 200 and 500 in the Kumarawatte Estate.

(c) According to the schedule presented to Audit by the Board, the extent of lands leased out stood at 2,688 acres and only the lease rent income relating to 313.9 acres out of that had been shown in the financial statements and action had not been taken to compute and recover the lease rent income relating to the remaining extent of land.

4.3 Transactions of Contentious Nature

The following observations are made.

(a) Even though a payment of Rs.7,328,456 should have been made by a private company for supply of tea leaves by October 2016 to the Elkaduwa Plantations PLC which is a parallel plantation company of the Government, the Board had entered into an agreement on 27 October in the year under review for supply of tea leaves of the Hantana Estate to that private company. The approval of the Board of Directors had been granted when a member of the Board of Directors had been the Chairman of the Elkaduwa Plantations PLC. The sum of Rs.5,865,670 payable by that private company for supply of tea leaves to the Board in the months of November and December of the year under review had not been recovered even by the end of the year 2017.

(b) The Hantana tea factory which was functioning in the year 2015 had discontinued its operations in the year 2016 due to a risk in landslides. The recommendation of the National Building Research Organization was not presented to Audit in confirming the said risk and that factory had been leased out to an external party.

4.4 Staff Administration

The following observations are made.

(a) In terms of paragraph 13 of the Establishments Code of the Democratic Socialist Republic of Sri Lanka, an acting appointment should be made only for an existing vacancy in a permanent post and if appointed by the Appointing Authority, additional remunerations should not be paid. However, an Assistant Estate

Superintendent had been appointed from 23 November 2015 in the Acting Post of Manager (Forest Resources), which is a post not included in the approved cadre of the Board and an expenditure of Rs.500,153 had been incurred in the year under review for the payment of two additional employees' allowances to the relevant officer.

(b) In terms of Letter No. DMS/1696 of 18 November 2013 of the Department of Management Services, it had been informed that the Manager (Legal) of the Board recruited on contract basis should be placed on a suitable step of MM 1-1 salary code. However, contrary to that, a sum of Rs.1,350,000 had been spent in the year under review for paying a monthly allowance of Rs.100,000 and a sum of Rs.30,000 as transport and fuel allowances to two Legal Officers recruited in the year under review.

5. Accountability and Good Governance

5.1 Presentation of Financial Statements

In terms of Public Enterprises Circular No. PED/12 of 03 June 2003, accounts for the year should be presented to the Auditor General within 60 days after the closure of the year of accounts. Nevertheless, accounts for the year 2016 had been presented by the Board only on 22 November 2017.

6. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Board from time to time. Special attention should be paid to the following areas of systems and control.

Areas of Systems and Controls	Observations
(a) Accounting	(i) Instances in which accounts were not prepared in compliance with Accounting Standards.

	(ii) Non-inclusion of transactions in Ledger Accounts by identifying accurately.
	(iii)Failure in paying attention to rectify the accounting errors pointed out by audit reports.
(b) Management of properties on lease	Problems in leasing out properties and recovery of lease income, weaknesses in protecting lease properties and non-maintenance of registers so as to specifically identify the amount of lease rent received and receivable by leasing out properties.
(c) Control of Operations	Failure in paying attention to increase production and to decrease production cost
(d) Maintenance of Registers	Failure in proper maintenance of Registers on Payment of Gratuity and as a result, non-elimination of gratuity paid and existence of instances where one employee had been issued with more than one employee number.

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General

H.M. Gamini Wijesinghe
Auditor General

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

1. CORPORATE INFORMATION

1.1 Reporting Entity

Janatha Estates Development Board has been established by virtue of a Gazette Notification No:199/1M dated 06th February 1976 under the State Agricultural Corporation Act.No:11 of 1972. The registered office and the principal place of business are lactated at No: 55/75, Vauxhall Lane, Colombo-02

1.2 Principal activities and nature of operations.

There were no significant changes in the nature of principal activities of the board during the financial year under review. The principal activities of the Board were the cultivation, manufacture and sale of Tea and Rubber. JEDB is conducted local Tea sales centre (Jana Tea / Consumer service) other than tea sales through brokers (Value added product)

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements of the Board comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in equity and Statement of Cash Flows, together with the Accounting Policies and Notes to the Financial Statements

The Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS & LKAS) promulgated by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and with the requirement Sri Lanka Accounting & Auditing standard Act .No: 19 of 1995.

The Financial Statements were authorized for issue by the Board of Directors in accordance with the resolution passed by the Board of Directors on 16th May 2017.

2.2 Basis of measurement

The financial statements have been prepared in accordance with the historical cost convention basis. Appropriate, specific policies are explained in the succeeding notes. No adjustments have been made for inflationary factors in the financial statements and these financial statements are prepared in Sri Lankan rupees.

2.3 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with Sri Lanka Accounting Standards (SLFRSs / LKASs) requires the management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from the other sources.

The 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 if the revision affects only that financial year or in the period of the revision and future periods if the revision affects both current and future financial years.

2.4 Going concern

The Board of directors has made an assessment that the board should be restructured under public private and employee partnership (PP&E) concept for going concern of the organization. Restructuring program is being applied at present with an intention of investing unutilized & under-utilized assets and properties in the Joint Ventures with private investors. Long outstanding including EPF & ETF will be settled by the income generated out of the income expected to generate from new investments. Finance statements have been prepared on going concern basis and they do not entrained either liquidate or cease any business activities till the restructuring program is executed.

2.5 Comparative Information

The accounting policies have been consistently applied by the board with those used in the previous year. These figures and phrases have been rearranged wherever necessary to confirm to the current year's presentation.

2.6 Events occurring after the Reporting Date

Events after the reporting period are those events favorable and unfavorable that occurs between the end of the reporting period and the date when the financial statements are authorized for issue. The materiality of the events occurring after the reporting period are considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

3. OTHER INFORMATION

3.1 JEDB - GALLEBODDE ESTATE

The above estate had been mortgaged to Pan Asia Banking Corporation Ltd, and obtained financial facilities of Rs: 40 Million in the year 1999.The part of balance has been settled in time to time. While interest payable has been written off with the concert of the bank. As a results, Rs. 69,536,282.63 balance is shown in the balance sheet as at 31st December 2016.

3.3 Changes of Board of Director
During of the financial year 2016, New Board of directors has been appointed from December 2016.

4. SIGNIFICANT ACCOUNTING POLICIES
The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

4.1 Borrowing Costs
General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessary take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalization of borrowing costs commences when it incurs expenditure for the asset, it incurs borrowing costs and it undertake activities that are necessary to prepare the asset for their intended use or sell. It ceases capitalization when substantially all the activities necessary to prepare the qualifying asset for its intended use are completed. Capitalization of borrowing costs shall be suspended, if it suspends active development of a qualifying asset.

Board borrows funds generally and uses them for qualifying asset such as immature plantations of tea, rubber and oil palm. The Board determines the amount of borrowing costs eligible for capitalization by applying a capitalization rate to the expenditure on the above biological assets. For this purpose Board uses weighted average of the borrowing costs applicable to the general borrowings. All other borrowing costs are recognized in Statement of Profit or Loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

4.2 Assets and Bases of their valuation

Assets classified as current assets in the Statement of Financial Position are cash and bank balances and those, which are expected to be realized in cash during the normal operating cycle, or within one year from the Reporting date, whichever is shorter. Assets other than current assets are those, which the Board intends to hold beyond the one year period calculated from the reporting date

Non- Current assets have not been revalued for a long period and therefore present value of the will be differing from the figure mentioned in the financial statements.

4.2.1 Property Plant and Equipments

Recognition and measurement of the property plant and equipment are recorded at cost/valuation less accumulated depreciation and impairment losses. The cost of property, plant & equipment is the cost of purchase or construction together with any expenses incurred in bringing the assets to its working condition for its intended use.

Purchased software that is integrated to the functionality of the related equipment is capitalized as part of equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for separate items (major component) of property, plant and equipment

4.2.2 Subsequent costs

The cost of replacing part 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 the part will flow to the Board and its cost can be measured reliably. The carrying amount of the replaced part is derecognized the costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

4.2.3 Depreciation / Amortization

Depreciation is recognized in profit or loss on the straight-line basis over the estimated useful lives of each part of item of Property, Plant and Equipment. Depreciation of an asset begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal Board that is classified as held for sale) and the date that the asset is derecognized. Depreciation is not charged on Freehold Land.

The assets are depreciated over their useful lifetime of the assets at the rate given below.

Item	Estates	H/Office
Buildings	5%	5%
Plant and Machinery (Old)	33.33%	12.5
Plant and Machinery (New)	20%	20%
Lines & Latrines	5%	5%
Motor vehicles	25%	25%

Furniture & fittings & Equip.	12.5%	12.5%
Mature Plantation	5%	5%
Road & Bridges	5%	5%
Hydro Power Plant	5%	5%
Computers & Printers (New)	20%	20%
Computers & Printers	12.5%	12.5%

4.2.4 Computer Software

All computer software costs incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and its probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category of intangible assets.

4.2.5. Permanent Land Development Costs

Permanent land development costs are those costs incurred to make major changes to land contours to build new access roads and other major infrastructure development. Cost incurred for this type projects is capitalized and depreciated according to depreciation policy of the board (Road, Bridges Fence etc.)

4.2.7. Investment Properties- (Rented Land & Buildings)

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognized in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings

4.2.8. Limited Life Land Development Costs

Immature and Mature Plantations

The costs directly attributable to re-planting and new planting are classified as immature plantations up to the time of harvesting the crop. Since the market determined prices or values are not available and for which alternative estimates of fair value are determined to be clearly unreliable, the Board measures immature and mature plantations of bearer biological assets such as tea, rubber, oil palm etc. at its cost less any accumulated depreciation and any accumulated impairment losses on initial recognition in line with the ruling given by the Institute of Chartered Accountants of Sri Lanka to measure bearer biological assets under LKAS-16, Property, Plant & Equipment.

Nurseries are carried at cost as the fair value cannot be easily determined. The costs consist of direct materials, direct labour and appropriate proportion of other directly attributable overheads. Once the fair value of such a biological asset becomes reliably measurable, the Board measures it at its fair value less cost to sell.

All expenses incurred in land preparation, planting and development of crops up to maturity or up to the harvesting of the crop are capitalized as biological assets. All expenses subsequent to maturity are recognized directly in Statement of Profit or Loss. General charges incurred on the re-plantation and new plantations are apportioned based on the labour days spent on respective re-planting and new planting and capitalized on immature areas. The remaining portion of the general charges is expensed in the accounting period in which it is incurred

	Immature period	**harvesting starts**
Tea	1 – to 4 years	5th Year
Rubber	1 – to 6 years	7th Year

4.2.9 Infilling cost

The land development costs incurred in the form of infilling have been capitalize to the relevant mature field, only where that increases the expected future benefits from that field, beyond its pre infilling performance assessment. Infilling cost so capitalize are depreciated over the newly assets remaining useful economic life of the relevant mature plantation, or the expected lease period whichever is lower.

Infilling cost that are not capitalized have been charged to the income statement in the year in which they are incurred.

Timber plantation

Timber plantation is measured at fair value on initial recognition and at the end of each reporting period at fair value less cost to sell which includes all the cost that would be necessary to sell the assets including transportation costs.
Gain or loss arising on initial recognition of timber plantations at fair value less costs to sell and from the change in fair values less costs of plantations at each reporting date are included in the Statement of Profit or Loss for the period in which they arise. All costs incurred in maintaining the assets are included in Statement of Profit or Loss in the year in which they are incurred.

Biological assets

Biological assets shall be qualified for recognition if the Board controls the assets as a result of past event. It is probable that future economic benefits associated with the assets will flow to the Board and fair value or cost of the asset can be measured reliably

4.2.10 Inventories

Inventories other than produce stock and nurseries are stated at the lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. The Board uses weighted average cost/ FIFO formula in assigning the cost of inventories. The cost includes expenses in acquiring stocks, production and conversion cost and other costs incurred in bringing them to their existing location and condition
Net realizable value is the estimated selling price in the ordinary course of business less, the estimated cost of completion and the estimated costs necessary to make the sale.

Manufactured up to the balance sheet date and sold since then, until the time of preparation of the financial statements are valued at the since realized price The balance stock is valued at estimated selling price. The prices are net of all attributable expenses relating to the public auction.
Cost of production of one kilogram of tea is always higher than net realized value.

Financial Assets

Initial Recognition and Measurement Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Board determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Board commits to purchase or sell the asset. The Board financial assets include cash and cash equivalent, short term deposits, Loans and advances given to tea suppliers, trade and other receivables.

Subsequent Measurement
The subsequent measurement of financial assets depends on their classification as described below:
Financial Assets at Fair Value through Profit or Loss Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Board that are not designated as hedging instruments in hedge

relationships as defined by LKAS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the Statement of Financial Position at fair value with changes in fair value recognized in finance income or finance costs in the income statement. The Board evaluated its financial assets at fair value through profit and loss (held for trading) whether the intent to sell them in the near term is still appropriate. When the Board is unable to trade these financial assets due to inactive markets and management's intent to sell them in the foreseeable future.

Significantly changes, the Board may elect to reclassify these financial assets in rare circumstances. The reclassification to loans and receivables, available-for-sale or held to maturity depends on the nature of the asset.

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Board that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the Statement of Financial Position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

The Board evaluated its financial assets at fair value through profit and loss (held for trading) whether the intent to sell them in the near term is still appropriate. When the Board is unable to trade these financial assets due to inactive markets and management's intent to sell them in the foreseeable future.

Significantly changes, the Board may elect to reclassify these financial assets in rare circumstances. The reclassification to loans and receivables, available-for-sale or held to maturity depends on the nature of the asset.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement.

Available-for-Sale Financial Investments

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available for-sale debt instruments, are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit or loss. Available-for-sale financial assets comprise equity securities and debt securities.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a Board of similar financial assets) is derecognized when: • The rights to receive cash flows from the asset have expired, • The Board has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Board has transferred substantially all the risks and rewards of the asset, or (b) the Board has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Board has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Board's continuing involvement in it.

In that case, the Board also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Board has retained.

Impairment of Financial Assets

The Board assesses at each reporting date whether there is any objective evidence that a financial asset or a Board of financial assets is impaired. A financial asset or a Board of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Board of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a Board of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Board determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, carried at amortized cost. This includes directly attributable transaction costs. The Board financial liabilities include trade and other payables, bank overdrafts and borrowings.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Board that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Separated embedded derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held-for-trading are recognized in the profit or loss. The Board has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that is an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated.

as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts are recognized in the income statement.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset with the net amount reported in the Statement of Financial Position only if there is a current enforceable legal right to offset the recognized amounts and intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense will not be offset in the Income Statement unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Board.

Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include: • Using recent arm's length market transactions; • Reference to the current fair value of another instrument that is substantially the same; • A discounted cash flow analysis or other valuation models.

Provision, Contingent Liabilities, Contingent Assets

Provisions are recognized when the Board has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. All contingent liabilities are disclosed as a note to the financial statements unless the outflow of resources is remote. Contingent assets are disclosed, where inflow of economic benefit is probable.

4.2.9 Trade and Other Receivables:

Trade receivables are stated at the amounts they are estimated to realize, net of provision for bad and doubtful debts.

4.2.10 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash balances, fixed deposits and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Board's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Interest paid is classified as an operating cash flow while interest received is classified as an investing cash flow for the purpose of presentation of Statement of Cash Flow, which has been prepared based on the indirect method.

5 LIABILITIES & PROVISIONS:

5.1. Retirement benefits of employees.

(a) Defined benefit plans.

The retirement benefit plan adopted is as required under the payment of Gratuity Act.No.12 of 1983 and the Indian Repatriate Act. No: 34 of 1978 to eligible employees. No adequate Provision has been made in the financial statements for retirement gratuities from the first year in the service for all the employees in conformity with LKAS -19 on retirement benefit cost. However, according to the Gratuity Act No: 12 of 1983, liability for payment to an employee arises only after completion of 5 years continued service. Liabilities are disclosed in notes to financial statements.

(b) Gratuity Payable to Ex- employees

Gratuity payable to estates workers had been correctly calculated and accounted in books of accounts of the estates as at year end date of 31st December 2016 .Rs.512,688,406.22 is payable to ex employees as at December 2016.

(c) Provision for Gratuity

A provision is made in the financial statement for retirement gratuities from the first year of service for all employees. The liability recognized in the balance sheet in respect of Gratuity is the present value of the obligation at the end of the reporting period

Board has not been conducted an actuarial valuation for a long time.

(d) Defined Contribution plans – EPF, ETF ,ESPS, CPPS

All employees who are eligible for defined provident fund contributions and Employees Trust Fund contributions are covered by relevant contributory funds in line with respective statutes and regulations. Board contributes 12% to EPF, ESPS, CPPS fund and 3% to ETF fund on gross emoluments of employees.

