Coconut Development Authority

Annual Report 2017

Coconut Development Authority

Our Vision

"Highest contributor in planation sector for gross domestic product from Coconut industry and global leader in diversification of product marketing"

Our Mission

Facilitation or taking to highest contribution to long term commercial productivity, sustainability and national economy through confirming coconut and coconut products for home consumption and industry

Introduction

The main statutory institute established as per section 24 of part iii reading “An Authority called Coconut Development Authority to be set up” (herein after called as “Authority”) in Coconut Development Authority Act No. 46 of 1971 for development of coconut industry is the Coconut Development Authority.

Functions of the Coconut Development Board in accordance with 30(1) of Act are as follows.

(A) Deciding on development priorities in respect of coconut industry and lands under coconut cultivation and economical land utilization for coconut cultivation / assisting Minister to formulate policies.

(B) Working out or helping to formulate projects and schemes in accordance with development priorities so decided.

(C) Implementing projects and programmes so worked out or supporting for their implementation.

(E) Coordinating activities of Boards appointed by Minister under this Act.

(F) Approving annual budget of Boards and providing funds to them

(G) Implementing a proper management accounting systems and directing / assisting Boards to run the same.

(H) Appraising progress of Boards regarding development priorities and policies determined by Minister.

(I) Assisting financially or other way to any person or a group of people (incorporated or not) who engage in scientific researches regarding land utilization for coconut cultivation and lands used for coconut cultivation on coconut industry or its products and coordinating such research activities.

(J) Reaching consolidations with international organizations working for similar interests with agreement of Minister.

(K) Giving directions to the Minister on all matters affecting coconut industry.

(L) Taking all steps as felt by the Authority to develop and revive coconut industry.

Powers vested in Authority as per section 31 of Act is given below.

Authority is empowered to take immediate action for all acts related to functions of 31 (1) of Authority or think it may fitting or.

All powers enshrined by Section 22 (2) without prejudice to project to powers vested by sub section (2) (1) to be with the Boar or Authority with same make.

(3) One or few or a part of special powers vested by Section 23 can be vested to Board and Authority by an order published in Gazette when and where Minister may think fit of.

Foreign exchange of nearly Rs. 91 Billion has been earned Sri Lanka in the year 2017 from coconut industry sector and coconut and coconut related industries annually make a great contribution to gross domestic product.

When identifying and formulating main policies in respect of coconut industry development by the Ministry, help needed is given together with developing Preprocessing and Marketing Sections of coconut industry, supervision and implementing operations by Coconut Development Authority. Under it, 5 active sections named Process Development Section, Quality Control and Quality Assurance section, Marketing Development and Research section, Finance section and Administration each being led by a Director. In executing these functions, Engineering section and Internal Audit section too extend their support to the aforesaid sections.

Chairman acts as the Chief Executive Officer of the Authority and policy / programmes worked out by Director Board with running affairs of Authority, supervision is undertaken by the Director General under whom Process Development Section, Quality control and Quality Assurance section, Marketing Development and Research section, Finance section and Administration are run with directors. The approved cadre of the Authority is 259. Total number of employees on staff in the year 2017 was 221 and out of this, 32 are from Management category.

Chairman's Review - 2017

Coconut industry has been able to sustain its good name in the planation sector turning coconut and coconut based industries as its direct and indirect income way of Sri Lankans in its millions. Coconut tree is very familiar with socio-cultural affairs of people of all walks of life.

Coconut harvest recorded in the year 2017 was 2450 million nuts. Though annual harvest generally appears to be low, a considerable grown in coconut based products has been shown. A sizable leap of coconut kernel based products such as king coconut, coconut cream, coconut milk, coconut arrack, coconut butter and coconut powder can be visualized. In the year export increment of coconut char coal and active carbon products in comparative to last years has been recorded.

A considerable upswing is seen coconut kernel as well as coconut husk based products such as coir twines, coir brushes, rubber mixed coir products, coir dust and "Mihisalu" etc. Coconut based producers are more encourages for production and marketing compared with their performance of last year.

Maintaining a considerable upswing in export is meant by having a high demand of those items in the targeted market. The real meaning of having a high demand is condition, quality, production systems and resultants of an items is compatible with international standards. This is further reasoned for more interest shown by international buyers for local coconut taste.

As such, Coconut Development Authority as being the guiding light to the said success is much overjoyed.

As an Authority our main objective is increase export income of coconut industry by year and year hitting the highest export income recorded in coconut industry in last year. It was Rs. 91 Billion. Recording a such a high status even during less harvest season is a thumping success.

Government is expected to increase total export income by year 2020 up to 20 US Dollar Billion and out of it 01 Dollar billion is from Coconut Development Authority. I pay my thanks to Hon. Minister who is dedicated to reach the said elevated target and staff of the Coconut Development Authority.

Udaya Rupasinghe
Chairman

Director General's Review- 2017

Coconut tree which belongs to Tala species spread over from coastal areas to country side from very ancient time which called as *Cocos nucifera* as its botanical name. Coconut tree that has a close affinity with Sri Lankan's life is popular as "Kapruka" now or else as 'Tree of Life'. This tree is extended up to 364,000 hectares of Sri Lankan soil which accounts for one third of main cash crops of this country had contributed to generate direct and indirect employments.

Sri Lanka stands only behind Indonesia, Philippines, India and Brazil, highest coconut production countries of the world records its annual coconut harvest of 3000-3600 million nuts.
In the industry, around 60% of total coconut production is used for household purposes and remainder is used for coconut kernel based export products such as desiccated coconut, coconut milk, coconut milk powder, coconut cream, copra and fresh nuts.

Considered on land extent, maximum coconut present of 56% is seen in Coconut triangle (Kurunegala, Puttalam, Gampaha) in which most number of coconut based industries in that area. At present action is being taken to create second triangle in Jaffna, Mannar and Mullativu districts in the Northern province.

Coconut remains top most position of daily diet of Sri Lankans. Coconut of medium size contains 1405calories and 133 g fats. It is 15% and 70% as taken as a percentage. In addition, coconut kernel, full of strings offers 5% protein with zero Colostorel presence.

Coconut Development Authority takes steps to minimize household coconut consumption in Sri Lanka through correct food processing way, utilizing additional coconut lot for kernel based industries and by using coconut husks and shells which are not taken for any use at present for environmentally friendly ways by collecting them through correct and efficient ways.

As well, people are motivated for value added quality production identifying suiting international market requirements. Coconut Development Authority ever dedicated to maintain good name of Sri Lanka earned for coconut products in foreign market and for broad basing existing foreign market.
I hope that we can do more for an awakenment in coconut industry for reaching competitive export arena by improving foreign market opportunities beside developing local coconut industry in Sri Lanka.

A.H.L.D. Gamini Wijesinghe
Director General

Members of Director Board - From January to December 2017

1. Mr. H.K. Udaya Rupasinghe - Chairman
2. Mr. Jayantha Jayawardana
3. Mr. Kapila Yakandawala
4. Mr. G. Suriyapperuma
5. Mr. R.B. Aththanayaka
6. Mr. F. Devasirivatham
7. Mr. S.P. Jayarathna
8. Miss W.M.Y.T. Fernando
9. Mr. N.S. Wanasinghe
10. Mr. R.M.D.K. Namal Bandara
11. Mr. Chaminda Gamage
12. Mr. M.C.D.V. Aponsu

Sectional Heads including Chairman

1 Mr. H.K.U.K. Rupasinghe - Chairman

2. Mr. A.H.L. Gamini Wijesinghe - Director General - (from 2017/04/03)

3. Mr. A.T. Ranasinghe - Engineer

4. Mrs. S.S. Purasinghe - Director (Quality Control & Standards Assurance

5. Mrs. S.S. Rajakaruna - Director (Administration)

6. Mrs. M.P. Sandaya Kanthi - Director (Finance)

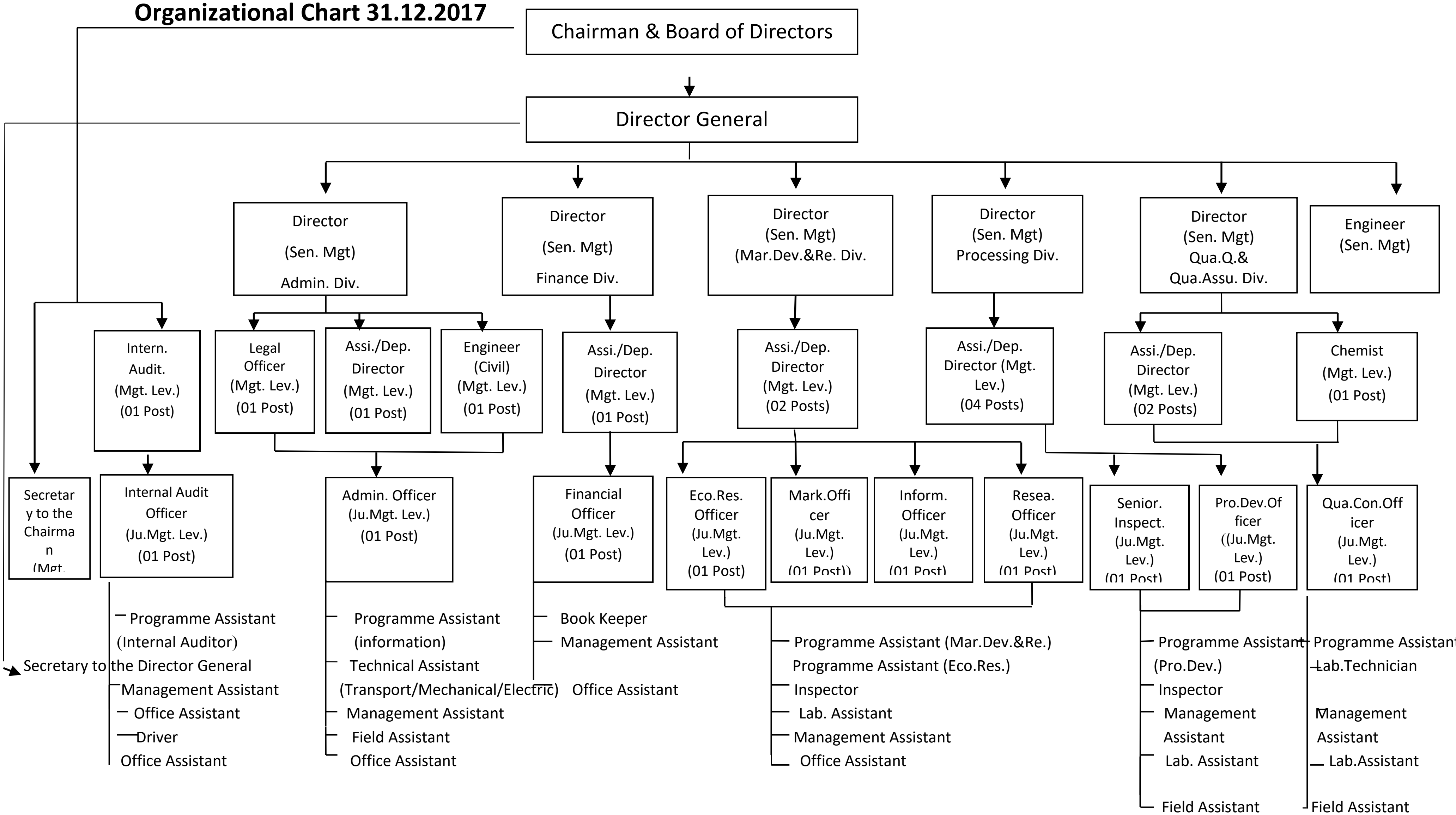
7. Mr. H.V.P. Wijewardana - Director (Process Development) - Up to 2017/03/06

8. Mr. P. Edirimanna - Director Acting (Process Development) - From 2017/03/07

9. P.A.S.K, Sampath Samarawickrama - Director (Marketing Development & Research)

10. Mr. W.M.T.S. Weerasuriya - Internal Auditor

Organizational Chart 31.12.2017



Abbreviations:

1. **Sen. Mgt – Senior Management Level**
2. **Assi./Dep.Director - Assistant Director/ Deputy Director**
3. **Mgt. Lev - Management Level**
4. **Intern. Audit. - Internal Audit Officer**
5. **Admin. Officer - Administrative Officer**
6. **Eco.Res.Officer - Economic Research Office**
7. **Pro.Dev.Officer - Processing Development Officer**
8. **Qua.Con.Officer - Quality Controlling Officer**
9. **Ju.Mgt. - Junior Management Level**
10. **Mar.Dev.& Re. – Marketing Development and Research**
11. **Qua.Q.& Qua.Assu.- Quality control and quality assurance**

Contents

01.Processing Development Section

The main thrust of Processing Development Section is to monitor and develop coconut based industry. Under that, following outstanding measures have been taken in the year 2017.

- Registering coconut based industry units and conducting day to day inspections
- Inspecting and monitoring coconut based industries, store equipment& machineries.
- Local and international certifications and development of coconut kernel based and non kernel industries.
- Developing coconut coir industry.
- Giving directions for financial assistance to coconut based entrepreneurs.
- Providing financial allocations for renovations under Mill Development Fund for desiccated coconut industry.

Through the afore given interventions, it was expected to increase production quality by monitoring coconut based industries and to elevate targeted export income.

Projects and programs implemented under main thrust in Process Development Section in year 2017 are given below.

1. Running industry in accordance with existing laws and regulations through registering coconut based industries.
2. Inspecting coconut productions institutes, collecting samples and referring industrialists for maintain standards of coconut related products by issuing ක්ෂුද්‍රජීවී and physical standards.
3. Developing industry by implementing soft loan schemes in collaboration with People's Bank and Regional Development Bank for betterment of coconut related industrialists.
4. Providing financial assistance for renovations under Mill Development Fund for Desiccated Coconut industrialists.
5. Improving quality of finished goods and production process by contributing to audit activities in getting Better Quality Systems and International Quality certifications of non kernel and Quality certification on Food Security of Coconut kernel based industries of ISO 22000.
6. Providing investment assistance to construct proper drying yards for coconut coir mill industries.
7. Implementing technology transfer programmes for introducing value added products in traditional coir production industry.
8. Skill development of active and efficient employment of staff in Process Development Section.

1.1 Registering coconut based industries

- Registration of coconut based producers and suppliers in year 2017had started from November 2016. Industrialists can secure registration applications from website of Coconut Development Authority or register themselves on online system enabling to expedite applications submission quickly and expeditiously for those who are away from Colombo.

Coconut Related Products Manufacturer/Processor Registration			
	Product types	**2016**	**2017**
1	Desiccated Coconut	50	50
2	Creamed Coconut	12	13
3	Coconut Cream	10	09
4	Copra Oil	80	59
5	Virgin Coconut Oil	80	65
6	Industrial Coconut Oil	04	09
7	Coconut Water	20	21
8	Coconut Vinegar	01	01
9	Paring Coconut Oil	16	27
10	Coconut Milk	16	16
11	Powdered Coconut Milk	03	04
12	Coconut Milk Related Products	04	04
13	Activated Carbon	08	08
14	Fibre/Coir Mills	203	191
15	Finished Products	131	105
16	Coir Fibre pith Substrate	138	112
17	Fibre Intermediate Products	08	22
18	Coconut Butter	02	04
19	Coconut Sugar	02	02
20	RBD Coconut Oil	04	06
21	Copra Mill	20	16
22	Coconut Spread	04	03
23	Shell Charcoal & Brequettes	22	21
25	Coconut Shell Ornamental Products	05	04
26	White Coconut Oil	-	23
27	Other coconut based products	04	13
	Total	843	808

Table 01: Registration of coconut based producers/ processors in years 2017 & 2016

- Figure 1 indicates how expansion of registered factories in the coconut triangle and other districts in the yea 2017. Out of 808 registered producers, 317 (39.%) industrialists from Kurunegala district, 199(27%) from Puttalam district, Gampaha recording 171(21%)ක් making it all as 85% and other districts as 15% has been dispersed.

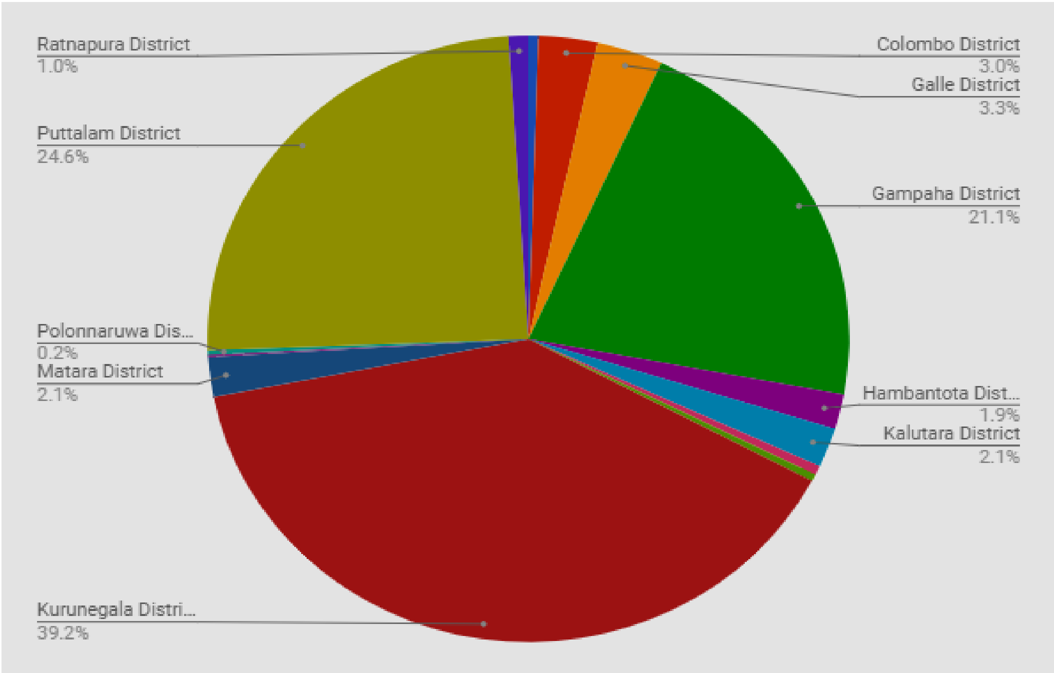


Figure 01 : Registered Industry Expansion – district wise

Production registration of coconut kernel and coconut water has been increased by 2% compared to year 2016 and registration of kernel based value added production factories in year 2017 by 11% to that of in year 2016.

- In this year, 178 new product industries have been registered.

1.2. Issuing micro organisms and physical quality certificates for coconut products

- During year 2017, 29,558.94 metric tons of desiccated coconut were produced and out of that stock daily desiccated samples of 7099 are received to Processing Development Section for micro organisms and physical parameters. 1394 quality certificates have been issued and downward production of 60% is shown compared with year 2016 due to lack of fresh coconut.

	No. certifications issued	
Certifications	**2016**	**2017**
Without Salmonella	655	347
Physical condition survey	655	347
Without of Afaltoxin	197	211
Without Sulpher Dioxide	182	150
Total	**1689**	**1394**

Table 2： Issuing physical quality survey certificates confirming lack of Salmoneella Aflatoxin, Sulphur Dioxide

- The following survey reports have been issued on result sheet reflected by laboratory which report back quality of coir, coconut oil, poonac, Copra, desiccated coconut, desiccated coconut with less fat and coconut milk specimen handed over voluntarily by exporters and producers.

	No. reports issued	
Products	**2017**	**2016**
Coir	184	135
Coconut oil	332	191
Desiccated coconut	42	58
Desiccated coconut with less fat	121	112
Coconut milk	7	4
Total No.of industrialists	264	257

Table 3: Issuing result sheets for samples received at request of industrialists

1.3. Annual Desiccated Coconut production - 2017

- Desiccated coconut production in year 2016 was 50,141.60 and production of same has gone down by 41% in year 2017.

