Thurusaviya Fund

Annual Report

2022

Ministry of Plantation Industries

Thurusaviya Fund

Legal Status	- Thurusaviya Fund is a corporation which was established under the Thurusaviya Fund Act No.23 of 2000 by Parliament of the Democratic Socialist Republic of Sri Lanka.
Affiliated Ministry	- Ministry of Plantation Industries
Registered Office	- Thurusaviya Fund, No.39, Sri Subhuthipura, Battaramulla.

Contact Details -

Chairman	- Tel:011-2863937
Director	- Tel:011-2863936
General	- Tel:011-2863786
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Chairman's Review

Thurusaviya Fund was able to achieve more than 80% of physical progress from the planned works in the year 2022 with the commitment of the institutional officers and field officers, and the support and contribution of the Ministry of Plantation Industries and other related government institutions. Promotional campaigns were implemented for the rubber smallholders who are mobilized around the Thurusaviya Societies and tapping knives were distributed under providing equipment on a concessionary basis. Despite the delay in receiving capital allocations due to the current economic crisis, in the latter half of the year, the two special programmes for providing facilities for the construction of modern smoke houses and Assistant Tapper Training were able to be conducted.

Thurusaviya Fund has been providing required facilities to the rubber smallholders through the Thurusaviya Societies under a limited staff for a long time and providing the necessary guidance and support to make the rubber industry more effective and efficient. At present, rubber smallholders are provided with benefits through 873 Thurusaviya Societies established throughout the country and our intention is to make a contribution to the sustainable development of the rubber industry by establishing Thurusaviya societies and increasing the number of beneficiary rubber smallholders year by year.

Vijitha Lokunarangoda
Chairman
Thurusaviya Fund

Director's Message

Thurusaviya Fund is an institution that has been providing services for development of the rubber industry for a long time by making necessary arrangements for the betterment of rubber smallholders. The activities such as maximizing the benefits of the rubber industry by improving the quality of products of the rubber smallholders and expanding the market, introducing and promoting additional income generating sources to be able to withstand the income fluctuations of the industry are carried out by the Thurusaviya Fund

With the unveiling of the Sri Lanka Rubber Industry Master Plan 2017-2026, in line with the National Agenda, the Thurusaviya Fund had initiated two special projects that directly affect the development of the rubber industry namely, the Assistant Tapper Training Programme and the programme for introducing modern technological one-day drying chambers introduced by the Rubber Research Institute, to the Thurusaviya societies.

Thurusaviya Society Extension Programme which was designed in line with the identified objectives with the intention of keeping the rubber smallholders stable in the rubber industry and the training programmes introduced to those societies provide necessary services to the rubber smallholders. A positive progress could be achieved through the implementation of two special projects as well as conducting training programmes that were started in the latter half of the year due to the delay in receiving capital allocations for development activities.

Thurusaviya Fund is thus becoming stronger as an institution year by year, and by establishing Thurusaviya Societies island wide, we are committed to provide more effective and valuable services for an industry that needs to remain stable in the rubber industry for a large number of rubber smallholders.

Accordingly, through the Thrusaviya Fund, we are committed to continue providing more effective and higher value services for an industry that needs to remain stable in the rubber industry for a large number of rubber smallholders.

Dr. Kanchana De Silva Attorney-at-Law
Director
Thurusaviya Fund

CONTENT

Vision and Mission

Vision

Making the Local Rubber Industry the number one Foreign Exchange Earner of Sri Lanka.

Mission

Taking actions to uplift the economic conditions of the rubber smallholders and thereby, strengthening the entire local rubber industry and contributing them to the development of the country, through enhancing the productivity and improving the quality of the rubber industry.

Core Values of Thurusaviya Fund

- Contentment
- Integration
- Safety
- Employee Satisfaction
- Quality

Board of Management and Audit and Management Committee

Board of Management of the Thurusaviya Fund - 2022

1.	Mr. Vijitha Lokunarangoda Chairman, Thurusaviya Fund	-	Chairman
2.	Mr. Madhawa Warnakulasuriya Director General, Rubber Development Department	-	Member
3.	Mrs. N.P. Kumarage Director, Ministry of Finance	-	Observer
4.	Mr. G.D.T.S. Perera Chief Accountant, Ministry of Plantation Industries	-	Member
5.	Prof. (Mrs.) Sudheera Ranwala Chairman, Rubber Research Institute of Sri Lanka	-	Member
6.	Mr. Thusara Priyadarshana Chairman, Tea Small Holdings Development Authority	-	Member
7.	Mr. D.D.K. Chandrakeerthi Chairman, Sri Lanka Federation of Rubber Smallholder Socie	-	Member
8.	Mr. Rohana Galabada Chairman, Regional Thurusaviya Society, Kalutara District	-	Member
9.	Mr. B.A.S.K. Premaratne Chairman, Regional Thurusaviya Society, Kegalle District	-	Member
10.	Mrs. J. D. S. Wickramaratne Chairman, Regional Thurusaviya Society, Colombo District	-	Member
11.	Mr. Dinesh Mahinda Chairman, Regional Thurusaviya Society, Ratnapura District	-	Member
12.	Mr. Piyasena Mahaarachchi Chairman, Regional Thurusaviya Society, Galle District	-	Member

Audit and Management Committee of Thurusaviya Fund - 2022

1.	Mr. G.D.T.S. Perera Chief Accountant, Ministry of Plantation Industries	- Chairman
2.	Mr. K.A.C. Shyamantha Chief Internal Auditor Ministry of Plantation Industries	- Member
3.	Mr. Madhawa Warnakulasuriya Director General, Rubber Development Department	- Member
4.	Mrs. N.P. Kumarage Director, Ministry of Finance	- Observer
5.	Mrs. S.K. Samarasinghe Assistant Auditor General, National Audit Department	- Member
6.	Mr. B.A.S.K. Premaratne Chairman, Regional Thurusaviya Society, Kegalle	- Member