EPF ETF and ESPS, CPPS have not been remitted to the EPF, ETF board within stipulated time from 2001 to 2016. Commissioner of Labour has filed legal action against directors of Board.

Balances as at 31/12/2016-	
EPF Payable (From 2002. to 2016) -	Rs. 381,475,551.78
ETF Payable (From 2002. to 2016)	Rs. 32,367,336.73
ESPS- Payable (From 2002. to 2016)	Rs – 19,139,467.04
CPPS- Payable (From 2002. to 2015)	Rs. 3,200,017.96
EPF/ETF Cases	Rs. 502,339,066.59

5.3 Government Grants:

The Government grants relating to the purchase of property, plant and equipment and biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses, are recognized initially as deferred income at fair value when there is a reasonable assurance that they will be received and the Board will comply with the conditions associated with the grant and are then recognized in Statement of Profit or Loss as other income on a straight line basis over the expected lives of the related assets.

The grants that compensate the Board expenses or losses already incurred are recognized in Statement of Profit or Loss as other income of the period in which it becomes receivable and when the expenses are recognized.

Rs.511, 689,820.00 received from the Government Treasury for the year under review. This has been already treated as revenue.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Taxation

Current Tax

Tax expenses for the period comprise the current and deferred tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act No. 10 of 2006 and the amendments thereto. However, during the current year, no tax liability has arisen due to loss making position of the Board

5.3 Income Statement

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of

ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

The Board has adopted following policies and methods to determine the time at which the entity transfer the significant risks and rewards of ownership of goods.

(a) **Sale of tea at auction**
As per the Tea by laws and conditions issued by the Ceylon Tea Traders' Association (section 17) the highest bidder is accepted and a sale shall be completed at the fall of the hammer. The sale is valued at the price and quantity agreed up on and raising the sale note.

(b) **Sale of rubber at auction**
As per the Rubber by laws and conditions issued by the Colombo Rubber Traders' Association the highest bidder is accepted and a sale shall be completed at the fall of the hammer. The sale is valued at the price and quantity agreed up on and raising the sale note.

(c) Harvesting of timber plantation
Revenue from sale of timber is recognised when legal ownership and the risk of loss transfer to the buyer and the quantity sold is determinable.

(d) Gains and losses of a revenue nature on the disposal of property, plant and equipment

Profit or loss is determined by comparing the net sales proceeds with the carrying amounts of property, plant & equipment and are recognized net within "other qualifying asset, in which case they are capitalized as part of the cost of that asset.

(e) **Rental income**

Board has rented out lands and factories to various parties and the rent income arose from them is identified as rent income. Accounted on accrual basis (Monthly and Annually)

(f) **Government Grant**

Grants are recognized initially as deferred income when there is a reasonable assurance that they will be received and that the Board will comply with the conditions associated with the grant. Grants that compensate the Board for expenses incurred are recognized in Statement of Profit or Loss on a systematic basis in the periods in which the expenses are recognized

5.3.2 Expenditure Recognition

All expenditure incurred in the running of the business has been charged to income in arriving at the profit for the year. Repairs and renewals are charged to Statement of Profit or Loss in the year in which the expenditure is incurred.

Finance cost

Finance costs comprise interest expense on borrowings, changes in the fair value of financial assets at fair value through profit or loss, and losses on hedging instruments that are recognised in Statement of Profit or Loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in Statement of Profit or Loss using the effective interest method. The interest expense component of finance lease payments is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Cash Flow Statements

Interest received is classified as investing cash flows, while interest paid, is classified as financing cash flows for the purpose of presentation of Cash Flow Statement which has been prepared using the 'Indirect Method'.

JANATHA ESTATES DEVELOPMENT BOARD

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

ASSETS	Notes	31.12.2016	31.12.2015
Non - Current Assets		Rs.	Rs.
Unimproved Land,Mature Plantation Vested & Other Asset Vested	FA-01	2,630,524.94	2,630,524.94
Improved of Land,Road & Bridges,Line & Latrines,Building,Stores	FA-02	1,473,628,673.91	1,476,895,973.49
Imature Plantation	FA-03	263,444,952.97	251,449,475.89
Mature Plantation	FA-04	357,352,371.91	355,915,701.84
Machinery, Office Equipment, Vehicles	FA-05	54,379,728.75	66,541,544.48
Computers & Printers	FA-06	3,272,006.63	3,548,006.88
Furniture & Fittings	FA-07	1,237,916.92	1,214,632.93
Water Supply Schemes,Mino Hydro Schemes & Periperal Housing Schemes	FA-08	11,398,956.00	12,207,529.47
Fences Security Lights, Glincidia Plantation	FA-09	219,393.94	220,593.94
Onugaloya Estate Fixed Asset, Capital Work in Progress	FA-10	29,438,568.60	33,968,388.10
Leased Assets		32,168,954.60	32,168,954.60
		2,231,172,049.17	2,238,761,328.56
Current Assets			
Inventories	A1	94,292,580.38	63,411,589.84
Trade and Other Receivables	A2	570,313,557.12	550,234,588.24
Cash and Cash Equivalents	A3	10,659,130.04	4,423,511.91
Adjustments	A4	11,190,988.07	11,190,988.07
		686,456,255.61	629,260,678.06
		2,917,628,304.78	2,868,022,006.62
LIABILITIES			
Capital & Reserves			
State Capital		3,670,000,000.31	3,670,000,000.31
Accumulated Loss		(8,469,369,706.99)	(7,862,672,540.44)
		(4,799,369,706.68)	(4,192,672,540.13)
Reserves			
Capital Reserves	L1	2,782,868,702.37	2,782,868,702.37
General Reserves/ Govn.Grant	L2	1,676,360,638.70	1,162,270,594.33
		4,459,229,341.07	3,945,139,296.70
Non Current Liabilities			
Provision for Gratuity	L3	624,741,404.18	610,704,923.31
Bank Loan	L3	100,867,026.92	116,951,431.45
		725,608,431.10	727,656,354.76
Current Liabilities			
Gratuity Payable- Ex-Employees	L4	512,668,406.22	418,598,739.68
Interest Bearing Borrowings	L5	236,845,418.94	233,038,928.53
Lease Creditors	L6	15,242,210.19	19,540,273.69
Brokers Advance	L7	-19,759,872.80	93,924,942.10
Trade Payables	L8	595,183,623.52	549,738,044.82
EPF/ESPS/ CPPS	L9	906,154,103.37	840,888,990.87
ETF and Other Payables	L10	32,367,336.73	26,441,309.78
Deposits / Advance for property Lease	L11	137,069,289.03	119,083,732.39
Bank Overdraft	L12	76,869,978.49	86,643,933.43
		2,532,160,239.29	2,387,898,895.29
Total Equity and Liabilities		2,917,628,304.78	2,868,022,006.62

Accountant

The Board of Directors is responsible for the preparation and presentation of these Financial statements. Approved and Signed for and on behalf of the board of directors of Janatha Estates Development Board.

Chairman

Director

JANATHA ESTSTES DEVELOPMENT BOARD
INCOME STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016

	Note Nos	2016 Rs	2015 Rs
Revenue	1	494,938,119.91	584,772,523.65
Cost of Sales	2	893,804,172.76	1,011,866,874.99
Gross Operartional Profit/(Loss)		**(398,866,052.85)**	**(427,094,351.34**
Other Income	3	76,650,747.03	220,696,252.99
Gross Profit /(loss)		**(322,215,305.82)**	**(206,398,098.35**
Expenditure			
Administration Expenditure	5	26,825,392.00	26,178,859.47
Staff Cost	6	105,544,231.68	94,617,948.41
Sales & Marketing Expenditure	7	976,080.79	292,814.60
Other Estate Expenditure	8	77,156,042.21	76,362,553.60
		210,501,746.68	197,452,176.08
Operationnal Profit/(loss) Before Finance Charges		**(532,717,052.50)**	**(403,850,274.43**
Finance Cost	9	31,243,961.23	39,682,028.30
		(563,961,013.73)	(443,532,302.73
Profit & (Loss) before Tax		**(563,961,013.73)**	**(443,532,302.73**

JANATHA ESTSTES DEVELOPMENT BOARD

CASH FLOWS STATEMEMT FOR THE YEAR ENDED 31ST DECEMBER 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Net profit /(Loss) for the Year			(563,961,013)
Adjustment for items not involving movements of cash			
Provision –Gratuity	40,639,179		
Payments-Gratuity	(8,425,958)	32,213,221	
Provision for Bonus	2,372,806		
Payments for Bonus	(2,979,183)	(606,377)	
Depreciation		32,732,929	
Finance Cost		6,561,418	
Interest Income		71,130	
Surcharges – EPF,ETF & Gratuity		71,598,521	142,570,842
Operating Profit before working Capital Changes			(421,390,171)
Changes in items of working capital			
Inventories		(30,880,991)	
Trade & Other receivable		(20,078,969)	
Trade & Other Payable		45,445,579	
Lease Creditors		(4,298,063)	
Interest Bearing Borrowings		3,806,490	
Deposit/Advance		17,985,557	
EPF/ETF & Other Payments		71,191,140	
Broker Advance		(74,165,070)	9,005,673
Net cash flows generated from operating activities			(412,384,498)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Treasury Grant		511,689,820	
Rubber Subsidies Grant		2,400,224	
Proceed from refuse tea		2,358,556	
Refundable lease rent		1,000,000	
Field Development Expenses		(48,493,473)	
Purchased from Fixed Assets		(22,931,087)	

NET CASH FLOWS FROM INVESTMENT ACTIVITES		446,024,040
CASH FLOWS FROM FINANCING ACTIVITES		
Re payment of Loan	(15,150,616)	
Finance Cost Paid	(2,479,352)	
Cash Generated from Financial Activities		**(17,629,968)**
Net Increase / (Decrease) in Cash and cash Equivalents		16,009,574
Cash & Cash Equivalent at beginning of period		(82,220,422)
Cash & Cash Equivalent at end of period		(66,210,848)

Notes

Cash & Cash Equivalent at the beginning of the year	
Cash & Bank Balance	4,423,511
Bank Over Draft	(86,643,933)
	(82,220,422)
Cash & Cash Equivalent at end of period	
Cash & Bank Balance	10,659,130
Bank Over Draft	(76,869,978)
	(66,210,848)

JANATHA ESTATES DEVELOPMENT BOARD

NON- CURRENT ASSETS STATEMENT AS AT 31ST DECEMBER, 2016.

	Balance-01.01..2016	Additioons	Transfers/ Disposal	Balance -31.12.2016
	Rs	Rs	Rs	Rs
1 Unimproved Land,Mature Plantation Vested & Other Asset Vested	27,557,464.50			27,557,464.50
2 Improved of Land,Road & Bridges,Line & Lattries,Building,Stores	1,620,713,985.43	154,500.00		1,620,868,485.43
3 Imature Plantation	251,449,475.89	30,214,187.35	(18,218,710.27)	263,444,952.97
4 Mature Plantation	439,724,808.99	18,279,286.36		458,004,095.35
5 Machineries, Office Equipments, Vehicles	255,397,164.42	485,920.00		255,883,084.42
6 Computer & Printers	4,564,465.10	251,250.00		4,815,715.10
7 Furniture & Fittings	5,384,971.06	64,656.05		5,449,627.11
8 Water Supply, Mino Hydro Schemes & Periperal Housing Schemes	16,597,189.72			16,597,189.72
9 Fences Security Lights, Gliricidia Plantation	655,481.84			655,481.84
10 Onugaloya Estate Fixed Asset, Capital Work in Progress	35,968,388.10	21,974,761.49	(28,504,580.99)	29,438,568.60
	2,658,013,395.05	71,424,561.25	(46,723,291.26)	2,682,714,665.04

B ACCUMULATED DEPRECIATION

	Balance-2016.01.01	Dep. Charged for the ye	Dep. On Disposal	Balance -31.12.2016
	Rs	Rs	Rs	Rs
1 Unimproved Land,Mature Plantation Vested & Other Asset Vested	24,926,939.56			24,926,939.56
2 Improved of Land,Road & Bridges,Line & Lattries,Building,Stores	143,818,011.94	1,421,799.58		145,239,811.52
3 Imature Plantation				
4 Mature Plantation	83,809,107.15	16,842,616.29		100,651,723.44
5 Machineries, Office Equipments, Vehicles	188,855,619.94	12,647,735.73		201,503,355.67
6 Computer & Printer	1,016,456.22	527,252.25		1,543,708.47
7 Furniture & Fittings	4,170,338.13	41,372.06		4,211,710.19
8 Water Supply Schemes,Mino Hydro Schemes & Periperal Housing Schem	4,389,660.25	808,573.47		5,198,233.72
9 Fences Security Lights, Gliricidia Plantation	434,887.90	1,200.00		436,087.90
10 Onugaloya Estate Fixed Asset, Capital Work in Progress				
	451,421,021.09	32,290,549.38		483,711,570.47

C WRITTEN DOWN VALUE

	2016.01.01	31.12.2016
1 Unimproved Land,Mature Plantation Vested & Other Asset Vested	2,630,524.94	2,630,524.94
2 Improved of Land,Road & Bridges,Line & Lattries,Building,Stores	1,476,895,973.49	1,475,628,673.91
3 Imature Plantation	251,449,475.89	263,444,952.97
4 Mature Plantation	355,915,701.84	357,352,371.91
5 Machineries, Office Equipments, Vehicles	66,541,544.48	54,379,728.75
6 Computer & Printer	3,548,008.88	3,272,006.63
7 Furniture & Fittings	1,214,632.93	1,237,916.92
8 Water Supply Schemes,Mino Hydro Schemes & Periperal Housing Schem	12,207,529.47	11,398,956.00
9 Fences Security Lights, Gliricidia Plantation	220,593.94	219,393.94
10 Onugaloya Estate Fixed Asset, Capital Work in Progress	35,968,388.10	29,438,568.60
	2,206,592,373.96	2,199,003,094.57

JANATHA ESTATES DEVELOPMENT BOARD

NON- CURRENT ASSETS STATEMENT AS AT 31ST DECEMBER, 2016

NOTE- FA -1

Un Improved Land,Mature Plantation &
& Other Asset (Vested)

	Un Improved Land	Mature Plantation	Other Asset (Vested)	Total
	Rs	Rs	Rs	Rs
COST/ VALUATION				
A Balance as at 01 st January-2016	935,508.75	17,925,651.57	8,696,304.18	27,557,464.50
Additions during the year				
Disposal during the year				
Balance at the end of year- 31.12.2016.	935,508.75	17,925,651.57	8,696,304.18	27,557,464.50

B Accumulated Depreciation	Un Improved Land	Mature Plantation	Other Asset (Vested)	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January-2016	-	18,520,206.06	6,406,733.50	24,926,939.56
Dep .Charged for the year	-	-	-	
Dep. On Disposal during the year	-	-	-	
Balance at the end of year- 31.12.2016	-	18,520,206.06	6,406,733.50	24,926,939.56
Net Book Value/ W.D.V. - 31.12.2016	935,508.75	(594,554.49)	2,289,570.68	2,630,524.94
Net Book Value/ W.D.V. - 31.12.2015	935,508.75	(594,554.49)	2,289,570.68	2,630,524.94

2 NOTE- FA -2

Improved of Land,Road & Bridges,Lines & Lattrines Lines & Lattrines,Building & Stores

	Improved Land	Road & Bridges	Line & Lattrines	Buildings	Stores	Total
	Rs	Rs	Rs	Rs	Rs	Rs
A Balance as at 01 st January-2016	283,112.78	18,446,109.83	62,089,787.75	1,539,765,345.07	129,630.00	1,620,713,985.43
Additions during the year	-			154,500.00		154,500.00
Disposal during the year	-	-	-	-	-	
Balance at the end of year- 31.12.2016	283,112.78	18,446,109.83	62,089,787.75	1,539,919,845.07	129,630.00	1,620,868,485.43

B Accumulated Depreciation	Improved Land	Road & Bridges	Line & Lattrines	Buildings	Stores	Total
	Rs	Rs	Rs	Rs	Rs	Rs
Balance as at 01 st January-2016	-	3,175,945.45	25,318,713.69	115,323,352.80	-	143,818,011.94
Dep .Charged for the year	-	562,712.87	223,042.07	636,044.64	-	1,421,799.58
Dep. On Disposal during the year	-	-	-	-	-	
Balance at the end of year- 31.12.2016	-	3,738,658.32	25,541,755.76	115,959,397.44	-	145,239,811.52
Net Book Value/ W.D.V. - 31.12.2016	283,112.78	14,707,451.51	36,548,031.99	1,423,960,447.63	129,630.00	1,475,628,673.91
Net Book Value/ W.D.V. - 31.12.2015	283,112.78	15,270,164.38	36,771,074.06	1,424,441,992.27	129,630.00	1,476,895,973.49
Cost/ Valuation	283,112.78	18,446,109.83	62,089,787.75	1,539,919,845.07	129,630.00	1,620,868,485.43
Dep. Accumulated . 31.12.2016	-	3,738,658.32	25,541,755.76	115,959,397.44	-	145,239,811.52
Net Book Value/ W.D.V. - 31.12.2016	283,112.78	14,707,451.51	36,548,031.99	1,423,960,447.63	129,630.00	1,475,628,673.91