  A monthly comparative note of desiccated coconut products in years 2016 & 2017 are given in following figure

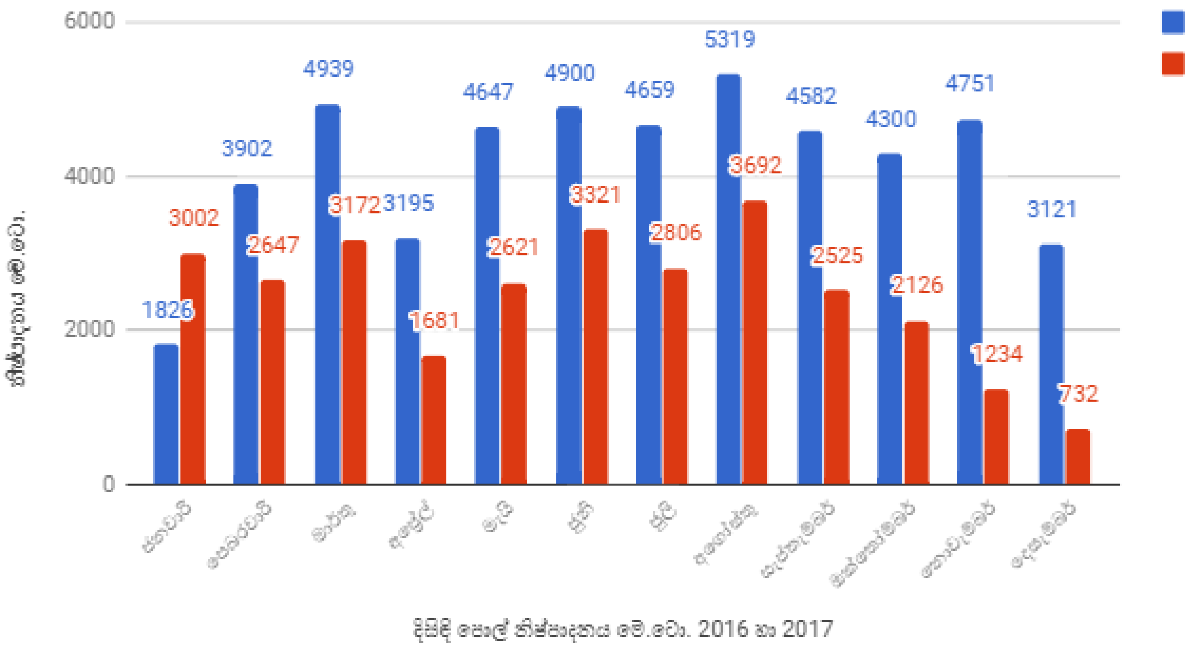


Figure 2: Desiccated coconut production in years 2016 &2017

1. 4. Soft loan scheme implemented by People's Bank and Regional Development Bank for coconut based industrialists

- Details of industrialists facilitated with dual schemes of loans named Kapruka Jaya Isura of Regional Development Bank and Kapruka Nipeyum Diriya of People's Bank

Description	As at 2016.12.31			As at 2017.12.31		
	No. of creditors	Loan (Rs. Mn.)	Outstanding loan balance (Rs. Mn.)	No. of creditors	Loan (Rs. Mn.	Outstanding loan balance (Rs. Mn.)
On repay	154	120.144	50.252	147	114.204	25.180
Settled	52	32.68	-	57	35.88	-
Dormant	13	8.29	5.992 (interest - 1.63)	21	14.49	6.095 (interest- 1.855)

Table 4 : Details of Loan receivers under "Kapruka Nipeyum Diriya" Loan Scheme of People's Bank

- Accordingly, total interest related to year 2017 settled so far is Rs. 2,624,125.42.

- A note on interest concessions recommended by Coconut Development Authority and loans applied under the Kapruka Nipeyum Diriya loan scheme implemented by People's Bank are given below.

Year	2016	2017
Bank recommended interest (Rs.)	5,877,409.26	3,630,484.99
Payments by Authority (Rs.)	4,026,428.28	2,624,125.42
Percentage of bank recommended payments	**68.5%**	**72.3%**

Table 5 ： Interest Benefit payments in year 2017

	No. applicants	Outstanding loans at year fall & loans disbursed during year (Rs. Mn.)	Outstanding loans at year end (Rs. Mn.)
2016	12	12.53	9.055
2017	15	13.26	12.432

Table 6: — “Kapruka Jaya Isura” loan scheme of RDB

- One day training workshop on two loan schemes, how to prepare project reports and way to identify eligibility of entrepreneurs for applying loans was held on 30.08.2017 for officers of Authority with the participation of the officers from People’s Bank & Regional Development Banka.

- In addition, 8 feedback workshops on issues confronted by entrepreneurs and Kapruka loan in 9 districts in year 2017 were held. It is expected to see a better progress of entrepreneurs who obtained loans in year 2018 through this workshops.

1.5. Financial provision for renovations under Mill Development Fund for desiccated coconut mills

- 20 cents out of each one kilo of desiccated coconut so produced is credited against the Desiccated Coconut Fund set up in name of Desiccated coconut Production Institute. Financial allocations is made at time of needy for renovations of institute concerned. Accordingly, a sum of Rs. 5,065,062.39 is credited to Mill Development Fund for 50 institutes engaged in desiccated products in year 2017 out of total number of desiccated mills numbering 54.

Month	Contribution for Mill Development Fund - Rs.
January	529,514.15
February	464,674.04
March	562,813.70
April	279,553.68

May	438,273.44
June	532,678.96
July	444,484.65
August	597,522.62
September	483,705.68
October	377,353.33
November	227,917.47
December	126,570.63
Total amount Rs.	5,065,062.39

Table 7 : Contribution for Mill Development Fund in year 2016

- For minimizing effects of raw material deficiency experienced throughout year by desiccated coconut factories, a sum of Rs.45.085 Mn. as incentive out of Mill Development Funds were released to45 millers for attending recurrent and capital necessities of said mills.

- For 03 desiccated mills, a sum of Rs. 5.61 Mn. was reimbursed for procuring metal reactive equipment and for renovation and development of coconut storing yards and Wet section.

1.6. Developing coconut coir industry

- **GMP Certification for coir factories**

Good Manufacturing Practices/GMP were introduced to coconut coir producers with the intention of reaching opportunities of securing formidable markets that lead to improve quality of coconut coir products.11 workshops on GMPhad organized with the support of Sri Lanka Standards Institute in areas where coconut coir related factories are primarily located such as Lunuwila, Colombo, Gampaha, Kurunegala, Matara, Hambantota, Wennappuwa, Bingiriya, Kuliyapitiya, Nagollagoda and Madampe. There, awareness was created with the support of universities for referring to value added products in coconut coir factories

Picture 1: Awareness creation programs on GMPcertification for coir factories held in Lunuwial in May 2017

Audit was done with Certification institute for GMP Certification and 47 GMP certificates were issued. Accordingly, total number of institute came under certification under this project had increased up to 60.

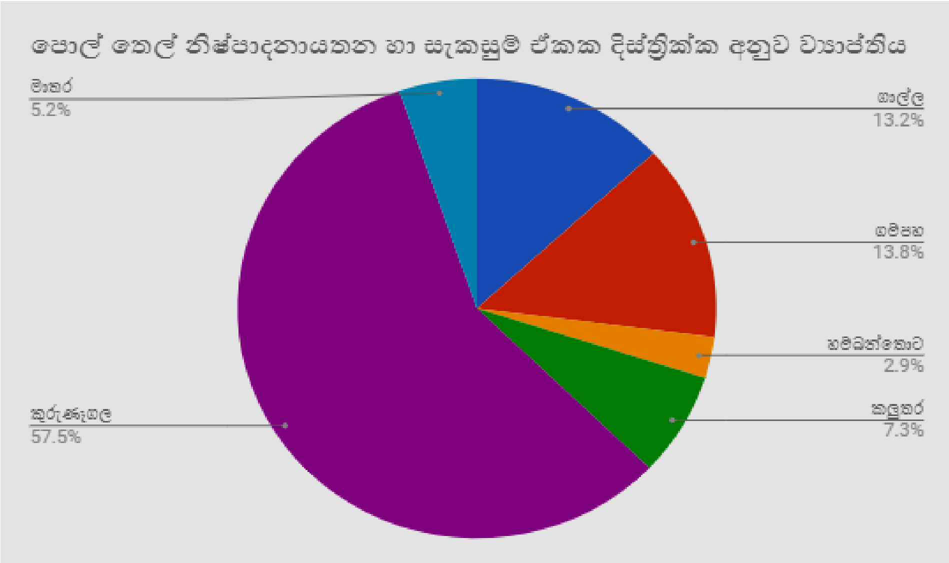
- **Investment assistance for coir drying yards**

One of main reason for not able coir manufacturer of get Good Manufacturing Practices (GMP) certificate has been identified by Process Development Section at audit checks as lack of drying yards. Accordingly, approval of Director Board was given to provide investment assistance to 50 coir industrialists without having drying yards to prepare drying yards of their own.

Accordingly, it was able to reimburse 60% of costs incurred for construction of drying yards as investment assistance a total sum of Rs. 10,676,645.70 for 42 coir industrialists in the year 2017. The progress of said project was 84%.

1.7. Improving production and quality by facilitating coconut and Copra industrialists

- A study on type and current expansion of coconut mills based on districts for working out criteria for developing coconut industry was carried out. Their expansion is given by table 10.



- Accordingly, 07 Awareness raising programs based on 4 districts where coconut oil manufactures are in plenty were held with participation of 306 manufactures. They were educated how to produce high quality coconut oil.

1.8. Training officers in Processing Development Section

Training and human development programs were planned out going by 2017 action plan with the intention of returning a better service by sectional staff with expeditiously reaching task of Process Development Unit. Accordingly, said programs were implemented as planned.

There, participation of staff in the Process Development Section was made at workshops on ISO, HACCP and GMP certification and other Quality Management courses on audit training and official requirements. Details of such programs are given below.

- **ISO related courses**
  - Internal Auditing ISO 22000:2005 Food safety
  - Training Programme on ISO 14000:2008.
  - Training Programme on role of Junior managers or supervisors in the implementation of ISO 22000:2005 standard.
  - HACCP / ISO 22000 food safety management systems.
  - ISO 50001:2011 Energy management systems.

- **Quality Management related courses**
  - Certificate course in Quality management system.
  - calibration of monitoring and measuring deveices.
  - Workshop on basic concepts of quality and productivity.
  - Result Based Project Managment

- ❖ **GMP related courses**
    - ➢ Training Programme On GMP for coir Industry

- ❖ **Office work related courses**
    - ➢ Office systems & Financial regulations
    - ➢ Meeting methodologies
    - ➢ Trouble shooting and Decision making

In addition, actions is taken to conduct Progress Evaluation Meetings monthly with the idea of updating knowledge of employees engaged in field.

Further, newly appointed 25 Development officers were referred to training in production industries. Those officers were brought under formal training for a week at National Institute of Plantation Management (NIPM) and Coconut Research Institute in Lunuwila on coconut industry.
Accordingly, actions was taken to get participation of all staff in Process Development Section for 25 training programs as planned in year 2017 at a cost of Rs. 3.25 Mn.

1.9. Foreign travel for technical knowledge on coir related products and value adding industries

As a basic step to improve technical knowledge on coconut related industrial machinery innovations for industrialists and officers of CDA, opportunity was given in this year to take part in a foreign travel.
The training session was held at the Plantation Management Institute of India (Bangalore) for improving knowledge on coir related products and value added industries of 10 selected industrialists and 05 officers of Coconut Development Authority from 22.10.2017 up to 28 inst.

Picture2: 05 officers of Coconut Development Authority, 10 industrialists, Mr. V.K. Dhanukumara, Director of NIPM

Picture 3:Off campus field visit- southern India- Central Institute of coir technology

Project Unit

Conducting programs targeting at monitoring and developing of Coconut and Coconut based micro industries is handled by this Section.

Expansion of industry in line with wide spreading of Coconut cultivation

- Stimulating entrepreneurs to keep public aware to divert themselves for economical purpose with all raw materials related with coconut.
- Empowering small scale industries and making them as formidable Kapruka industrial societies.
- Conducting technological training programs for stimulating new entrepreneurs into the industry .
- Issuing technological equipment and tools for quality productions.
- Running a data base by building up market relationships

1. Industry expansion in line with broad basing coconut cultivation.

54% out of coconut cultivation of the country is expend in Coconut Triangle other land area is 46%. 85% of coconut and coconut based industries are located in Coconut Triangle and remainder are situated out of that. For minimizing waste of raw materials in these areas coconut shell/ coconut husk centers are opened. 07 educational programs were held in many districts of the island for stressing need to use coconut shells and coconut husks for domestic usage.

Under this, 25 coconut shell centres and 25 coconut husk centres were established. 50 name boards have been provided to those centes for educating public on this move and encouraging enterpreurs related. Out of 24 Coconut shell collection centres, 4,877,796 Kg of coconut shells were collected and referredt to factories. Through 22 coconut husks collection centers 9,370,940 husks were referred to factories.

picture 4- Name board given to a Coconut shell Purchasing point

2. Instigating new entrepreneurs for educating public for referring all coconut based raw materials for economical purpose.

Industries were opened by educating new entrepreneurs on this industry by providing infrastructure facilities in the area by collecting wasting raw materials in coconut cultivating areas. Under that, coir mills were opened in Jaffna and Polonnaruwa districts.

A radio programes called “Sara Prabhagira” by Ministry of Plantation Industries with SLBC for educating public on importance of service supervision, institutional role in augmenting productions by eradicating raw material waste.

3. Upgrading as Kapruka Industrial Societies by organizing existent minor level industries .

Kapruka Industrial societies made up by pooling coconut related industries. Details of them are given below.

District	Divisional Secretariat	Industrial Society Details	No. of societies
Kurunegala	Galgamuwa Maspotha Wariyapola	Galgamuwa Thawashi Brush Manufacturing Society, Kuda Galgamuwa "Diriya Shakthi" Coconut Shell related Products Kapruka Society, Kanaththewewa "Ekamuthu" Coconut Shell related Products Kapruka Society.	03
Kalutara	Kaluthara	Pothupitiya East "Ekamuthu" Self Employment Society, Kuda Wasgamuwa "Shrama Shakthi" Self Employment Society	02
Mathara	Thihagoda	Samagi Uyangoda Kapruka Industrial Society	01
Galle	Balapitiya	Jambugahawatta Kapruka Industrial Society Balapitiya Ampe Kapruka Industrial Society	02

Table :8 -Kapruka Industrial Society embellished

4. Conducting technological training programs for stimulating new entrepreneurs for industry

Training programs are conducted to disseminating technology needed for production of entrepreneurs by identify interested persons who wish to start small and home level industries. Here, programs are conducted by giving training of products with high demand for marketing. Trade inter connections are made to sell those products out. Request for these programs are received from voluntary organizations and private and governmental societies at rural level. Actions are taken to conduct programs for which request are made by institutes. Under this, steps are taken to given proper training to rehabilitees in rehabilitation centers attached to Commissioner General of Rehabilitation. Programs details are given below.

Picture 05:- Training activities at Tertiary and Vocational Training Centre, Senakapura

Training programes conducted in year 2017

No.	Date	Area & District	No. of participants
1.	03,04/01/2017	Dekida, Nawalapitiya	24
	5,6/01/2017	Horakada, Hatton	20
	07,08/01/2017	Matale	11
	29-28/01/2017	Periyankulama, Anuradhapura	20
	17-15/05/2017	Blackwater estate	20
	04-03/03/2017	Solepura, Rajanganaya	25
	10,11/03/2017	Gonagama, Wariyapola	25
	22-20/03/2017	Ebawa, Kuliyapitiya	20
	07-05/08/2017	MinuwandeniAbagamuwa,	18
	06-04/09/2017	Senapura,Welikanda	20
	18-04,16-02/10/2017	Muruthenge 1, 2	45
	15-13/10/2017	Morahenagama	25
	10-1209/2017	Kalutara	55

Table :9 Thawashi Brush Training Programmes Total No. 328

No.	Date	Area & District	No. of participants
.2	08/01/2017	Kuliyapitiya	30
	08-06/02/2017	Rehabilitation camp, Welikanda	20
	16/05/2017	Sangarama Kapruka Society, Homagama	23
	07/08/2017	Minuwandeniya, Ambagamuwa	26
	15-0914/2017	Mirigama	20
	10-08/11/2017	Rehabilitation camp, Vavuniya	10
	18-16/11/2017	Senapura, Welikanda	28

Table :10 Ekel broom manufacturing training programmes Total No. 157

No.	Date	Area & District	No. of participants
	12/03/2017	Maharachchimulla, Alawwa	21
	03-02/06/2017	Laksha Uyana, Polonnaruwa	30

	07-05/06/2017	Senaprua, Welikanda	21
	20-19/09/2017	Kudagalgamuwa	20
	26/09/2017	Dodangoda	25
	28-26/10/2017	Wariyapola	24

Total No. 141

Table : 11- Training programmes for coconut shell based artefacts

No.	Date	Area & District	No. of participants
	08-07/01/2017	Laksha Uyana, Polonnaruwa	20
	07-5/04/2017	Senapura, Welikanda	20

Table :12- Training programs for floor mats products Total No. 40

No.	Date	Area & District	No. of participants
	22/12/2017	Balapitiya, Galle	25

Table 13 –Training programmesfor coir threads Total No. 25

Date	**Programs**	**Venue**	**No. of Attendees**
12/03/2017	Education programes on coir based products	Embawa, Kuliyapitiya	80
24/10/2017	Green day Coconut Exhibition	Maspotha	600

Table 14- Awareness creation programmes held in year 2017 Total No. 680

5. Providing technological equipment and tools for Quality production

Action was taken to provide equipment, tools and machineries on concessionary basis to low income earners for mingling new technology to traditional industries in order to meet small and household level production market with standardization. For trainees who successfully accomplished training were offered with equipment and tools to go ahead with their trades.

Picture06- Provision of equipment and tools

Running a data base by connecting with fortifing equipment and instrument market on 2018

No.	Equipment type	Area of distribution	Quantity
1.	Thawashi equipment tools	Anuradhapura/ Periyankulama	20
		Nuwaraeliya/ Hatton	20
		Solepura/ Hatton	25
		Wariyapola	15
		Embawa/ Kuliyapitiya	20
		Sadalankawa/ Hendiyagala	20
		Polonnaruwa	20
		Kuliyapitiya/ Muruthenge	30
		Haguranketha	10
02	Coir & wire cutting equipment sets	Anuradhapura/ Periyankulama	2
		Nuwaraeliya/ Hatton	6
		Rajanganaya/ Solepura	2
		Wariyapola	2
		Kuliyapitiya	2
		Sadalankawa/ Hendiyagala	2
		Kuliyapitiya/ Muruthenge	6
		Haguranketha	2
03	Twine machines &Ekel broom Coir broom equipment	Hadapanagala	05
		Labuduwa/ Galle	04
		Kuliyapitiya/ Muruthenge	20
		Ambalangoda, Balapitiya	25

Table 15 -Equipment disbursed

Among the ongoing programmes, introducing buyers for expansion of market facilitating producers engaged in coconut based small scale home industries, motivating for bill board advertising and helping them in that direction.

picture10- Products of Kapruka producers being observed by Hon. Minister of Planation Industries

For the purpose of encouraging entrepreneurs, CRT Trade Exhibition based on small scale home industrial coconut products was held in BMICH, Colombo

2018 Exhibition

Date	Exhibition	Venue
04/01/2017	Nila Mehewara	Galle
2017/04/07-8	Wevili Saviya Gamen Gamata	Seruwavila
22-21/07/2017	Trade exhibition for commemorating year 100 for tea industry	Yatiyantota
13-11/08/2017	CRT Trade Exhibition	BMICH, Colombo
26/08/2017	Wevili Saviya	Muruthenge, Kuliyapitiya
09/10/2017	Food Technological Exhibition	Ridimaliyedda, Badulla

Table 16–Total number of exhibitions held 06

02. Quality Control & Quality Assurance Unit

The main thrusts of Quality Control and Quality Assurance Unit are confirming quality of exported items by implementing programs of quality control, providing inspection facilities required to various applicants, checking and issuing certificates in introducing coconut products to local market and providing consultancy for maintaining high standards of coconut based products.

Accordingly, functions of the Unit are as follows.

Checking coconut products intended for export and their quality control.

Conducting micro organism and physical chemical tests of desiccated coconut.

Desiccated coconut industry - the main product of kernel based in the coconut production field to bring under quality control and all daily desiccated coconut products are checked at Quality Control and Quality Assurance Unit on daily basis. These results are helpful to issue quality certificates to these products which aimed at export purpose.

Coir based products – checking

- Conducting lab test services under concessionary fee system as a service to those who engage in coconut based industries, exporters and consumers .Quality Control and Quality Assurance Unit of the Coconut Development Authority is equipped to conduct micro organism and physical chemical tests as stipulated in standards of coconut based products by the SLS institute. Unit is ever dedicated to provide instant testing services serving interests of entrepreneurs in the coconut industry.
- Conducting micro organism, physical and chemical tests for improving desiccated coconut production line
  Unit helps to developing coconut production process by collecting and checking desiccated coconut and water samples at desiccated mills apart from tests done in laboratories of Authority and to maintain high quality of production.
- Taking action to maintain ISO 17025 status for chemical and micro organism laboratories of Quality Control and Quality Assurance Unit

- Checking healthy background of coconut oil mills for conducting checks for the purpose of smooth running and developing coconut oil industry and checking coconut oil from Copra and Poonac, by-product of coconut oil for being with Sri Lankan standards.
- Informing Food Control Unit of Health Ministry and Consumer Protection Authority of checks on identification of adulterated coconut oil in local market. While checking quality of coconut oil products, sending details of identified adulterated coconut oil dealers to Consumer Protection Authority and to Food Control Unit of Health Ministry which enjoys powers to control food items. Providing services to consumers from guarding themselves by eating adulterated coconut oil.
- Conducting investigations against local and international complaints with regard to coconut based products.