Staff of Thurusaviya Fund – As at 31.12.2022

	Designation	Name
01.	Chairman	Mr. Vijitha Lokunarangoda
02.	Director	Dr. Kanchana De Silva Attorney-at-Law
03.	Accountant	Mr. J.G.G.V. Bandara
04.	Administrative Officer	Mrs. Samanmalee Matarage
05.	Promotion Officer	Mr. Dilan Tharanga Gunawardana
06.	Development Officer–Ministry of Plantation	Mrs. N.P. Rathugamage
07.	Development Officer–Ministry of Plantation	Mrs. U.M. Wewalwala
08.	Development Officer–Ministry of Plantation	Mr. J.M. Nadun Chinthaka Jayasinghe
09.	Development Officer–Ministry of Plantation	Mr. D.M. Indika Sanjaya Kumara
10.	Development Officer–Ministry of Plantation	Mrs. S.U. Karunaratne
11.	Development Officer–Ministry of Plantation	Mr. B.K.U.G.P. Jayathunga
12.	Management Assistant (Non-Technical)	Mrs. R. Dehipitiya
13.	Management Assistant (Non-Technical)	Mrs. L.A.P. Chandrika
14.	Management Assistant (Non-Technical)	Mrs. I.H.D.I. Madushani
15.	Management Assistant (Non-Technical)	Mrs. I.K. Munasinghe
16.	Management Assistant (Non-Technical)	Mr. G.K.S. Kumara
17.	Management Assistant (Non-Technical)	Miss. Malshani Senaviratne
18.	Management Assistant (Non-Technical)	Mrs. S.V.T. Priyangika
19.	Management Assistant (Non-Technical)	Miss. L.P. Thathsarani
20.	Management Assistant (Non-Technical)	Mrs. G.P.J.N. Senanayake
21.	Management Assistant (Non-Technical)	Miss. D.M.M. Kumarihamy
22.	Management Assistant (Non-Technical)	Mrs. N.D. Rajapaksha
23.	Management Assistant (Non-Technical)	Mr. K.A. Chathuranga
24.	Management Assistant (Non-Technical)	Mrs. K.W.M.C. Priyadarshani
25.	Management Assistant (Non-Technical)	Mrs. R.M.A. Rathnayake
26.	Management Assistant (Non-Technical)	Mr. W.R.S.W. Bandara
27.	Management Assistant (Non-Technical)	Mr. W.S.G. Jayawardena
28.	Driver	Mr. U. Lal Priyantha
29.	Driver	Mr. Shiwantha Udayanga
30.	Karyala Karya Sahayaka	Mr. Prasanna Samarathunga
31.	Karyala Karya Sahayaka	Mr. Dhammika Wijesiri

Corporate Functions, Objectives and Strategies

Corporate Functions

Rubber smallholders contribute to a large amount of about 68% to the foreign exchange earnings from the rubber industry in Sri Lanka. At present, there is also a tendency of rapid increase in the demand for natural rubber in the local market as well as in the global market.

Strengthening of the rubber smallholders at national level through the improvement in the quality of their products and the expansion of the market is undertaken by the Thurusaviya Fund, a corporation which was established under the Thurusaviya Fund Act No.23 of 2000 by Parliament of the Democratic Socialist Republic of Sri Lanka.

For the purpose, the primary Thurusaviya Societies have been established through mobilization of the rubber smallholders scattered at rural level in Kalutara, Kegalle, Kurunegala, Matale, Kandy, Ratnapura, Galle, Matara, Hambantota, Colombo, Gampaha, Monaragala, Badulla and Ampara districts. 05 Regional Thurusaviya Societies (District organizations) representing those primary Thurusaviya Societies, have been established for the districts such as Kalutara, Kegalle, Ratnapura, Galle and Colombo. The Sri Lanka Rubber Smallholders Development Society Forum has been established representing the Regional Thurusaviya Societies.

Objectives

(a) To inculcate in rubber smallholders the habit of savings and uplift their social status and economic conditions.

(b) Promotion of investment opportunities important in the rubber industry.

(c) Acquisition, improvement or establishment of rubber processing units, rubber factories and other facilities required to convert the yield of rubber small holdings into products.

(d) To promote and enhance sales of the rubber products processed in such rubber processing units or factories.

(e) Registration & regularization of Rubber Smallholders Development Societies (Thurusaviya Societies) and providing assistance to the society members who have registered with the Fund.

(f) Taking measures that would be required for the uplifting and benefit of those who engage in rubber production activities in rubber small holdings.

Strategic development objectives

1. Providing high quality products.
2. Sustainable development through the environment conservation.
3. Ensuring a high price for the products of rubber smallholders.
4. Improving socio-economic conditions of the rubber smallholders.

Functions performed by the Head Office

- Execution of the powers vested under the Thurusaviya Fund Act No.23 of 2000.
- Mobilization of the rubber smallholders scattered at grass root level, making them aware and establishment of Thurusaviya Societies.
- Registration of the established Thurusaviya Societies with the Thurusaviya Fund.
- Providing services to the members of the Thurusaviya Societies established for the betterment of the rubber smallholders.
- Providing technical know–how for production of high quality rubber products.
- Making rubber smallholders aware of the socio-economic values of a society with well management.
- Introducing and implementing loan schemes for rubber smallholders.
- Taking immediate actions for the proposals received from the Ministry and other institutions for development of the rubber cultivation and providing prompt answers to the questions raised.
- Carrying out administrative and accounting activities.

Functions performed by the Regional Offices

The Coordinating Officers of the Thurusaviya Fund appointed for official duties of the districts monitor the regional level Thurusaviya Societies in each district and following duties are performed by them.

- Submission of the reports containing monthly future programmes / revised programmes and the activities carried out in the month to the Head Office, obtaining approval for the same, review and seeking instructions for the future programmes.
- Participating in the General Meetings once in 03 months.
- Forwarding the supervisory reports of the Thurusaviya Societies to the Head Office.
- Establishment of new Thurusaviya Societies at rural level.
- Making necessary arrangements to reactivate the defunct Thurusaviya Societies.
- Referring the farmer problems to the Head Office and finding solutions for the same.
- Holding elections.
- Introducing loan schemes and making rubber smallholders aware of the same.
- Making necessary arrangements to construct Group Processing Centers at district level and regional level.
- Creating a market for Group Processing Centers.

Activities carried out in line with the Action Plan 2022

1. Strengthening and reorganization of societies

With the purpose of providing more efficient service to the rubber smallholders for the development of rubber cultivation, the Thurusaviya Fund has established Regional Offices at district level and appointed Coordinating Officers and formed Thurusaviya Societies at the village level with the contribution of those officers. Through the Thurusaviya Societies, rubber smallholders are provided with the necessary services to carry out their rubber industry effectively, efficiently and satisfactorily.

1.1 Thurusaviya Societies formed island-wide and Members as at 31.12.2022

Province	District	District Wise	
		No. of Thurusaviya Societies	No. of Thurusaviya Society Members
Western	1. Colombo	21	580
	2. Gampaha	19	502
	3. Kalutara	202	6,766
Sabaragamuwa	4. Ratnapura	106	3,429
	5. Kegalle	214	6,350
South	6. Galle	47	1,107
	7. Matara	22	624
	8. Hambantota	05	138
Central	9. Kandy	14	372
	10. Matale	01	32
North Western	11. Kurunegala	11	287
Uva	12. Monaragala	150	4,587
	13. Badulla	06	164
Eastern	14. Ampara	55	1,191
Total		**873**	**26,129**

1.2 Strengthening the Societies/ Establishment of New Societies

Physical Progress

- The No. of Thurusaviya Society Meetings held in the year 2022 is 980.
- The No. of Thurusaviya Societies newly formed in the year 2022 is 35.