NOTE- FA -3

Imature Plantation

	Imature Plantation- Tea	Imature Plantation- Rubber	Imature Other Plantation	Total
	Rs	Rs	Rs	Rs
A Balance as at 01 st January-2016	58,918,314.36	152,740,207.24	39,790,954.29	251,449,475.89
Additions during the year	895,592.61	28,469,440.08	849,154.66	30,214,187.35
Transfers/ Disposal during the year		(18,218,710.27)		(18,218,710.27)
Balance at the end of year- 31.12.2016	59,813,906.97	162,990,937.05	40,640,108.95	263,444,952.97

B Accumulated Depreciation

	Imature Plantation- Tea	Imature Plantation- Rubber	Imature Other Plantation	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January-2016	-			-
Dep .Charged for the year	-			-
Dep. On Disposal during the year	-			
Balance at the end of year- 31.12.2016	-		-	-
Net Book Value/ W.D.V. - 31.12.2016	59,813,906.97	162,990,937.05	40,640,108.95	263,444,952.97

Net Book Value/ W.D.V. - 31.12.2016	Rs	Rs	Rs	Rs
Cost/ Valuation	59,813,906.97	162,990,937.05	40,640,108.95	263,444,952.97
Dep. Accumulated . 31.12.2016	-	-	-	-
	59,813,906.97	162,990,937.05	40,640,108.95	263,444,952.97

NOTE- FA .4

Mature Plantation

	Mature Plantation- Tea	Mature Plantation- Rubber	Mature Other Plantation	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January-2016	347,876,222.56	83,644,962.49	8,203,623.94	439,724,808.99
Additions during the year	60,576.09	18,218,710.27		18,279,286.36
Disposal of Tea Plantation- Mahawila				
Transfers/ Correction of Depn. Entry				
Balance at the end of year- 31.12.2016	347,936,798.65	101,863,672.76	8,203,623.94	458,004,095.35

Accumulated Depreciation

	Mature Plantation- Tea	Mature Plantation- Rubber	Mature Other Plantation	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January-2016	73,232,137.00	10,576,970.15		83,809,107.15
Dep .Charged for the year	11,751,136.75	5,091,479.54		16,842,616.29
Dep. On Disposal during the year				
Balance at the end of year- 31.12.2016	84,983,273.75	15,668,449.69	-	100,651,723.44
Net Book Value/ W.D.V. - 31.12.2016	262,953,524.90	86,195,223.07	8,203,623.94	357,352,371.91
Balance at the end of year- 31.12.2015	274,644,085.56	73,067,992.34	8,203,623.94	355,915,701.84

NOTE- FA -5

Machineries, Office Equipments, Vehicles

	Machinery	Equipments	Vehicles	Total
	Rs	Rs	Rs	Rs
A Balance as at 01 st January- 2016	109,479,998.97	33,693,236.80	112,223,928.65	255,397,164.42
Additions during the year		485,920.00		485,920.00
Disposal during the year			-	-
Balance at the end of year- 31.12.2016	109,479,998.97	34,179,156.80	112,223,928.65	255,883,084.42

B Accumulated Depreciation

	Machinery	Equipments	Vehicles	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January- 2016	72,037,142.57	29,403,170.73	87,415,306.64	188,855,619.94
Dep .Charged for the year	3,877,507.54	2,188,287.59	6,581,940.60	12,647,735.73
Dep. On Disposal during the year	-	-	-	-
Balance at the end of year- 31.12.2016	75,914,650.11	31,591,458.32	93,997,247.24	201,503,355.67
Net Book Value/ W.D.V. - 31.12.2016	33,565,348.86	2,587,698.48	18,226,681.41	54,379,728.75
Net Book Value/ W.D.V.				
Cost/ Valuation 31.12.2015	109,479,998.97	33,693,236.80	112,223,928.65	255,397,164.42
Dep. Accumulated . 31.12.2015	72,037,142.57	29,403,170.73	87,415,306.64	188,855,619.94
Net Book Value/ W.D.V. - 31.12. 2015	37,442,856.40	4,290,066.07	24,808,622.01	66,541,544.48

NOTE- FA -6

COMPUTERS & ASSECESSORIES

	Computers and Access/ Printeres -R/O	Computers and Access/ Printeres -Estates	Computers and Access/ Printeres -H/O	Total
	Rs	Rs	Rs	Rs
Balance as at 01 st January- 2016	123,900.00	1,072,904.00	3,367,661.10	4,564,465.10
Additions during the year		33,250.00	218,000.00	251,250.00
Disposal during the year				
Balance at the end of year- 31.12.2016	123,900.00	1,106,154.00	3,585,661.10	4,815,715.10

Accumulated Depreciation

	Computers and Access/ Printeres -R/O	Computers and Accessories- Estates	Computers and Accessories- Head Office	Total
		Rs	Rs	Rs
Balance as at 01 st January- 2016	6,195.00	152,650.00	857,611.22	1,016,456.22
Dep .Charged for the year	29,426.00	188,560.00	309,266.25	527,252.25
Dep. On Disposal during the year				
Balance at the end of year- 31.12.2016	35,621.00	341,210.00	1,166,877.47	1,543,708.47
Net Book Value/ W.D.V. - 31.12.2016	88,279.00	764,944.00	2,418,783.63	3,272,006.63
Net Book Value/ W.D.V.				
Cost/ Valuation	117,705.00	920,254.00	3,367,661.10	4,564,465.10
Dep. Accumulated . 31.12.2015			857,611.22	1,016,456.22
Net Book Value/ W.D.V. - 31.12. 2015	117,705.00	920,254.00	2,510,049.88	3,548,008.88

NOTE- FA -7

A Furniture & Fittings

	Furniture & Fittings	Total
	Rs	Rs
Balance as at 01 st January-2016	5,384,971.06	5,384,971.06
Additions during the year	64,656.05	64,656.05
Disposal during the year	-	-
Balance at the end of year- 31.12.2016	5,449,627.11	5,449,627.11
B **Accumulated Depreciation**		
Balance as at 01 st January-2016	4,170,338.13	4,170,338.13
Dep .Charged for the year	41,372.06	41,372.06
Dep. On Disposal during the year	-	-
Balance at the end of year- 31.12.2016	4,211,710.19	4,211,710.19
Net Book Value/ W.D.V. - 31.12.2016	1,237,916.92	1,237,916.92
Net Book Value/ W.D.V. - 31.12.2015		
Cost/ Valuation	5,384,971.06	5,384,971.06
Dep. Accumulated . 31.12.2015	4,170,338.13	4,170,338.13
	1,214,632.93	1,214,632.93
Net Book Value/ W.D.V. - 31.12.2015	1,214,632.93	1,214,632.93

NOTE- FA -8

Water Supply Scheme,Mini Hydro Scheme
& Peripheral Housing Scheme

A

	Water Supply Scheme	Mini Hydro Scheme	Peripheral Housing Scheme	Total
	Rs	Rs	Rs	Rs
Balance as at 01 at January- 2016	16,309,458.65	268,648.00	19,083.07	16,597,189.72
Additions during the year				-
Disposal during the year				-
Balance at the end of year- 31.12.2016	16,309,458.65	268,648.00	19,083.07	16,597,189.72

B

	Water Supply Scheme	Mini Hydro Scheme	Peripheral Housing Scheme	Total
	Rs	Rs	Rs	Rs
Accumulated Depreciation				
Balance as at 01 at January- 2016	4,335,393.60	54,266.65	-	4,389,660.25
Dep Charged for the year	808,456.47	117.00	-	808,573.47
Dep. On Disposal during the year	-	-	-	-
Balance at the end of year- 31.12.2016	5,143,850.07	54,383.65	-	5,198,233.72
Net Book Value/ W.D.V. - 31.12.2016	11,165,608.58	214,264.35	19,083.07	11,398,956.00
Net Book Value/ W.D.V. - 31.12.2016				
Cost / Valuation	16,309,458.65	268,648.00	19,083.07	16,597,189.72
Dep Accumulated 31 12 2016	5,143,850.07	54,266.65	-	5,198,233.72
	11,165,608.58	214,381.35	19,083.07	11,398,956.00
Net Book Value/ W.D.V. - 31.12.2015	11,974,065.05	214,381.35	19,083.07	12,207,529.47

NOTE- FA -9

Fences Security Lights, Glircidia Plantation

A

	Fences Security Lights	Glircidia Plantation	Total
	Rs	Rs	Rs
Balance as at 01 st January-2016	483,504.90	171,976.94	655,481.84
Additions during the year	-	-	-
Disposal during the year			-
Balance at the end of year- 31.12.2016	483,504.90	171,976.94	655,481.84

B

	Fences Security Lights	Glircidia Plantation	Total
	Rs	Rs	Rs
Accumulated Depreciation			
Balance as at 01 st January-2016	434,887.90	-	434,887.90
Dep .Charged for the year	1,200.00	-	1,200.00
Dep. On Disposal during the year			
Balance at the end of year- 31.12.2016	436,087.90	-	436,087.90
Net Book Value/ W.D.V. - 31.12.2015	47,417.00	171,976.94	219,393.94
Net Book Value/ W.D.V. - 31.12.2015			
Cost/ Valuation	483,504.90	171,976.94	655,481.84
Dep. Accumulated . 31.12.2015	434,887.90		434,887.90
	48,617.00	171,976.94	220,593.94

A NOTE- FA -10

Onugaloya Estate Fixed Assest, Capital Work in Progress

	Onugaloya Estate Fixed Asset	Capital Work in Progress	Special Project (Water Project)	Dry Fish Project	Total
	Rs	Rs	Rs	Rs	Rs
Balance as at 01 at January-2016	6,013,927.21	28,504,580.99	1,394,815.01	55,064.89	35,968,388.10
Additions during the year	-	21,974,761.49	-	-	21,974,761.49
Transfer /Disposal during the year	-	(28,504,580.99)	-	-	(28,504,580.99)
B					
Balance at the end of year- 31.12.2016	6,013,927.21	21,974,761.49	1,394,815.01	55,064.89	29,438,568.60

	Onugaloya Estate Fixed Asset	Capital Work in Progress	Special Project	Dry Fish Project	Total
	Rs	Rs	Rs	Rs	Rs
Accumulated Depreciation					
Balance as at 01 at January-2016					
Dep .Charged for the year					
Dep. On Disposal during the year					
Balance at the end of year- 31.12.2016	-	-	-	-	-
Net Book Value/ W.D.V. - 31.12.2016	6,013,927.21	21,974,761.49	1,394,815.01	55,064.89	29,438,568.60
Net Book Value/ W.D.V. - 31.12.2016					
Cost/ Valuation	6,013,927.21	21,974,761.49	1,394,815.01	55,064.89	29,438,568.60
Dep. Accumulated . 31.12.2016	-	-			-
	6,013,927.21	21,974,761.49	1,394,815.01	55,064.89	29,438,568.60

NOTES TO THE FINANCIAL STATEMENTS

NOTE- A1

INVENTORIES	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	
Input Materials and Consumables	A1-1	6,200,720.21	874,765.50	4,027,168.77	11,102,654.48	11,049,914.51
Growing Crop Nurseries		2,933,323.94	-	-	2,933,323.94	4,698,529.72
Produced Crop	A1-1	78,915,712.40	-	1,340,889.56	80,256,601.96	47,663,145.61
		88,049,756.55	874,765.50	5,368,058.33	94,292,580.38	63,411,589.84

NOTE A1-1

Input Materials and Consumables	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
Fertilizer	4,511,814.71			4,511,814.71	1,935,249.52
Packing Materials	50,761.48		1,734,208.17	1,784,969.65	2,101,628.13
Sundry Stock	1,519,944.74	443,703.35	683,269.00	2,646,917.09	4,724,712.19
Stationery	118,199.28	431,062.15		549,261.43	678,633.07
Obsolete Stock			1,609,691.60	1,609,691.60	1,609,691.60
	6,200,720.21	874,765.50	4,027,168.77	11,102,654.48	11,049,914.51

Stocks - Finished Goods	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
Tea Stock	67,610,521.09		1,340,889.56	68,951,410.65	43,945,835.17
Rubber	11,098,482.08			11,098,482.08	3,482,275.15
Sundry Crop	206,709.23			206,709.23	235,035.29
	78,915,712.40	-	1,340,889.56	80,256,601.96	47,663,145.61

NOTES TO THE FINANCIAL STATEMENTS

NOTE A 2

TRADE & OTHER RECEIVABLES

	NOTES	ESTATE Rs.	HEAD OFFICE Rs.	CONSUMER Rs.	31.12.2016 Rs.	31.12.2015 Rs.
Trade Receivables		37,878,699.40	174,468,820.24	12,145,278.72	224,492,798.36	196,070,599.00
Staff & Labour Receivables	A2-1	37,745,796.59	2,665,242.32	54,412.41	40,465,451.32	35,970,029.82
Deposits and Prepayments	A2-2	2,994,946.27	21,576,042.74	6,362,194.19	30,933,183.20	29,939,923.63
VAT Recoverable		-	3,521,614.12	-	3,521,614.12	3,521,614.12
WHT Recoverable		-	9,566,158.45	-	9,566,158.45	9,540,247.52
SLSPC Loan & Interest		-	160,453,588.84	-	160,453,588.84	160,469,627.72
Quenrich Agro Private Ltd		-	2,176,683.41	-	2,176,683.41	2,176,683.41
Plantation Development Projcet		-	4,136,732.52		4,136,732.52	4,136,732.52
Sundry Debtors	A2-3	44,107,238.63	49,460,108.27	1,000,000.00	94,567,346.90	108,409,130.50
		122,726,680.89	428,024,990.91	19,561,885.32	570,313,557.12	550,234,588.24

NOTE - A2-1

Staff & Labour Receivables

	ESTATE Rs.	HEAD OFFICE Rs.	CONSUMER Rs.	31.12.2016 Rs.	31.12.2015 Rs.
Estate Staff Debtors- (Recoverables)	11,647,367.14			11,647,367.14	12,884,903.91
Festival Advance	20,549,431.29	400,871.66		20,950,302.95	18,399,057.81
Social Welfare	2,085,056.82	272,457.49		2,357,514.31	952,917.26
Special Advance		143,208.47		143,208.47	179,246.55
Staff Medical Payments				-	
Sundry Receivables	3,463,941.34	1,848,704.70	54,412.41	5,367,058.45	3,553,904.29
	37,745,796.59	2,665,242.32	54,412.41	40,465,451.32	35,970,029.82

NOTE- A2-2

Deposits and Prepayments

	ESTATE Rs.	HEAD OFFICE Rs.	CONSUMER Rs.	31.12.2016 Rs.	31.12.2015 Rs.
Advance Payments		19,947,057.38	2,199,770.69	22,146,828.07	23,784,487.41
Deposit	2,820,475.68	1,525,864.01	613,712.00	4,960,051.69	2,553,482.96
Fixed Deposits HNB / Peoples Bank		103,121.35	3,548,711.50	3,651,832.85	3,418,634.49
Pre Payments	174,470.59			174,470.59	183,318.77
	2,994,946.27	21,576,042.74	6,362,194.19	30,758,712.61	29,939,923.63

NOTE - A2-3

Sundry Debtors

	ESTATE Rs.	HEAD OFFICE Rs.	CONSUMER Rs.	31.12.2016 Rs.	31.12.2015 Rs.
Sundry debtors - Estates	8,191,242.57			8,191,242.57	-
Inter Estate Transaction				-	15,687,998.58
Others	35,915,996.06	49,460,108.27	1,000,000.00	86,376,104.33	92,721,131.92
	44,107,238.63	49,460,108.27	1,000,000.00	94,567,346.90	108,409,130.50

NOTES TO THE FINANCIAL STATEMENTS
NOTE- A 3

	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
	Rs.	Rs.	Rs.	Rs.	Rs.
CASH & CASH EQUIVALENTS					
BOC 8624530		4,342,093.15		4,342,093.15	413,817.24
BOC 2327555		4,248,162.08		4,248,162.08	43,457.58
PB 014100103155909		139,770.51		139,770.51	139,770.51
BOC 75646976		91,646.88		91,646.88	758,909.05
BOC 2164625		171,132.37		171,132.37	737,527.65
BOC 034021		133,605.10		133,605.10	78,719.20
PB 003200100022296		11,705.10		11,705.10	121,611.62
PB 014200183155909			270,188.20	270,188.20	260,275.77
Estates Bank Balances	889,257.07			889,257.07	756,531.96
Cash in Hand	173,653.29	200.00	5,000.00	178,853.29	173,367.49
Cash in Hand Reginal Office		7,857.00		7,857.00	
Cash in Transit	174,859.29			174,859.29	939,523.84
	1,237,769.65	9,146,172.19	275,188.20	10,659,130.04	4,423,511.91