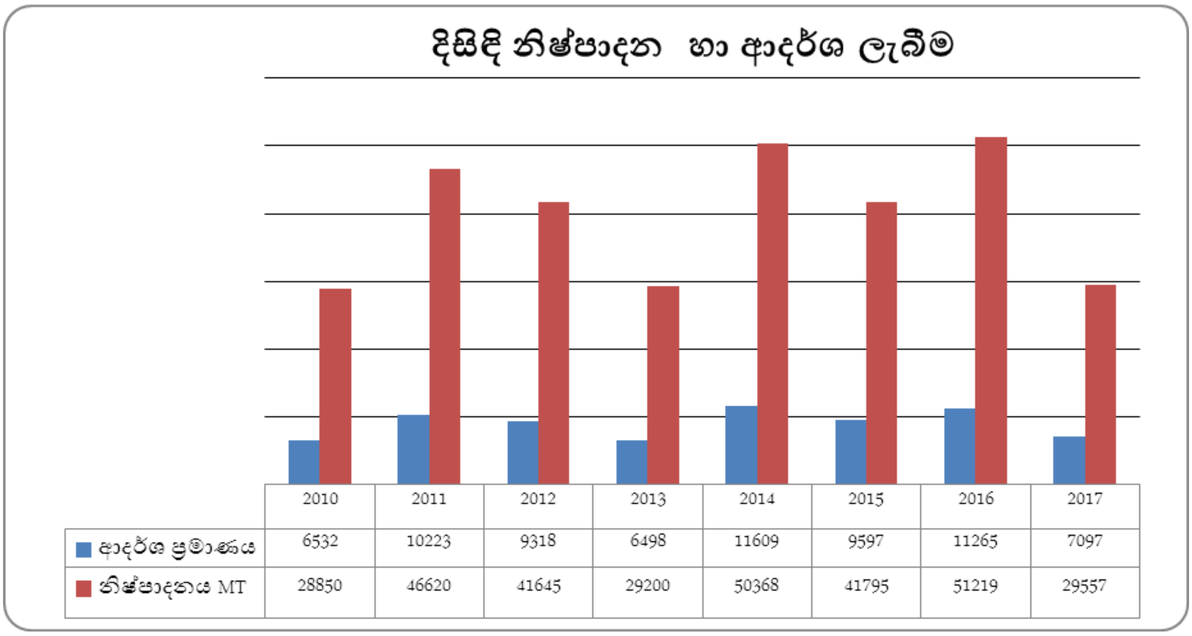
- Taking part in education programs, exhibition of importance of coconut based products.
- Maintaining foods and other production service checks.
- Updating current SLS standards and implementing programs in unison with Sri Lanka Standards Institute for working out standards to coconut based productions lack of standards at present.
- Conducting training programs for staff engaged in lab services related to coconut based industry.

Accordingly, Quality Control and Standard Ensuring Section has taken steps to inspect coconut productions with the intent of innovating quality coconut products leading to develop local and international market. All these functions are executed as per annual action plan which depicts in following 2017 annual progress.

Q1 Quality certification of coconut products used locally and exporting

A Conducting pre export microbiology tests of Coconut production

As tests of coconut kernel based products, desiccated coconut is the main area of concern. Daily productions at coconut factories, Salomonella tests are done at the lab of Quality Control and Standards Securing Section. Accordingly, all desiccated coconut productions intended for export are checked.
A target for 7500 daily desiccated product models was planned in the year 2017. 7059 models of Salmonella were checked in the year 2017 which is a progress of 94% in this year.



	2010	2011	2012	2013	2014	2015	2016	2017
ආදර්ශ ප්‍රමාණය	6532	10223	9318	6498	11609	9597	11265	7097
නිෂ්පාදනය MT	28850	46620	41645	29200	50368	41795	51219	29557

Figure03- Desiccated products & getting samples

Out of desiccated coconut checked in the year 2016, 40 samples were reported with Salmonella poisoning. It is 0.4% as a percentage. Poisoning in year 2017 related with 89 samples and in year 2017 per centage of desiccated samples subjected to micro organism check was 1.26%. Accordingly, poisoning had increased considerably. It is important to pay attention of condition of desiccated coconut mills.

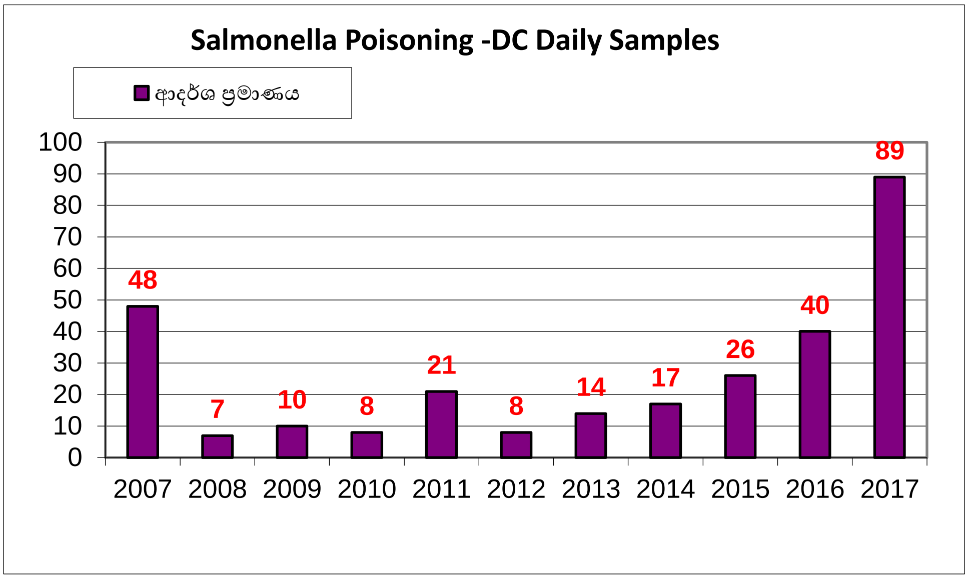
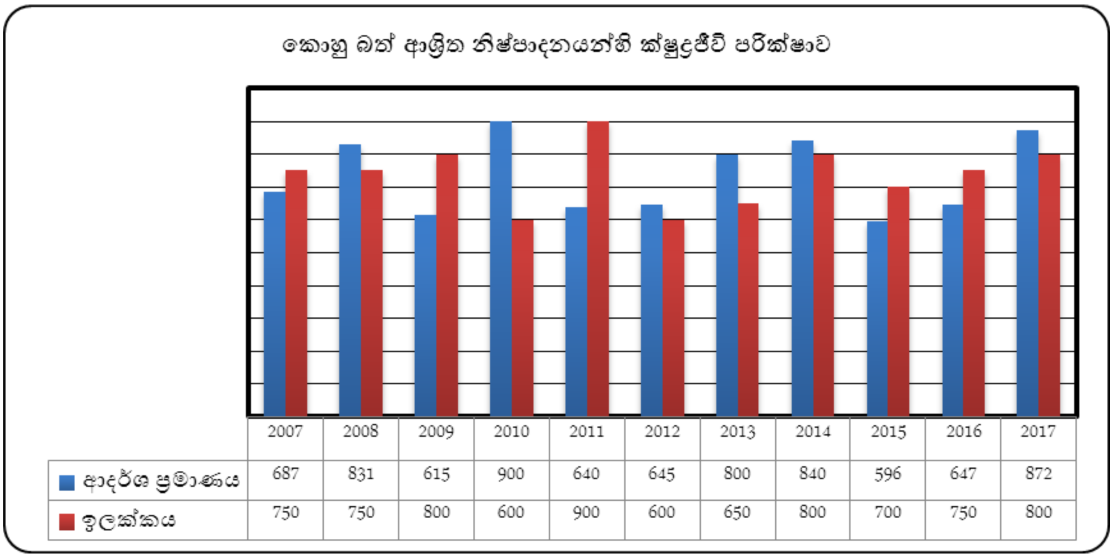


Figure 04-Salmonella Poisoning

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Poisoning ration	**0.50 %**	**0.10 %**	**0.12 %**	**0.12 %**	**0.2%**	**0.08%**	**0.14%**	**0.15 %**	**0.27 %**	**0.4 %**	**1.2 %**

It is coir based products which take lead among non kernel products at pre export micro organism survey. In the year 2016, 647 samples had been checked and 872 had checked in year 2017. With this 872 samples 1064 tests have been done. These sample checking is done for parameters given by applicants. Compared to annual target of coir based products in the year 2017, more tests have been done with a progress of 109%. In these samples, Salmonella and Ekoli checks are conducted. Out of samples checked, 4.5% of Salmonella poisoning have been recorded and no sample had overpassed standard limits of Ecolai bacteria.



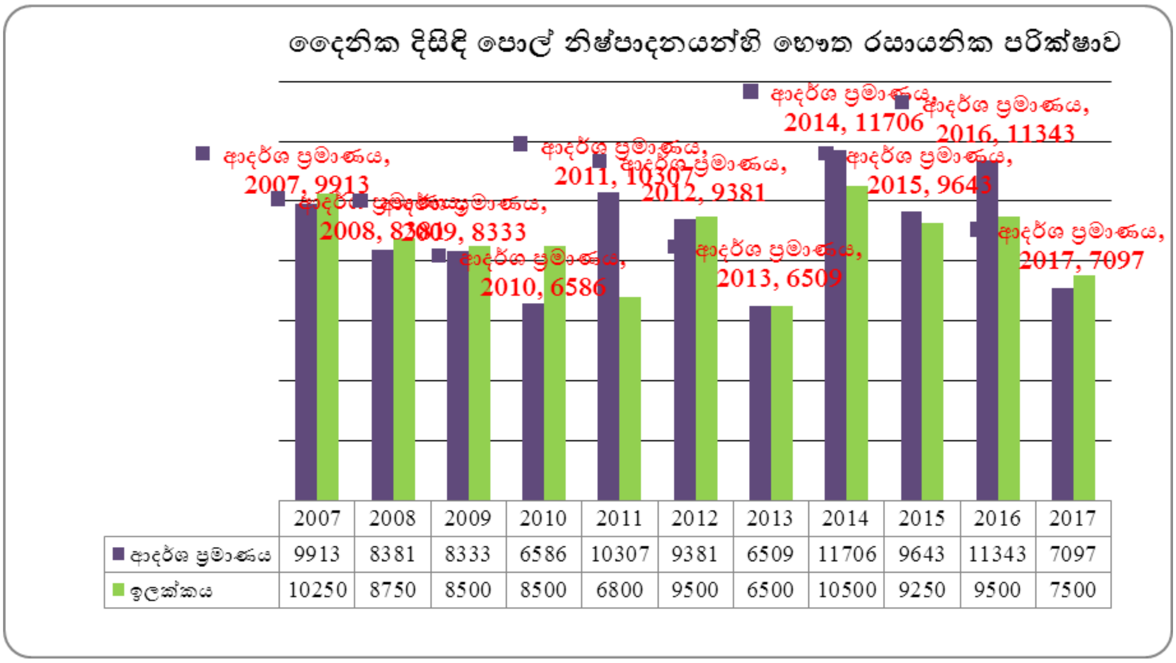
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ආදර්ශ ප්‍රමාණය	687	831	615	900	640	645	800	840	596	647	872
ඉලක්කය	750	750	800	600	900	600	650	800	700	750	800

Figure 05-Micro organism check on coir based products

B Conducting pre export physio chemical tests of desiccated coconut and attestation.

As physical and serious tests colour, groupings, humility, taste, aroma, garbage, crust, oil extraction are the main areas have been done.

Accordingly, 11343 samples have been checked in 2016 and 7097 in the year 2017. The number of full checking out of these 7097 samples is 56776. The progress in comparison to year 2017 is 95% .



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ආදර්ශ ප්‍රමාණය	9913	8381	8333	6586	10307	9381	6509	11706	9643	11343	7097
ඉලක්කය	10250	8750	8500	8500	6800	9500	6500	10500	9250	9500	7500

Figure06-Physio chemical tests of daily desiccated coconut products

Out of 11343 dissicut samples checked in the year 2016, 1054 samples or else 9.3% had developed deficiencies and out of 7,097 samples checked in year 2017, 664 samples or else 9.4% had developed same deficiencies. Accordingly, non conformity with physical features had considerably gone high in year 2017. Out of samples which did not match with Sri Lanka

Standards, separating most amount of per centage of 59% is not compatible with Quality. Quality failure are given below.

Paramities	Failed samples	
	Amount	%
Classification	395	59
Colour	238	36
baldness	21	3
Moisture	37	5
Burnt parts	187	28
Duty smell	173	26
Smokey	15	2
External colluvies	24	4
Scratches	12	2
Oil extraction	11	2
Oilyness	12	2

Table 17- Quality failure samples

(certain samples have not comply with some parameters.)

Q2.Running services of quality check of coconut based products

Carrying out researching services into various coconut based products of local produces is handled by Quality Control and Quality Assurance Section. Under this, microbiological tests, chemical tests, physical tests and serious tests are undertaken. This service is rendered at reasonable price and reports are issued by checking parameters required by the applicant. Checking of coconut based products is available for any type of coconut based producers, consumers, small/ medium and mega dealers and exporters.

Checking whether various coconut products such as fat slightly free desiccated coconut, copra, coconut fibre, coconut oil, poonac, coir and coir based products, coconut milk and coconut powder are with standards is conducted. For this, the Quality Control Unit is equipped with modern lab tools and instant result are issued by this Unit.

15% discount is given for the said registered groups of Coconut Development Board for have a understanding about producing qualitative coconut based products, encouraging producers, encouraging exporters for moving high quality coconut products to foreign market with Sri Lankan identity.

For checking purposes, coconut kernel based products have become the main items and 742 samples have been checked in the year 2016. 868 samples have checked in year 2017. Progress compared to targeted 600 samples is 145%. Total checks done related to this 868 samples is 2346.366 desiccated samples only for Sulphur Dioxide and Aflatoxin tests have done out of coconut kernel based products in the year 2017. Even coconut oil sample checking too has been considerably increased compared to year 2016. This is 38% out of total samples checked. All types of samples done under this is given below.

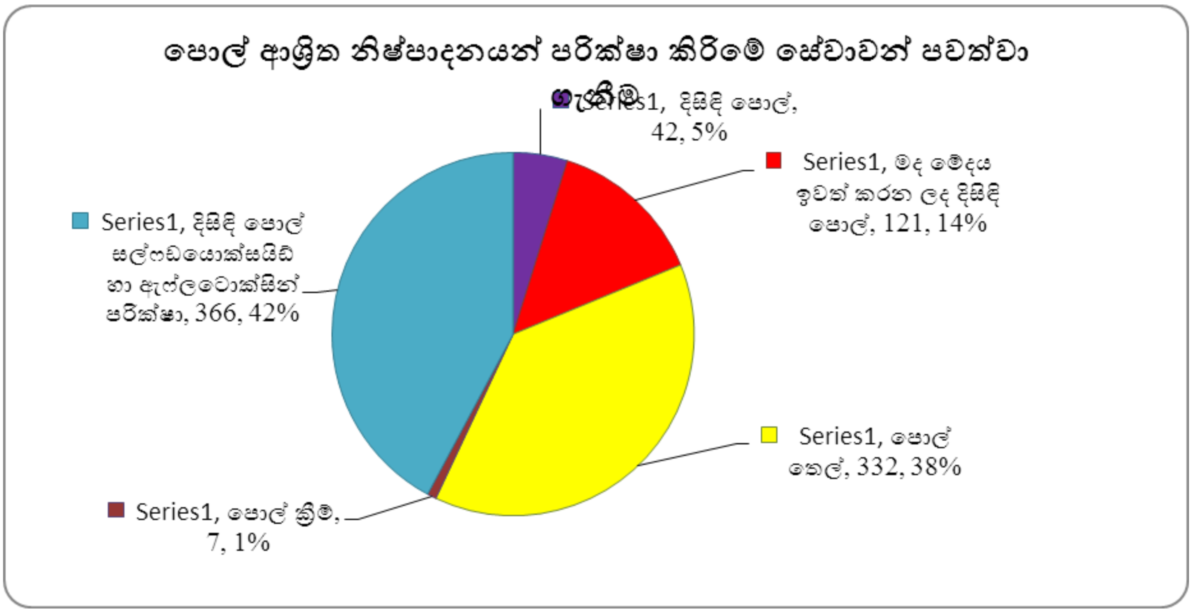


Figure 07– Conductign coconut based products checkng services

Year	Desiccated coconut) samples (	Poonac ආදර්ශ)s amples(	Coconut oil) samples (	Copra) sample (s	මද වශයෙන් මේදය ඉවත් කරන ලදි දිසිදි පොල් (ආදර්ශ)	Coconut spread) ආද (ර්ශ	Coconut cream/ කිරම) ආදර්ශ (	Powdered coconut) ආදර්ශ (	Non coconut samples	Dessicated coconut samples) ඇෆ්ල ටොක්සින් හා සල්ෆර් ඩයොක්සයිඩ
2014	122	5	161	4	81	--	11	--	05	710
2015	35	10	158	3	105	01	11	01	01	214
2016	58	2	191	1	112	--	4	--	--	374
2017	42	-	332	-	121	-	07	-	-	366

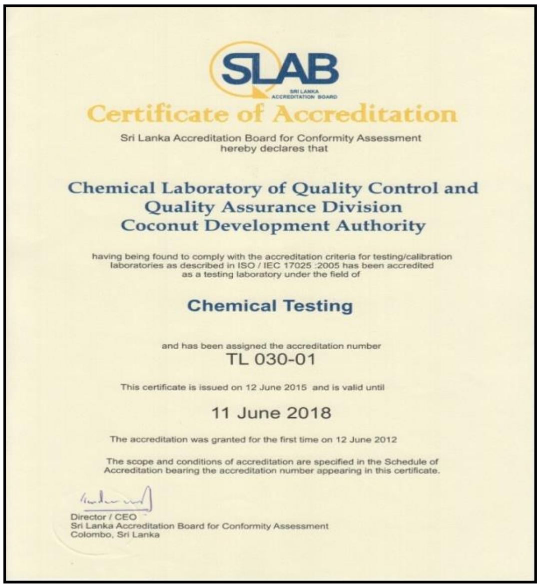
Table 18

Q3. A) Matters related to ISO Quality certificate

For getting an international recognition for tests done by the Quality Control and Quality Assurance Division of Coconut Development Authority and for conducting tests in orderly and neatly, measures in line with the ISO 17025 Accreditation are maintained. Accordingly, numbering equipment annually, local and international inter laboratory facilitation and inter laboratory vocational skills tests have been done and now stand on a satisfactory level.

ISO 17025 Quality certificate offered by Sri Lanka Accreditation Board, quality controls for coconut oil tests were won by Chemical testing division in Quality Assurance Section in year

2012 which led to get through Higher quality test in year 2017. The accreditation status was extended up to years 2015 – 2018.


SLAB
SRI LANKA ACCREDITATION BOARD

Certificate of Accreditation

Sri Lanka Accreditation Board for Conformity Assessment
hereby declares that

Chemical Laboratory of Quality Control and
Quality Assurance Division
Coconut Development Authority

having being found to comply with the accreditation criteria for testing/calibration laboratories as described in ISO / IEC 17025 :2005 has been accredited as a testing laboratory under the field of

Chemical Testing

and has been assigned the accreditation number
TL 030-01

This certificate is issued on 12 June 2015 and is valid until

11 June 2018

The accreditation was granted for the first time on 12 June 2012

The scope and conditions of accreditation are specified in the Schedule of Accreditation bearing the accreditation number appearing in this certificate.

Director / CEO
Sri Lanka Accreditation Board for Conformity Assessment
Colombo, Sri Lanka

Figure 15-SLABcertificate (Chemical Testing)


SLAB
SRI LANKA ACCREDITATION BOARD

Certificate of Accreditation

Sri Lanka Accreditation Board for Conformity Assessment
hereby declares that

Microbiology Laboratory
Quality Control and Quality Assurance Division
Coconut Development Authority

having being found to comply with the accreditation criteria for testing/calibration laboratories as described in ISO / IEC 17025 : 2005 has been accredited as a testing laboratory under the field of

Biological Testing

and has been assigned the accreditation number
TL 030-02

This certificate is issued on 28 October 2015 and is valid until

27 October 2018

The accreditation was granted for the first time on 28 October 2015

The scope and conditions of accreditation are specified in the Schedule of Accreditation bearing the accreditation number appearing in this certificate.

Director / CEO
Sri Lanka Accreditation Board for Conformity Assessment
Colombo, Sri Lanka

Figure16- SLABcertificate(Biological Testing)

B Conducting Training Programs

Training needed to serve in laboratory for efficient and correct management at Quality Control Section had been given to employees and training programs have been conducted by Quality Control and Quality Assurance Section to other external staff at laboratory. The following progress has been recorded according to annual plan.