2. Progress in the implementation of programmes in line with the strategic development objectives of the Thurusaviya Fund

Objectives	Strategies	Planned programmes	Progress 2022
(a) To inculcate in rubber smallholders the habit of savings and uplift their social status and economic conditions.	Providing high quality products.	1. Training programme on rubber cultivation, rubber tapping, diseases and scientific fertilization	Programmes 10 Beneficiaries 344
		2. Training programmes on production of R.S.S. No.01 rubber sheets	Programmes 12 Beneficiaries 460
		3. Training programme on construction of one day smoke houses	-
		4. Training programme on fixing of rain guards for rubber cultivation	-
		5. New Assistant Rubber Tapper Training Programme	Programmes 04 Beneficiaries 200
(b) Promotion of investment opportunities important in the rubber industry.	Sustainable development through the environment conservation.	6. Training programme on production of compost fertilizer for rubber cultivation	Programmes 03 Beneficiaries 121
(c) Acquisition, improvement or establishment of rubber processing units, rubber factories and other facilities required to convert the yield of rubber small holdings into products. (d) To promote and enhance sales of the rubber products processed in such rubber processing units or factories.	Providing high quality products. Ensuring a high price for the products of rubber smallholders.	7. Development/ establishment of Group Processing Centers 8. Providing necessary technical know-how and financial assistance for the construction of modern technological one day drying chambers with high productivity and efficiency	- Modern technological one-day drying chambers 12
(e) Registration & regularization of Rubber Smallholders Development Societies (Thurusaviya Societies) and providing assistance to the society members who have registered with the Fund.	Improving socio-economic conditions of the rubber smallholders.	9. Conducting society meetings for strengthening of Thurusaviya Societies and establishing new societies 10. Distributing the necessary equipment among the society members for the rubber industry	Society meetings 980 New societies 35 Tapping Knives 1,747
(f) Taking measures that would be required for the uplifting and benefit of those who engage in rubber production activities in rubber small holdings.	Improving socio-economic conditions of the rubber smallholders.	11. Training programme on Bee-Keeping	-

2.1 Training Programmes conducted for Thurusaviya Society Members - 2022

Serial No.	District and Division	Date (2022)	Venue	Training Programme	No. of Beneficiaries
01	Kalutara (Palindanuwara)	01/03	Residence of Mr. Joshap, the Chairman of Batahena Thurusaviya Society	Training programme on production of compost fertilizer for rubber cultivation	**45**
02	Kalutara (Palindanuwara)	07/25	Galahitiya Sri Mahamevna Viharaya	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**38**
03	Kalutara (Matugama)	12/02	Sewa Piyasa, Pussella	Training programme on production of R.S.S. No.01 rubber sheets and fixing of rain guards	**40**
04	Ratnapura (Nivithigala)	03/16	Residence of Mr. Rathnayake of Mawatta Ekamuthu Thurusaviya Society	Training programme on production of compost fertilizer for rubber cultivation	**38**
05	Ratnapura (Eheliyagoda)	04/01	Hewainna Community Centre	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer and production of R.S.S. No.01 rubber sheets	**31**
06	Ratnapura (Kiriella)	8/16	Matuwagala Temple	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**41**
07	Ratnapura (Godakawela)	10/07	Makandura Community Hall	Training programme on production of R.S.S. No.01 rubber sheets	**28**
08	Ratnapura (Eheliyagoda)	10/21	Kiriporuwa Temple	Training programme on production of R.S.S. No.01 rubber sheets and fixing of rain guards	**35**
09	Ratnapura (Eheliyagoda)	11/28	Elapatha Siriwardhanaramaya	Training programme on production of R.S.S. No.01 rubber sheets and fixing of rain guards	**48**
10	Galle (Elpitiya)	03/29	Residence of Mrs. Devika, the Secretary of Omaththa Thurusaviya Society	Training programme on production of R.S.S. No.01 rubber sheets	**17**
11	Galle (Baddegama)	8/12	Residence of Mr. Jinasoma, the Chairman of Thalawa Thurusaviya Society	Training programme on production of R.S.S. No.01 rubber sheets	**18**
12	Hambantota (Katuwana)	04/06	Residence of Mr. D.J. Gunasekara, Member of Katuwana Thurusaviya Society	Training programme on production of R.S.S. No.01 rubber sheets	**31**
13	Matara (Wilpita)	07/15	Residence of Mr. K.G. Ranjith, Member of Wilpita Thurusaviya Society	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**18**
14	Kurunegala (Mawathagama)	2/23	In association with the Smoke House of Mr. Wasantha of Inguruwatta Thurusaviya Society	Training programme on production of R.S.S. No.01 rubber sheets	**53**

Serial No.	District and Division	Date (2022)	Venue	Training Programme	No. of Beneficiaries
15	Kurunegala (Polgahawela)	3/16	Residence of Mr. Rathnayake of Mawatta Ekamuthu Thurusaviya Society	Training programme on production of compost fertilizer for rubber cultivation	**38**
16	Kegalle (Deraniyagala)	2/28	Kirihena Temple	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**30**
17	Kegalle (Kegalle)	4/8	In association with the Smoke House of Mr. E.P. Piyadasa of Wathura Thurusaviya Society	Training programme on production of R.S.S. No.01 rubber sheets	**61**
18	Kegalle (Rambukkana)	4/8	Dunukewala Temple	Training programme on production of R.S.S. No.01 rubber sheets	**33**
19	Kegalle (Polgahawela)	7/19	Residence of Mr. Nissanka, Kahawatta Ela, Polgahawela	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**45**
20	Kegalle (Kegalle)	7/20	Residence of Mr. Athula, Bulugahadeniya	Training programme on production of R.S.S. No.01 rubber sheets	**46**
21	Kegalle (Mawanella)	12/20	In association with the Smoke House of Mrs. Hemamali, Waduwawala	Training programme on production of R.S.S. No.01 rubber sheets and fixing of rain guards	**50**
22	Monaragala (Medagama)	3/29	Keenagoda Community Hall	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**36**
23	Monaragala (Bibile)	9/2	Ilukapana Community Hall	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**26**
24	Monaragala (Badalkumbura)	9/14	Residence of Mr. Prasanna, Member of Eththalamulla Thurusaviya Society	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**51**
25	Monaragala (Badalkumbura)	18/10	Community Hall, 5th Post	Training programme on rubber cultivation, rubber tapping and scientific application of fertilizer	**28**

Progress in conducting training programmes 2022

Target - 30 programmes

No. of programmes conducted - 25

Number of Beneficiaries - 925

Physical progress - 83%

Financial Progress as at 31.12.2022

Target **-** Rs. 0.60 million

Expenditure as at 31.12.2022 **-** Rs. 0.544 million

Financial Progress - **91%**

2.2 Distribution of equipment required for the rubber manufacturing process to rubber smallholders free of charge / on a concessionary basis

The Thurusaviya Fund provides the rubber smallholders with smooth rollers, diamond rollers, latex coagulation trays required for rubber production and tapping knives at a concessionary price of 50% and latex collection plastic cups and the cups hanging wires are distributed free of charge.