	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
NOTE A 4					
Estate Control Account		11,190,988.07			
		11,190,988.07		11,190,988.07	11,190,988.07
				11,190,988.07	11,190,988.07

NOTES TO THE FINANCIAL STATEMENTS

LIABILITIES

	31.12.2016	31.12.2015
	Rs.	Rs.
Stated Capital	3,670,000,000.31	3,670,000,000.31
	3,670,000,000.31	3,670,000,000.31
NOTE L -1		
Reserves		
Capital Reserve	2,782,868,702.37	2,782,868,702.37
	2,782,868,702.37	2,782,868,702.37
NOTE L -2		
General Reserves/ Govn.Grant		
General Reseve	285,642,080.69	283,241,856.32
Adjustments/ Transfers	1,374,689,820.00	863,000,000.00
Plantation Development Project	16,028,738.01	16,028,738.01
	1,676,360,638.70	1,162,270,594.33

NOTE- L 3
Non Currtent Liabilities

	NOTES	ESTATE Rs.	HEAD OFFICE Rs.	CONSUMER Rs.	31.12.2016 Rs.	31.12.2015 Rs.
Provision for Gratuity		558,586,511.18	66,154,893.00		624,741,404.18	610,704,923.31
Bank Loan	L3-1		100,867,026.92		100,867,026.92	116,951,431.45
		558,586,511.18	167,021,919.92	-	725,608,431.10	727,656,354.76

NOTE L3 - 01
INTEREST BEARING LOANS

Bank of Ceylon Loan No - 712647723			8,360,417.65		8,360,417.65	24,444,822.18
Bank of Ceylon Loan No - 712647547						
Peoples Bank Loan 03 AC- 010298			22,970,326.64		22,970,326.64	22,970,326.64
Pan Asia Bank - 010063380119			69,536,282.63		69,536,282.63	69,536,282.63
			100,867,026.92	-	100,867,026.92	116,951,431.45

Currtent Liabilities
NOTE- L 4

Gratuity Payable- Ex - Employees		510,362,156.22	2,306,250.00		512,668,406.22	418,598,739.68
		510,362,156.22	2,306,250.00	-	512,668,406.22	418,598,739.68

NOTE - L 5
INTEREST BEARING BORROWINGS

Other Loan Payables	L3-2		225,541,946.61	11,303,472.33	236,845,418.94	233,038,928.53
			225,541,946.61	11,303,472.33	236,845,418.94	233,038,928.53

NOTE L5 - 01
OTHER LOANS

	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	Rs.
Ceramic Coparation			5,000,000.00		5,000,000.00	5,000,000.00
Chilaw Plantation Ltd			60,427,397.26		60,427,397.26	57,227,397.26
SRMC			119,887,858.94	11,303,472.33	131,191,331.27	130,811,531.27
Sri Lanka Tea Board			25,000,000.00		25,000,000.00	25,000,000.00
Lanka Minaral (Pvt) Ltd			15,226,690.41		15,226,690.41	15,000,000.00
			225,541,946.61	11,303,472.33	236,845,418.94	233,038,928.53

NOTE L 6
LEASE CREDITORS

	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
Finance Lease Obligations		136,159.69		136,159.69	136,159.69
Peoples Leasings	14,469,189.00	636,861.50		15,106,050.50	19,404,114.00
	14,469,189.00	773,021.19		15,242,210.19	19,540,273.69

NOTE L 7
TRADE PAYABLES

	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	Rs.
Lanka Commodity Brokers Ltd - LCBL					-	
Mercantile Pro. Brokers Ltd- MPBL			16,609,439.23		16,609,439.23	87,781,359.67
Jhon Keels					-	2,513,024.13
Mooloya Estate					-	
Medagaoa Tea Factory					-	
Malgolla Tea Factory					-	
Insite Factories (pvt) Ltd					-	2,865,043.00
Nildalukanda			884,918.27		884,918.27	
Rathwatte Tea Factory					-	
K.H.Hapuarachchi			1,500,000.00		1,500,000.00	
Sommerville & Company					-	
JD & Sons (Pvt) Ltd			744,136.25		744,136.25	744,136.25
Mount Vernan Tea Factory			21,379.05		21,379.05	21,379.05
Pusellawa Plantation PLC					-	
			19,759,872.80	-	19,759,872.80	93,924,942.10

	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	Rs.
NOTE L 8						
OTHER PAYABLES						
Trade Payables	L7-1		40,644,017.84	46,673,740.36	87,317,758.20	87,649,698.61
Staff Salaries & Wages Payables	L7-2	113,566,117.09	4,039,168.91		117,605,286.00	93,511,522.39
Bonus to Employees		2,856,159.98	251,676.93		3,107,836.91	3,239,777.14
Loan Interest Payable						
ESC Payable			7,819,534.05		7,819,534.05	7,752,214.05
VAT Payable			47,493,726.24		47,493,726.24	45,522,277.08
NBT Payable			8,549,878.03		8,549,878.03	8,183,338.83
PAYEE Tax			172,638.10		172,638.10	58,761.10
Stamp Duty		3,770.00	173,954.68	41,800.00	219,524.68	151,123.76
Sundry Creditors	L7-3	167,145,739.42	155,636,992.30	114,709.59	322,897,441.31	303,669,331.86
		283,571,786.49	264,781,587.08	46,830,249.95	595,183,623.52	549,738,044.82

NOTE L8 - 01						
Trade Payables						
SLSPC				41,107,241.90	41,107,241.90	41,107,241.90
Elkaduwa Plantation				329,650.00	329,650.00	329,650.00
Mahaweli Housing Project			36,310,517.84		36,310,517.84	36,310,517.84
State Trading Corporatiopn			4,333,500.00		4,333,500.00	3,893,400.00
MCM Marketing				1,500,000.00	1,500,000.00	1,500,000.00
Other				3,736,848.46	3,736,848.46	4,508,888.87
			40,644,017.84	46,673,740.36	87,317,758.20	87,649,698.61

	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	Rs.
NOTE L8 - 2						
Staff Salaries & Wage Payables						
Holiday Pay		27,654,477.89			27,654,477.89	28,683,846.78
Staff Medical Aid Scheme		7,986,107.99	30,548.43		8,016,656.42	8,865,649.94
Wager Paybable		54,716,515.20			54,716,515.20	36,944,463.25
Unclaimed Wages		408,847.45	3,672,348.73		4,081,196.18	414,307.24
Staff /Labour Deduction		22,800,168.56	336,271.75		23,136,440.31	18,603,255.18
		113,566,117.09	4,039,168.91		117,605,286.00	93,511,522.39
NOTE L8 - 03						
Sundry Creditors						
Trade Creditors		17,216,275.56			17,216,275.56	21,494,437.50
Accrued Expenditure		7,519,207.78	9,718,850.89	114,709.59	17,352,768.26	15,382,543.99
Refundable Deposits			63,313,166.95		63,313,166.95	55,271,268.95
Others		142,410,256.08	82,604,974.46		225,015,230.54	211,521,081.42
		167,145,739.42	155,636,992.30	114,709.59	322,897,441.31	303,669,331.86

NOTES TO THE FINANCIAL STATEMENTS

	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	
NOTE L9						
Retirement Benefit Obligations						
EPF		372,830,775.40	8,644,776.38		381,475,551.78	327,882,739.04
ESPS		14,580,457.25	4,559,009.79		19,139,467.04	3,328,025.70
CPPS		2,877,604.09	322,413.87		3,200,017.96	4,017,078.14
EPF / ETF Legal		502,339,066.59			502,339,066.59	505,661,147.99
		892,627,903.33	13,526,200.04	-	906,154,103.37	840,888,990.87
NOTE L10						
ETF and Other Payables						
ETF		32,194,104.43	173,232.30		32,367,336.73	26,441,309.78
		32,194,104.43	173,232.30		32,367,336.73	26,441,309.78
NOTE L11						
DEPOSIT AGAINST ASSET LEASE.			137,069,289.03		137,069,289.03	119,083,732.39
			137,069,289.03		137,069,289.03	119,083,732.39

NOTES TO THE FINANCIAL STATEMENTS

NOTE L12	NOTES	ESTATE	HEAD OFFICE	CONSUMER	31.12.2016	31.12.2015
		Rs.	Rs.	Rs.	Rs.	
BANK OVERDRAFT						
BOC Hyde Park 2327553						
BOC Hyde Park 2327554				9,049,107.05	9,049,107.05	8,740,719.20
BOC Hyde Park 2327555			65,540,327.97		65,540,327.97	75,844,578.42
BOC Hyde Park 2327572					-	
Nations Trust 006100003643					-	
People's Bank Union Place 014100293155909			954.45		954.45	954.45
People's Bank Union Place 014100103155909				2,279,589.02	2,279,589.02	2,057,681.36
BOC Union Place 2164625					-	
BOC Union Place 75646976					-	
BOC 8624530					-	
People's Bank Kandy 003200100022296					-	
BOC Kandy 0034021					-	
People's Bank Union Place 0142001831559					-	
Estates Bank Accounts					-	
		-	65,541,282.42	11,328,696.07	76,869,978.49	86,643,933.43

MANUFACTURING ,TRADING PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31/12/2016

ESTATES

Estate	Net Sales Proceeds	MANUFACTURING COST			TOTAL	Operational Profit/ (Loss)	NET Profit/ (Loss)	Made Tea Qty Kgs	COP
	Rs	General	Cultivation	Production	Rs	Rs	Rs		Rs
Bopitiya	7,077,697.64	(8,250,849.56)	(1,695,215.01)	(6,028,245.05)	(15,974,309.62)	(8,896,611.98)	(8,896,611.98)	22,016	725.58
Deltota	12,721,063.05	(14,983,107.69)	(4,643,971.50)	(9,707,118.97)	(29,334,198.16)	(16,613,135.11)	(16,613,135.11)	47,907	612.32
Mulhalkele	-	(56,000.00)			(56,000.00)	(56,000.00)	(56,000.00)	-	
Great Vally	10,236,655.14	(13,038,630.17)	(3,600,503.28)	(9,475,483.87)	(26,114,617.32)	(15,877,962.18)	(15,877,962.18)	31,763	822.17
Hantane	43,884,083.24	(39,444,765.45)	(11,940,179.34)	(43,210,374.82)	(94,595,319.61)	(50,711,236.37)	(50,711,236.37)	132,347	714.75
Levellon	69,280,804.92	(38,153,377.67)	(15,459,034.49)	(62,925,610.04)	(116,538,022.20)	(47,257,217.28)	(47,257,217.28)	243,470	478.65
Rahatungoda	23,319,011.60	(18,367,125.78)	(7,839,035.10)	(21,609,853.59)	(47,816,014.47)	(24,497,002.87)	(24,497,002.87)	70,902	674.40
Rook Wood	41,910,304.18	(20,626,051.22)	(6,653,134.51)	(36,487,376.30)	(63,766,562.03)	(21,856,257.85)	(21,856,257.85)	121,643	524.21
Bowhill	12,096,175.89	(14,392,354.17)	(4,406,123.44)	(10,438,999.40)	(29,237,477.01)	(17,141,301.12)	(17,141,301.12)	44,814	652.42
Gallabodda	9,349,858.50	(13,422,948.15)	(3,414,248.20)	(8,012,876.61)	(24,850,072.96)	(15,500,214.46)	(15,500,214.46)	35,038	709.23
Hope	42,077,531.03	(26,385,868.61)	(6,685,564.44)	(36,237,877.12)	(69,309,310.17)	(27,231,779.14)	(27,231,779.14)	127,860	542.07
Kandaloya	13,491,991.23	(12,953,562.62)	(2,843,130.00)	(15,237,803.00)	(31,346,559.37)	(17,854,568.14)	(17,854,568.14)	39,859	786.44
Kolapathana	24,095,256.46	(19,268,661.35)	(5,249,182.00)	(15,396,001.13)	(39,913,844.48)	(15,818,588.02)	(15,818,588.02)	88,183	452.63
Loolcondura	62,854,476.15	(39,462,581.34)	(12,162,048.03)	(53,401,070.27)	(105,025,699.64)	(42,171,223.49)	(42,171,223.49)	208,323	504.15
Mahavilla	13,020,775.84	(14,833,534.42)	(4,063,531.93)	(7,402,806.39)	(26,299,872.74)	(13,279,096.90)	(13,279,096.90)	43,428	605.60
Nagastenna	14,023,278.48	(15,749,992.03)	(3,044,364.26)	(14,648,617.55)	(33,442,973.84)	(19,419,695.36)	(19,419,695.36)	41,828	763.86
Mount Jean	8,806,732.64	(10,474,694.39)	(5,450,107.23)	(9,281,918.87)	(25,206,720.49)	(16,399,987.85)	(16,399,987.85)	31,219	807.42
Total	408,245,695.99	(319,864,104.62)	(99,149,372.76)	(359,502,032.98)	(778,827,574.11)	(370,581,878.12)	(370,581,878.12)	1,332,599	584.4
Rubber									
Kumarawatte	61,118,991.08	(24,246,196.71)	(1,853,609.89)	(53,182,362.92)	(81,774,759.13)	(20,655,768.05)	(20,655,768.05)	309,316	264.37
Diyaluma	5,337,394.70	(2,717,267.22)	(132,468.57)	(3,831,978.87)	(6,681,714.66)	(1,344,319.96)	(1,344,319.96)	29,478	226.67
Thelipathenna	2,426,327.42	(2,793,926.17)	(167,477.96)	(3,990,862.78)	(6,952,266.91)	(4,525,939.49)	(4,525,939.49)	13,385	519.41
Total	68,882,713.20	(29,757,390.10)	(2,153,556.42)	(61,005,204.57)	(95,408,740.70)	(26,526,027.50)	(26,526,027.50)	352,179.00	270.91
Pallai	1,104,508.75	6,063,177.75			6,063,177.75	(4,958,669.00)	(4,958,669.00)		
Total	478,232,917.94	(343,558,316.97)	(101,302,929.18)	(420,507,237.55)	(868,173,137.06)	(402,066,574.62)	(402,066,574.62)		

JANATHA ESTATES DEVELOPMENT BOARD

MANUFACTURING ,TRADING PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31/12/2016

ESTATES

Estates	Made Tea Qty Kgs	Gross Proceeds	Total Sales	Sales Expenses Sales Exp- Auc	Net Sales Proceeds	Sundry Income Estates	Total Income	NSA
		Rs	Rs	Rs	Rs	Rs	Rs	Rs
Bopitiya	22,016	7,212,260.83	7,212,260.83	136,963.19	7,075,297.64	2,400.00	7,077,697.64	321.37
Deltotte	47,907	12,731,585.85	12,731,585.85	10,522.80	12,721,063.05		12,721,063.05	265.54
Mulhalkele								
Great Vally	31,763	10,404,963.98	10,404,963.98	198,308.84	10,206,655.14	30,000.00	10,236,655.14	321.34
Hantane	132,347	43,505,060.93	43,505,060.93	381,774.19	43,123,286.74	760,796.50	43,884,083.24	325.84
Levellon	243,470	70,059,154.00	70,059,154.00	1,336,148.42	68,723,005.58	557799.34	69,280,804.92	282.26
Rahatungoda	70,902	23,631,103.89	23,631,103.89	302,192.29	23,328,911.60	(9,900.00)	23,319,011.60	329.03
Rook Wood	121,643	42,418,950.46	42,418,950.46	508,646.28	41,910,304.18		41,910,304.18	344.54
Bowhill	44,814	12,094,675.89	12,094,675.89		12,094,675.89	1,500.00	12,096,175.89	269.89
Gallabodda	35,038	9,340,008.50	9,340,008.50		9,340,008.50	9,850.00	9,349,858.50	266.57
Hope	127,860	40,916,610.11	40,916,610.11	331,492.08	40,585,118.03	1,492,413.00	42,077,531.03	317.42
Kandaloya	39,859	13,613,378.56	13,613,378.56	163,883.66	13,449,494.90	42,496.33	13,491,991.23	337.43
Kolapathana	88,183	24,095,256.46	24,095,256.46		24,095,256.46		24,095,256.46	273.24
Loolcondura	208,323	63,059,363.19	63,059,363.19	789,360.04	62,270,003.15	584,473.00	62,854,476.15	298.91
Mahavilla	43,428	12,998,775.84	12,998,775.84		12,998,775.84	22,000.00	13,020,775.84	299.32
Nagastenna	43,828	14,121,422.03	14,121,422.03	147,074.95	13,974,347.08	48,931.40	14,023,278.48	318.85
Mount Jean	31,219	8,559,120.14	8,559,120.14		8,559,120.14	247,612.50	8,806,732.64	274.16
Total	**1,332,599**	**408,761,690.66**	**408,761,690.66**	**4,306,366.74**	**404,455,323.92**	**3,790,372.07**	**408,245,695.99**	303.51
Rubber								
Kumarawatte	309,316	62,049,729.74	62,049,729.74	789,614.32	61,260,115.42	(141,124.34)	61,118,991.08	198.05
Diyaluma	29,478	5,353,061.14	5,353,061.14	67,002.44	5,286,058.70	51,336.00	5,337,394.70	179.32
Thelipathenna	13,385	2,442,193.89	2,442,193.89	30,866.47	2,411,327.42	15,000.00	2,426,327.42	180.15
Total	352,179	69,844,984.77	69,844,984.77	887,483.23	68,957,501.54	(74,788)	68,882,713	195.80
Pallai	50,358.0	1,104,508.75		1,104,508.75	1,104,508.75		1,104,508.75	
Total		471,915,929.15	470,811,420.40	6,200,489.81	474,517,334.21	3,649,247.73	470,469,195.82	