	Training programs	No. of employees attended	Trained by
1	Handling & usage of Scientific instrument	2	SLATL - Sri Lanka Association of Testing Laboratory
2	Training programme on uncertainty estimation in measurement	3	MUSSD - Measurement units, Standards and Services Department
3	Workshop on Good Manufacturing Practices (GMP) for Food Industry	2	SLSI -Sri Lanka Standards Institute
4	Workshop on current Development in Food Analysis Techniques	2	Ministry of Health
5	Microbiology Training	14	Kelaniya University (in house training)
6	Microsoft Excel Advance Analysis Tools	01	Adams Skills Development Centre
7	Latest Advances Techniques in sample preparation – Microwave digestion	02	Mile stone - Heyleys
8	Analytical Approaches to Current Food Safety Issues	04	India –CFTRICentral FoodTechnological Research Institute Mysore

Table 18

Q4 Ensuring standard of coconut production industry for exporting purposes

Among activities being carried out under this are checking microbiotic and physical chemical tests for developing desiccated coconut production process, inspection of mills and consultancy services.

It was able to conduct 557 field tests in the year 2017. As number of testing had been increased on requests of producers, progress compared to 2017 target is 139%.

Conducting microbiology tests for improving production quality of desiccated coconut in year 2016 was 257 samples and it was 264 samples in year 2017. The total number of tests done out of these 264 samples was 792. The progress with 2017 target is 88%.

Further, for checking whether water used in desiccated coconut production are in good quality, microbiology and chemical test of said water is done. 194 microbiology and chemical samples have been checked. It is a progress of 97% compared to annual target of year 2017.

Q5. Resuscitating coconut oil industry

A Market supervision on diluted coconut oil

Investigation and surveys targeted at healthy condition of coconut oil as a food and market exploring with raw materials used for producing such quality products have been conducted by Quality Control and Quality Assurance Section.

It has been contributed to control to some extent of trade stalls that sell adulterated coconut oil as pure coconut oil with survey results on adulterated coconut oil received by the Ministry of Health and Consumer Protection Authority .

Surveys for investigating adulterated coconut oil available in market in district wise by collecting coconut oil samples had been done uninterruptedly even in the year 2017. These supervision has been done diligently covering all small, medium and mega scale trade stalls. In the year 2017, 100 samples have been checked making record of adulterated coconut oil incidence to 80 % and number of samples checking done in year 2016 found 47% of adulterated coconut oil. Accordingly, year 2017shows a higher tendency in coconut oil adulteration cases. Though adulteration of coconut oil is not done, results reflect that coconut oil with less quality and inferior level are available in the market. Accordingly, not meeting free fat with standards as 16% and mixed scrap coconut oil not having sufficient presence of Iodine as 86% are recorded..

B Improving quality of Coconut Oil Industry

Quality control programs were conducted on coconut oil mills with intention of improving quality of coconut oil. Accordingly, study was made to verify whether copra – raw material for coconut oil production is with standard, quality of coconut oil so extracted and extraction of coconut oil is done efficiently. For this, samples of copra, coconut oil and Poonac samples were collected at coconut oil mills and results found from that are issued. Accordingly, 32 coconut samples, 32 copra samples and 31 poonac samples had checked in year 2017. Coconut oil mills in districts of Negombo, Chilaw and Kurunegala have been thus checked and recorded non meeting with quality by 66% coconut, 75% copra and 87% poonac. Non adhering to standard in the year 2016 was 61%, 70% and 90% referring same in the above. Educating millers on not in line with standards done by Process Development Division have shown good returns.

This is a programme of quarterly target of Quality Control Unit. Targets of first and second quarters have been successfully achieved. But, these samples related to 3rd and 4th quarters submitted by Process Development Section for Consumer Authority and other samples have checked.

52 tests with 10 special samples on issues of coconut industry have been done with Consumer Authority and not meeting with standards was recorded as 40%.

Coconut oil and coconut coir samples have been collected on daily checking basis as per requirement of Process Development Section. 35 coconut oil samples have been referred to checking and out of which only 10 samples have been got through. The total number of test was 175 and not meeting standards was 31%. Out of 34 coir dust samples referred for tests only 4 samples have been passed. Failure average is 88%. Total number of test was 210. Laboratory had gone to its own targets and progress of first and second quarters related to Action Plan for year 2017 Quality Control Unit of Quality Control Unit and total of aforesaid special special sample test is recorded 99%.

Q6 Formulating new standards and amending standards

For revising new standards related to coconut industry, Quality Control and Standards Protection Unit is working in unison with the Sri Lanka Standards Institute.

Action is taken to issue results of investigations aiming at revising standards of coconut oil in the year 2017. Assistant Director (Quality Control and Standards Protection) has been taken part at Actions Committees set by Sri Lanka Standards Institute.

Other External Activities

1. Contribution of Awareness Raising Programs

Programme	Institute/ place held	Date
1. National workshop on the WTO agreement on Sanitary and phytosanitary measures and technical barriers to trade	Taj Samudra Hotel Colombo	2017/02/20 - 21
2. Workshop for introducing high quality packed coconut oil to loacal market	Gampaha	2017/08/15
	Kuliyapitiya	2017/08/22
	Galle	2017/08/25
	Kurunegala	2017/09/13
	Minuwangoda	2017/09/20
	Pannala	2017/10/02

	Kalutara	2017/10/03
3. Sara Prabhagira radio programme	Broadcasting Corporation	2017/07/09 2017/12/24 from to – 8.00 9.00
4. Kurunegala District workshop for disseminating tech knowledge related to coconut oil industry	Industrial Development Board	2017/12/29

Table 19 – Awareness Raising Programmes

2. Training programmes has conducted for attending needs of coconut industry and for training new employees in Process Development unit of Coconut Development Authority. Accordingly, 06 training programmes has held with participation of 27.
3. An exhibition stall depicting functions of Quality Control and Standards Protection Unit at International Coconut exhibition held by Ministry of Plantation Industries was planned out and attendees were educated.

4. Preparation and handing over of replica for local and foreign exhibitions for which Marketing Development and Research Division take part has been done.

Overall progress and monthly earnings of Standards Control Section

In the year 2017, total number of samples checked was 16,628 and 69,894 tests have been done. The annual income generated was Rs. 15.85 Mn.

3. Marketing Development & Research Division

As a main operation unit of the Coconut Develoment Authority, special funcatiosn and services were rendered by Marketing Development and Research Division in year 2017 for its clients such as coconut vendors/ exporters, industrialists and other service seekers. As a result of that, it was able to record the highest ever export income from coconut and coonut based produts hitting Rs. 91 Billion in backdrop of serious dereae facted by Sri Lanka in the year 2017, Here, Marketing Development and Reserach unit had done a special role in performing efficiently in expeditious suppling of correct marketing data, information reports for the purpose of export development of coconut vendors and exporters and extendign support to trace new market and buyers even in the year 2017.

Main functions executed with action plan of year 2017

- With the intention of increasing export income from coconut industry by identifying new international market and buyers of coconunt based products, sponsorship and participation was made along with Coconut Development Authority at IPM exhibition held in Essence in Germany on coir and cultivation modes, IPM Park Cultivation exhibition held in Dubai, IFE exhibition held in UK on coconut kernel, APAS exhibition held in Brazil, Food Exhibition held in Australia, Food Ingredients Exhibition held in Germany.
- Supervising coconut industry and facilitations –Registering exporters, traders, coconut estates and middlemen
- Issuing licenses for exporting coconut and king coconut/ temporary licenses for exporters
- Supervision of coconut based exports and exports
- Reconciliation of marketing issues
- Conducting coconut and Copra auctions
- Issuing market prices of coconut and coconut related items to newspapers
- Issuing weekly monthly reports on coconut based products/ export, import quantities/ auction prices, world market pricings and issuing Sri Lanka Coconut statistic report for year 2016.
- Raising awareness on coconut based products with higher international demand, conducting programmes aiming at packaging, standardization and other related directions

- Educating schooling children and general public on importance of coconut based industries by taking part in 17 local educational and trade exhibitions. Conducting awareness raising programmes for entrepreneurs on local and international market targeting at boosting value added coconut based products and high export income.
- Participating at discussions for hatching trade agreements with Ministry of Plantation Industries, Commerce Department, Ministry of Foreign Affairs and Export Development Board of Sri Lanka and proving required details.
- Providing foreign trade queries for coconut based production exporters.
- Educating general public through media on using coconut milk and coconut milk dry powder as an alternative for raw coconut.
- Identifying coconut oil production industries in Kalutara and Kurunegala districts, production cost calculation and conducting surveys to identify existing issues.

Programmes and services implemented by Marketing Development and Research unit in 2017 and progress accrued by it is given below.

3.1Participation at International Trade Exhibitions

In exporting coconut and coconut related value added items, export income from coconut industry to be developmed by identifying new buyers and new markets. In this regard, Coconut Development Authority take part at foreign trade exhibitions and bears sponsorshop for exporters/ producers annually. The Authority helps to identify new buyers for Sri Lankan coconut products by contacting embassies, Business forums located in those countreis in this year.

By taking part at these trade exhibitions with exporters and manufactures will lead to get more foregin orders, to safeguard existign market, to identify new buyers, have a knowledge on competitie items used in foregin countries and items with imminent demand, to better understadn products with international standards and international level. Through new orders obtained by participation of exporters at international trade exhitiions, it is helpful to increase export income of coconut industry.

In year 2017, Coconut Development Authority participated in following international exhibitions.

i. For IPM -2017 International Trade Exhibition held in Essence in German for coconut coir based valued added products such as coir flower pots, Mihisalu, brushes, coir biscuits and landscaping was participated by five exporters and orders so obtained had been alrady served. Bilateral talks for more orders are being held and prices of items concerned too are being shared as reported by such exporters to the Coconu Development Board.

ii. An exhibitino held in London was first representd by Coconut Devellopment Board in year 2017. This exbition named Life 2017 on Food and Beverages with participation of 6 export/production institutes which enabled to form contacts with a considerable amount of coconut kernel based export firms in United Kingdom. A number of exports had already done and institutes participated at said exhibition have already informed of getting more orders fro us.

iii. Though there is demand for coconut based products in Brazil, a country lying on American Ocean, Sri Lankan exporters did not get opportunity to promote their items in Brazil yet.. As such, through the APAS vzTrade exhibition held in SavoPaolo city in Brazil made doors wide open to educate buyers on products based on coconut kernel.

Figure 18 - International Trade Exhibitions

It was able to bear sponsorship for four institutes. Two institutes which took part in this exhibition have got orders thereby and had already made exports and even in future to get more orders.

iv. As large number of Asians including Sri Lankans are living throughout the states of Australia, a great opportunity stand for educating buyers and consumers on coconut kernel based products of Sri Lanka in “FINE FOOD” exhibition held in Sydney. In the year 2017, Coconut Development Board sponsored five export/ production agencies to participate for the first time at this exhibition. The export/ production agencies so participated at this exhibition had informed that they have got considerable numbers of business enquires through their participation and become unable to meet orders due to high prices of coconut in the market.

v. We have been informed that orders for king coconut export are being served. Such institutes have informed of their ability to meet orders when coconut price is lowered to a certain level.

vi. “FI – Europe 2017” is an exhibition held bi-annually which was held in Frankfurt, Germany in 2017. At this exhibition too embraced by five institutes who had informed of having number of orders.

vii. “IPM - DUBAI, 2017“ Trade Exhibition for Garden and Landscaping was represented Coconut Development Authorityh for the second time with five exporters. In this buyer from middle east region took part in special and the parcipated parteie had opportunity to discuss with new exporters as well as with buyers who export coconut based producs from Sri Lanka too. They are hopeful in gettng orders for said trade inquires in the future.

3.2 Creating a network of producers and expectant buyers

Remaking the web site of Coconut Development Authority has been initiated which will be helpful to reach the said purpose.

3.2.1 Marketing coconut and coconut based products and coconut estate registrtion

Registration of exporters engaged in export in the coconut industry field and registration of coconut estates were shown a slight decrease in year 2017compared the same with year 2016 marking it as 6% and 3% respectivley. Registraton of traders was marked an increase of 58%.This was due to drastic coconut shortage experinced in the market.

Registrations - 2016/2017

Registrations	2016	2017
Exporters	590	553
Brokers	14	16
Traders	55	88
Coconut estates	265	257

Table 20–Registrations

3.3 Conducting coconut and copra auctions

3.3.1 Colombo fresh Coconut aution

Wiith the hope of getting high quality cocont stocks at fair prices by whole sale buyers and selling same by coconut growers at fairly good prices, the cocont auction held for 23 years comencing from 1994 was held unabated in the year 2017 too. Under that, Marketing Development and Research Division could hold 49 Colombo coconut auction in 2017.

The Colombo coconut auction has become the decisive factor of deciding coconut price at general without making injusstice to both cultivator and buyeres.

For aucton held in year 2017, 47,212,509 nuts had been added.

Year	Number of nuts		Normal price Rs. (for 1000 nuts)
	Submission	Sales lot	
2016	87,379,350	52,038,756	27,264.31
2017	47,212,509	33,319,412	48,621.62

Table 21- Colombo coconut auction – Number of coconut

Due to serious draught experienced in years 2016 and 2017, a decrease of 19% was recorded in coconut harvest in the year 2017 compared to the year 2016. Due to that, number of coconut added to the Colombo coconut auction in year 2017 too showed a decrease of 46% compared to the year 2016.

3.3.2.Regional coconut auction

The Kuliyapitiya regional coconut auction had held on 12 occasions in the year 2017 on monthly basis. By this auction, it is expected to get a fair price for stocks of small and medium scale coconut planters and its progress is given below.

Year	Number of nuts		Normal price Rs. (for 1000 nuts)
	Submission	Sales lot	
2016	3,345,936	2,519,009	27,754.00
2017	1,604,274	1,208,234	49,165.68

Table 22- number of coconut at Kuliyapitiya coconut auction

A decrease of 52% was seen in number of nuts added to Kuliyapitiya regional coconut auction held in year 2017 compared to year 2016.

3.3.3 Copra auction

28 Copra auctions were conducted by Marketing Development and Research Section in the year which was a 8% increase of lot submitted to 2017 Copra auction compared to year 2016.

Year	Submission (Kg.)	Sales lot (Kg.)	Normal prices (Rs. for one parama of 250 Kg.)	
			Best No. 1	Best No. 2 &3
2016	211,394	209,666	38,088	37,060
2017	228,954	225,373	55,953	54,768

Table 23- Copra auction

3.3.4 Marketing issues

A splendid service was done by Marketing Development and Research Unit in the year 2017 as mediator for marketing conflicts ensued between vendors and buyes at Coconut and Copra auctions. The Unit contributed immensely for conflict resolution at times of export and reimporting coconut and coconut based products.

3.4 Organizing Marketing lines with participation of private sector

3.4.1 Local Trade Exhibitions

Marketing Development and Research Unit in year 2017 participated at 17 trade, agriculture and exhibitions held throughout the country with the idea of educating publi and students on cocount based industries and their by products, their importance and functions of Coconut Development Authority. There, genreral public and schooling children were educated on coconut based industries, local and foreign market.

Figure 19 -local exhibitions

Marketing Development and Research section participatd at following local exhibitions.

Exhibition Name	Venue	Organized by
Jaffna International Trade Exhibition	Jaffna Municipal ground	Sri Lanka Exhibition and Convention Centre
Nagarika Punarjeewana New Year Fair	Sethsiripaya premises, Battaramulla	Ministry of Megapolis & Western Development
Yovunpura Educational, Vocational & Trade Exhibition	Makheisar playground, Trincomalee	Ministry of National Planning and Economic Affairs
Thirasara Yugayaka Haritha Udanaya	BMICH	Ministry of Plantation Industries

Wevili Saviya Gamin Gamata	Seruwavila	Ministry of Plantation Industries
Agro Royal Educational & Trade Exhibition	Royal College, Colombo	Royal college Agriculture Association
75th Anniversary Commemoration Educational Exhibition, Kandy Pushpadana Balika College	Pushpadana Balika College, Kandy	Pushpadana Balika College, Kandy
Exhibition series held in commemoration of 150 years for tea industry in Sri Lanka	Wills Park playground, Badulla Vincent Perera Playground, Yatiyantota Gamini Dissanayaka Playground, Kotmale	Tea Board of Sri Lanka
40th anniversary commemoration of Open Economy	National Youth Services Council, Maharagama	Prime Ministers' Office
Profood Propack & Agbies	BMICH	Sri Lanka Exhibition and Convention Centre
CRT Trade Exhibition - 2017	BMICH	Ministry of Plantation Industries

Table 24-

Exhibition Name	Venue	Organized by
Vevili Saviya Gamin Gamata	Kuliyapitiya	Ministry of Plantation Industries
International Trade Exhibition- Trincomalee	Makheisar playground, Trincomalee	Sri Lanka Commerce Board
National Food Production Sangramaya	Mahiyangana – Ridimaliyedda	Ministry of Plantation Industries
Colombo International Trade Exhibition - 2017	Sri Lanka Exhibition and Convention Centre	Tourist Promotion Bureau of Sri Lanka

Table 25:

3.4.2 Conducting exhibition programmes

In line with locla exhibitins participated by the Marketng Development and Research unit in year 2017, demonstratons were held for educating public on foods prepared by coconut kernal based products with the notion of coconut waste at consumption.

In addition, similar programmes were held in Isurupaya in line with the National Food Production Sagrama Inaguration week-2017, Sethsirpaya, Suhurupaya and Free Trade zone premise of Katunayaka.

For these programmes, support of private enterprenuers such as Nestle Lanka company, Renuka Agri Foods, Ceylon Biscuits was sought .

3.5 Conducting marketing surveys for identifying local and foreign coconut and coconut based product usages

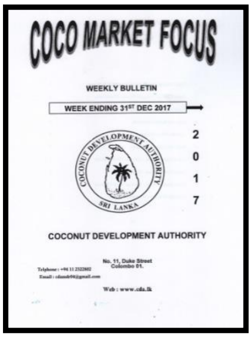
In year 2017 surveys were conducted by Marketing Development and Research Division for identifying coconut oil producers and traders in Kalutara and Kurunegala districts. Through this survey, it was expected to reach following aims.

- Collecting correct data and information on coconut oil mills in Kalutara and Kurungeal districts for sizing up local coconut oil production.
- Getting an idea about issus faced by coconut oil producers and traders and identifying production cost of coconut oil industry.

3.6 Information communication for coconut and coconut based products, trade amd exports

Information service of Marketing Development and Research Division did following splendid functions even in year 2017 through following engagements for deciding coconut and coconut based industrialists as well as exporters to reach correct market details and data for the interest of their business which lead for them to decide their own industry and business line and also making them to take decisions with ease.

- Collecting details and data of coconut industrialists products, exports and export quantities and disseminating them to parties concerned



- Daily prices of coconut and coconut based products had published in year 2017 on daily papers in Sinhala and English media.
- Weekend publication called "Coco Market Focus" with 49

publications was published in year 2017 embodying prices of coconut and copra aution, farm prices of local coconut based products, whole sale prices and international prices.Figure - 20 Coco Market Focus

- Monthly publication called "Coco Market Focus"with 12 publications was published even during year 2017.

It carries amount and prices of all exported coconut and coconut based products, countries of export, coconut oil, imported activated carbon and this is very useful to parites engaged in coconut industy and export sector.

Figure 21-Coco Market Focusmagazine

- Sri Lanka Coconut Statistics-2016 issue printed by Marketing and Reseach division covering prices of coconut and all export and import products, countries of export, coconut harvest of the counry, coconut data of countreis in Asia, production & export details, coconut auction and parites related and details of expoters was issued in the eyar 2017. This publicaction with high demand at local and foreign is an annual public ation on coconut industry embodying data and details of export areana.

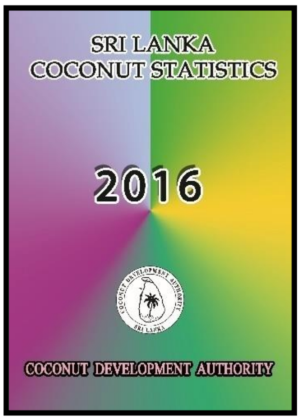


Figure 21-Sri Lanka Sstatistics Magazine

- **Formal collection, recording and publicising informatin on current and anticipated coconut and cocontu based products**

  Data was issued in year 2017 to following institutes by Marketing Development and Reseach division for deciding on prices of coconut and coconut based industries locally and internationally.

- Central Bank of Sri Lanka
- Population and Census Department
- Export Development Board
- Metorological Department & other public, semi publi institutes
- As well, Marketing Development and Reseach division did a splendid role even in year 2017 by constantly providing information and data by joining with foreign bodies such as Asian Pacific Coconut Community, foreign journals such as "Cocommunity, Oil World, UCAP, Indian Coconut Journal etc.