2.2.1. Physical progress of distribution of equipment free of charge / on a concessionary basis in the year 2022

Type of equipment	No. Of equipment purchased	Unit value Rs.	No. Of tapping knives distributed as at 31.12.2022 (on 50% concessionary basis)	No. Of beneficiaries
1. Tapping Knives	4,000	845.00	1,747	1,747

Distribution of Tapping Knives – 2022

Serial no.	District	No. of tapping knives distributed on 50% concessionary basis
1.	Ratnapura	356
2.	Kegalle / Matale/ Kandy / Kurunegala	377
3.	Monaragala	255
4.	Badulla / Ampara	356
5.	Colombo / Gampaha	50
6.	Kalutara	97
7.	Galle / Matara / Hambantota	146
8.	Rubber Research Institute, Ratnapura	110
	Total	**1,747**

3. Special Projects implemented in the year 2022

3.1 New Tapper Training Programme 2022

Priority Area - Ensuring the availability of raw material for the rubber industry by providing an incentive for the development of small and medium scale rubber estate owners.

Directly in line with the project for encouragement of rubber tappers which is the 09th project out of the 25 major projects planned by the Sri Lanka Rubber Industry Master Plan 2017-2026, this programme is implemented with the priority of attracting and retaining a sufficient number of skilled and motivated rubber tappers to carry out the rubber production activities accordingly.

Special Objectives –

1. Enhancing the productivity of rubber tappers and increasing their income level.
2. Attracting new accesses and developing proper tapping skills to address the tapper shortage.
3. Assisting the skilled rubber tappers to find employments.

Activities -

A standard training programme designed by the Rubber Research Institute.

i. Content of the training programme
   - Rubber cultivation
   - Rubber tapping
   - Scientific application of fertilizer
   - Fixing of rain guards
   - Quality rubber sheet manufacturing process

ii. Identifying trainers - From the members of the Thurusaviya Societies

iii. Training period – Minimum 7 days on full-time basis

iv. After the training is completed, the evaluation will be conducted through a written test and a practical test.

v. Benefits to all the successful trainees
   - Awarding a certificate by the Thurusaviya Fund
   - Distributing a tapping knife required for the use in the field
   - Providing an incentive

vi. Expected Outcomes -
   - Stabilizing the living standards of rubber smallholders
   - Enhancing the productivity of rubber cultivations
   - Providing income generating opportunities for villagers
   - Reduction in leaving the profession of rubber tapping

3.1.1. Professional Rubber Tapper Training Programme 2022 **– Progress**

Physical Progress as at 31.12.2022

No. of the Programme	District	Divisional Secretariat	No. of Trainees	Gender	
				Female	Male
01	Ratnapura	Ratnapura	50	38	12
02	Kegalle	Deraniyagala	50	18	32
04	Hambantota	Middeniya	50	30	20
05	Monaragala	Monaragala	50	30	20
	Total		**200**	**116**	**84**

Target **-** 05 Training Programmes

No. of Programmes completed **-** 04

Physical Progress - **80**%

Financial Progress as at 31.12.2022

Target **-** Rs.4.25 million

Expenditure as at 31.12.2022 - Rs.3.864 million

Financial Progress - 91%

3.2 Construction of modern smoke houses with high productivity and efficiency

Priority Area - Ensuring the availability of raw material for the rubber industry by providing an incentive for the development of small and medium scale rubber estate owners.

Objectives -

1. Livelihood development and productivity enhancement of rubber smallholders and thereby, increasing the income levels.
2. Introducing modern (new technological) one-day drying smoke houses to reduce the cost of production of smoked rubber sheets.
3. Improving competitiveness among rubber smallholders and manufacturing high quality products.

Activities -

1. Through the newspaper advertisements and coordination of field officers at the district level, making the Thurusaviya society members scattered all over the island aware of the project for construction of modern technological one-day drying chambers with high productivity and efficiency.
2. Making the Thurusaviya officials scattered all over the island aware by the District Coordinating Officers.
3. Obtaining approval of the Thurusaviya Management Board for the selected societies.
4. Dissemination of estimates and plans to the selected Thurusaviya societies approved by the Board of Management.
5. Providing a financial assistance of Rs.150,000.00 each for the construction of one smoke house.
6. Site inspection (Providing technical assistance, plan preparation, estimating and cost estimation of modern technological one day drying chamber).

Allocation - 2022 - Rs.3.00 million

Projected target	- 20 smoke houses
Amount of financial assistance provided per smoke house	- Rs.150,000.00
Duration	- 30.06.2022 – 31.12.2022

Expected Outcomes -

- ❖ Increasing the high quality product volume
- ❖ Reducing the cost of production
- ❖ Being aware of the modern technology and having the opportunity to knowledge transfer

Physical and Financial Progress in construction of modern smoke houses - 2022

Physical Progress as at 31.12.2022

	District	**Thurusaviya Society**	**No. of the smoke houses**
01	Kurunegala	Weuda Thurusaviya Society	01
02	Kurunegala	Inguruwatta	01
03	Kegalle	Gabbela Shakthi	01
04	Kegalle	Welangalla	01
05	Kegalle	Aludeniya Samagi	01
06	Monaragala	Kandithwatta	01
07	Monaragala	Elawatta	02
08	Monaragala	Karawila Pubudu	01
09	Monaragala	Pubbara	02
10	Monaragala	Radaliyadda Vimukth	01
	Total		**12**

Target	- 20 modern smoke houses
No. of the smoke houses constructed	- 12
Physical Progress	**- 60%**

Financial Progress as at 31.12.2022

Target	- Rs.3.00 million
Expenditure 31.12.2022	- Rs.0.779 million *
Financial Progress	**- 26%**

* Due to the non-receipt of approved provisions, payments could be made only for 05 modern smoke houses in the year 2022.

4. Thurusaviya Fund – Progress Review in line with the Action Plan - 2022

4.1 Allocation of Provisions 2022

	Financing	Approved Provisions 2022 Rs. Mn.	Receipt of Provisions as at 31.12.2022 Rs. Mn.	Expenditure as at 31.12.2022 Rs. Mn.	Financial Progress (On the provisions received) %
Capital	Domestic Funds	18.00	**8.32**	**8.40**	**100%**
Recurrent	Domestic Funds	29.00	**27.725**	**27.89**	**100%**
Total		**47.00**	**36.045**	**36.29**	**100%**

4.2 Implementation of development programmes – 2022

Programme/ Project	Estimate Rs. Mn.	Actual Expenditure as at 31.12.2022 Rs. Mn.	Financial Progress %	Physical Target	Physical Progress %
1. Distribution of resources to the Thurusaviya societies					
1.1 Tapping knives (Distribution on 50% concessionary basis)	2.80	**1.690**	**60%**	Distribution of 3,000 tapping knives	**44%** 4000 tapping knives have been purchased. 1747 tapping knives have been distributed
1.2 Latex collection cups and wires	5.65	**0.110**	**2%**	135,000	Procurement has been suspended.
2. Establishment and strengthening of societies Holding society meetings for strengthening of the societies / establishing new societies	1.60	**1.314**	**82%**	Strengthening of the societies 835	**100%** No. of society meetings held - 980 No. of new societies established - 35
3. Awareness training programmes	0.60	**0.544**	**91%**	Training Programmes 30	**83%** Training Programmes - 25
4. Special Projects - Assistant Rubber Tapper Training Programme	4.25	**3.864**	**91%**	Training Programmes * 05	**80%** Training Programmes-04 Beneficiaries - 200
5. Construction of modern smoke houses	3.00	**0.779**	**26%**	Modern smoke houses 20	**60%** Smoke houses - 12 Payments made - 05 Payments to be made -07
6. Staff Training	0.10	**0.097**	**97%**	Training Programmes 02	**100%** Training Programmes - 02 Beneficiaries - 02
Total Progress	**18.00**	**8.398**	**47%****		**78%**

** Although it was estimated according to the approved provisions for the year 2022, the projected financial progress could not be recorded due to the non-receipt of the provisions.