Notes for the Financial Statement
Note - 01

1 Revenue		2016	2015
		Rs	Rs
Tea	1--1	404,455,323.92	494,520,476
Rubber & Other	1--2	68,957,501.54	63,200,931
Coconut	1--3	1,104,508.75	704,286.
Minor Crops Estate	1--4	3,715,583.73	11,275,307.
Jana Tea	1--5	16,705,201.97	15,071,522.
		494,938,119.91	584,772,523.
2 Cost of Sales			
Tea	1--1	778,515,510.36	911,052,472.
Rubber & Other	1--2	92,916,151.09	81,620,367.8
Coconut	1--3	6,063,177.75	5,171,919.4
Minor Crops Estate	1--4	2,804,653.36	1,792,140.5
Jana Tea	1--5	13,504,680.20	12,229,974.7
		893,804,172.76	1,011,866,874.9
Total			
Gross Profit / (loss)			
Tea		(374,060,186.44)	(416,531,996.1
Rubber & Other		(23,958,649.55)	(18,419,436.41
Coconut		(4,958,669.00)	(4,467,633.25
Minor Crops Estate		910,930.37	9,483,167.02
Jana Tea		3,200,521.77	2,841,547.46
		(398,866,052.85)	(427,094,351.34
3 Other Income			
Land Lease		44,541,879.97	96,144,323.70
Building Rent		10,041,700.00	54,258,437.32
Security		1,967,832.00	4,601,054.80
Sundry Income		7,049,250.59	3,198,251.95
Sales of Timber		12,978,953.95	21,122,527.50
Loan/FD Interest		71,130.52	3,749.49
Other Provison of Surcharge			41,367,908.23
		76,650,747.03	220,696,252.99

JANATHA ESTSTES DEVELOPMENT BOARD

Income Statement for the year ended 31st December 2016

	2015	2016		
	Total	Head Office	Jana Tea	Total
	Rs.	Rs.	Rs.	Rs.
Less Expenditure				
5 ADMINISTRATION EXPENSES				
Derector Fees	347,500.00	206,670.00		206,670.00
Electricity	4,850,857.66	1,412,360.86	417,646.14	1,830,007.00
Water	590,312.13	132,327.02	134,463.89	266,790.91
Telephone & Internet	640,153.27	975,123.80	2,000.00	977,123.80
Vehical Rent	1,320,000.00	2,285,000.00		2,285,000.00
Vehical Fuel	3,192,734.84	2,581,576.11	184,440.95	2,766,017.06
Vehical Repair & Maintenance	1,770,163.38	1,180,718.56	201,754.16	1,382,472.72
Stationery	793,185.16	1,072,870.66	50,059.81	1,122,930.47
Building/ Office Maintanance	186,525.22	4,051,561.11		4,051,561.11
Janitorial Service	849,411.24	890,466.19		890,466.19
Postage	82,688.75	123,537.50		123,537.50
Consultation Fees		643,622.35		643,622.35
Sundry Expenditure	2,892,066.50	2,075,740.71	22,308.04	2,098,048.75
Ari Condition Repair	25,123.07	122,450.00		122,450.00
Office Equipment Repair	322,602.80	175,657.10	39,039.06	214,696.16
Stamp Duty				-
Advertisement Exp.	456,237.00	544,504.00		544,504.00
Audit Fees	373,220.00	130,000.00		130,000.00
Trainee Seminar & Exam Fees	367,793.64	234,493.80		234,493.80
Donation	476,385.94	90,000.00		90,000.00
News Papers & Periodicals	24,300.00	47,574.00		47,574.00
Subscription Fees	5,000.00			-
Surcharge - ESPS				-
Surcharge - EPF				-
Surcharge - ETF				-
Surcharge - Gratiuty	436819.2			-
Depriciation	3,113,024.67	3,708,350.57	85,558.11	3,793,908.68
Asst, Trainee Allowance				-
Survey Fees		55,000.00		55,000.00
Valuation Fees	238,675.00	124,437.50		124,437.50
Rate & Taxes	2,824,080.00	2,824,080.00		2,824,080.00
	26,178,859.47	25,688,121.84	1,137,270.16	26,825,392.00
6 Staff Expenses				
Salaries & Allowances	70,935,879.18	77,779,788.69	3,170,798.92	80,950,587.61
EPF/ESPS/CPPS	4,203,389.79	4,651,936.26	347,152.84	4,999,089.10
ETF	1,051,616.39	1,386,952.81	86,788.27	1,473,741.08
Over Time	1,292,705.97	777,134.86	96,435.27	873,570.13
Travelling & Subsistence	342,038.03	315,831.50		315,831.50
Non Ex. Staff Medical	2,109,347.40	2,130,113.08	289,294.03	2,419,407.11
Staff Welfare	1,283,964.21	663,132.63	12,702.00	675,834.63
Labour Charges	176,140.04	2,588,332.15		2,588,332.15
Cash Carring Commission				-
Attendance Bonus	357,200.00	516,100.00		516,100.00
Cost of Pocket Expenditure	87,151.75	43,281.29		43,281.29
Staff Tea	108,241.32	1,082,705.53	111,677.12	1,194,382.65
Gratuity Provision	11,739,574.50	8,248,741.62		8,248,741.62
Execu.Staff Medical	930,699.83	1,245,332.81		1,245,332.81
	94,617,948.41	101,429,383.23	4,114,848.45	105,544,231.68

7 Sales & Marketing Exp				
Transport Charges	47,242.63	5,500.00		5,50(
Storage Rent				
Tranvelling & Subsistance	38,375.00		55,913.00	55,91:
Sales Promotion	11,949.21		620,505.56	620,50:
Gratis	34,279.76		53,215.00	53,21:
Advertisement Exp.	16,000.00			
Accomodation			22,285.00	22,28:
Loading & Unloding	1,000.00		2,200.00	2,20C
Incentives				
Donation				
Panalty		216,462.23		216,462
Trade Licence Fees	143,968.00			
Bad debtors Provision				
Estate sales Expe.				
	292,814.60	221,962.23	754,118.56	976,080
8 Other Estates Expenditure				
Surcharge - ESPS	231,415.88	77,452.92		77,452
Surcharge - EPF	48,414,294.91	39,113,467.40		39,113,467
Surcharge - CPPS	9,802.58			-
Surcharge - ETF	4,597,690.83	2,885,548.77		2,885,548.
Surcharge - Gratuity	6,717,216.94	29,305,572.12		29,305,572.
Compensation		2,640,180.00		2,640,180.
Over Provision of Gratuity Estate				-
Panelty Charges Electricity				-
leagal Expenses	4,191,260.00	3,133,821.00		3,133,821.
Bungalow Expenses				-
Regional Office Expenditure	12,200,872.46			-
Sundry Expenses				-
	76,362,553.60	77,156,042.21	-	77,156,042.
09 Finance Charges				
Bank Charges	649,679.44	3,981,412.98	102,387.34	4,083,800.
Broker Adv. Interest	16,229,433.56	8,778,982.82		8,778,982.
Bank loan Interest	8,098,703.99	2,479,352.47		2,479,352.
Over Draft Interest	14,704,211.31	10,598,547.66	1,221,211.46	11,819,759.
Other loan Interest		3,702,266.50	379,800.00	4,082,066.
	39,682,028.30	29,540,562.43	1,703,398.80	31,243,961.

JANATHA ESTATES DEVELOPMENT BOARD
CONSUMER SERVICE
TRADING & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2016

REVENUE			
Sales Income		16,735,976.77	
Less : Sales Return		30,774.80	16,705,201.97
Cost of Sales			
Opening Stock 01.01.15			
Un Bulk Tea	1,163,911.33		
Packted Tea	1,158,304.17	2,322,215.50	
Add : Bulk Purchases			
Un Bulk Tea	10,247,932.50	10,247,932.50	
		12,570,148.00	
Less Gratis		1,426,784.46	
		11,143,363.54	
Less Closing Stock 31.12.15			
Un Bulk Tea	683,269.00		
Packted Tea	1,340,889.56	2,024,158.56	
Un Bulk Tea Use for the Year		9,119,204.98	
Other Direct Cost			
Opening Stock 01.01.2015			
Packing Material	1,555,385.49		
Add; Purchases	1,001,534.31		
	2,556,919.80		
Less.; Closing Stock 31.12.15	1,734,208.17		
Packing Material Use for the Year	822,711.63		
Tea Blending Cost	-		
Excess tea blending allowance	22,237.85		
Labour wages	1,488,808.00		
Labour Allowances	2,006,561.60		
Contract labour	9,584.00		
Tea transport charges	35,572.14	4,385,475.22	
Cost of Sales		-	13,504,680.20
Gross Profit			3,200,521.77
Sundry Income			269,725.04
			3,470,246.81
EXPENDITURE			
ADMINISTRTION EXPENSES			
Water	134,463.89		
Printing,Postage & Stationery	50,059.81		
Staff tea	111,677.12		
Sundry Expenditure	22,308.04		
Equipment repairs	39,039.06		
Motor vehicle repairs	201,754.16		
Motor vehicle fuel	184,440.95		
Staff welfare	12,702.00		
Electricity	417,646.14		

Telephone charges	2,000.00		
Depreciation	85,558.11	1,261,649.28	
STAFF EXPENSES			
Executive ,staff salaries	1,404,132.34		
Non executive ,staff salaries	1,766,666.58		
EPF 12%	29,352.00		
ESPS 12%	317,800.84		
ETF 3%	86,788.27		
Medical 10%	289,294.03		
Over time	96,435.27		
Salary Allowance	-	3,990,469.33	
MARKETING EXPENSES			
Accomadation charges	22,285.00		
Travelling & subsistance	55,913.00		
Sales promotion	39,208.56		
Gratis	53,215.00		
Loading & unloading	2,200.00		
Non refundable deposit	508,000.00		
Dayata kirula	9,380.00		
Registration fees	63,917.00	754,118.56	
Finance Expenses			
Over draft interest	1,221,211.46		
Bank charges	102,387.34		
Loan interest	379,800.00	1,703,398.80	
TOTAL EXPENDITURE			7,709,635.97
NET PROFIT/LOSS			(4,239,389.16)

03.03.17

PALLAI ESTATE 2016

Profit and Loss
January through December 2016

	Jan - Dec '16
Ordinary Income/Expense	
Income	
Sales of Coconut	1,104,508.75
Total Income	1,104,508.75
Expense	
Attendence Incentive	211,400.00
Bank Charges	1,600.00
Bunglow Rent	64,432.00
Casual Wages	873,850.00
CPPS Provision	12,660.00
Depreciation Expense	117,900.75
Electricity	28,285.00
EPF Provition	253,380.00
ETF Provition	66,510.00
Fuel Allowance	268,273.00
Fuel For Vevicle & Machinsry	303,945.00
Holy Day Pay	20,850.00
Licenses and Permits	1,088.85
Miscellaneous	14,145.00
Over Time	188,075.00
Postage	9,055.15
Printing and Reproduction	2,770.00
Salaries Staff & Watcher	1,770,125.00
Sup Salary Allowance	172,975.00
Sup. Salaries	446,875.00
Telephone	15,748.00
Utilities	
Gas and Electric	7,325.00
Total Utilities	7,325.00
Vecle Repair & Maintenance	41,910.00
Vehicle Rent	1,170,000.00
Total Expense	6,063,177.75
Net Ordinary Income	-4,958,669.00
Net Income	-4,958,669.00

JANATHA ESTATES DEVELOPMENT BOARD

ANNUAL REPORT 2016

Action taken to rectified the differences of audit quarries and the audit reports in the year 2016

No.	Query	Action Taken
01	Interest income of Rs. 71,130 received in cash relating to the year under review should be deducted from the loss before tax and shown as a cash inflow under investment activities. However, it had been added to the loss before tax and shown.	In the preparation of cash flow statement, the interest income should be deducted from the loss before tax. However us the interest income of Rs. 71,130/- has been added to the loss before tax, therefore it has been understand, measures will be taken to correct the situation.
02	A actuarial valuation had not been carried out to obtain the value of plant with a commercial value. As such the value of consumable biological assets had not been identified through accounts.	The actuarial valuation should be undertaken by a competent establishment, in the relevant field, however the JEDB did not possess adequate funds for the purposes. The exercise however it will initiated from 2019.
03	Auction had not been taken to write off expenditure in the nature of surcharge amounting to Rs. 3,339,466/- indicated in the capital work in progress balance for over a period of 05 years, as expenditure.	This was not possible due to the financial constraints but now remittances are being done on a monthly basis.
04	Even though the registers should be maintained to indicate accurately the total amount of receivable to an institution total amount collected and total arrears the registers had not been maintained. So as to identify specifically the amount received from the leasing out of the properties of the Board or the amount receivable.	There is a register maintained for the assets rented out by the institution and that register is being updated by the Land division.
05	Expenditure on motor vehicle repairs of Rs. 234,859 incurred in the year under review by the Rahathungoda estate had been capitalized as an expenditure incurred on timber plantation.	Adjustment was done to the accounts for the year 2017.
06	The balance according to Ledger accounts relating to Fixed Deposits amount to Rs. 3,651,833/- while that value was Rs. 3,582,416/- according to the Register of Fixed Deposits thus observing a difference of Rs. 69,417/-.	The necessary adjustment done for the correction of ledger accounts to the year 2017.
07	The Daily Running Charts and the monthly performance summaries of the motor vehicles attached to the head office and the estate had not been furnished to the Auditor General.	Instructions have been conveyed to forward all running charts and summary statement of vehicles operated by the head office and estate as required periodically to the Audit division.
08	A sum of Rs. 6,013,927/- had been shown in the financial statements as fixed assets of the Onugaloya Estate which is outside the control of the Janatha Estates Development Board.	This balance is carried over from 1996 and we do not have adequate details to setoff it from our records. However, the necessary adjustments would be made with the as per SLRFS in future.

CORPORATE INFORMATION

Performance summary of the Organization for the year 2016

1. The Janatha Estate Development Board (JEDB) recorded an operating loss of Rs.(532,717,052.50) for the year under review against loss of Rs.(403,850,274.43) (403.09 Mns) recorded for the year 2015. This represented an increased the losses by 24% (Rs.128,866,778.07) (128.09 Mn) over the last year (2015) – (as per the annual accounts for the year 2016).

2. **Segmental Contribution to financial performance**

Segmental Contribution (Rs.) 2015 – 2016

SEGMENT	2016	2015	VARIANCE
Tea	404,455,323.92	494,520,476.17	(90,065,152.25)
Rubber & Other	68,957,501.54	63,200,931.42	575,670.12
Coconut	1,104,508.75	704,286.22	(400,222.53)
Minor Crops	3,715,583.73	11,275,307.61	(7,559,723.88)
Jana Tea	16,705,201.97	15,071,522.23	1,633,679.74)
Other income	76,650,747.03	220,696,252.99	(144,045,505.96)

3. **Tea Income from Brokers**

The income from the brokers has decreased by Rs.90,065,152.25 (90 Mn) when comparing the year 2015. This was a major reason attributed to the poor performance in crops was the inadequate application of fertilizer due to financial constraints, as a result, the crop declined in the year when comparing the year 2015.

4. **Income from Rubber and Other Crops**

The income from the Rubber and other product has increased by Rs.5,756,570.12 when comparing 2015. This was mainly due to increase in Rubber production during the year 2016.

5. **Income from the Coconut**

The income from the coconut has been increased by Rs.400,222.53 when comparing the year 2015. This was mainly due to increase of Market Prices.

6. Income from the minor Crops

The income from the minor crops has decreased by Rs.7,559,723.88 when comparing the year 2015. This was mainly due to financial constraints, therefor funds were not given to Estates for the cultivation of minor crops.

7. Income from the Jana Tea Project

The income from Jana Tea project has been increased by Rs.1,633,679.74 when comparing the year 2015. This was mainly due to the quality of the tea, sales mechanism and good strategies to compete with the competitors.

8. Other Income

Other income is covered by lease rentals (land & building) and timber sales proceeds. A large amount of lease rentals had been collected by the JEDB during the period in 2015. Therefore, other income has been decreased by Rs.144,045,505.96 when comparing the year 2015.