3.6.1Export income from coconut industry

Export income of coconut and coconut related products (2007- 2017)

Year	Value	
	(Rs. Mn.)	**(US Dollar Mn.)**
2007	24,097	217.83
2008	28,094	259.33
2009	29,081	253.00
2010	32,433	286.86
2011	47,306	427.85
2012	46,667	365.72
2013	47,952	371.40
2014	72,880	558.21
2015	75,259	553.63
2016	84,702	581.74
2017	91,198	598.19

Table 26

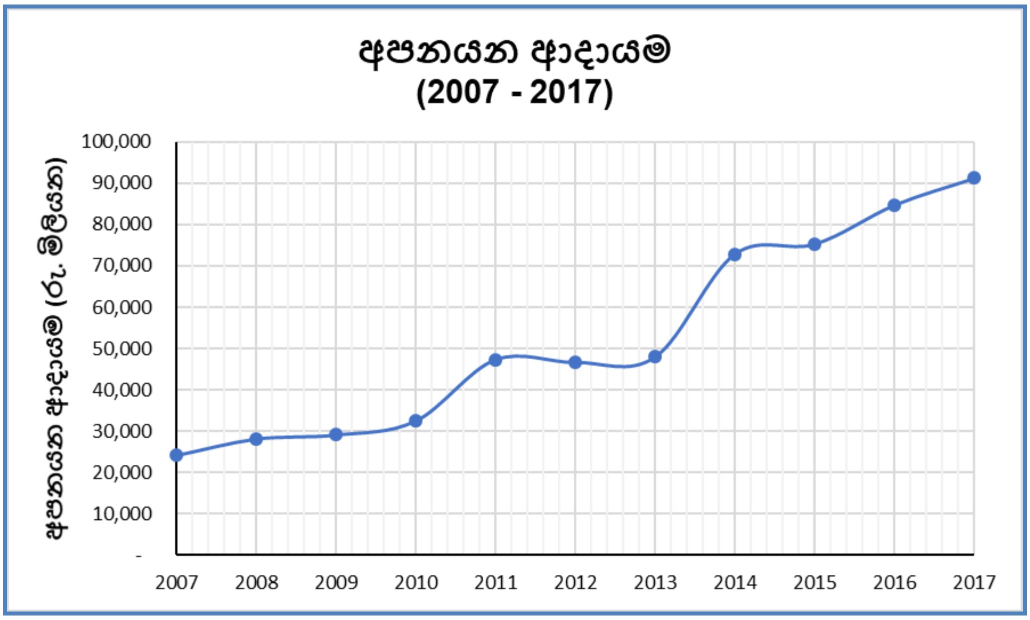


Figure 24-Export of coconut and coconut based products

The maximum export income ever had in the history by exporting coconut and coconut based products was reaped in the year 2017 amounting to Rs. 91 Billion which was a 8% increase compared to year 2016.

In year 2017 saw an increase of 3% in export income from coconut kernel related products and 13% escalation of export income related to value added products of coconut coir based industry.

As well, increase of 18% was seen in export income of coconut shell based products and 2% of export income of coir with raw material level. It is anticipated that export income of coconut and coconut based industry in the year 2018 would surpass Rs. 105 Billion.

3.7 Innovations, Value additions, Introducion of market promotion & increase of market access

3.7.1 Comparative to the last year, a clear cout increase was recorded even in the year 2017 in king coconut export. As well, a considerable growth was witnessed in year 2017 compared to year 2016 in export coconut cream and coconut powder whilst showing an increase even in exporting coconut water and coconut butter. Even in the year 2018, a higher demand of these products is expected from international market.

3.7.2 Data sharing through the web site of the Coconut Development Authority was more expeditiously executed even in the year 2017.

3.7.3 Promotion campaigns throuh printed media were done in the year 2017 with the notion of educating public on value added coconut kernal products and use of environment friendly coconut based products.

3.8 Marketing Development Assistance Services

- Providing consultancy services on products/ markets and varied services, disseminating information on local and internatonal trade orders to industrialists/exporters and buyers.

- Working out forcasts for products in coconut industry, assisting Ministry of Plantation Industries for formulating trade policies.

Coconut Product Exports - 2016/2017
Comparative statistics

Product type	Amount tons(			Value (Rs. Mn.)		
	2016	2017	% difference	2016	2017	% difference
1. Coconut kernel products						
1) Coconut oil	7,094	6,310	-11	3,797.86	3,815.56	0.5
2) Fresh coconut oil	15,585	13,816	-11	9,891.86	10,590.29	7
3) Desiccated coconut	49,206	29,418	-40	15,384.67	13,537.64	-12
4) Copra	1,184	501	-58	250.93	171.45	-32
5) Fresh nuts (1000 nuts)	30,433	10,232	-	2,158.82	831.94	-
6) King coconut (nuts)	4,057,002	5,155,971	27	439.24	459.70	5
7) Poonac	16,851	3,503	-79	670.43	143.34	-79
8) Oil cakes	271	303	12	18.11	66.17	265
9) Coconut cream	3,652	6,446	77	1,375.35	2,760.28	101
10) Coconut milk	30,497	32,867	8	6,451.75	8,227.86	28
11) Coconut milk powder	6,793	6,234	-8	4,165.13	4,723.15	13
12) nun fat coconut milk	5,730	5,652	-1	1,029.52	1,281.85	25
13) Coconut water	3,078	3,945	28	409.76	686.26	67
14) Coconut arrack (l)	25,680	36,128	41	15.65	21.94	40
15) Vinegar (l)	50,892	41,534	-18	16.14	10.92	-32
16) Fati Acid	125	101	-19	15.23	15.94	5
17) Coconut butter	51	67	31	32.51	42.97	32

18) Coconut powder	722	1,180	63	96.28	227.66	136
Sub total Coconut–පොල් මද නිෂ්පාදිතයන්				**46,219.24**	**47,614.91**	**3**
2. Coir products						
19) mattress Fiber	18,647	16,836	-10	936.73	898.57	-4
20) Bristol brush	15,525	24,068	55	770.72	1,221.93	59
21) twisted fiber	60,698	53,933	-11	2,770.94	2,439.58	-12
Sub total -coir products	**94,870**	**94,837**	**-0.03**	**4,478.39**	**4,560.08**	**2**
3. Coconut shell products						
22) Coconut charcoal	5,142	9,254	80	380.02	705.85	86
23) Coconut shells & coconut shell powder	418	320	-24	24.18	24.98	3
24) Active carbon	34,987	39,591	13	10,352.99	11,962.12	16
Sub total -පොල් කටුනිෂ්පාදිතයන්	**40,547**	**49,165**	**21**	**10,757.19**	**12,692.96**	**18**
4. Finished products (coir based)						
25) Coir threads	1,169	1,729	48	141.23	170.02	20
26) Coir twines	7,349	8,480	15	1,171.78	1,277.00	9
27)Thawashi brushes (number)	25,206,957	21,835,274	-13	600.21	555.24	-7
28) Brooms & brushes (number) (except Thawashi brush)	23,754,924	25,602,409	8	3,164.95	4,101.12	30
29) Rubber mixed coir pads & bed mattresses (number)	247,234	532,037	115	152.16	170.27	12
30) coir mats & carpets (square meter)	475,777	281,290	-41	504.04	285.70	-43
31) Coir Kalala (square meter)	16,832	656	-96	13.02	1.60	-88
32) Coir dust	186,820	202,720	9	9,407.48	10,776.88	15
33) coconut husk parts	21,471	19,080	-11	1,467.45	1,367.05	-7
34) Mihisalu	3,865	4,544	18	644.08	723.84	12
35) Coir products used for garden cultivations	69,412	75,619	9	5,779.18	6,591.03	14
Sub total- coir				**23,045.58**	**26,019.75**	**13**
5. Other products						

36) Coconut ekel	6,136	7,939	29	201.34	310.37	54
37) Coconut rafters	-	0.081	-	-	0.064	-
Sub total -other products	**6,136**	**7,939**	**29**	**201.34**	**310.43**	**54**
Total export income				**84,701.74**	**91,198.13**	**8**

Source –Sri Lanka Customs Department

Table 27

Note - *export of fresh coconut export in 2017only up to June*

4.Administration Division

Prime purpose of Administration Division is to provide assistance services and facilitations to all sections of institute, all establishment affairs for promotion and running of authority, human resources development and running administrative functions. It helps to run other sections of the Institute and moves for development of whole institute at large.

4.1 Cadre

Approved cadre of this Authority is 259. 221 employees was on cadre in the year 2017 and out of total number of employees 32 are from management level. Cadre consists with following job categories.

1. Senior Management Service category
2. Management Service category
3. Junior Management Service category
4. Related Officer Service category
5. Management Assistant (Technical) Service category
6. Management Assistant (Non technical) Service category
7. Primary skilled Service category
8. Primary semi skilled Service category
9. Primary non skilled Service category

- Recruiting to vacacies exist on approved cadre of the Authority and attendng all works related to staff managment from recruitment up to retirement.

Social benefit derived from filling vacancies

The thrust of the Coconut Development Authority is to ensure coconut and coconut based product line for home consumption and industry through attending functions rest upon it by Coconut Development Act of 1971. With this, it is led to a high contribution to long term commercial productivity, sustainability and national economy.

Here, this filling vacancies will be helpful to assist regularizing and promotion of coconut based products and production avenues, technical service provision and direction for coconut based industry updating, implementing development programmes, assisting to minimize cost by introducing fitting technology, providing financial assistance, industry expansion and employment creation, improving house based industry/ provision of technical knowhow for self employment generation, checking desiccated coconut product aimed for export purposes and issuing standard certificates, running lab test services, promoting value added coconut based products locally and internationally, minimizing waste in coconut usage, popularizing environment friendly coconut products among local and foreign consumers and prompting people for their consumption, engaging in marketing development and researches related to boosting of coconut industry and so on.

Vacancies filled in year 2017

Designation	No. vacancies filled
Director (Marketing & Research)	01
Assistant Director (Processing Development)	01
Engineer (Civil)	01
Legal Officer	-
Senior Inspector	04
Economic Research Officer	-
Processing Development Officer	05
Financial Officer	01
Administrative Officer	01
Secretary to Chairman	-
Programme Assistant (Quality Control)	03
Programme Assistant (Marketing & Research)	-
Programme Assistant (Technological services)	-
Book Keeper	01
Inspector	04
Lab Technician	05
Management Assistant	06
Driver	01
Lab Assistant	-
Office Assistant	01
Field Assistant	03

Table 27-vacancies of authority filled in year 2017

07 emploesss were retired from service in the year 2016 04 employees have been resigned.

4.2 Human Resources Development Programmes

For reaching human resorce at Mission and Aims of Authority more productively and positively, action was taken to organize local trainig development courses in year 2016 for improving productivity and efficienty of employees of this Authority. Here, courses were tailored by attaching priority for public instiuttes that conduct training developmnt courses. It was the aim of Administration division to get employees participated at essential trainig courses in the year 2016 that filed to allocate in years gone by.

It was intended to develop personal attitudes and skills, educating new staff members on public service, improving team working, introducing novelties in employment arena and adjusting to institutional background.

Accordingly, referring staff members to training purposes was done by identifying training needs considering money spent for training and development as a future investment.

Local Trainings

	Course name	Venue	No. of attendees	No. of days
01	Workshop on Contract administration, Payment procedure and contract file maintenance	Skill Development Foundation	01	01 day
02	Training Programme on role of junior managers or supervisors in the implementation of ISO 22000:2005 standard	Sri Lanka Standards Institute	24	01 day
03	Uncertain Estimation in measurement science	Measurement Unit, Standard and Service Department	3	01 day
04	Work shop on good manufacturing practices(GMP) for food industry	Sri Lanka Standards Institute	12	01 day
05	Microsoft Excel-Advanced	Adamas skill Development center	01	02 days

	Analysis Tool			
06	Development of Quality management, Operatingprocedures	Sri Lanka Accreditations Board on Valuations	3	02 days
07	ISO 14001:2015	Sri Lanka Standards Institute	02	01 day
08	Workshop on GMP usages	Sri Lanka Standards Institute	12	01 day

Table 28

Foreign Training Development Activities

No.	Course name	Venue	No. of attendees	No. of days
01	Analytical Approaches to current Food safety Issue training	Central Food Technological Research Institute in Maysoor run under Ministry of Science & Technology India	04	05
02	Coconut Development international workshop - 2017	In Indonesia	01	04
03	Indian training tour for having technical knowhow on coir based industry	Plantation Management Institute in Banglaor, India	10	07
04	Programme on International Management	Kasetsart University, Thailand	01	09
05	Programme on International Management	Kasetsart University, Thailand	01	08

Table 29- local and foreign exhibitions

picture 11,12,13- Training Development courses 2016

Other functions of Administration Division

- Running asset registers on fixed assets of institute, attending all on annual board of surveys.

- In addition to all local purchases, importing laborartoy equipments and chemicals needed for Quality Control Unit such as Equipment Unit, Media Processig Unit related to basic lab and micro investigaton section, chemical investigation section establishd in Qualty Control and Quality Assurance Section.

- Deciding on quality standard of coconut products exported from Sri Lanka on broad basing of Quality Control Unit, calling quotations at importing chemicals and lab equipment, preparing Technical Committee Procurement document, Obtaining approval thereto, preparing ordering document, getting bank drafts and import license and meddling with goods clearance.

- Pursuing legal measures at times of not obeying institutional administrative regulations by employees, all procedures related to discipline of institute and Labour Tribunals.

05. Finance Section

The function of Finance section of the Coconut Development Authority is to provide financial needs of various sections. Accordingly, this Section is responsible for providing financial facilities for approved programmers and projects going by budget and work plans. This Section also bears responsibility for preparing financial reports and progress reports from time to time including running financial reports. It is the Finance Section which is in charge of investment management of Authority including its funds.

Controlling total income of Rs. 454.084Mn . including Rs. 121.5 Mn. Received as government donation in the year 2017 and total assets valued Rs. 1243 Mn. and keeping records in that regard is the responsibility of Finance Section. Providing financial assistance required to realize performance of all sections of the institute is held by Finance Section itself.

5.1 General Operations

- A recurrent expenditure of Rs. 202.387 Mn. for general operations and capital expenditure to the tune of Rs. 100.371Mn. had been incurred.
- Preparation of various financial reports for management requirements and monthly, three monthly, six monthly and annual reports are also prepared.

5.2 Capital Development programme

Cess tax income which is considered as a direct income of Coconut Development Authority was declared as a government income with effect from 01.01.2007 by Treasury circular No. FP/06/77/07/04 dated 24.04.2007.

Finance Section of Authority could accomplish following even during the year 2017.

- Fund management and supplying financial reports on development projects/ programs
- Monthly crediting money on exported desiccated products against Secured single accounts run by names of Desiccated coconut millers of Mill Development Fund.
- Through Coconut oil Price Stability Fund, assisting to implement “Kapruka Jaya Isura” loan scheme with Regional Development Bank and “Kapruka Nipeyum Diriya” loan scheme with People’s Bank to provide finance to entrepreneurs in coconut industry.
- Proper managing EPF funds of Coconut Development Authority, Loan payment to members of EPF and releasing membership fee to ceiling of 75% on request of employees aged over 55.

- Investing well managed funds in Treasury bills and bonds, running funds in Mill Development Fund in single savings accounts in name of each miller at NSB.

Annual estimates, Annual Final Account Statements, Monthly Financial Progress Reports and other statistical data is prepared by Finance Section and submit them to Director Board, Ministry, Treasury, Government Audit Department and other institutes concerned in due periods.

COCONUT DEVELOPMENT AUTHORITY
Statement of Consolidated Financial Position as at 31.12.2017

	Note No.	2017.12.31 RS.	2016.12.31 RS.
FIXED ASSETS			
Fixed Assets	1	674,609,800	701,633,548
LESS : Accumulated Depreciation		(115,980,078)	(190,121,306)
		558,629,722	**511,512,242**
NON CURRENT ASSETS			
Working progress		36,114,760	
Sewerline System		4,000,000	6,000,000
Staff Debtors	5	17,853,225	17,364,308
Loans granted to BCC	6	59,715,037	59,715,037
Loan Receivable from BCC		40,116,090	36,104,481
Provision for Doubtful Debtors		(40,116,090)	(36,104,481)
Loan Granted -Kapruka Nipayum Diriya	7	28,198,515	37,518,593
		145,881,537	**120,597,938**
CURRENT ASSETS			
Inventories / Stocks			
Stocks	2	22,193,833	11,383,781
		22,193,833	**11,383,781**
Trade & Other Receivables			
Welfare Loan Fund	3	2,007,438	323,950
Staff Debtors	5	4,508,207	4,574,540
Sundry Debtors	4	30,058,392	22,606,909
Sundry Advance	8	655,850	382,366
Advance given to kapruka loan scheme		4,070,000	4,070,000
Sundry Deposits	9	402,246	408,685
Bank Deposits	10	545,835,273	499,218,427
Treasury Bills	10	96,935,055	95,747,173
		684,472,461	**627,332,050**
Prepayments	11	11,646,421	6,460,829
Inspection & Processing Charges Receivable	12	697,982	697,982
Cash & Cash Equivalent			
Cash at Bank	13	16,376,730	28,532,323
Stamp Franking Machine		19,087	28,979
		16,395,817	**28,561,302**
Inter Current Account (Capital dev Fund)		39,153,337	6,396,556
Total Current Assets		774,559,852	680,832,499
		1,479,071,111	**1,312,942,680**
NON CURRENT LIABILITIES			
Provision for Gratuities		**(37,588,871)**	**(43,350,565)**
CURRENT LIABILITIES			
Payables			
Sundry Creditors	14	(38,331,601)	(14,919,344)
Inspection & Processing Charges Payable	15	(651,950)	(1,951,279)
Refundable Deposits	16	(1,514,137)	(1,466,357)
Receipts in Advance	17	(1,601,059)	(367,200)
Advance givento kapruka loan fund		(8,742,656)	(8,742,656)
Accrued Expenses	18	(7,930,889)	(4,464,218)
Inter Current Account Balance		(39,153,337)	(6,396,556)
Total Current liabilities		**(97,925,629)**	**(38,307,610)**
		1,343,556,611	**1,231,284,505**
FINANCED BY			
Capital Reserves		6,970,409	6,970,409
Foreign Aid		4,102,257	4,102,257
Revaluation Reserve for Land		268,897,540	226,702,909
Revaluation Reserve for Building		129,425,116	164,965,219
Revaluation Reserve for Motor Vehicles		64,975,000	46,049,983
		474,370,321	**448,790,776**
Grants & Contributions		77,870,555	77,870,555

Government Grants Capital	***19***	28,945,229	39,536,065
		106,815,783	**117,406,620**
Grant from Capital Deve. Fund	***20***	77,652,767	77,652,767
Accumulated Fund	***21***	460,521,586	511,701,352
Accumulated Surplus	***21***	224,196,154	75,732,990
		1,343,556,611	**1,231,284,505**

The accounting policiesare on page 11,12 and Notes on pages 13 to 22 form 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.