Thurusaviya Fund

Final Accounts - 2022

THURUSAVIYA FUND			
STATEMENT OF FINANCIAL POSITION AS AT 31.12.2022			
	Note	**2022 (Rs.) Written Down Value**	**2021 (Rs.) Written Down Value**
ASSETS			
Non-Current Assets			
Property Plant & Equipment	**1**	16,509,365.55	21,071,498.36
		16,509,365.55	**21,071,498.36**
Current Assets			
Cash & Cash Equivalents	**2**	22,340,522.02	21,865,251.09
Trade & Other Receivables	**3**	3,431,601.68	2,253,757.11
Inventories	**Schedule-1**	2,309,916.12	1,116,879.51
Accrued Income	**4**	-	1,155,874.20
		28,082,039.82	**26,391,761.91**
Total Assets		**44,591,405.37**	**47,463,260.26**
LIABILITIES			
Accrued Expenses	**5**	477,874.08	205,436.52
Tapping Knives Payable		1,007,662.50	-
Provision for Audit Fees		500,000.00	400,000.00
Not Yet Distribution of Tapping Knives		-	377,715.00
		1,985,536.58	**983,151.52**
Non-Current Liabilities			
Employee Benefits	**Schedule - 2**	7,035,288.23	6,428,342.58
Total Liability		**9,020,824.81**	**7,411,494.10**
Total Net Assets		**35,570,580.55**	**40,051,766.16**
NET ASSETS			
Net Assets / Equity			
Capital Contributed by Government & other Entities		50,200,000.00	50,200,000.00
Thurusaviya Fund Accumulated Surpluses/(Deficits)		(16,395,486.53)	(11,406,251.84)
Society Membership Fund		1,258,018.00	1,258,018.00
Other Grant & Reserves		508,049.08	
Net Assets / Equity		**35,570,580.55**	**40,051,766.16**

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

....	....	....
Accountant	**Director**	**Chairman**
J.G.G.V. Bandara	**Dr S.W.R.K. Silva**	**V. Lokunarangoda**

The accounting policies and notes on pages 22 to 26 from an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf

....	....
Director	**Director**
G.D.T.S. Perera	**G.K.R. Priyankara(Chief**
Accountant - Ministry of Plantation Industries)	**(Member of Director Board – Thurusaviya Fund)**

THURUSAVIYA FUND

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

31ST DECEMBER 2022

	Note	2022 (Rs.)	2021 (Rs.)
Income			
Treasury Grant	**6**	36,045,000.00	49,290,166.46
Smoke House Project Grant		-	21,000,000.00
Other Income	**7**	1,630,653.68	586,709.13
Total Revenue		**37,675,653.68**	**70,876,875.59**
Operating Expenses			
Wages, Salaries & Employee Benefits	**8**	19,417,548.98	14,474,342.02
Travelling	**9**	109,185.15	263,503.40
Supplies & Consumables used	**10**	9,365,387.43	9,747,046.57
Depreciation		5,110,181.89	4,929,043.53
Development Expenditure	**11**	2,794,022.79	14,607,621.37
Tappers Training		3,880,819.91	2,315,784.32
Smoke House Subsidy		779,459.00	20,756,299.21
Other Expenses	**12**	197,868.59	240,172.48
Total Expenses		**41,654,473.74**	**67,333,812.90**
Surplus /(deficit) for the Period		**(3,978,820.06)**	**3,543,062.69**

THURUSAVIYA FUND						
STATEMENT OF CHANGES IN NET ASSETS/ EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022						
Attributable to owners of the controlling entity						**Total Net Assets/ Equity**
	Contributed Capital/Fund	**Other Grant & Reserves**	**Member Fee & Administration Fee**	**Revaluation Reserves**	**Accumulates Surpluses/ (Deficit)**	
Balance as at 2019.01.01	**27,000,000.00**	**-**	**1,263,418.00**	**-**	**(19,474,854.20)**	**8,788,563.80**
Net Revenue on Member Fee 2020	-	-	4,600.00	-	-	4,600.00
Surplus/ (Deficit) for the year 2020	-	-	-	-	3,222,288.35	3,222,288.35
Prior period adjustment	-	-	-		602,251.32	602,251.32
Balance as at 2020.01.01	**27,000,000.00**	**-**	**1,268,018.00**	**-**	**(15,650,314.53)**	**12,617,703.47**
Contributed Capital/Fund	23,200,000.00	-	-		-	23,200,000.00
Net Revenue on Member Fee 2021	-	-	(10,000.00)		-	(10,000.00)
Surplus/ (Deficit) for the year 2021	-	-	-	-	3,543,062.69	3,543,062.69
Prior period adjustment	-	-	-	-	701,000.00	701,000.00
Balance as at 2021.12.31	**50,200,000.00**	**-**	**1,258,018.00**	**-**	**(11,406,251.84)**	**40,051,766.16**
Opening balance adjustment	-	-	-	-	(1,010,414.63)	(1,010,414.63)
Net Revenue on Member Fee 2022	-	-	-	-	-	-
Surplus/ (Deficit) for the year 2022	-	-	-	-	(3,978,820.06)	(3,978,820.06)
Revaluation Surplus	-	-	-	508,049.08	-	508,049.08
Balance as at 2022.12.31	**50,200,000.00**	**-**	**1,258,018.00**	**508,049.08**	**(16,395,486.53)**	**35,570,580.55**

THURUSAVIYA FUND		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022		
	2022 (Rs.)	**2021 (Rs.)**
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus (Deficit) from ordinary activities	(3,978,820.06)	3,543,062.69
Prior period adjustment	(1,010,414.63)	701,000.00
Less :		
Interest Income	(1,535,953.68)	(498,743.70)
Net Cash Inflow/(Outflow) From Operating Activities	**(6,525,188.36)**	**3,745,318.99**
Non - Cash Movements		
Depreciation	3,225,536.64	4,969,043.51
Reserves	508,049.08	-
Gratuity Provision	606,945.65	(2,659,000.10)
Trade and other receivables	(482,427.67)	71,706.24
Increase / Decrease in stock	(1,193,036.61)	1,270,103.71
Increase / Decrease in payables	1,002,385.06	(727,576.48)
Accrued Income	1,155,874.20	(1,155,874.20)
Net cash flows from operating activities	**(1,701,862.01)**	**5,513,721.67**
CASH FLOW FROM INVESTING ACTIVITIES		
Property Plant Equipment	1,336,596.17	(399,778.00)
Interest Received	840,536.78	494,126.23
Net cash flows from investing activities	**2,177,132.95**	**94,348.23**
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributing Member fees	-	(10,000.00)
Net cash flows from Finance activities	**-**	**(10,000.00)**
Net increase / (Decrease) in cash and cash equivalents	475,270.94	5,598,069.90
Cash and cash equivalents at beginning of period	21,865,251.08	16,267,181.18
Cash and cash equivalents at end of period	**22,340,522.02**	**21,865,251.09**