9. Revenue and Overall Profitability (Rs.)

Total revenue was recorded the year 2016 Rs. 494,938,119.91 and Rs.584,772,523.65 revenue has been decreased due to various factors were not dealt with effectively and efficiently during the period of 2016.

Gross loss was recorded year 2016, Rs.(322,215,305.82) and Rs.206,398,098.35. Loss profit has been increased by Rs. 115,817,207.47 in a positive manner due to various factors were managed effectively and efficiently during the period of 2016.

A loss for the year recorded the year 2016 Rs.(563,961,013.73) and 2015 Rs. (443,532,302.73) loss for the year has been increased in a negative manner due to various factors were not managed effectively and efficiently during the period 2016. The financial statements of the JEDB represent the consolidated operations of above projects.

10. **Crop position (made Tea) to end December – 2016**

There were 16 number of tea estates operated during the year 2016. The total estimated crop for the year 2016 was 2,271,900 kgs. Crop (made Tea) was achieved 1,809,430.5 kgs and variance was recorded 42.16%. The year 2015 crop was achieved 1,809,409.5 kgs and a variance – 27% (Note 02).

As per the Note 02, Rahathungoda Estate was the rank number (01) one and Kandaloya was the rank number (16) sixteen. Order of merit of crop achievements was very clearly indicated in the chart number 01.

11. **Ranking on cost of production (COP) to end December – 2016**

Cost of production total average for the year 2016 was estimated Rs.473.97 and the actual was recorded Rs.602.81 and year 2015 cost of production actual was recorded Rs.485.27.

The highest cost of production of Rs.673.14 was estimated by the Bopitiya Estate and recorded actual of Rs.724.57. When compared to the year 2015 actual was recorded Rs.542.22

Lowest cost of production of Rs.359.42 was estimated by Kolapathana Estate and recorded actual of Rs.446.45. When compared to the year 2015 actual was recorded Rs.383.27.

According to the Order of merit of the cost of production actual the Kolapathana Estate was recorded number (01) one and the Kandaloya Estate was recorded number (16) sixteen.

Orders of merit of cost of production estimated and actual were very clearly indicated in the Note number 01.

12. Ranking on Net Sales Average (NSA) to the end December – 2016

Total net ales average for the year 2016 was estimated Rs.293.75 and actual was recorded Rs.326.61 and year 2015 net sales average actual was recorded Rs. 271.80.

The highest net sales average of Rs.314.00 was estimated by the Rockwood estate and the Hope Estate and also recorded actual of Rs.361.14 respectively. When compared to the year 2015 actual was recorded Rs.293.34 Rockwood and Rs.289.84 Hope accordingly.

The lowest net sales average of Rs. 259.74 was estimated by the Bowill Estate and recorded actual of Rs.269.89. When compared to the year 2015 actual was recorded Rs.236.45.

According to the order of merit of the net sales average the Rockwood Estate was recorded number (01) one and the Deltota Estate was recorded number (16) sixteen.

Orders of merit of the net sale average estimated and actual were very clearly indicated in the Note (1).

13. Summary of Performance to end December – 2016

Total crop (Made Tea) for the year 2016 was estimated of 2,271,900 kgs and actual was recorded 1,314,090 kgs. The variance was recorded – 42.16%. 1,809,490.5 kgs was achieved during the year 2015.

Yield per hectare was estimated for the year 2016 of 619 kgs and actual was recorded 358 kgs 483 kgs was achieved during the year 2015.

Cost of production per kg was estimated for the year 2016 of Rs.473.97 and actual was recorded of Rs.602.81 also cost of production per kg for the year 2015 was recorded of Rs.485.02.

Net sales average per kg was estimated for the year 2016 of Rs.293.75 and actual was recorded of Rs.326.61 also cost of production per kg for the year 2015 was recorded of Rs.271.80.

Profit/Loss for the kg was estimated for the year 2016 of Rs.(180.22) and actual was recorded of Rs.(276.20) also Profit/Loss per kg for the year 2015 was recorded of Rs.213.22.

Net Profit/Loss for the year 2016 was estimated of Rs.(425,605,201) and actual was recorded of Rs. (383,844,742) also Profit/Loss for the year 2015 was recorded of Rs. (395,639,809). That information was elaborated in the chart notes 03 very clearly.

14. Performance of Rubber Estates – December, 2016

Three (03) numbers of Rubber Estates were operated during the period and those were Kumarawatta, Diyaluma and Thelipathenna. During the period the Kumarawatte Estate was recorded 309,306 kgs of rubber and Thelipathenna Estate was recorded as the lowest crop of 13,385. Kgs during the period. The lowest total Profit/Loss was recorded by Diyaluma Estate of Rs. (1,821,151) and the highest Profit/Loss was recorded by Kumarawatta Estate of Rs. (17,874,794). The lowest cost of Production was recorded by Kumarawatta Estate of Rs.271.38 and highest cost of production was recorded by Thelipathenna Estate of Rs.546.38. The lowest net sales average was recorded by Thelipathenna Estate of Rs. 204.69 and the highest net sales average was recorded by the Diyaluma Estate of Rs.216.00. Total revenue for rubber and other was recorded Rs.68,957,501.54 and Rs.63,200,931.42 was recorded during the year 2015. Rubber and other income was increased by Rs.5,756,570.12 (8.35%) when compared to the last year. That information was elaborated in chart 03 very clearly.

15 **Performance of Coconut Estates – December, 2016**

Total revenue from the Coconut estate of Pallai was recorded Rs.1,104,508.75 by year 2016 end Rs.704,286.22 was recorded during the year 2015. Coconut income was increased by Rs.400,222.53 (36.24%) when compared to the last year.

16. **Performance of Jana Tea Project (Consumer) – December, 2016**

Total revenue from the Jana Tea Project was recorded Rs.16,705,201.97 by the year 2016 end Rs.15,071,522.23 was recorded during the year 2013. Jana Tea income was increased by Rs.1,633,679.74 (9.78%) when compared to the last year.

JEDB has its own blend and purchasing teas from Hope Estate and matches the balance purchasing teas from Brokers. The Consumer Division has 4 number of blended such as Special blend now modified as JEDB BOPF (Broken Orange Peko Fanings). Janawasama Blended Loolecandura blend and TeeTan Cartoon (TTC). Consumer Division provided teas during year 2016 to Sri Lana Army, Sri Lanka Navy, Sri Jayawardenapura Hospital, Sri Lanka Institute of Foundation Parliament of Sri Lanka, Lanka Mineral Sands Limited, Chilaw Plantation, Kurunegala Plantation, Sri Lanka Ports Authority, Board of Investment (BOI) Head Office 9 T win Towers. Biyagama and Katunayaka, Sri Lanka Telecom, Cashew Corporation, Commission of Bribery and Corruption very successful manner.

JANATHA ESTATES DEVELOPMENT BOARD
RANKING ON C.O.P. & N.S.A. TO END DECEMBER 2016.

Note 1

	C.O.P.					N.S.A.				
	This Season			Last Season		This Season			Last Season	
Estate	Estd.	Actual	Rank	Rank	Actual	Estd	Actual	Rank	Rank	Actual
Kolapatne	359.42	446.45	1	2	383.27	269.00	273.34			248.83
Rockwood	437.66	521.82	2	4	433.66	314.00	361.14			293.34
L'condera	434.37	530.31	3	3	403.67	306.00	351.41			274.43
Le Vallon	465.69	534.90	4	5	453.41	291.00	339.64			265.16
Mahavilla	386.05	589.80	5	6	467.95	280.00	268.13			252.95
Hope	475.93	604.20	6	7	480.78	314.00	361.14			289.84
Deltotte	511.46	611.29	7	1	281.45	280.00	264.38			281.45
Bowhill	546.40	651.08	8	13	613.96	259.74	269.89			236.45
R'goda	618.83	654.48	9	8	508.70	306.00	348.87			298.77
Hantane	452.33	675.20	10	9	536.47	280.00	289.81			254.02
G'bodde	591.49	708.93	11	12	599.01	285.00	287.40			252.31
Bopitiya	673.14	724.57	12	10	542.22	291.00	352.68			269.21
Gt.Valley	623.44	805.10	13	16	742.51	291.00	333.21			269.21
Mt.Jean	421.65	807.42	14	11	581.81	273.00	274.16			275.88
N'tenne	626.88	871.61	15	15	688.93	300.00	347.02			282.49
Kandaloya	546.36	986.73	16	14	652.34	312.00	347.02			283.47
Total/Avg.	473.97	602.81			485.02	293.75	326.61			271.80

JANATHA ESTATES DEVELOPMENT BOARD
CROP POSITION (MADE TEA) TO END DECEMBER 2016

Note 2

Estate	This Season				Last Season	
	Estimate	Actual	Variance %	Rank	Actual	Variance %
Rahatungoda	95,000	70,902	-25.37	1	94,256	-24.78
Le Vallon	354,000	243,470	-31.22	2	316,113	-22.98
Bowhill	70,400	44,814	-36.34	3	49,174	-8.87
Nagastenne	60,000	38,006.5	-36.65	4	53,245	-28.62
Rookwood	195,000	121,642.5	-37.62	5	164,002	-25.82
Deltotte	80,000	47,907.0	-40.12	6	73,581	-34.89
Hope	215,000	127,860	-40.53	7	186,322.5	-33.38
Gallebodde	60,000	35,038	-41.60	8	48,916	-28.37
Bopitiya	39,000	22,016	-43.55	9	34,971	-37.04
Kolapatne	158,500	88,183	-44.36	10	118,753	-25.74
Loolecondera	375,000	208,322.5	-44.44	11	305,701	-31.85
Gt.Valley	62,000	31,763	-48.77	12	33,759	-5.91
Mahavilla	90,000	43,428	-51.75	13	69,088	-37.14
Hantane	278,000	132,347	-52.39	14	176,973	-25.22
Mt.Jean	70,000	31,219	-55.40	15	46,004	-32.14
Kandaloya	70,000	27,171	-61.18	16	38,632	-29.67
Sub Total	2,271,900	1,314,089.5	-42.16		1,809,490.5	-27.38

JANATHA ESTATES DEVELOPMENT BOARD

SUMMARY OF PERFORMANCE TO END DECEMBER 2016.

Note 3

	This Season			Last Season
	Todate Estd. Dec., '16	Todate Actual Dec., '16	Variance %	Todate Actual Dec., '15
Crop (Kg.)	2,271,900	1,314,090	-42.16	1,809,490.5
Yield per Hectare	619	358		483
C.O.P. (Rs.)	473.97	602.81		485.02
N.S.A. (Rs.)	293.75	326.61		271.80
Profit/(Loss) per Kg.	(180.22)	(276.20)		(213.22)
Profit/(Loss) per Ha.	(111,489)	(98,830)		(103,090)
Profit/(Loss) on Estate Crop	(409,441,818)	(362,951,520)		(385,819,564)
Less/Add				
Profit/(Loss) Bought Crop		478,040		261,899
Profit on Sundry Income		2,436,095		1,833,429
Kumarawatte (Rubber)	(16,163,383)	(17,479,021)		(11,915,573)
Diyaluma (Rubber)		(1,769,815)		
Thelipothenne (Rubber)		(4,558,521)		
Net Profit/(Loss)	(425,605,201)	(383,844,742)		(395,639,809)

Summary of the expected medium term action to be taken on improving performance of the organization

1. Pruning and re-planting areas to be maintained in good standard in Tea Fields.
2. Make necessary arrangements to develop Tea nurseries to improve the quality and quantity.
3. Consider crop diversification to minimize long term losses of the Estates.
4. Make necessary arrangements to reduce capital expenditure in the Head Office.
5. Adopt measures to develop the standards of Factories.
6. Plan on Eco Tourism Projects.
7. Pruning Cycles to be re-considered to be extended due to delayed growth of bushes after pruning on current cycles.
8. Diversification into fuel wood and valuable timber species on marginal tea areas.
9. Selected Estate bungalows on scenic locations to be leased out to be recognized operators to be promoted for Tourism as Holiday Bungalows.
10. Tea Centers to be opened in the Botanical Gardens and the respective Regions as Nawalapitiya, Galaha, Hewaheta and Monaragala.
11. Mini Hydro Power Sources on Estates to be identified and developed.
12. Silent Factories to be leased out to be recognized operators for fund generating projects.
13. Promote suppliers of Green Leaf of the respective areas to supply our Factories for optimum production capacity levels.

[illegible]
Annual Report [illegible]
[illegible]

	2016	2015	2014	2013	2012
P&L					
Net sales	494.938.119.91	584.772.523.00	662.016,324.00	937,979,666.76	818.685.893.00
cost of sale	(893.804,172.76)	(1.011.866.874.00)	(985,301,490.00)	(1.172.933.018.16)	1.007.402.863.00
Gross profit	(398.866.052.81)	(427,094.351.00)	(323.285,166.00)	(234.953,351.40)	(188.716.969.00)
Sundry income	76.650.744.03	220,696.252.00	134,294,965.00	132,635.555.59	132,468.673.00
Transitional grants					
Administrative expenditure	26.178.859.00	26.178.859.00	24,585,997.00	17.505.167.58	12,214,934.00
Depresiations	32.290.548.38	30.911.126.00	19,934,867.00	22,702.965.10	16,116,962.00
Net profit from operations			(372,906.556.00)	(354,253,734.76)	(160,116,962.00)
Services sector revenue over-	(532,717,052.50)	403,850,274.00			
expenses	(563,961,013.73)	(443532302.00	(168,842,667.00)	500.500,277.01	199.543.724.50
Balance Sheet					
Non Current Assets					
Proparty plants & equipments	58,889,652.32	74,575.896.00	74,575,896.00	45,404,649.87	39,157,044.02
Improved lands	620,787,324.88	607,363,176.00	593,221,343.00	546.133,796.69	528.178.233.00
	1.475,628,673.81	1.476.895.973.00			
R&D	2.630.524.94	2.630,524.00	1,476,472,990.00	1,473,282,757.66	14,744,442,467.00
Unimproved lands	73,225,873.14	80,565,464.00	2,630,524.00	1,848,349.94	184,834,994.00
Other projects			50,704,090.00	193,577.94	195,972,940.00
Total non- curent assets	2,231,172,049.17	2,238,761,328.00	2,197,604,843.00	2,100,288,934.69	2,095,927,194.00
Curent assets		63,411,589.00			
Stock	94,282,580.38	561,425,576.00	84,756,694.00	95,736,379.47	101.346,656.70
Trade recivables& others	581,508,545.19		528,649,701.00	513,465,794.61	656,004,237.70
Advances & prepaid payments			377,321.00		-
Cash & cash equivalents	10,659,130.04	4,423,513.00		4,540,743.98	44,738,490.31
Total curent assets	686,456,255.61	629,260,678.00	613,783,716.00	689,672,396.44	471,059,310.00
Total assets	2,917,628,304.78	3,670,000,000.00	2,811,388,559.00	2,789,961,331.13	2,856,957,431.00
Capital & Liabilities					
Capital	3,670,000,000.31	3,670,000,000.00	3,670,000,000,.00	3.670,000,000.31	2,791,006,761.00
Basic capital	3,670,000,000.31	3,670,000,000.00	3,670,000,000,.00	3,670,000,000.31	2,791,006,761.00
Government grants					
Grants recived from otherparti	511,689,820.00	618,500,000.00	244,500,000.00	246,580,184.97	17,154,163.75
Capital reserves	2,782,868,702.37	2,806,439,119.00	2,806,439,119.00	2,791,028,761.39	2.791,006,761.00
Accumulated loss	(8,469,369,706.99)	(7,862,672,540.00)	(7,174,640,237.00)	(7,005,797,570.42)	(6,305,297,293.00)
Total Capital				(298,188,623.75)	2,534,145,079.00
Non-curent liabilities	725,608,431.10	727,656,354.00	1,093,267,214.00	1,067,123,202.88	745,185,629.80
Reserv for bouneses	624,741,404.18	610,704,923.00	595,281,760.00	654,316,902.96	19,256,094.52
Vehical lease					
Total non-curent liabilities	725,608,431.10	727,656,354.00	1,093,267,214.00	1,067,123,202.88	745,185,625.80
Curent Liabilities					1,713.910,290.00
Trade &other payables				1,888,935,763.59	
Total curent liabilities	2,532,160,239.25	2,387,898,895.00	2,167,051,875.00	2,021,026,752.00	1,858,897,435.00
Total capital&liabilities	2,917,628,304.78	2,868,022,006.00	2,811,388,567.00	2,789,961,331.13	2,856,957,431.00

JANATHA ESTATES DEVELOPMENT BOARD

ANNUAL REPORT 2016

DUTIES & RESPONSIBILITIES OF JEDB

1. Be a contributor to national economy by producing high quality Tea and Rubber
2. Uplift of living conditions of state employees who rendered a greater service to economy
3. Managing of tea and rubber Estates belongs to JEDB situated in planting areas
4. planning and managing Estates with proper coordination among the Estates
5. Improve the productivity of the Estates earlier managed by LEDL and vested with JEDB by gazette notifications.
6. Maintaining workers of houses and improve the welfare activities and facilities of Estate community.
7. To make use of assets and resources belongs to JEDB as effective investments.