M.P. Sandya Kanthi
DIRECTOR (FINANCE)
15/02/2018

H.K. Udaya Rupasinghe
CHAIRMAN

A.H.L.D. Gamini Wijesinghe
Director General

COCONUT DEVELOPMENT AUTHORITY

Statement of Financial Position as at 31.12.2017 (Analysed by Funds)

	Note No.	GENERAL BOARD OPERATIONS RS.	CAPITAL DEV. FUND RS.	P.S.S. OIL FUND RS.	MILL DEV. FUND RS.	NRI FUND RS.	TOTAL RS.
FIXED ASSETS							
Fixed Assets	1	611,938,612.70	62,650,000.00	21,187.50	-	-	674,609,800.20
LESS : Accumulated Depreciation		(115,642,650.93)	(316,250.00)	(21,177.50)	-	-	(115,980,078.43)
		496,295,961.77	**62,333,750.00**	**10.00**	-	-	**558,629,721.77**
NON CURRENT ASSETS							
Working progress		-	36,114,760.10	-	-	-	36,114,760.10
Sewerline System		4,000,000.00	-	-	-	-	4,000,000.00
Staff Debtors		17,853,225.12	-	-	-	-	17,853,225.12
Loans granted to BCC/ Hiriyala	6	-	33,000,000.00	26,715,037.40	-	-	59,715,037.40
Loan Receivable from BCC		-	-	40,116,089.70	-	-	40,116,089.70
Provision for Doubtful Debtors		-	-	(40,116,089.70)	-	-	(40,116,089.70)
Loan Granted -Kapruka Nipayum Diriya	7	-	-	15,765,797.29	12,432,717.58	-	28,198,514.87
		21,853,225.12	**69,114,760.10**	**42,480,834.69**	**12,432,717.58**	-	**145,881,537.49**
CURRENT ASSETS							
Inventories / Stocks							
Stocks	2	**22,193,833.46**	-	-	-	-	**22,193,833.46**
Trade & Other Receivables							
Welfare Loan Fund	3	2,007,438.21	-	-	-	-	2,007,438.21
Sundry Debtors	4	12,157,911.08	3,792,536.31	11,359,554.12	2,746,820.01	1,570.58	30,058,392.10
Staff Debtors	5	4,508,207.10	-	-	-	-	4,508,207.10
Sundry Advance	8	471,300.00	184,550.00	-	-	-	655,850.00
Advance given to Kapruka Loan Scheme		-	4,070,000.00	-	-	-	4,070,000.00
Sundry Deposits	9	402,245.77	-	-	-	-	402,245.77
Treasury Bills	10	2,174,511.00	1,019,591.10	93,610,846.86	-	130,106.49	96,935,055.45
Bank Deposits	10	266,123,722.17	36,079,908.64	204,751,291.53	38,880,350.39	-	545,835,272.73
		287,845,335.33	**45,146,586.05**	**309,721,692.51**	**41,627,170.40**	**131,677.07**	**684,472,461.36**
Prepayments	11	**7,170,437.17**	**4,475,984.05**	-	-	-	**11,646,421.22**
Inspection & Processing Charges Receivable	12	**697,981.50**	-	-	-	-	**697,981.50**
Cash & Cash Equivalent							
Petty Cash			-	-	-	-	**-**
Cash at Bank	13	10,487,610.05	5,889,120.33	-	-	-	**16,376,730.38**
Stamp Postage imprest		-	-	-	-	-	**-**
Stamp Franking Machine		19,087.00	-	-	-	-	**19,087.00**
		10,506,697.05	**5,889,120.33**	**-**	**-**	**-**	**16,395,817.38**

	Note No.	GENERAL BOARD OPERATIONS RS.	CAPITAL DEV. FUND RS.	P.S.S. OIL FUND RS.	MILL DEV. FUND RS.	NRI FUND RS.	TOTAL RS.
Inter Current Account (Capital Dev Fund/GBO)		35,931,348.02	-	-	**3,221,989.14**	-	39,153,337.16
Total Current Assets		364,345,632.53	55,511,690.43	309,721,692.51	44,849,159.54	131,677.07	774,559,852.08
		882,494,819.42	**186,960,200.53**	**352,202,537.20**	**57,281,877.12**	**131,677.07**	**1,479,071,111.35**
NON CURRENT LIABILITIES							
Provision for Gratuities		(37,588,871.00)	-	-	-	-	**(37,588,871.00)**
CURRENT LIABILITIES							
Payables							
Sundry Creditors	*14*	(2,614,597.80)	(35,716,802.71)	-	(200.00)	-	(38,331,600.51)
Inspection & Processing Charges Payable	*15*	(651,950.00)	-	-	-		(651,950.00)
Refundable Deposits	*16*	(1,514,136.83)	-	-	-	-	(1,514,136.83)
Receipts in Advance	*17*	(1,601,059.20)	-	-	-	-	(1,601,059.20)
Advance given to Kapruka Loan fund (PSS oil A/C)		-	-	(4,070,000.00)	(4,672,656.04)	-	(8,742,656.04)
Accrued Expenses	*18*	(7,930,889.12)	-	-	-	-	(7,930,889.12)
Inter Current Account		-	(39,153,337.16)	-	-	-	(39,153,337.16)
Total Current liabilities		**(14,312,632.95)**	**(74,870,139.87)**	**(4,070,000.00)**	**(4,672,856.04)**	**-**	**(97,925,628.86)**
		830,593,315.47	**112,090,060.66**	**348,132,537.20**	**52,609,021.08**	**131,677.07**	**1,343,556,611.49**
FINANCED BY							
Capital Reserves		6,970,408.50	-	-	-	-	6,970,408.50
Foreign Aid		4,102,256.68	-	-	-	-	4,102,256.68
Revaluation Reserve for Land		216,455,830.00	52,441,709.75	-	-	-	268,897,539.75
Revaluation Reserve for Building		129,425,115.75	-	-	-	-	129,425,115.75
Revaluation Reserve for Motor Vehicles		64,975,000.00	-	-	-	-	64,975,000.00
Grants & Contributions		77,870,554.61	-	-	-	-	77,870,554.61
Government Grants Capital	*19*	28,945,228.52	-	-	-	-	28,945,228.52
Grant from Capital Deve. Fund	*20*	77,652,767.37	-	-	-	-	77,652,767.37
Accumulated Fund	*21*	-	59,648,350.91	348,132,537.20	52,609,021.08	131,677.07	460,521,586.26
Accumulated Surplus	*21*	224,196,154.04	-	-	-	-	224,196,154.04
		830,593,315.47	**112,090,060.66**	**348,132,537.20**	**52,609,021.08**	**131,677.07**	**1,343,556,611.49**

The accounting policies are on page 11,12 and Notes on pages 13 to 22 form 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.

....	....	....
M.P. Sandya Kanthi	**H.K. Udaya Rupasinghe**	**A.H.L.D. Gamini Wijesinghe**
DIRECTOR (FINANCE)	**CHAIRMAN**	**Director General**

Coconut Development Authority

Statement of Consolidated Financial Performance (Summarised) for the Year Ended 31.12.2017

	FOR THE YEAR ENDED	
Revenue	**2017**	**2016**
	Rs.	**Rs.**
Government Grant - Recurrent	121,500,000	124,500,000
Government Grant - Capital	56,436,494	70,746,511
Other Income	276,147,890	162,313,959
	454,084,384	**357,560,470**
Less : Expenditure		
Personal Emoluments	(131,005,877)	(110,985,709)
Travelling Expenses	(5,548,218)	(5,225,008)
Supplies & Requisites	(21,600,649)	(19,279,522)
Repairs & Maintenance	(7,428,470)	(13,707,217)
Taxes and Other	(6,236,751)	(4,180,240)
Contractual Service & Other	(30,567,440)	(26,170,919)
Research and Deve./Training	(100,371,049)	(71,078,784)
	(302,758,453)	**(250,627,398)**
Surplus /(Deficit)	151,325,930	106,933,072
Depreciation	(36,470,593)	(18,338,685)
Amortization to Grant	36,154,343	17,673,996
Write off Sewerline project cost	(2,000,000)	(2,475,486)
Gratuity	(4,584,509)	(3,362,655)
Under provision for Bad Debtors	(4,011,609)	(4,011,609)
	140,413,563	**96,418,633**

....
M.P. Sandya Kanthi
DIRECTOR (FINANCE)
15/02/2018

....
H.K. Udaya Rupasinghe
CHAIRMAN

....
A.H.L.D. Gamini Wijesinghe
Director General

COCONUT DEVELOPMENT AUTHORITY

Statement of Financial Performance for the year ended 31.12.2017

	Note No	GENERAL BOARD OPERATIONS RS.	CAPITAL DEV. FUND RS.	P.S.S. OIL FUND RS.	NRI Fund RS.	MDF FUND RS.	TOTAL RS.
INCOME							
Government Grant (Recurrent)		121,500,000.00	-	-	-	-	121,500,000.00
Government Grant (Capital)		-	56,436,493.87	-	-	-	56,436,493.87
							-
OTHER INCOME							-
Grant from Capital Dev.Fund (DC Sampling & Testing Charges)		-	-	-	-	-	-
Interest Income	1	28,650,362.03	3,795,484.42	27,639,778.52	16,000.46	1,961,648.32	62,063,273.75
Rental Income	2	4,116,000.00	62,976.00	-	-	-	4,178,976.00
Registration Fees	3	19,397,494.63	-	-	-	-	19,397,494.63
Auction Activities	4	793,930.61	-	-	-	-	793,930.61
Laboratory Income	5	26,610,295.89	-	-	-	-	26,610,295.89
Miscellaneous Income	6	3,780,952.96	3,904,596.45	-	-	-	7,685,549.41
Inspection & Processing Charges		109,150,400.00	-	-	-	-	109,150,400.00
Revaluation surplus - Motor vehicle		42,215,964.00					42,215,964.00
Interest on B.C.C. Loan		-	-	4,011,608.97	-	-	4,011,608.97
Sale of Fixed Assets and Inventory items		40,396.43	-	-	-	-	40,396.43
Total other Income		**234,755,796.55**	**7,763,056.87**	**31,651,387.49**	**16,000.46**	**1,961,648.32**	**276,147,889.69**
Total Income		356,255,796.55	64,199,550.74	31,651,387.49	16,000.46	1,961,648.32	454,084,383.56
Total Net income		**356,255,796.55**	**64,199,550.74**	**31,651,387.49**	**16,000.46**	**1,961,648.32**	**454,084,383.56**

	Note No	GENERAL BOARD OPERATIONS	CAPITAL DEV. FUND	P.S.S. OIL FUND	NRI Fund	MDF FUND	
		RS.	RS.	RS.	RS.	RS.	RS.
EXPENDITURE							
Personal Emoluments		(131,005,877.30)	-	-	-	-	(131,005,877.30)
Travelling Expenses		(5,548,217.68)	-	-	-	-	(5,548,217.68)
Supplies & Requisites		(21,600,648.99)	-	-	-	-	(21,600,648.99)
Repairs & Maintenance		(7,428,469.60)	-	-	-	-	(7,428,469.60)
Contractual Service & Other		(30,527,496.54)	-	-	-	-	(30,527,496.54)
Taxes and Other		(6,236,750.84)	-	-	-	-	(6,236,750.84)
Dunakannawa Building Revaluation Deficit		-	(8,673,540.14)	-	-	-	(8,673,540.14)
Financial charges		-	(39,942.98)	-	-	-	(39,942.98)
A.P.C.C. Contribution		-	-	-	-	-	-
Processing Dev. - Capital Development Programme	8	-	(26,646,718.87)	-	-	-	(26,646,718.87)
Marketing Development - Capital Development Programme	9	-	(52,063,408.38)	-	-	-	(52,063,408.38)
Quality Control & Quality Assurance- Capital Dev. Programme	10	-	(17,387,570.64)	-	-	-	(17,387,570.64)
Transfer to fixed Assets(Laboratory Equipments)		-	15,973,529.85	-	-	-	15,973,529.85
DC Testing & Sampling charges		-	(11,500,000.00)	-	-	-	(11,500,000.00)
GBO Grants- Traning Expenses		-	-	-	(73,341.00)	-	(73,341.00)
		(202,347,460.95)	**(100,337,651.16)**	**-**	**(73,341.00)**	**-**	**(302,758,453.11)**
Operating Profit		**153,908,335.60**	**(36,138,100.42)**	**31,651,387.49**	**(57,340.54)**	**1,961,648.32**	**151,325,930.45**
Depreciation		(36,154,342.53)	(316,250.00)	-	-	-	(36,470,592.53)
Write off Sewerline Project cost		(2,000,000.00)	-	-	-	-	(2,000,000.00)
Amortization of Grant		36,154,342.53	-	-	-	-	36,154,342.53
Under Provision - Gratuity		(4,584,508.68)	-	-	-	-	(4,584,508.68)
Provision for doubtful Interest on loans to B.C.C. Lanka Ltd.		-	-	(4,011,608.97)	-	-	(4,011,608.97)
		147,323,826.92	**(36,454,350.42)**	**27,639,778.52**	**(57,340.54)**	**1,961,648.32**	**140,413,562.80**

M.P. Sandya Kanthi
DIRECTOR (FINANCE)
15/02/2018

H.K. Udaya Rupasinghe
CHAIRMAN

A.H.L.D. Gamini Wijesinghe
Director General

Coconut Development Authority

Consolidated Cash Flow Statement for Year ended 31st December 2017

2016		2017	
	Cash Flows from Operating Activities		
96,418,633	Surplus/(Deficit) from ordinary activities		**140,413,563**
	Non - Cash movements		
18,338,685	Provision for Depreciation	36,470,593	
	Damage due to Fire	1,078,506	
2,475,486	Write off Sewerline project cost	2,000,000	
(17,673,996)	Amortization	(36,154,343)	
517,500	Prior Year Adjustment	1,139,338	
(42,544,031)	Interest on Investment	(62,063,274)	
-	Revaluation Surplus	(42,215,964)	
3,362,655	Provision for Gratuity	4,584,509	
	Dunakannawa Building Revaluation Deficit	8,673,540	
(5,387,760)	Gratuity Payment	(10,346,203)	
(24,000)	Profit on sale of Fixed Assets	(40,396)	(96,873,694)
(40,935,461)	**Operating Profit / Loss before Working Capital Changes**		43,539,868
	Working Capital Changes		
(242,614)	Increase in Stocks	-	
440,215	Increase in Lady Loachor Loan/Welfare Loan fund	-	
(2,876,561)	Decrease in Sundry Debtors	-	
(4,794,079)	Increase in Staff Debtors	-	
(80,283)	Increase in Advances	-	
21,042	Decrease in Sundry Deposits	-	
1,941,608	Decrease Processing Chargers R'ble	-	
(2,651,823)	Increase in Prepayment	-	
(104,928,632)	Increase in Bank Deposits	-	
21,506,038	Increase in Treasury Bills	-	
(11,496,373)	Increase Sundry Creditors	-	
(1,757,594)	Increase Refundable Deposit	-	
(4,073,073)	Increase Advance Received	-	
(1,000)	Increase inter current a/c	-	
-	Decrease on Inspection & Processing charges payable	-	
8,050,194	Decrease in Kapruka Loan scheme	-	
(247,906)	Increase in Accrued Expenses	-	
(101,190,841)	**Net cash flows from operating activities**		-
	CASH FLOW FROM INVESTING ACTIVITIES		
37,577,969	Interest on Investment	59,212,558	
(18,226,989)	Purchase of Fixed Assets	(25,563,506)	
-	Increase in working progress	-	
24,000	Sale of Fixed Assets	40,396	
19,374,980	**NET CASH FLOW FROM INVESTING ACTIVITIES**		33,689,448
	CASH FLOWS FROM FINANCING ACTIVITIES		
-	Capital Reserves	-	
18,253,489	Treasury Grants for Capital	25,563,506	
9,407,882	Mill Development Fund	-	
27,661,370	**Net Cash Flows from Financing Activities**		25,563,506
-	**Net increase/(decrease) in cash and cash equivalents**		**102,792,822**
27,232,620	**Cash and cash equivalents at beginning of period**		**28,561,302**
28,561,302	**Cash and cash equivalents at end of period**		**131,354,124**
		Cash and cash equivalents as at	
		01.01.2017	**31.12.2017**
	Cash at Bank	28,532,323	16,376,730
	Stamp Franking Machine	28,979	19,087
		28,561,302	**16,395,817**
		28,561,302	**16,395,817**

COCONUT DEVELOPMENT AUTHOITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER 2017

	Grant & Contribution	Government Grant Capital	Grant from Capital Dev. Fund	Capital Reserves	Foreign Aids	Revaluation Surplus	Accumulated Fund	Accumulated F Surplus/Deficit	Total
	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01/01/2017	**77,870,555**	**39,536,063**	**77,652,767**	**6,970,409**	**4,102,258**	**437,718,111**	**511,701,353**	**75,732,990**	**1,231,284,505**
Funds received from Treasury	-	25,563,506	-	-	-	-	-	-	**25,563,506**
Prior year Adjustment (Disposal of Fixed Asset)	-	-	-	-	-	-	-	1,139,338	**1,139,338**
Amortization of Grant for Year 2017	-	(36,154,343)	-	-	-	-	-	-	**(36,154,343)**
Revaluation Surplus	-	-	-	-	-	-	-	-	**-**
Project Contributions	-	-	-	-	-	-	-	-	**-**
Income & Expenditure	-	-	-	-	-	-	(51,179,767)	147,323,827	**96,144,060**
Total	**77,870,555**	**28,945,227**	**77,652,767**	**6,970,409**	**4,102,258**	**437,718,111**	**460,521,586**	**224,196,155**	**1,317,977,067**

ACCOUNTING POLICIES

(1) ACCOUNTING CONVENTION

The Financial Statements were prepared on the basis of Historical cost convention, in accordance with Sri Lanka Public Sector Accounting Standards. No adjustments have been made for inflationary factors affecting these Financial Statements.

(2) GENERAL ACCOUNTING POLICIES

i.

The accounts have been prepared in accordance with Sri Lanka Public Sector Accounting Standards.

ii.

The accounting policies and methods of computation are consistent with those followed during the previous financial year, except certain changes which are supported with separate notes. No events happened subsequent to the Balance Sheet date that required to be disclosured

(3) VALUATION OF ASSETS

Property, Plant and Equipment are stated on the Balance Sheet at cost or revalued amount less accumulated depreciation. Depreciation is provided on the straight line method at the following rates per annum.

Building & Structures	$2\,^1/_2$ %
Vehicles	20 %
Furniture & Equipment	10 %
Book Periodicals	10 %
Computers	20 %
Machinery	20 %

Full year depreciation is changed in the year of purchase and no depreciation is made in the year of disposal.

<u>Revaluation of Assets Land & Building at Duke Street</u>

Valuation Department has revalued Land & Building and Motor Vehicles as follows.

Date of Revaluation	Type of Assets	Revalued Amount
2017.02.08	Land- Dunkannawa	50,000,000.00
2017.02.08	Building- Dunkannwa	12,650,000.00
2017.09.08	Land - Duke Street	218,500,000.00
2017.09.08	Building - Duke Street	84,000,000.00

2017.02.15 **Vehicles**

	Vehicle Number	Type	Amount (Rs)
1	GB-5117	Toyota Cab	3,500,000.00
2	GB-5118	Toyota Cab	3,600,000.00
3	GB-5119	Toyota Cab	3,600,000.00
4	GB-5121	Toyota Cab	3,600,000.00
5	GB-5123	Toyota Cab	3,500,000.00
6	GB-5124	Toyota Cab	3,600,000.00
7	GB-5126	Toyota Cab	3,600,000.00
8	GB-5136	Toyota Cab	3,600,000.00
9	GB-5138	Toyota Cab	3,600,000.00
10	GB-5167	Toyota Cab	3,600,000.00
11	253-8141	MITSUBISHI Cab	2,400,000.00
12	253-8147	MITSUBISHI Cab	2,800,000.00
13	253-8184	MITSUBISHI Cab	2,800,000.00
14	254-1964	MITSUBISHI Cab	2,800,000.00
15	PB-6733	MITSUBISHI Van	3,200,000.00
16	48-8880	Toyota Lorry	1,400,000.00
17	KI-2376	Toyota Car	3,900,000.00
18	KI-2378	Toyota Car	3,800,000.00
19	PG-9865	MITSUBISHI Cab	6,000,000.00
20	VE-9814	Bajaj M.Bicycle	75,000.00

Sewerline System construction project had been commenced in 2010 and completed in 2015. Even though Rs.8,475,486.32 has incurred for this project, it has not been capitalised due to not make any value addition to land or building and not make any future economic benefits or service potential . According to the Board of directors decision (it should be written off within four years commencing from 2016.

3.1 INVESTMENTS

All Investments of the Capital Development Fund and Price Stabilization Scheme for Coconut Oil Fund are kept in the form of Treasury Bills Fixed Deposits & Bonds through the Bank of Ceylon, Treasury Division and Fixed Deposits at Bank of Ceylon, People's Bank and Regional Development Bank per the decision given by the Board of Directors.

Kapruka Diriya loan scheme has initiated by PSS Oil fund in 2012.and Kapruka Jaya Isura loan scheme has initiated by using MDF Fund (not functioning serving accounts) in 2014.

3.2 DEBTORS

Debtors are stated at the amounts that they have to be realized. Provision has been made for all doubtful debts.

3.3 STOCKS

Stocks are valued on first in first out basis (FIFO)

(4) PROVISION FOR RETIREMENT BENEFITS

Provision has been made in the Accounts for Retirement Gratuities in accordance with the provisions in the Gratuities Act. No.12 of 1983 .