THURUSAVIYA FUND			
BUDGETED AND ACTUAL PERFORMANCE			
FOR THE YEAR ENDED 31ST DECEMBER 2022			
REVENUE	**ACTUALS (Rs.)**	**BUDGETED (Rs.)**	**Progress**
Treasury Grant Capital	8,320,000.00	18,000,000.00	46.22%
Treasury Grant Recurrent	27,725,000.00	29,000,000.00	95.60%
Other Income	1,630,653.68	-	
TOTAL REVENUE	**37,675,653.68**	**47,000,000.00**	**80.16%**
RECURRENT EXPENSES			
Wages, Salaries & employee benefits	19,417,548.98	19,224,000.00	101.01%
Travelling	109,185.15	276,000.00	39.56%
Supplies & Consumables used	9,365,387.43	9,500,000.00	98.58%
Other Expenses	197,868.59	-	0.00%
Depreciation	5,110,181.89	-	0.00%
TOTAL RECURRENT EXPENDITURE	**34,200,172.04**	**29,000,000.00**	**117.93%**
CAPITAL EXPENDITURE			
Development Expenditure	2,696,844.19	10,650,000.00	25.32%
Smoke House	779,459.00	3,000,000.00	25.98%
Tappers Training	3,880,819.91	4,250,000.00	91.31%
Capacity Building	97,178.60	100,000.00	97.18%
TOTAL CAPITAL EXPENDITURE	**7,454,301.70**	**18,000,000.00**	**41.41%**
TOTAL EXPENDITURE			
CAPITAL	7,454,301.70	18,000,000.00	41.41%
RECURRENT	34,200,172.04	29,000,000.00	117.93%
TOTAL	**41,654,473.74**	**47,000,000.00**	**88.63%**

Accounting Policies and Notes Financial Statements

1.CORPORATE INFORMATION

1.1 Domicile and Legal Form

Thurusaviya Fund incorporated under "THURUSAVIYA FUND ACT, No-23 of 2000" Parliament of the democratic socialist republic of Sri Lanka and domiciled in Sri Lanka. The head office of the Institute is located at No-39, Sri Subuthipura, Battaramulla.

1.2 Principal Activities and Nature of Operations.

- To inculcate and promote the savings habit in, and uplift the economic and social status of, rubber smallholders;
- To promote necessary investments related to the rubber industry;
- To acquire, develop or establish, rubber processing units, rubber factories and other facilities required for the manufacture of the produce of such rubber smallholdings;
- To promote and develop the marketing of the produce of such rubber processing units or factories;
- To register and regulate Rubber Smallholdings Development Societies (in this Act hereinafter referred to as "Thurusaviya Societies") and to provide assistance to the members of such societies registered with the Fund;
- To take such measures as may be necessary for the improvement and wellbeing of engaged in the production of rubber in small holdings;

2. SIGNIFICANT ACCOUNTING POLICIES

2.1General Polices

2.1.1 Basis of Preparation

The Financial Statements of the Institute such comprise Statement of Financial Position, Statement of Financial Performance, Statement of Changes of Equity, Statement of Cash Flow, Statement of Budgeted and Actual Performance together with the significant Accounting Policies and Notes to the Financial Statement which have been prepared in accordance with Sri Lanka Public Sector Accounting Standards on the accrual basis of accounting formulated by Association of Public Finance Accountants of Sri Lanka.

2.1.2 Basis of Measurement

The financial statements have been prepared in accordance with the historical cost conversion basis.

2.1.3 Summary of Significant Accounting Policies

Financial Statement have been prepared on a going concern concept and the account policy has been applied consistently throughout the period. Funds are available from government grants and income generated from GPC income, Loan interest, Saving Account interest & Fixed Deposit interest. Such accumulated funds are utilized to meet institutional liabilities as and when necessary.

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

3. Valuation of Assets and Their Measurement Base.

3.1 Inventories

Inventories are valued at the lower of cost and realizable value, after making due allowances for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale. The cost incurred in bringing inventories to the present location and condition are accounted using the following cost formula;

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

3.2 Cash & Cash Equivalents

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

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

3.3 Property Plant & Equipment

3.3.1 Cost / Valuation

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

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

3.3.2 Restoration Costs

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

3.3.3 Depreciation

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

The estimated useful lives and the depreciation rates used for the current and comparative periods are as follows.

Computer Equipment	Over 10 years	10%
Office Furniture	Over 10 years	10%
Office Equipment	Over 10 years	10%
Machinery	Over 05 years	20%
Motor Vehicles	Over 05 years	20%
Computer Software	Over 4 Years	25%

4. Liabilities and Provision

4.1 Provisions

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

4.2 Retirement Benefit Costs

4.2.1 Defined benefit plans – Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognized in the financial statements in respect of defined benefit plan is the present value of the defined benefit obligation at the Reporting date. The defined benefit obligation is calculated annually using the Gratuity formula method as discussed in LKAS – 19.

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

The liability is not externally funded.

The basic salary and cost of living allowance are considered to calculating the contributions.

4.2.2 Defined contribution plans - EPF & ETF

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund Contributions in line with the respective statues and regulations. Thurusaviya Fund Contributes 15% and 3 % of gross emoluments of Employees to Employees' Provident Fund and Employees' Trust Fund respectively.

4.3 Contingent Liability

Five numbers of employees who work as Management assistants of Thurusaviya Fund has filed a case against the deduction of salary increments for the period of their contract basis. The labour tribunal is at present hearing the case. The deducted salary has been sent to the ministry of finance. The institute did not provide any provision up to 31st December 2021.

5. Income Statement

5.1 Revenue Recognition

5.1.1 Government and other grant Subsidies

The Department of National Budget allocates significant amount of fund from the annual budget the institute recognizes the both recurrent and capital grant as the income of the institute and capitalized by the capital goods purchased excluding development expenditure from capital grant in accordance with the SLPSAS 11

5.1.2 Gain or loss on disposal of properties

Gains or losses of revenue nature on the disposal of property, Plant & Equipment have been accounted for in the Statement of Financial Performance.