No	Gazette No:	Plan No For Total Extent	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
1	Not Vested			Ganekanda	Mr.M.R.Sampath Kumara,No.548/4, Daham Mawatha,Pitipana South, Homagama071-8580311	17.71	09.11.2016	08.11.2046	30	3166	GM/9/85/LED/LM/92
2	Not Vested			Jhonsland	ASIAN CUTTINGS LANKA (PVT) LTD, No:261/1,Jayah Rd, Colombo 4 031-2241599	4.04 5A 3R10P 2A 1R 17.5P	27.07.1984 27.07.1988 05.12.1983	26.07.2014 26.07.2018 04.12.2013	30	3679 ,3678 2262, 2596	5250/AC
3	Not Vested			Mahena	NATIONAL DENGERUS DRUGS CONTROL BOARD Kotte Road , Rajagiriya. 011-2868794/011-2868795	8.093	04.03.2016	03.03.2046	30	Not Registed	1194/A
4	216/11 28.10.1982		453.47	Mahayaya	REV. BOTHALE RAHULA THERO Bodimangalaramaya Veyangoda	0.1973	18.02.1992	17.02.2022	30	1200	206
5	417/9 02.09.1986		14.36	Kallumalai II	MR. KRISHAN PERERA No: 169/8, Madiwela Rd., Udahamulla Rd. Nugegoda. 0773647306	3.8547	01.01.2010	31.12.2039	30	2957	252/2123A
7				Kudadola	MR. W.M.MARSHAL FERNANDO No:9A, Udumulla, passege Nugegoda.0777-577746	39.0762	25.07.2003	24.07.2033	30	6	775
8	417/9 02.09.1986		42.51	Madola	D M P P Dissanayaka No:205, Kaluwamodara Aluthgama.	40.0737	01.02.2010	31.01.2040	30	366 1963	2509
9	417/9 02.09.1986		17.4	Rilagala	EBERT & SONS HOLDING (PVT) LTD 5/41, Madiwela Rd. ,Embuldeniya Nugegoda.	5.16	29.03.2011 Inactive	28.03.2041	30	405 2987	976
10				Ambalamana	PERAJ MINING (PVT) LTD, Belmont Street,Colombo 12	4A,3R,15P	28.09.2011	27.09.2041	30		11718

No	Gazette No:	Plan No For Total Extent	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
11	417/9 02.09.1986 Not Vested			Gangamulla	SASARA NIRODHA FOUNDATION vipassana Meditation Centre 442, Rawathawatta, Moratuwa No:442, Galle Rd. Moratuwa.	88.41	19.10.1989	18.10.2019	30	4327	309
12				Malgolla Tea Factory	A S N TEA FACTORY (PVT) Ltd No 107,6th Lane,Jayamalapura 077-7810723/076-8327950	0.362	01.01.2011	31.12.2040	30	35	5368
13	183/10 12.03.1982		264	Monticristo	SRI DHARMA VIJAYARAMAYA Veralugashinna,Nawalapitiya	-	14.09.1992	13.09.2022	30	MOU	3404
14	183/10 12.03.1982			Monticristo	CHOLANKANDA YOUTH CENTRE Udahewathanna Gampola.	-	05.06.1995	04.06.2025	30	4891	4343
15	183/10 12.03.1982			Monticristo	CENTRAL HILLS PLANTATION (PVT)LTD No 94,Diyawanna Garden Palawatta,Battaramulla	-	19.08.2003	18.08.2053 Canceled	50	9	
16	417/9 02.09.1986		25.18	Winsly	MR. NARAYAN ANANDAKUMAR A X, 8 G Maning Town Colombo 08.	25.208	2015.06.26	25.06.2044	29	3537/1988	
17			35.31	Amithirigala	MR. HARSHANA RAJAKARUNA "Siri Raja Bawan" Millathe Kirindiwela	35.3038	01.11.2012	31.10.2042	30	72/3018	767
18	417/9 02.09.1986		16.59	Kirigala	J.M.Tharindu Bandara Jayasinghe Watappitiya Parakaduwa.	16.3134	02.01.2016	01.01.2046	30	8818/27	1111
19	417/9 02.09.1986		42.58	Kopiwatta	MR. SISIRA JINENDRA PARANAGAMA, 421/3,Thimbirgasya Road, Colombo 05.	42.58	20.10.2011	19.10.2041	30	573A MOU	V.P.780
20	Not Vested			Lindhurst	MISS. RANJANI MORAWAKA No: 44, Kottawa Pannipitiya. 011 2178655	30.16	20.08.1984	19.08.2014	30	2787	KG/LRC/2A/84

JEDB Lands

No	Gazette No:	Plan No For Total Extent	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
21	417/9 02.09.1986		20.24	Nawala	Mr.R.P.Manjula Jayanath,No.59 saman Devalaya,Yatiyantota	-	-	-	-	3676/3677	[illegible]
22	417/9 02.09.1986	30.1	24A.1R.15P	Vilagama	MRS. VAJIRA WICKRAMARATHNA No:35, Rayment Place Nugegoda.	9.85	18.03.1986	17.03.2016	30	3072/3071/443	[illegible]
23	321/8 31.10.1984		184.62	Shakerly	SRI JINARATHANA EDUCATIONAL INST. No:142, Sir James Peris Mawatha Colombo 07.	133.17	22.10.2012	21.10.2042	30	466/3194/3320	[illegible]
24	Not Vested			Williyamulla	Mr.S.N.Fernando 05th lane, Borupana, Rathmalana.	7.9243	2018 2018			3305 4989	[illegible]
25	417/9 02.09.1986		30.36	Koladachchi	MR. M. K. E. PIYATHILAKA Jayanthi Stores 077-3208900 /0777393150	30.36	27.01.1986	26.01.2016	30	3029	[illegible]
26	Not Vested			Rattotamale	H.R. Sarath Gamini Peris Pallethenne Parameshwari Gardan ,Raththota	4.0469	27.06.2017	26.06.2047	30	1053	[illegible]
27	Not Vested			Selagama	HASARA INTERNATIONAL (PVT) LTD No: 21/40 B, Polhengoda Garden Colombo 05.011-4343300/071-1977778	24.8122	01.01.2012	31.12.2041	30	426	[illegible]
28	183/10 12.03.1982		349	Brookside	MR. V. M. ARUMUGAM Sri Sitti Vinayagar Paripalana Sabawa Main Street ,Kandapola.	0.202	10.03.1998	09.03.2028	30	860	2170
29	254/18 20.07.1983		231.46	Coolbown Estate	MR. W. P. PERERA No: 38, Pagoda Rd Nugegoda.	235.84	04.09.1987 04.11.1999	03.09.2037	30 20	1065	[illegible]
30			275.5	Dickoya	VEN.ULAPANA PANGANANDA THERO Buddhist Centre Dickoya	0.0474	07.09.1986	06.09.2085	99	540	[illegible]

JEDB Lands

No	Gazette No:	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
31	183/10 12.03.1982	235.75	Frogmore	MR. M .H. M. MUSTAFFA No:07, Sinsapa Rd Wellawatte	68.56	22.01.2017	21.01.2047	30	3306	
32	183/10 12.03.1982	283.27	Gurukoya Tea Factory	MR. W. P. PERERA No: 38, Pagoda Rd Nugegoda.	6.667	25.11.2002 09.01.2003	24.11.2052	50	354 1065	1617
33	183/10 12.03.1982	419.5	Harangala Tea Factory	HARANGALA PLANTATION (PVT) LTD Kataboola via Nawalapitiya.	2.661	25.11.2013	24.11.2056	43	488/4345	2064/2172
34	Not Vested		Henpola	Mr.Haritha Vinth Henry Weerasinghe 410/18, Bauddhaloka Mawatha Colombo 07.077-7780311	3.6242	19.03.2016	18.03.2046	30	3068	PU/17/LED/867/LED/LM726
35	Not Vested		Mawatta		-	-	-	-	3559	PU/1/85/LED
36	344/5 1986.06.09	85.02	Nagavilluwa	MR.ROHAN D. JAYASINGHA No.584/3,Negombo Road Wattala.	18.2108	01.01.2011	31.12.2040	30	044/2958/114	1286/1513/1187/1229
37	Not Vested		Pandiyamaduwa - new	Mrs Nilmini Kumari dahanayaka		to cancel 08.11.2016	07.11.2046	30	666	
38	Not Vested		Pakkupattuchole	MR. G. J .K .CHANDRASENA (Lot -1) C/o Mr. Gurusingha Thudawa , Ambawila Pallebadda.	3.8318	22.07.1987	21.07.2017	30	3436/3435	1770
39	Not Vested		Pakkupattuchole	MR.M .A. T. MARASINGHE (Lot 2, 3) No:56/1, Kurunagala Rd Chilow.	2.4282 1.5880	22.07.1987	21.07.2017	30	3436	(2) - 1771 (3) - 1772
40	Not Vested		Pakkupattuchole	MRS. R.P. WASANTHI (Lot - 4) Anoma Stores Samagigama, Mundalama	3.6	11.06.2014	10.06.2044	30	1049	1710

JEDB Lands

No	Gazette No:	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
41	Not Vested		Pakkupattuchole	H.A.PREMADASA (Lot - 5) 49,samagigama Mundalama	3.92	20.06.2014	19.06.2044	30	1050	1709
42	Not Vested		Sementhadal	Mr.Salinda Thiwanka Senavirathne No:12 B, Nagahawatta Maharagama.	8.4048	19.03.2016	18.03.2046	30	3070 3069	852
43	Not Vested		Gangarawa	Mr.Laleendra Dilruk Danawardena No:131/6, Thimbirigasyaya, Colombo 05.	27.94	9.2016	2046	30	3163	486/487
44	417/9 02.09.1986	8.1	Induragala	Mrs.H.K.Priyani Vithanage Madagalathura Rathnapura	8.7	1.2016	1.2046	30	3300/2999	245/246/2301/2723
45	Not Vested		Manelkanda Rukmalkanda	MR. J.M. WEERASARA JAYASINGHA 106,Poorwarama Rd Colombo 06.	7.92 6.16	26.05.1986	25.05.2016	30	3109 3503	1078
46	Not Vested		Paraketiya	MR. ASOKA WICKRAMASINGHA No:616,New Town Rathnapura.	10.01	30.08.2010	29.08.2040	30	385	1782
47	Not Vested		Peellagawahena	MR. P.S .WIJENAYAKA "Shantha Nilmini" Horagoda,Ehaliyagoda.	1.21	05.09.1986	04.09.2016	30	3164	
48	417/9 02.09.1986	10.73	St.Gerald	MR.W.T.M.A.I.B.Vijesundara 10/1,Park Rd Colombo 05	10.75	17.02.2016	16.02.2046	30	3036	826 (Full extent- 32.7238 - Plan num-825)
49	417/9 02.09.1986	2.02	Kumbalgoda	Rathna Wijesiriwardhana No: R/3/9, Andosen Flat Colombo 06	2.02	20.12.1985	19.12.2015 Handed over to DS	30	2988	2682
50	417/9 02.09.1986	68.23	Emarald Hills	Kalawana Estate company (pvt) Ltd "Siiliyan wathu yaya" Emarald Hill Estate kalawana	34.365	02.03.2018	01.03.2048	30	2831 3561 4430	466

JEDB Lands

No	Gazette No:	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
51	Not Vested		Godawanahena	Achini Udeshika Wijaya Stores 210 Walipola Mathara	10.1247	01.11.2016 Canceled by jedb	31.10.2046	30	666	362
52	Not Vested		Mount Pearl	Mr.R.S.R.G.Karunarathne 314,Havelock Road, Colombo	31.1025	23.02.2018	22.02.2048	30	3019	264/1985
53	Not Vested		Labugodakanda	Vipula Damith Kumara Kaluarachchi No 157/06 Robart Gunawardana Mawatha Battaramulla	8.91	12.10.2016	11.10.2016	30	2848	11/263 11/283
54	417/9 02.09.1986	14.98	Newpanawanna	Amitha Athukorala A/4, Alwitigala Mawaha Narahenpita Colombo 08 0112698565	14.98	28.11.1984	27.11.2014	30	2779 2780	
55		559	Lellopitiya	G.P.joe Abeywikrama 43, Pagoda Rd Nugegoda	340.7	23.09.1985	22.09.2015	30	2914 2915	679 680 681 682 686
56	417/9 02.09.1986	61.18	Wathuruwila	C.Warusawithana No.145, Old Nawala Rd Nawala	91.9	01.11.2016	30.10.2046	30	2799 2800	415
57	417/9 02.09.1986	12.96	Batadola	Hema Palandama No.60, Weralupana Rd Rathnapura	12.96	17.02.1986	16.02.2016	30	3033	74
58	Not Vested		Kiriyankalliya	S.T.L.M.J.Costa Mahauswewa Anamaduwa	2.18	24.04.2017	23.04.2047	30	2954 2953	402
59	Not Vested		Nagahahena	D.S.DeSilva Pahalawatta Ganegama Palmadulla	11.23	23.09.1985	22.09.2015	30	2904 2903	1116 1117
60	Not Vested		Caraline	P.H.J.Jayawikrama No.1, Prk Garden Colombo 05	3.0147	06.08.1985	05.08.2015	30	2867 2866	133/85

No	Gazette No:	Estate Total Extent Hec.	Estate /Land	Name of Leasee , Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
61	417/9 02.09.1986	6.21	Boralukatiya	P.r.d.Amaraooriya No.108, Maya Avenue Colombo 06	6.2	05.12.1985	04.12.2015	30	2958	777 776
62	937/2 19.08.1996	0.607	Wallawwatta	Ven.Udurawana Somarathana Thero Ibbagamuwa	0.607	06.08.1985	05.08.2015	30	2864	21/85
63		19.6550	Durekanda	Mr. Daniel Gonakumbura 122, Kiriwanakatiya Rathnapura.	19.6550	27.07.1988	26.07.2018	30	3682	1548
64			Durelanda II Hyro Power	Country Energy					5633	
65	Not Vested	16.99 72A, 12P	Paragoda	(Now Dispute)	16.99	17.07.2017	Lessee Requested to cancel	30	3411	--
66	Not Vested	8.2175	Galheerassa	Achini Udeshika Wijaya Stores No 210, Walipola, Mathara	8.2175	04.11.2016 Canceled by jedb	03.11.2046	30	665	12/22
67			Coolbown (Mini Hydropower Projec	Mr. W.P.Perera No: 38, Pagoda Road Nugegoda.		07.11.1988 Agreement not shined		30	1065 4172	614/88
68	Not Vested	7	Pinehill- Kaluthara	LRC	7					
69	417/9 02.09.1986	34	Ritidola	ku	25					
70	417/9 02.09.1986	80	Annasigalahena	JEDB	80					
71	Not Vested	8.0937	Kakillakale	JEDB	8.0937					
72			Emaraldhill	Mr.M.S.P.Ranasinghe,33/3,Bandaranayaka Mw, Katubadda.	0.02646	1.11.2012	30.10.2042			
73	344/5 09.04.1985	2..0234	Siththampalam	T M Galappaththi 108 Buddagaya Mawatha Anuradapura	2.0234	22.09.2016	21.09.2016		648 Canceled	
74	937/2	1.8211	Pamburukaduwa	M A Malaka Lakpriya No 144/2 Pattivila Gonaweala	1.8211	11.07.2017	10.07.2047	30		
75	417/9 02.09.1986	22.27	Kaduwela	JEDB	22.27					