NOTES TO THE FINANCIAL POSITION AS AT 31.12.2017
FIXED ASSETS AS AT 31.12.2017 - Head Office

ITEM	COST AS AT 01.01.2017	ADDITION	ADJUSTMENT & DISPOSAL	COST AS AT 31.12.2017	ACCUMULATED DEPRECIATION	ADJUSTMENT & DISPOSAL	DEPRECIATION 2017	ACCUMULATED DEPRECIATION	W. D. VALUE AT 31.12.2017
LAND	204,855,770.00		***13,644,230.00***	218,500,000.00	-		-	-	218,500,000.00
BUILDINGS	248,151,167.39	3,429,421.81	***(72,151,167.39)***	179,429,421.81	36,611,064.12	(36,611,064.12)	4,889,185.26	4,889,185.26	174,540,236.55
LABORATORY FITTINGS & EQUIPMENT	93,269,900.05	15,973,529.85	(2,977,589.38)	106,265,840.52	60,564,577.11	(2,970,257.85)	14,092,025.43	71,686,344.69	34,579,495.83
OFFICE FURNITURE & EQUIPMENT	32,262,559.40	5,850,954.47	(3,869,640.95)	34,243,872.92	19,920,849.54	(2,779,570.16)	3,277,558.05	20,418,837.43	13,825,035.49
MACHINERY & EQUIPMENT	7,477,863.80	303,600.00		7,781,463.80	4,033,488.94	-	897,512.76	4,931,001.70	2,850,462.10
BOOKS & PERIODICALS	737,013.65	6,000.00		743,013.65	719,220.82	-	3,061.02	722,281.84	20,731.81
MOTOR VEHICLES	66,820,940.00		***(1,845,940.00)***	64,975,000.00	62,986,921.00	(62,986,921.00)	12,995,000.00	12,995,000.00	51,980,000.00
TOTAL	**653,575,214.29**	**25,563,506.13**	**(67,200,107.72)**	**611,938,612.70**	**184,836,121.53**	**(105,347,813.13)**	**36,154,342.53**	**115,642,650.93**	**496,295,961.77**

NOTES TO THE FINANCIAL POSITION AS AT 31.12.2017
FIXED ASSETS AS AT 31.12.2017 - Dunkannawa

ITEM	COST AS AT 01.01.2017	ADDITION	ADJUSTMENT & DISPOSAL	COST AS AT 31.12.2017	ACCUMULATED DEPRECIATION	ADJUSTMENT & DISPOSAL	DEPRECIATION 2017	ACCUMULATED DEPRECIATION	W. D. VALUE AT 31.12.2017
LAND	21,449,599.25	-	28,550,400.75	50,000,000.00	-	-	-	-	50,000,000.00
BUILDINGS	26,587,546.83	-	(13,937,546.83)	12,650,000.00	-	(5,264,006.69)	316,250.00	316,250.00	12,333,750.00
TOTAL	**48,037,146.08**	**-**	**14,612,853.92**	**62,650,000.00**	**-**	**(5,264,006.69)**	**316,250.00**	**316,250.00**	**62,333,750.00**

COCONUT DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL POSITION AS AT 31.12.2017

No.				
2	**Stocks**			Rs.
	G.B.O.			
	Laboratory requisites		10,703,839.43	
	Motor Spare parts		35,466.00	
	Stationery		11,379,348.56	
	Uniform		75,179.47	**22,193,833.46**
3	**Welfare Loan fund**			
	Lady Lochor loan fund converted into" Welfare Loan Fund " w.e.f. from 13.05.2017 with the board approval of .546/F/1			**2,007,438.21**
4	**Sundry Debtors**			
	GBO			
	Debtors on Service rendered to D.C. Mills		Page-23	3,136,537.24
	Debtors for Copra / Fresh Coconut Lot Fees		Page-24	780,452.42
	Bank of Ceylon Treasury Division (Interest on Treasury Bills)			4,331.01
	Bank of Ceylon (Interest on Fixed Deposits)			4,610,165.78
	Receivable from C.G. OF Rehabilitation			66,900.00
	Inland Revenue Depatment Input tax Credit			2,724,863.69
	Rent Income Receivable-SPC			800,333.00
	Purchasing Advance			34,327.94
				12,157,911.08
	Capital Development Fund			
	Bank of Ceylon Interest Receivable on Fixed Deposits			849,627.51
	Central Bank of Sri Lanka Interest Receivable on Treasury Bill.			17,041.05
	Gagasiripura Lalana Saviya			180,485.00
	Kapruka Jayaisura Loan Fund			2,745,382.75
				3,792,536.31
	P.S.S.Oil Fund			
	MDF A/C			4,672,656.04
	Interest Receivable from Fixed Deposits			3,438,290.62
	Interest Receivable from Bank Loan Interest			118,894.74
	Interest Receivable from Treasury Bills			3,129,712.72
				11,359,554.12

Mill Development Fund

Amount receivable on Misappropriation Rs.

CDA maintains Saving Accounts at National Savings Banks under the Mill development Fund in favour of D.C. millers. During 1998 their had been a discrepancy regarding the balance according to CDA books and the balances of following three Savings Accounts in National Savings Bank.

Mill No./Name	**A/C No.**		**Amount as at 31-12-2017**
M-68 - Dimbulwatta Mills	49429	1,627,950.44	
M-81 - W.W.Fernando & Sons Mills	49385	141,983.99	
M-128 - Sandalanka CPCS	49428	101,841.32	
		1,871,775.75	
Capital Development Fund			
Loan given to Jaya Isura loan scheme		**688,597.19**	
Mill Development Fund			
Interest Receivable from F/D		**186,447.07**	
			2,746,820.01
N.R.I. Fund			
Interest Receivable from Treasury Bills			**1,570.58**

No.		Rec'ble in year 2018	Rec'ble after 2018	
5	**Staff Debtors**			
	Distress Loan	3,097,548.00	14,454,213.20	17,551,761.20
	Festival Advance	50,000.00	-	50,000.00
	Motor Cycle Loan	632,136.00	3,248,477.00	3,880,613.00
	Cycle Loan	26,400.00	11,000.00	37,400.00
	Flood loan	83,556.00	139,260.00	222,816.00
	Special Loan (Rs.7,500/=)	125.00	-	125.00
	Special Salary Advance(I)	564,330.00	-	564,330.00
		4,454,095.00	**17,852,950.20**	**22,307,045.20**
	H.V.P. Wijewardena	54,112.10	-	54,112.10
	Nishantha Malagala	-	274.92	274.92
		4,508,207.10	**17,853,225.12**	**22,361,432.22**

6 Loan — Rs.

Capital Development Fund

B.C.C. Lanka Ltd.

	Rs.
A sum of Rs. 25,000,000/= has been approved by the Cess Committee on 07th March 2002 and released	25,000,000.00
on 14th March 2002 as a loan to be repaid at a rate of Rs.2 Million per month, with a grace period of	50,000.00
6 months. Only a sum of Rs. 50,000/= has been received at the end of the year 2003 as repayment	24,950,000.00
A sum of Rs. 6,600,000/= has been released on the instruction of the Ministry of Plantation Industries on 20th October 2004, based on an agreement.	6,600,000.00
None of these loans have been settled as yet by the B.C.C. and hence a claim has been made to the PERC through the Ministry of Plantation Industries, requesting them to settle C.D.A. Loans as a first order liability in the event of B.C.C. is being considered for restructuring.	**31,550,000.00**

Hiriyala Govijana Samagama Loan

Loan given to Hiriyala Govijana Samagama on 11-07-2006 for purchase of coconut	2,000,000.00
Amount Settled during 2006	(500,000.00)
Amount settled during 2008	(50,000.00)
	1,450,000.00
	33,000,000.00

P.S.S.Oil Fund

Loan granted to B.C.C. Lanka	**26,715,037.40**

7 KAPRUKA NIPAUM DIRIYA LOAN SCHEME 2017

LOAN REPAYMENT SHEDULE YEAR 2017

		Rs.
	3/8/2017	3,209,937.22
	6/16/2017	3,110,145.50
	8/14/2017	2,974,728.87
	10/4/2017	2,866,395.54
TOTAL		**12,161,207.13**

KAPRUKA NIPAUM DIRIYA LOAN BALANCE AS AT 31/12/2016

Balance as at 2017/01/01	27,927,004.42
Loans given during the year	-
Repayment during the year	(12,161,207.13)
Balance as at 31/12/2017	15,765,797.29

8 Sundry Advance GBO

Mr. K.W. Ranjith	69,350.00	
Ms. S.W. Rasika	184,450.00	
Mr. J.K. Wanigasooriya	10,000.00	
Mr. Chanaka Pallemulla	200,000.00	
Mr. Vilaja Ramyadasa	7,500.00	471,300.00

Sundry Advance Capital Development

Mrs. Wasula Herath	20,000.00	
Mr. J.K. Wanigasooriya	82,250.00	
Mrs. L.I. De Silva	3,000.00	
Mr. P. Edirimanna	61,300.00	
Mrs. Nishanthi Frenando	18,000.00	**184,550.00**
		655,850.00

9 Sundry Deposits

01. Auto Super Service Centre	250,000.00	
02. C.R.I. - Electricity Deposits	130,000.00	
04. Kammalpattuwa (C.P.C.S.) Ltd.	10,000.00	
05. Mr. Y.K.C. Jayathilaka	12,245.77	**402,245.77**

10 Treasury Bills

G.B.O

Investment Date	Maturity Date	Investment Value Rs.	
2017.09.22	2017.12.22	2,174,511.00	**2,174,511.00**

Fixed Deposits

GBO Fixed Deposits

F/D Receipt No	Investment Value Rs.	
FD A/C NO 76074390 BOC	2,199,448.87	
FD A/C NO 80690908 BOC	5,442,147.23	
FD A/C NO 78406810 BOC	11,631,711.90	
FD A/C NO 78406784 BOC	34,895,135.68	
FD A/C NO 79187659 BOC	814,945.22	
FD A/C NO 80028927 BOC	2,063,892.71	
FD A/C NO 80029042 BOC	15,762,666.20	
FD A/C NO 80028959 BOC	2,440,776.43	
FD A/C NO 119-60-01-00006575-6 PEOPLE'S BANK	25,000,000.00	
FD A/C NO 119-60-01-00009127-4 PEOPLE'S BANK	40,018,309.66	
FD A/C NO 119-60-01-00009129-2 PEOPLE'S BANK	30,316,901.26	
FD A/C NO 119-60-01-00009128-3 PEOPLE'S BANK	30,316,901.26	
FD A/C NO 119-60-01-00007106-2 PEOPLE'S BANK	550,707.38	
FD A/C NO 119-60-01-00007108-0 PEOPLE'S BANK	11,780,699.98	
FD A/C NO 119-60-01-00007107-1 PEOPLE'S BANK	5,890,349.99	
FD A/C NO 119-60-01-00007109-9 PEOPLE'S BANK	5,890,349.99	
FD A/C NO 204-60-01-00013314-4 PEOPLE'S BANK	2,785,693.94	
FD A/C NO 449-60-01-00007450-4 PEOPLE'S BANK	26,542,384.49	
FD A/C NO 119-60-01-00007110-6 PEOPLE'S BANK	11,780,699.98	266,123,722.17

Capital Development Fund Treasury Bills

Date of Investment	Date of Maturity	Amount Invested	
2017.10.20	2018.01.19	1,019,591.10	**1,019,591.10**

Capital Development Fund Fixed Deposits

	Amount Invested	
FD A/C NO 78406761 BOC	23,263,423.79	
FD A/C NO 79187653 BOC	407,472.60	
FD A/C NO 79885488 BOC	5,116,036.78	
FD A/C NO 79885633 BOC	7,292,975.47	
		36,079,908.64

P.S.S. Oil Fund

Kapruka Loan Fixed Deposit

F/D Receipt No	F/D No	F/D value as at 2017/12/31	
204-60-01-00013213-6	A 779255	29,282,641.55	
204-60-01-00013169-0	A 779216	6,773,177.62	
204-60-01-00013172-5	A 779219	6,773,177.62	
204-60-01-00013171-6	A 779218	6,773,177.62	
204-60-01-00013168-1	A 779215	6,773,177.62	
204-60-01-00013174-3	A 779221	13,546,355.33	
204-60-01-00013175-2	A 779222	13,546,355.33	
204-60-01-00013173-4	A 779220	13,546,355.33	
204-60-01-00013309-1	A 779345	37,303,914.49	
204-60-01-00010508-6	A 549681	32,487,824.47	
204-60-01-00012003-2	A 671603	7,371,453.91	
204-60-01-00013930-8	A905950	3,264,279.20	
204-60-01-00016629-7	B359981	9,966,207.50	
204-60-01-00017482-1		3,968,129.79	
204-60-01-00018654-1	B654255	5,126,153.43	
204-60-01-00018655-0	B654254	5,126,153.43	
		201,628,534.24	**201,628,534.24**

Saving Account Balance as at 31.12.2017	**3,122,757.29**
Total	**204,751,291.53**

PSS Oil Fund Treasury Bill

Date of Investment	Date of Maturity	Investment Value	Amount Invested
2017.09.22	2018.09.21	205,112.11	
2017.05.19	2018.05.18	3,307,285.86	
2017.04.14	2018.04.15	363,855.72	
2017.11.10	2018.02.09	477,215.80	
2017.11.10	2018.02.09	2,712,099.80	
2018.02.09	2018.02.09	3,068,521.38	
2017.02.10	2018.02.09	4,052,494.19	
2017.03.03	2018.03.03	721,504.74	
2017.06.30	2017.12.31	78,702,757.26	
		93,610,846.86	**93,610,846.86**

N.R.I. Fund

Date of Investment	Period	Date of Maturity		Amount Invested
10.11.2017	91 Days	09.02.2018		105,513.03
10.11.2017	91 Days	09.02.2018		24,593.46
				130,106.49
				94,760,544.45

MDF Fund
Jaya Isura Loan Fixed Deposit

F/D Receipt No	F/D value as at 31/12/2017	
134030100277/1	12,328,475.29	
		12,328,475.29
Saving Account Balance as at 31.12.2017		4,210,361.77
MDF Saving Accounts		22,341,513.33
		38,880,350.39

11 **Pre Payments**

GB.O.

Insurance-Motor Vehicles	348,339.52	
Telecommunications	130,003.75	
Insurance-Medical Insurance Policy	1,873,289.74	
Service charges - office equipment	216,661.94	
Laboratory chemicals and glassware	4,494,679.73	
Fire Insurance	107,462.49	**7,170,437.17**

Capital Development Fund

Advance payment to Foreign Travel Expenses M 6		**4,475,984.05**

12 **Inspection & Processing Charges Receivable**

CBS (Pvt) Ltd	530,400.00	
Green Stone Pvt Ltd	167,581.50	**697,981.50**

13 **Cash at Bank**

GB.O.

BOC -Nugegoda-A/C No -228042	6,977,444.48	
BOC -Nugegoda-A/C No -2062488	-	
Peoples' Bank-Narahenpita- A/C No-119100160007416	3,510,165.57	
		10,487,610.05

Capital Development Fund

BOC -Nugegoda-A/C No -228043		**5,889,120.33**

14 **Sundry Creditors**

GB.O.

		Rs.
Hemsons international Pvt ltd	1,393,616.00	
Analytical Instruments Pvt ltd	58,272.80	
Thewani Printers	27,300.00	
Avonpharmo che.(Pvt Ltd)	333,270.00	
A.S.Balasooriya	10,822.48	
Waguruwela Mills	327,375.00	2,150,656.28
Central Engineering Construction Bureau		463,941.52
		2,614,597.80

15 **Inspection & Processing Charges Payable**

M.C. Enterprises (Pvt) Ltd.	181,152.00	
K.M.N. Export & Import (Pvt) Ltd.	470,798.00	**651,950.00**

Capital Development Fund
Creditors and Refundable Deposits

Refundable Tender Deposit		25,000.00
Manchanayaka Oil Mills		90,000.00
United Motors (Pvt) Ltd	12,900,000.00	
Rotac Insrument (Pvt) Ltd	4,871,957.75	
Analytical insrument (pvt) Ltd	6,291,853.85	
Hemsons International (pvt) Ltd	5,883,400.00	
Avonphatmo che. (pvt) Ltd	47,597.35	
M.A.L. Anurasiri Brothers	2,465,274.28	
E.G.Darmasiriwardana Associates	105,930.75	
New Interiors (pvt) Ltd	850,092.73	
P C Globle Systems	24,400.00	
Qualichem International (pvt) Ltd	115,000.00	
Data Tech Business	34,941.50	
W.E.C.O.Holdings (pvt) Ltd	1,766,779.50	
M.A.L. Anurasiri Brothers	244,575.00	35,601,802.71
		35,716,802.71

	Mill Development Fund		
	PSS Oil Fund Kapruka Diriya Loan Fund		**4,672,656.04**
16	**Refundable Deposits**		
	GB.O.		
	Quality Certificates		
	Stassen Exports	15,462.13	
	C.W. Mackie & Company	1,708.98	
	G.P. De Silva	9,572.00	**26,743.11**
	Refundable Deposits		
	M.A.L. Anurasiri & Brothers	12,776.95	
	W.A.D.R.B. Kumara	15,500.00	
			28,276.95
	Security Deposits		
	Mr. Y.C.K. Jayathilaka		**12,245.77**
	Tender Deposits		
	Gamini Construction	4,000.00	
	Hemachandra Civil Engineers	4,000.00	
	Hiru Construction & Enterprises	4,000.00	
	Kalhara Builders	4,000.00	
	Nevilles	4,000.00	
	P.H. Siman De Silva & Sons	4,000.00	
	Qualikem International (Pvt) Ltd.	45,000.00	
	Surebuild Construction (Pvt) Ltd.	4,000.00	
	S. Selwakumara	4,000.00	
	A.B. Securities (Pvt) Ltd.	5,000.00	
	A.K.I.L. Amarasinghe	5,000.00	
	Adamjee Lukmanjee (Pvt) Ltd.	5,000.00	
	Assalarachchi Construction (Pvt) Ltd.	5,000.00	
	C P Lanka Ltd.	15,000.00	
	Field Security Service	5,000.00	
	H.D. Gunasiri	5,000.00	
	Iram Arm Security Services (Pvt) Ltd.	5,000.00	
	Janaka Manchanayaka	5,000.00	
	Monaro holdings Pvt Ltd	5,000.00	
	Namal Kariyawasam	5,000.00	
	Ocean Marian Service	5,000.00	
	Pioneer Security Service	5,000.00	
	Provisions of security services	5,000.00	
	Queen Star Security Services	5,000.00	
	Rice Milk Compost Fabric	5,000.00	
	Sripah Construction (Pvt) Ltd.	5,000.00	
	Sunil Welding work Furniture	5,000.00	
	W.A. Security Service	5,000.00	
	W.E. Security services Pvt Ltd	5,000.00	
	W.M. Security services Pvt Ltd	5,000.00	
	Desicolanka Export	50,000.00	
	Construction Engineering (Pvt) Ltd.	50,000.00	
	PC Trading (Pvt) Ltd.	125,871.00	
			417,871.00
	Advance Received		
	Sri Lanka State Plantation Corporation (3 months)		**1,029,000.00**
			1,514,136.83
17	**Receipt In Advance**		
	GB.O.		
	Registration of Major Kernal Products	70,000.00	
	Registration of Minor Kernal Products	60,000.00	
	Registration of fiber Products	35,000.00	
	Registration of fiber millers	19,559.20	
	Registration of Copra dealers	4,000.00	
	Registration of DC millers	45,000.00	
	Registration of Suppliers	166,000.00	
	Registration of Coconut oil millers	35,000.00	
	Registration of Coconut Estate	2,000.00	
	Registration of Coconut multi production Dealer	1,164,500.00	
			1,601,059.20

18 Accrued Expenses

G.B.O.

E.T.F. Payables	213,846.10	
E.P.F. Payables	1,591,073.12	
Maint. of Plant & Machinery	183,864.50	
Coin Payables	1,024.18	
Gratuity	858,348.00	
N.B.T	120,401.78	
Welfare	99,155.00	
Water	32,949.48	
Telecommunications	671,388.82	
Domestic Travelling	410,563.20	
Electricity	413,560.30	
Stamp Duty Payable	101,700.00	
Stationery	169,495.50	
Salary	160,537.15	
Fuel and Lubricant	257,241.51	
Transport	139,353.58	
Security Services	380,150.00	
Cleaning Services	304,384.90	
Audit Fee	1,377,835.00	
Maint. of Vehicle	55,255.00	
Market Promotion & Advance	51,380.00	
Overtime	337,382.00	**7,930,889.12**

19 Government Grant Capital

Balance as at 01-01-2017	39,536,064.92
Add : Treasury Grants received for the year 2017	25,563,506.13
Amortization of Grant for year 2017	(36,154,342.53)
Balance as at 31-12-2017	**28,945,228.52**

20 Capital Development Grant

Balance as at 31-12-2017	**77,652,767.37**

21 Accumulated Income over Expenses

GBO	Rs.
Balance as at 01-01-2017	75,732,989.52
Prior year adjustment(Rates & Taxes for 2017 paid in 2016)	1,139,337.60
Surplus/Deficit	147,323,826.92
Balance as at 31-12-2017	**224,196,154.04**

Capital Development fund

Balance as at 01-01-2017	**96,102,701.33**
Surplus/Deficit-2017	**(36,454,350.42)**
Balance as at 31-12-2017	**59,648,350.91**

PSS Oil Fund

Accumulated Fund at 01-01-2017	320,492,758.68
Surplus/Deficit 2017	27,639,778.52
Accumulated Fund at 31-12-2017	**348,132,537.20**

NRI Fund

Balance as at 01-01-2017	189,017.61
Interest Received	16,000.46
Transfer to GBO	(73,341.00)
Balance as at 31-12-2017	**131,677.07**

MDF	**Jaya Isura Fund**	**Mill Development Fund**	**Total**
Savings account		63,436,458.09	
Suspense Account		1,871,775.75	
R'ble from Capital dev fund		6,396,556.28	
Creditor		(300.00)	
Jaya insure Loan granted	9,591,588.13		
Fixed Deposits	13,302,369.56		
Saving Account	4,164,194.99		
P'ble to Pss Oil Fund(Loan)	(4,672,656.04)		
Capital Development Fund	688,597.19		
TB Interest R'ble	138,200.49		

Balance as at 01-01-2017		**23,212,294.32**	**71,704,490.12**	**94,916,784.44**
Savings Account	Page -26		22,341,513.33	
Suspense Account			1,871,775.75	
R'ble from Capital Development Fund			3,221,989.14	
Creditor			(200.00)	
Jaya insure Loan granted		12,432,717.58	-	
Fixed Deposits		12,328,475.29	-	
Saving Account		4,210,361.77	-	
P'ble to Pss Oil Fund (Loan)		(4,672,656.04)	-	
Capital Development Fund		688,597.19	-	
TB Interest R'ble		186,447.07	-	
Balance as at 31.12.2017		**25,173,942.86**	**27,435,078.22**	**52,609,021.08**

Discloses

Legal Cases

1. Case Number 13360/MR

Case has been filed in district court (No Suggestions) against Hiriyala farmers company to recover the amount Rs 1,450,000 which has defaulted Hiriyala farmers company(Ltd). Attorney general's department is appearing on behalf of Coconut Development Authority. Hiriyala farmers company(Ltd) has agreed to repay Rs 1,450,000 on monthly installment. Therefore terms of settlements has been entered at district court on 16.01.2018

2. Criminal Investigation Department has filed case against Mr. Shantha Rajapaksha former accountant of Coconut Development who was suspected of fraudulent action .This case is an on going case at High Court of Colombo.