5.1.3 Interest Income is recognized on an accrued basis

5.1.4 Other income is recognized on an accrued basis

THURUSAVIYA FUND

Note to the Accounts For the Year ended 31st December 2022

1 Property Plant & Equipment

1.1 Cost

Assets	Opening Balance Rs.	Additions During the Year Rs.	Disposals/ Transfers Rs.	Balance As at 31.12.2022 Rs.
Computer Equipment	2,438,798.28	19,722.23	197,222.30	2,261,298.21
Computer Software	578,933.00	-	-	578,933.00
Office Equipment	1,403,236.00	110,208.78	808,684.90	704,759.88
Office Furniture	949,595.13	181,766.98	446,035.87	685,326.24
Machinery	392,702.18	196,351.09	392,702.18	196,351.09
Motor Vehicle	23,200,000.00	-	-	23,200,000.00
	28,963,264.59	**508,049.08**	**1,844,645.25**	**27,626,668.42**

1.2 Depreciation

Assets	Opening Balance Rs.	Additions During the Year Rs.	Disposals/ Transfers Rs.	Balance As at 31.12.2022 Rs.
Computer Equipment	1,072,678.85	224,157.60	197,222.30	1,099,614.15
Computer Software	217,962.39	144,733.20	-	362,695.59
Office Equipment	1,016,602.48	52,523.65	808,684.90	260,441.23
Office Furniture	657,196.64	48,767.40	446,035.87	259,928.17
Machinery	392,702.18	-	392,702.18	-
Motor Vehicle	4,534,623.69	4,640,000.04	40,000.00	9,134,623.73
	7,891,766.23	**5,110,181.89**	**1,884,645.25**	**11,117,302.87**

	2022 Rs.	2021 Rs.
1.3 Net Book Value	**16,509,365.55**	**21,071,498.36**

		2022 Rs.	2021 Rs.
2	**Cash & Cash Equivalents**		
	Bank Account A/C No:014100163254138	-	10,895,132.60
	Bank Account A/C No:208100123254138	261,766.76	-
	Peoples Bank Saving A/C	-	1,313,532.80
	Peoples Bank Saving A/C	1,625,383.84	-
	Fixed Deposit	20,453,371.43	9,656,585.69
		22,340,522.03	**21,865,251.09**
3	**Trade & Other Receivables**		
	Advance on Rubber Sheet	490,472.26	490,472.26
	Scale Loan	242,275.00	242,275.00
	Diamond Roll Loan	93,362.50	93,362.50
		826,109.76	**826,109.76**

		2022 (Rs.)	2021 (Rs.)
	Advance on Stamp	-	890.00
	Deposit	6,500.00	6,500.00
	Advance on Fuel	100,000.00	25,000.00
	Advance on Tappers Training	691,000.00	-
	Advance	990,000.00	1,000,000.00
	Karawita Janapadaya Loan Scheme	-	200,000.00
	Refundable Deposit	6,000.00	6,000.00
	Accrued Farmers Subsidy Collection 50%	1,561.43	74,243.76
		1,795,061.43	**1,312,633.76**
		2,621,171.19	**2,138,743.52**
			-
	Accrued Interest on Fixed Deposit	810,430.49	115,013.59
		810,430.49	**115,013**.59
	Total Trade & Other Receivables	**3,431,601.68**	**2,253,757.11**
4	**Accrued Income**		
	Accrued Capital	-	1,155,874.20
		-	**1,155,874.20**
5	**Accrued Expenses**		
	Accrued Electricity	24,080.01	6,526.96
	Accrued Water	11,183.87	3,789.67
	Accrued Fuel Expenses	-	28,992.00
	Accrued Other Expenses	90,529.86	11,160.00
	Accrued Traveling	6,575.00	8,975.00
	Accrued Training & Awareness Programme	-	3,890.32
	Accrued Over Time	20,958.56	3,874.53
	Accrued Establishment & Strengthening of Societies	38,942.00	17,722.00
	Accrued Stationary & office Requisites	19,463.18	2,430.00
	Accrued Security Charges	71,920.00	87,850.00
	Accrued Smoke House Project Subsidy		30,226.04
	Accrued Vehicle Maintenance	100,907.00	-
	Accrued Telephone	10,957.99	-
	Accrued Tappers Cleaning Charges	33,650.00	-
	Accrued Tappers Training	45,206.61	-
	Accrued Transport Expenses	3,500.00	-
		477,874.08	**205,436.52**
6	**Treasury Grant**		
	Capital	8,320,000.00	18,000,000.00
	Recurrent	27,725,000.00	31,290,166.46
		36,045,000.00	**49,290,166.46**

		2022 (Rs.)	2021 (Rs.)
7	**Other Income**		
	Other Income	94,700.00	61,845.43
	Contribution of Rubber Sheet	-	26,120.00
	Interest on Fixed Deposit	1,492,202.64	460,110.14
	Saving A/C Interest	43,751.04	38,633.56
		1,630,653.68	**586,709.13**
8	**Wages, Salaries & Employee Benefits**		
	Salary Expenses	11,513,059.82	11,610,943.53
	Cost of Living Allowances	2,246,400.00	2,308,800.00
	Special Allowances	2,554,600.00	675,600.00
	EPF Expenses A/C	1,928,918.97	1,952,961.53
	ETF Expenses A/C	385,783.80	390,592.32
	Board Member Fees	120,000.00	99,000.00
	Overtime	61,840.74	95,444.74
	Gratuity	606,945.65	(2,659,000.10)
		19,417,548.98	**14,474,342.02**
9	**Travelling**		
	Traveling Expenses	**109,185.15**	**263,503.40**
		109,185.15	**263,503.40**
10	**Supplies & Consumables used**		
	Postage & Communication	124,610.80	74,684.60
	Electricity Expenses	203,715.99	179,686.75
	Water Expenses	121,099.52	78,372.31
	Printing, Stationery & Office Requisites Expenses	655,921.57	719,532.63
	Fuel Expenses	1,833,279.50	887,447.00
	Rent & Local Taxes	1,980,000.00	1,980,000.00
	Vehicle Maintenance	1,700,997.35	2,740,914.75
	Plant Machinery & Equipment Maintenance	242,997.50	234,750.00
	Transport Expenses	28,500.00	1,200.00
	Newspapers & Periodicals	12,010.00	5,760.00
	Audit Fee	500,000.00	400,000.00
	Telephone	631,089.97	741,805.28
	Promotion & Advertisement	-	132,030.00
	Audit & Committee Meeting Expenses	90,000.00	58,370.00
	Feed Expenses	77,113.73	60,962.50
	Office Maintenance	12,320.50	42,237.25
	Security Charges	776,015.00	1,058,189.50
	Cleaning Service Charges	375,716.00	351,104.00
		9,365,387.43	**9,747,046.57**

		2022 (Rs.)	2021 (Rs.)
11	**Development Expenditure**		
	Distribution of Rubber Latex Collecting Plastic Cups & Bindings	27,506.25	4,000,000.00
	Training & Awareness Programmes Expenses	541,027.00	603,583.87
	Establishment & Strengthening of Societies Expenses	1,354,147.19	495,527.40
	Distribution of Tapping Knives Expenses	691,645.00	-
	Distribution of Rubber Coagulating Pans	27,506.25	2,095,081.10
	Distribution of Diamond & Smooth Roll Pairs	27,506.25	6,993,500.00
	Empower Village Level Rubber Small Holders	-	320,000.00
	Staff Training	97,178.60	99,929.00
	Rubber Steiner Expenses	27,506.25	-
		2,794,022.79	**14,607,621.37**