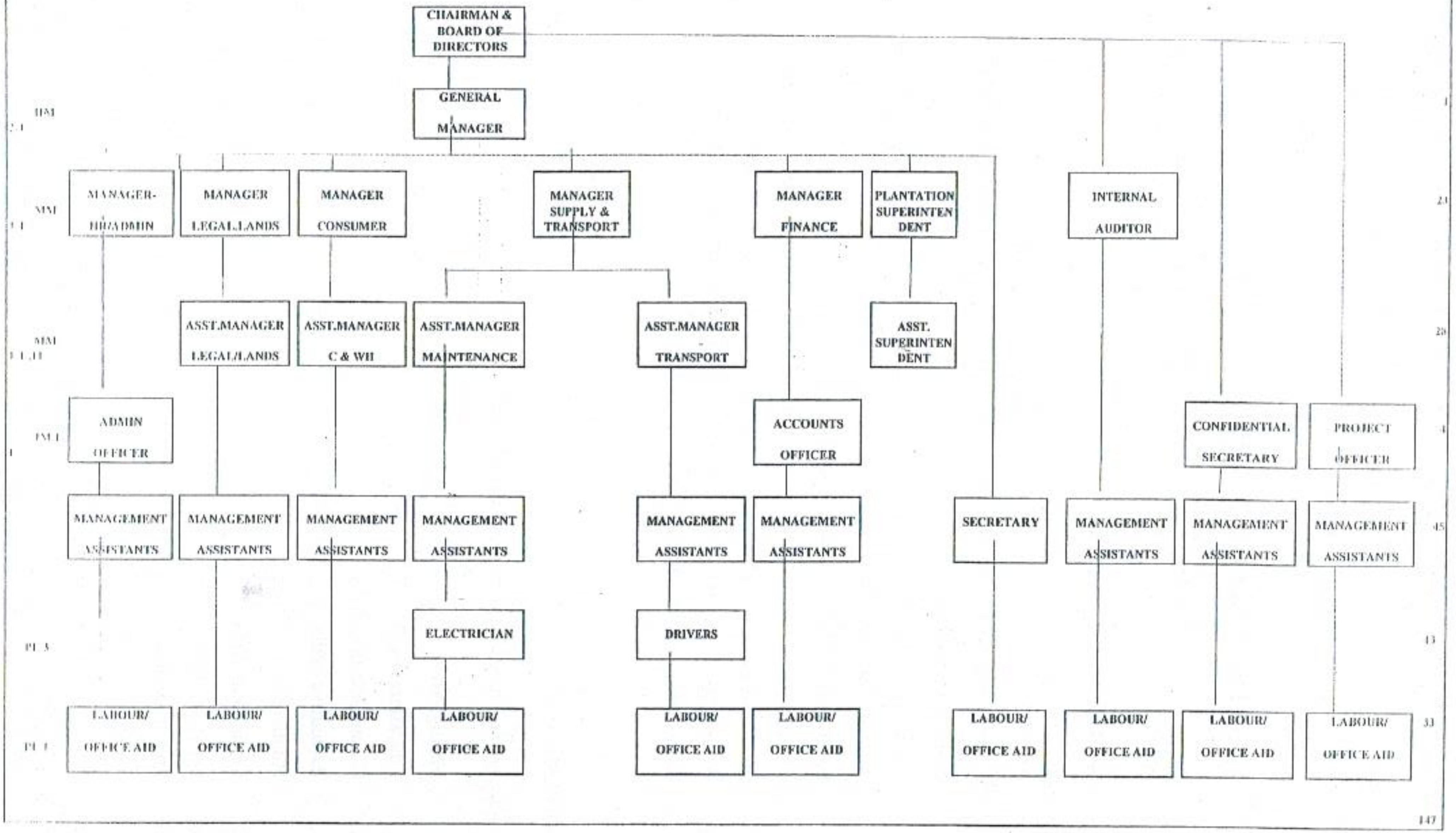
JEDB Lands

No	Gazette No:	Estate Total Extent Hec.	Estate/Land	Name of Leasee, Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
76		44A 2R 18P	Galenda	W A S Kuruduwatte	18.0161	22.09.2016	21.09.2046	30		
77			Hagurankanda	Hagurankanda Estate	44	19.07.2011	18.07.2041	30		
78		34A 3R 17P	Somisada	H.R.Hiripitiya Iddamalgoda Mannana	14.1061	04.05.2017	03.05.2047	30		
79			Karanawan	Wennappuwa Pradeshiya Saba						
80		40	Pallei	NLDB		28.08.2017	27.08.2017	30		
81			Galagedara Mach Fac	JEDB						
83			Dorabada Wattha	Mr. Gamini Nandanayaka Hidellana Rathnapura						

Leased out Buildings and Lands in Colombo City

No	Gazette No:	Estate Total Extent Hec.	Estate/Land	Name of Leasee, Address Telephone No	Out of Lease Extent Hec.	Leased Date	Lease Expire Date	Period Years	Deed No	Plan No
1			175 Vauxhall Street E & F	Mr. Paint 175 Vauxhall Lane Colombo 02	Stores 10089 Sq Ft	27.02.2019	26.02.2023	4		4517
2			175 Vauxhall Street	Kandy Tyre House 175 Vauxhall Lane Colombo 02	Stores 5322 Sq Ft	01.04.2003	31.03.2033	30		
3			175 Vauxhall Street Lot 1	Nilona Lanka (Pvt) Ltd	2R 0.51P	10.03.2011	09.03.2041	30		1426
4			320 T B Jaya Mawath	Mag City 320 T B Jaya Mawatha Colombo 10	Stores 15208 Sq Ft	25.04.2003	24.04.2028	25		
5			320 T B Jaya Mawath	Newziland Collage 320 T B Jaya Mawatha Colombo 10	Stores 13713 Sq Ft	01.08.2005	31.07.3035	30		2015
6			320 T B Jaya Mawath	Institute of Advance Tecnological Education 320 T B Jaya Mawatha Colombo 10	Stores 11500 Sq Ft	04.08.2014	03.08.2016	2		
7			320 T B Jaya Mawatha	Lake side Property Development 320 T B Jaya Mawatha Colombo 10	1A 2R 6.6P	18.12.2007	17.12.2060	53		

JANATHA ESTATES DEVELOPMENT BOARD (JEDB)
MINISTRY OF PLANTATION INDUSTRIES AND EXPORT AGRICULTURE
(BASED ON APPROVED CADRE PLAN AS AT 03/08/2011)



Human Resources Profile

1. **Objectives :-**

   i. An employee who will become a good citizen of Sri Lanka

   ii. An employee who values excellence, productivity, integrity, expertise, job and business performance.

   iii. An employee who has the potential to become an effective and efficient professional in the relevant of performance.

   iv. An employee who is a person of good character.

   v. An employee who can make a significant and unique contribution to the organizational development and institutional development in Sri Lanka

   vi. An employee who has a passion as well as a mental and physical preparedness for continuous learning and self-development.

2. **Employee Profile :-**

   Employee should be able to acquire strength qualities which are,

   i. Intelligence

   ii. Educational skills

   iii. Communication skills

   iv. Executive skills

   v. Human skills

   vi. Leadership skills

   vii. Decision skills

   viii. Free from bias

3. Organizational Objectives

i. Attract, develop and maintain effective and reliable workforce
ii. Increase the productivity
iii. Cost reduction
iv. Collective bargaining
v. Industrial harmony
vi. Digitalization
vii. Lean concept

4. Compliances :-

i. Constitutions of Sri Lanka
ii. Finance Act
iii. The Gazette notification no. 199 M 1 dated 06 February 1976 under the State Agriculture Corporation Act No. 11 of the 1972 and its amendments.
iv. Labour laws of Sri Lanka
v. Establishment Code 1,II of the Socialist Republic of Sri Lanka
vi. Financial Regulations of the Socialist Republic of Sri Lanka
vii. Treasury circulars issued by the Government Treasury.
viii. Relevant Public Administration circulars
ix. Relevant wages Boards of Sri Lanka
x. Relevant Collective Agreements
xi. Other related circulars/Acts

5. Future:-

i. Implement Human Resource solutions/Digitalization process
ii. Employee satisfactory survey
iii. Prepare and review Human Resource manuals
iv. Employee handbook

JANATHA ESTATES DEVELOPMENT BOARD

ANNUAL REPORT 2016

HUMAN RESOURCE DEVELOPMENT PLAN

1. **Aim :-**

    i. Be responsible for the effective implementation of Human Resources Functions
    ii. To supervise the work of the subordinate staffs of the organization
    iii. Providing management information
    iv. Attending and coordinating Procurements
    v. Approve payments up to RS. 500,000.00 and signing cheques

2. **Objectives :-**

    i. Attract, develop and maintain effective, efficient, and reliable work force
    ii. Increase the productivity
    iii. Cost reduction
    iv. Industrial harmony
    v. Digitization

3. **Step 1 :- Identify Future H R Needs**

    i. Get the approval for the amended cadre plan that submitted to the Department of Management Services (D M S)
    ii. Prepare relevant schemes of recruitments
    iii. Conducting Absorptions/Integrations/Promotions etc. as per the S O R
    iv. Complete disciplinary inquires
    v. Conduct relevant training programs
    vi. Properly implements performance appraisals/Management
    vii. Updating previous circulars/procedures etc.

viii. Long term Human Resource management Plan (LHRP)

ix. Implement voluntary/Compulsory retirement

x. Digitalization of the selected function of H R M

4. **Step 2 : Consider Present H R Capabilities/Strengths and Qualities**

   i. Intelligence
   ii. Educational skill
   iii. Communication skill
   iv. Executive skill
   v. Human skill
   vi. Leadership skill
   vii. Decision skill
   viii. Free from bias.

5. Step 3: Identify gaps between future needs & present capabilities.

   To be coupled with relevant appraisal system (executives and non-executives) and conduct annual appraisals/revisit/monitoring and set targets/deadlines etc.

6. **Step 4 : Formulate Gap Strategies**

   6.1. **Human Resources Planning**

   i. **Approved Cadre Plan**

As per the Cadre Plan	Total – 147
Personalized Cadre	Total – 18
Those who are not included in the cadre plan	Total – 44

ii. Amended Cadre Plan — Total –247

Submitted to the Department of Management Services (D M S) through the Ministry of Agriculture (Preliminary discussion had with Director and awaiting a meeting with the Director General of the D M S). The organization expects to attract top talents through the new cadre plan.

- **Figures may vary with retirements/integrations/promotions etc.**

6.2. **Recruitment and Selection**

i. **New Recruitment**

Head Office – New Recruitments

Estates – New Recruitments

ii. **Promotions**

Head Office – New Promotions

Estates – New Promotions

6.3.**Performance Appraisals and Management**

Measure employee performance through set criteria (Executive /Non-Executive) at time of considering increments/assigning overlooking duties/Promotions etc.

6.4.**Training and Development**

Due to the Covid-19 pandemic situation etc. did not conduct/arrange training programs but weekly, monthly meetings were conducted and educated employees accordingly and also will be coupled with appraisal results in future with the training plan.

6.5. **Pay and Reward Management/Administration**

i. Salary & Allowance
ii. Medical
iii. EPF/ETF
iv. Gratuity
v. Review salary anomalies/Grade issues by and outside Advisor
vi. Signed new collective agreement for plantation employee

vii. Plantation worker's collective agreement Regulations

6.6 Employee Relations

i. Conducting morning Assembly every day/Motivation/Awareness etc.

ii. Employee Get together

iii. Directors function.
iv. Conducted Annual General Meeting of the welfare society
v. Divisional progress review meeting
vi. Monthly/Weekly review meeting
vii. Grievances handling
viii. Updating Infrastructure/building/machinery/procurements facilities
ix. Information Act.
x. Board Meeting/Audit and Management Committee meeting
xi. Activities of the Welfare Society

6.7. Industrial Relations

i. Labour Department Inquiries
ii. Arbitration Matters
iii. Trade Union activities
iv. Committee of Political Victimizations
v. Department of Management Services Clarifications

6.8.Health and Safety

i. Daily Sanitations
ii. Provided Safety Kits
iii. Circular instructions
iv. Daily awareness and monitoring
v. Daily cleaning
vi. Comply and monitoring existing statues and guidelines

7. **Step 5:**
    1. Monitor, Evaluate and Upgrade the Plan
    2. Twice a year or as organizational requirements

- **Deadlines will be included in the action plan accordingly.**

End

JANATHA ESTATES DEVELOPMENT BOARD

ACTION PLAN FOR 2016

No	Activity	Physical Target (Ha)	Financial Allocation Rs/Mn	Quarter / Month	Q1: 1	2	3	Q2: 4	5	6	Q3: 7	8	9	Q4: 10	11	12	Output Income Rs/Mn	Profit/ (Loss) Rs/Mn	Responsibility
	Physical Target as a % (Quarters/Months)																		
	Recurrent Expenditure																		
1	Made Tea Production	2272 MT	1077.00	*P %*	6	7	9	11	12	8	7	7	7	8	9	8	667.00	(410.00)	Superintendent
2	Rubber Production	301 MT	103.27	*P %*	9	9	11	6	10	10	10	9	8	7	5	6	75.31	(27.96)	"
3	Consumer Service	693 MT	299.38	*P %*	8	8	8	12	9	8	7	8	7	8	7	10	448.79	149.41	Manager - Consumer
	Capital Expenditure																		
4	Year of Planting (Tea)	14 (Ha)	22.89	F				0.92	0.92	0.46	1.60	1.37	2.75	4.58	4.58	5.72			Superintendent
				P %				*4*	*4*	*2*	*7*	*6*	*12*	*20*	*20*	*25*			
5	Uprooting (Tea)	7(Ha)	12.96	F				0.52	0.52	0.26	0.91	0.78	1.56	2.59	2.59	3.24			"
				P %				*4*	*4*	*2*	*7*	*6*	*12*	*20*	*20*	*25*			
6	Year of Planting (Rubber)	37(Ha)	29.57	F	1.77	1.77	2.07	2.07	2.07	1.48	1.77	2.07	2.07	3.84	2.96	5.62			"
				P %	*6*	*6*	*7*	*7*	*7*	*5*	*6*	*7*	*7*	*13*	*10*	*19*			
7	Upkeep (Rubber)	183 (Ha)	46.26	F	2.78	2.78	3.24	3.24	3.24	2.31	2.78	3.24	3.24	6.01	4.63	8.79			"
				P %	*6*	*6*	*7*	*7*	*7*	*5*	*6*	*7*	*7*	*13*	*10*	*19*			
8	Rehabilitation (Tea)	2(Ha)	1.00	F				0.04	0.04	0.02	0.07	0.06	0.12	0.20	0.20	0.25			"
				P %				*4*	*4*	*2*	*7*	*6*	*12*	*20*	*20*	*25*			
9	Block Infilling (Tea)	25 (Ha)	7.00	F				0.28	0.28	0.14	0.49	0.42	0.84	1.40	1.40	1.75			"
				P %				*4*	*4*	*2*	*7*	*6*	*12*	*20*	*20*	*25*			
10	Infilling Upkeep (Tea)	1(Ha)	0.24	F				0.01	0.01	0.00	0.02	0.01	0.03	0.05	0.05	0.06			"
				P %				*4*	*4*	*2*	*7*	*6*	*12*	*20*	*20*	*25*			
11	Reforesting Programme	37(Ha)	8.93	*P %*				10	10	10	14	12	12	12	10	10			"
12	(i) Factory Machinery	-	68.51	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
	(ii) Other Factory Development		12.05	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
	(iii) Factory Building		45.45	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
13	Bungalow & Other Buildings	-	9.96	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
14	New Vehicle & Repairs	-	157.04	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
15	Office Equipment	-	1.10	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
16	Bungalow Equipments	-	1.12	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
17	Tools & Other Equipments	-	3.27	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
18	Roads & Other	-	14.97	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
19	Other (Nursery & OtherCrops	-	14.78	*P %*	9	9	11	6	10	10	10	9	8	7	5	6			"
	Total Capital Expenditure		**457.10**																

JANATHA ESTATES DEVELOPMENT BOARD
PROGRESS REPORT AGAINST ACTION PLAN FOR 2016

No	Activity	Target				Actual				Responsibility
		Physical	Financial			Physical	Financial			
		(Ha/MT)	Expenditure Rs/Mn	Income Rs/Mn	Profit/(Loss) Rs/Mn	(Ha/MT)	Expenditure Rs/Mn	Income Rs/Mn	Profit/(Loss) Rs/Mn	
Recurrent Expenditure										
1	Made Tea Production	2272 MT	1077.00	667.00	(410.00)	1314MT	792.15	429.19	(362.95)	Superintendent
2	Rubber Production	301 MT	103.87	75.31	(27.96)	352 MT	99.44	75.17	(24.27)	Superintendent
3	Consumer Service	693 MT	299.38	448.79	(149.41)	1.8 MT	20.97	16.73	(4.24)	Manager - Consumer
Capital Expenditure										
4	Year of Planting (Tea)	14 (Ha)	22.89							Superintendent
5	Uprooting (Tea)	7 (Ha)	12.96							
6	Year of Planting (Rubber)	37 (Ha)	29.67							
7	Upkeep (Rubber)	183 (Ha)	46.26			183.33	46.37			
8	Rehabulitation (Tea)	2 (Ha)	1.00							
9	Block Infilling (Tea)	2.5 (Ha)	7.00							
10	Infilling Upkeep (Tea)	1 (Ha)	0.24							
11	Reforesting Programme	37 (Ha)	8.93							
12	(i) Factory Machinary		68.51							
	(ii) Other Factory Development		12.05							
	(iii) Factory Building		45.45							
13	Bungalow & Other Buildings		9.96							
14	New Vehicle & Repairs		157.04							
15	Office Equipment		1.10							
16	Bungalow Equipments		1.12							
17	Tools & Other Equipments		3.27							
18	Roads & Other		14.97							
19	Other (Nursery & Other Crops)		14.78				0.9			
	Total Capital & Expendutire		**457.10**			**183.33**	**47.27**			