12	**Other Expenses**		
	Bank Charges	17,317.39	36,444.00
	Other Expenses	157,551.20	203,728.48
	Accommodation Expenses	23,000.00	-
		197,868.59	**240,172.48**

NATIONAL AUDIT OFFICE

My No. } PAL/E/TSF /01/22/04 Your No.} Date} 21st June 2023

The Chairman,
Thurusaviya Fund

Report of the Auditor General on the Financial Statements of the Thurusaviya Fund for the year ended 31st December 2022 and other Legal and Regulatory Requirements in terms of Section 12 of the National Audit Act, No. 19 of 2018

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1. Financial Statements

1.1. Opinion

The audit of Financial Statements of the Thurusaviya Fund for the year ended 31st December 2022 comprising the statement of financial position as at 31st December 2022 and the statement of financial performance, statement of changes in equity and the cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies was carried out under my direction in terms of provisions in the Thurusaviya Fund Act, No.23 of 2000, the National Audit Act No. 19 of 2018 and the Finance Act, No.38 of 1971 read in conjunction with Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. My report will be tabled in Parliament in due course by virtue of Article 154 (6) of the Constitution.

In my opinion, the financial statements of the Fund give a true and fair view of the financial position as at 31st December 2022 and its financial performance and cash flows for the year then ended in accordance with the Sri Lanka Public Sector Accounting Standards.

1.2 Basis for the Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility under these Audit Standards is further described in the Auditor's Responsibility for the Audit of the Financial Statements of this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

In terms of sub-section 16 (1) of the National Audit Act, No. 19 of 2018, the Fund shall maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

1.4 Auditor’s Responsibility for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, its material depends on the influence upon the economic decisions of users taken on the basis of these financial statements.

I conducted the audit in accordance with the Sri Lanka Auditing Standards, exercising professional judgment and maintaining professional skepticism as a part of the audit. I also,

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk resulting from fraud is higher than for one resulting from a material misstatement, as fraud may involve collusion, forgery, intentional omissions, or the override of internal control.

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

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

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

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

I communicate with those charged with governance regarding significant audit findings, major deficiencies in internal controls and other matters that I identified during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 The National Audit Act, No. 19 of 2018 contains special provisions relating to the following requirements.

2.1.1. As per the requirements laid down in Section 12 (a) of the National Audit Act, No. 19 of 2018, I obtained all necessary information and explanations for the purpose of the audit and as shown by my audit, proper financial reports had been maintained by the Fund.

2.1.2 As per the requirement laid down in Section 6 (1)(d) (iii) of the National Audit Act, No. 19 of 2018, the set of financial statements presented by the Fund, is consistent with the preceding year.

2.1.3 As per the requirement laid down in Section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018, the set of financial statements presented by the Fund, includes the recommendations made by me in the previous year.

2.2 On the courses of action followed and the evidences received and in the restrictions of quantitative matters, nothing was brought to my notice to make the following statements.

2.2.1 As per the requirement laid down in Section 12 (d) of the National Audit Act, No. 19 of 2018, any member of the governing body of the Fund has any direct or indirect interest in any contract entered into by the Fund, outside the normal business conditions.

2.2.2 As per the requirement laid down in Section 12 (f) of the National Audit Act, No. 19 of 2018, the Fund has not complied with any applicable written law or other general or special directions issued by the governing body of the Fund except for the following observations.

2.2.3 As per the requirement laid down in Section 12 (g) of the National Audit Act, No. 19 of 2018, the Fund has not complied with powers, duties and functions of the Fund.

	Reference to Laws, Rules / Direction	Observations
(a)	Paragraph 9.1 of the Public Finance Circular No. 01/2020 dated 28th August 2020	Although the Sub-Imprests are to be settled within 10 days of the completion of the relevant works, the cases where the settlement of 12 Ad-hoc Sub-Imprests worth Rs. 174,530 granted by the institution in the year 2022 had been delayed for a period of 14 days, 271 days were observed during the audit.
(b)	Paragraph 3.3 of the Public Administration Circular No. 30/2016 dated 29th December 2016	No fuel inspection had been done in terms of the Circular.
(c)	Financial Regulations of the Democratic Socialist Republic of Sri Lanka No.1645 (a)	Although properly and formally completed vehicle log books should be maintained for each vehicle, log books had not been maintained for three vehicles. As well, the details of vehicles, fuel consumption and repairs had not been entered and completed properly in the log books that had been maintained.

2.2.4 As per the requirement laid down in Section 12 (h) of the National Audit Act, No. 19 of 2018, the resources of the Fund had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws.

2.3 **Other Audit Observations**

(a) The value of 89 units of furniture received by the Fund in the year 2018 as donations from the Ministry of Plantation Industries had not been included in the financial statement.

(b) Although 818 Thurusaviya Societies had been registered in 13 districts under the Thurusaviya Fund, 293 societies were remaining inactive at the end of the year under review.

(c) A total outstanding balance amounting to Rs. 826,109 that had been in arrears for a period of more than 05 years from the advances and loans provided to 31 Thurusaviya societies in 04 districts of Kalutara, Kegalle, Ratnapura and Gampaha had not been recovered.

(d) Although the jeep number 65-1090 received by the Fund from the Presidential Secretariat in the year 2020 had been given to a garage for a repair in November 2021, it had not been brought back to the office after completing the repair until May 2023.

(e) The Peugeot Car No. 3039 received by the Thurusaviya Fund from the Presidential Secretariat on 05th January 2020 was not in running condition from the day it was brought, and since a sufficient amount of money had not been allocated for the repair of the vehicle, it had been parked at the premises of the Thurusaviya Fund for more than three years.

(f) During the year under review, although it had been targeted to construct 20 smoke houses with high productivity and efficiency with an estimated value of Rs. 3,000,000, only 12 smoke houses had been constructed by the Thurusaviya Fund by the end of the year.

(g) In the year 2021, 4000 tapping knives had been purchased to distribute among the Thurusaviya society members on a 50 percent subsidy. During the year under review, only 1,740 knives had been distributed to the Thurusaviya societies, and after 150 knives were issued for training programmes in the year 2023, although the balance of tapping knives as at 01st February 2023 was 2,110 according to the stock book, only 1,989 tapping knives were remaining during the physical audit on that day. No written evidence for the issuance of the remaining 121 tapping knives had been submitted to the audit. Due to the stock of Rs. 1,680,705 worth of 1,989 tapping knives being kept in the outdoor part of the upper floor, they had been rusted, decayed and unusable and the responsible officers had not taken proper measures in terms of F. R. 75 (5) to prevent loss of stock by fire, theft, decay and wastage.

W.P.C. Wickramarathna
Auditor General