3. An employee of Coconut Development Authority has filed a Fundamental Right case against Coconut Development Authority .This case is an ongoing case at Supreme Court.

Other

The 1st floor of the Duke Street Building at Fort damaged by Fire on 04.05.2017. Sri Lankalinsurance Corporation has estimated the damage for building, furniture , computers and other as approximately Rs. 3.9 million. Final amount has not confirmed till 15.02.2018

COCONUT DEVELOPMENT AUTHORITY

NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31.12.2017

1	**Interest Income**		
	G.B.O.		
	Interest on Staff Loans	745,861.55	
	Interest on Investment (Treasury Bills)	295,238.82	
	Interest on Fixed Deposits	27,609,261.66	**28,650,362.03**
	Capital Development Fund		
	Interest on Treasury Bills	97,769.83	
	Interest on Fixed deposits	3,697,714.59	
			3,795,484.42
	P.S.S.Oil Fund		
	Interest on Treasury Bills	6,108,840.55	
	Interest on Bank loans	607,916.70	
	Interest on Fixed Deposits	20,804,689.81	
	Interest on Servings Accounts	118,331.46	
			27,639,778.52
	N.R.I. Fund - Interest on Treasury Bills		**16,000.46**
	MDF Fund		
	Interest on Fixed Deposits	1,558,879.59	
	Interest on Bank loan	308,482.65	
	Interest on Servings Accounts	94,286.08	**1,961,648.32**
			62,063,273.75
2	**Rental Income**		
	G.B.O.		
	State Plantation Ltd.		4,116,000.00
	Capital Dev. Fund		
	Rental Income - Dunkannawa Waharakgoda Nelliya		62,976.00
			62,976.00
3	**Registration Fees**		
	G.B.O.		
	Exporters of Major Kernel Products	2,725,250.00	
	Exporters of Minor Kernel Products	2,092,566.00	
	Exporters of Fibre & Fibre Products	6,102,862.00	
	Registration of Copra Dealers	102,250.00	
	Registration of Auctioneers & Brokers	32,746.00	
	Registration of D.C. Millers	960,250.00	
	Registration of Coconut Oil Millers	1,632,935.00	
	Registration of Fibre Millers	356,240.80	
	Registration of Copra Manufacture	305,362.51	
	Registration of charcoal Manufacture	39,000.00	
	Registration of Suppliers	270,500.00	
	Registration of Coconut Estates Owners	132,200.00	
	Registration of Coconut Milk Process'	148,900.00	
	Registration of Activated Carbon	75,000.00	
	Surcharges Charges on late Registration	599,068.92	
	Registration of Coconut Multy Products	1,272,363.40	
	Registration of Fresh Coconut	2,550,000.00	**19,397,494.63**
4	**Auction Proceeds**		
	Lot Fees Income -Copra & fresh Coconut		1,980,955.61
	Less : Expenses		
	Hall Charges	112,950.00	
	Action Fee	1,000,000.00	
	Other	74,075.00	(1,187,025.00)
			793,930.61

5	**Laboratory Income**			
	Quality Certificates		776,927.24	
	DC sampling & Testing Charges- DC		23,696,803.85	
	Testing Charges- Coconut Oil		1,347,779.47	
	Water Sampling charges		788,785.33	
				26,610,295.89
6	**Miscellaneous Income**			
	G.B.O.			
	Tender Deposits		77,500.00	
	Sale of Bulletins		116,657.50	
	Vehicle Hire Charges		46,432.50	
	Sundry Income		247,231.09	
	Lable Charges		3,460,744.00	**3,948,565.09**
7	**Dunkannawa Coconut Estate and Mill**			
	Coconut sales	1,323,015.00		
	Expenses			
	Coconut Plucking Expenses	(120,620.00)		
	Labour charges	(746,429.79)		
	Electricity	(476,509.32)		
	Other expenses	(147,068.02)	(167,612.13)	(167,612.13)
				3,780,952.96
8	**Revaluation Surplus**			
	Revaluation Reserve for Motor Vehicles 01.01.2017			46,049,983.00
	Revaluation surplus			61,140,981.00
				107,190,964.00
	Motor Vehicle revalued amount			(64,975,000.00)
	Revaluation reserve exceed the motor vehicle revalued amount			**42,215,964.00**
9	**Capital Development Fund**			
	Other income			3,904,596.45
				199,308,441.41
10	**Processing Development Programmes**			**26,646,718.87**
11	**Marketing Development & Research Programmes**			**52,063,408.38**
12	**Quality Control & Quality Assurance**			**17,387,570.64**

DEBTORS ON SERVICES RENDERED TO D.C. MILLERS AS AT 31-12-2017

MILL NO.	NAME OF MILLER	TOTAL (Rs.)
62	Desico Lanka (Pvt) Ltd Ganewate mills Ganewatte, Nikadalupotha	52,785.00
63	Chilaw DC & Oil Mills,Puttalam Road,Thibilla Chilaw	65,981.75
64	Rathkarawwa DC & Oil Mills, Maspotha	52,785.00
67	Marawila CPCS Society,Marawila	68,913.75
69	Baduwatta DC mills Pvt Ltd	189,146.25
71	Madampe Mills (Pvt) Ltd, Thambagalla, Kakkapalliya	82,110.00
72	St Joseph DC Manufacturers (Pvt) Ltd, Colombo Road, Watinapaha	54,251.25
75	Siriyangani DC & Fibre Mills, Giriulla Road,Katana	52,725.00
76	*S.A.silva & sons Lanka (Pvt) Ltd,Loluwagoda Mills ,Loluwagoda	87,975.00
77	St Annes Factory,Daluwa,Mampuri	4,398.75
79	*Renuka Agro Exports Ltd	56,100.00
80	Dunagaha CPCS, Kehelalle Mills ,Badalgama	27,858.75
84	Pottewela DC & Oil Mills,Mirigama Road, Banduragoda	41,055.00
85	*Wichy plantation (Pvt) Ltd	81,600.00
88	Sonic Expo (Pvt) Ltd 1	74,778.75
89	Kudawewa Mills,Kudawewa	71,846.25
91	Sandalanka C.P.C.S	1,683.00
93	Green Palm Mills.Kaluarippuwa ,Katana	118,766.25
94	Sirikatha DC Mills,Kochchikade	17,595.00
95	CBL Cocos Pvt Ltd,Colombo Road,Alawa	253,640.24
102	* N M K Coco Land (Pvt) Ltd	119,276.25
103	St Theresa DC Mills, Katana	23,460.00
105	D.Y.& D.U.Rajapaksa Pvt Ltd , Henegama DC Mills	43,503.00
107	Chandra DC Mills, Kandawala, Katana	5,865.00
108	Battuluoya DC Mills, Puttalam Rd.Battuluoya	27,858.75
111	Kudiyiruppu Coconut Producers (Pvt) Ltd	89,441.25
113	Balummahara DC Mills,Balummahara,Mudungoda	61,582.50
114	Dewmini Coconut Products (Pvt) Ltd, Nattandiya Mills, Nattandiya	51,318.75
115	Bogamuwa DC Mills, Aluthgama , Bogamuwa, Aluthgama	5,865.00
119	Mathammana DC Mills, Minuwangoda	14,665.50
120	Fatima DC & Oil Mills, Nainamadama	51,318.75
122	St Josephs DC & Fibre Mills, Katana	43,987.50
124	Minuwangoda Mills, Minuwangoda	79,177.50
126	Lakshmi DC Mills, Bata Kanda ,Badalgama	184,747.50
127	Victoria DC Mills, Welpalla	114,367.50
130	Boyagane DC Mills Pvt Ltd,Boyagane, Kurunegala	36,656.25
131	Jayakody Mills (Pvt) Ltd, Nattandiya Rd, Dankotuwa	23,460.00
132	Asian Agro Products Pvt Ltd	149,557.50
134	Gunawardena DC Mills.Galawatta, Katana	90,907.50
136	Welwin DC Mills,Minuwangoda	23,460.00
139	Sanhinda DC Mills(Pvt) Ltd	54,251.25
144	Swanee DC Mills, Negambo	11,730.00
145	Dunagaha CPCS, Dunagaha	2,932.50
148	RMP coconut producers (Pvt) Ltd	7,331.25
149	Maviksel International com(pvt)Ltd	221,595.00
150	NDC Export (Pvt) Ltd	85,042.50
151	Wayambe D.C. & Oil Millers (Pvt) Ltd	57,183.75
		3,136,537.24

DEBTORS-FRESH COCONUT & COPRA LOT FEE
AS AT 31.12.2017

Copra	Amount (Rs.)
Copra Lot Fees	
G & J Mathew & Co (Pvt) Ltd.	41,356.44
L.S.T. De S.Wijeratne & Co.	23,242.95
Fresh Coconut Auction Fees	
National Livestock Development Board	104,291.18
Chilaw Plantation Ltd.	173,616.00
Coconut Research Institute	16,426.53
Coconut Cultivation Board	212,356.16
Mrs. P.P. Gunasekera	(3,101.60)
Lalan Rubber (Pvt) Ltd.	37,350.77
Kurunegala Plantation Ltd.	28,942.36
Elkaduwa Plantation Ltd,	126,024.41
H.L. De Mel & Co. (Pvt) Ltd.	23,624.73
Mr. C. Deepal Mathew	1,397.71
Kegalle Plantation Ltd.	(582.00)
Polkanatte Watte	252.00
Dicklanda Estate	2,553.00
Halpe Estate **(Dr.P.S.De Silva)**	569.25
Ygro (Pvt) Limited	202.95
Ganekanda Estate **(JEDB)**	(101.70)
Mr.Piyal Wadanambi **(Diggali & Nikamadawatta)**	1.00
Sri Lanka Poultry Development Company	(7,969.72)
Total	**780,452.42**

6. Internal Audit Section

Internal Audit Plan related to the year 2017 was prepared under direction of representatives of Auditor General Department and Treasury covering functions of Administrative, Finance sections and implemented.

Accordingly, audit checks had been done as per the approved audit plan and 25 reports on them were submitted. Audit checks related to 06 matters covering administration and finance sections based on action plan 2017 in active sections were held and tabled reports thereto. In addition, 07 special investigations assigned by Management were done and out of that one was a basic inquiry. All reports related to this investigations had accomplished in the year and submitted to the Management.

6.1 Audit and Management Committee Report

6.1.1 Composition and quorum

Audit and Management Committees of Coconut Development Authority were set up as per para 4.7.1 of Public Enterprise Circular No. PED/12 dated 02.06.2003 named "Guideline Hand Book on Good Governance of Public Institutes" and by Public Enterprise Circular No. PED/55 dated 04.12.2010 and functions of said Committees are executed Audit and Management Committee Board is consist with three non executive directors. Following named directors had been working as committee members in the year under review.

2017/01Audit and Management Committee meeting held on 06.03.2017

1. Mr. R.M.P.K.Namal Bandara - Treasury Representative
2. Mr. N.S. Wanasinghe - Ministry Representative
3. Mrs. W.M.Y.T. Fernando - Member
4. Mr. M.G.S.C. Jayarathna - Member

2017/02Audit and Management Committee meeting held on 22.06.2017

1. Mr. R.M.P.K. Namal Bandara - Treasury representative
2. Mr. N.S. Wanasinghe - Ministry representative
3. Miss W.M.Y.T. Fernando - Member
4. Mr. H.G.S.C. Jayarathna - Member

2017/03Audit and Management Committee meeting held on 04.10.2017

5. Mr. R.M.P.K. Namal Bandara - Treasury representative
6. Mr. N.S. Wanasinghe - Ministry representative
7. Miss W.M.Y.T. Fernando - Member
8. Mr. H.G.S.C. Jayarathna - Member

2017/04Audit and Management Committee meeting held on 06.04.2017

9. Mr. R.M.P.K. Namal Bandara - Treasury representative
10. Mr. N.S. Wanasinghe - Ministry representative
11. Miss W.M.Y.T. Fernando - Member
12. Mr. H.G.S.C. Jayarathna - Member

Chief Internal Auditor and a representative of Auditor General took part in meetings. In the Committee, no member representing Management is there. Director General attends the meeting on invitation. When Committee requires participation of other members of management, he is so invited. The quorum of Committee is 03 members.

6.2 Functions of Committee

- Be vigilant on proper implementation of Committee directions and recommendations by reviewing previous Audit and Management Committee meeting.
- Reviewing structures and content, supervision of reliability of Financial Reporting system of Coconut Development Authority.
- Monitoring and reviewing internal and external audit relevance and actions taken to confirm utility.
- Reviewing and recommending suitability and success of internal controls.
- Reviewing internal and external audit report and steps taken thereto.
- Complying with regulation and financial reporting requirements and reviewing/ recommending ethical parameters and actions for confirming relations with regulation authorities concerned.

6.3 Meetings and activities

Committee met four times during the year under review. Attendance of Committee members is given below.

Director’s name	No. attendees
Mr. R.M.P.K. Namal Bandara	04
Mr. N.S. Wanasingha	04
Mrs. W.M.Y.T. Fernando	04
Mr. H.G.S.C. Jayarathna	04

Table 30- Meetings of Committee Members

Following activities had been implemented by Committee in year under review.

6.3.1 Internal Audit

- Internal audit programme and audit plan prepared on recommendations of Auditor General Department for year 2017 related to affairs of Internal Audit Unit was taken for discussion and directing on areas to be further audited and recommending audit programme and audit plan for Board approval.
- Usefulness of implementing internal audit plan for year 2017 was further studied.
- Findings of special audit and management reactions for them with the intention of blocking out recurrences in the future and taking correct actions were observed.

6.3.2 External Audit

- Replies given by Management related to audit queries posed by Auditor General’s Department in respect of Coconut Development Authority for year ended on 31.12.2016were reviewed. Follow ups on corrective measures of Management for recurring issues highlighted in special were made.

6.3.3 Financial reporting

- Assisted to the Board in confirming preparation of accounts and audited financial statements with the requirements of Supervision and Regulation Authority.

6.3.4 Minutes / Reporting to Board

- **Minutes of Committees are maintained at the Secretariat of the Board. All minutes of the meetings are tabled and Board approval is taken for implementing recommendations made by Committees which are endorsed at the Director Board. Actions are taken in respect of outstanding issues on numerical basis. Follow up actions have been taken regarding corrective and preventive measures at correct times in line with Authority's work plan.**

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. PLA/D/CDA/01/2017/02 ඔබේ අංකය / உமது இல. / Your No. දිනය / திகதி / Date 17 October 2018

The Chairman,
Coconut Development Authority

Report of the Auditor General on the Financial Statements of the Coconut Development Authority for the year ended 31 December 2017 in terms of Section 14 (2) (c) of the Finance Act, No. 38 of 1971.

The audit of financial statements of the Coconut Development Authority for the year ended 31 December 2017 comprising the statement of financial position as at 31 December 2017, the statement of financial performance, 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 43 of the Coconut Development Act, No. 46 of 1971. My comments and observations which I consider should be published with the Annual Report of the Authority in terms of Section 14(2)(C) of the Finance Act appear in this Report.

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 Public Sector 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, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை. No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.
+94 11 2 88 70 28 - 34 +94 11 2 88 72 23 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 my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of financial statements 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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.

2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Coconut Development Authority as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

In terms of Paragraph 53 of the Standard No. 07, when the carrying amount of a assets when the items of Property, Plant is decreased at the revaluation.

In terms of section 53 of public section accounting standard 7 if any revaluation decrease of carrying amount of a assets should directly be debited against the excess of the entire class of the assets to which those asset was belongs. But the revaluation deficit sum of Rs.8,673,540 of building in Dunkannawa estate had been written off against the profit for the year instead of debiting to the revaluation excess of the entire class of the assets.

2.2.2 Accounting definitions deficiencies

The following observations are made.

(a) Air conditioners and electric fans purchased during the year under review valued for Rs.3,429,422 had been shown under buildings instead of shown under office furniture and equipment. Thus, value of the building from the same amount and depreciation of buildings by sum of Rs. 489,185 had been over state in the financial statement.

(b) Value of 164 machineries, computers, office furniture and equipment items belonged to the 'Dunkannawa estate' which was leased to the coconut research board and then taken over to the authority in 2016 had not been valued and taken in to the financial statement.

(c) Even though, the balance of the revaluation reserve account as on 31 December 2017 was Rs.107,190,964 the revaluation value of motor vehicles of Rs.64,975,000 has been adjusted as the final balance of the revaluation reserve and the difference of Rs.42,215,964 had been transferred to the financial performance statement. Thus, the profit of the Year had been overstated by the same amount.

(d) Concession interest expenses of Kapruka Jaya Isuru loan scheme a sum of Rs.2,745,383 had not been accounted as a expense in the year under review, but considered as a debtor in the financial statement. So such, interest expenses in the year under review had been understated and the debtors balance at the end of the year under review had been over stated by the same amount.

2.2.3 Suspense Account

Credit balance of Rs.1,871,776 in the suspense account has remained since 2016 and action had not been taken to identify and settle by the authority.

2.2.4 Lack of Evidence for audit

Evidence indicated against each item of accounts shown below and had not been made available for audit.

Subject Accounts	Value	Evidence not available
	Rs.	
(i) Receipts for the supply of services to D.C.Millers	2,009,913	Receipts
(ii) Credit Sales	3,136,537	Invoices

2.3 Accounts Receivable and Payable

The following observations are made

(a) Action had not been taken to recover debtors balance of Rs.180,485 remained under CESS fund over 5 years.

(b) A sum of Rs.31,550,000 should be received from a private company given as a loan in years 1984, 2002 and 2004 at the end of the year under review. The interest thereof amounting to Rs.40,116,090 relevant to that loan had not been shown in the financial statement as receivables.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result for the year under review amounted to a surplus of Rs. 140,415,563 as compared with the corresponding surplus of Rs.96,418,633 for the preceding year. Accordingly, an improvement of Rs.43,994,930 in the financial result was observed. Even though, government income had decreased by Rs.14,310,017 the increase of other income by Rs.133,833,931 increase of staff remuneration by Rs.20,020,168 and increase of training and development expenses by Rs.29,292,265 were the main reasons attribute to this improvement.

In analyzing the financial results of 04 preceding years and the year under review, the surplus of Rs.36,419,413 in the year 2013 deteriorated to Rs.15,457,175 in the year 2014 but had improved to Rs.140,413,563 in the year 2017. However, the contribution of the Authority in the year 2013 consideration of the employees remuneration, depreciation on the non-current assets and taxes to the Government amounted to Rs. 118,356,413 had decreased to Rs.116,614,175 in the year 2014, but the contribution of the Authority had increased to Rs.309,001,563 in the end of the year under reviewed with variations.

3.2 Analytical financial review

The following observations are made

(a) Treasure grant represents 39 per cent from the total income of the authority in the year under review.

(b) Compare to the proceeding year other income had increased by seventy per cent and increase of interest income, laboratory income and testing and processing charges are the main reasons for this increase.

(c) Compare to the preceding year current ratio had decreased by from 1.18 to 1.8 in the year under review.

3.3 Legal Actions Initiated by the Authority and against to the Authority

The following observations are made

(a) Legal action had been taken by an officer of the Authority in the supreme court on the ground that discountince of human rights, on a promotion in the year under review.

(b) A legal case is proceeding in the High Court with regards to a cash fraud of Rs.2,000,000 done by an ex-accountant of the authority and investigation had been carried out with regards to another Rs.1,300,000 by the Fraud Investigation Bureau.

4. Operation review

4.1 Performance

4.1.1 Performance and Review

The following observations are made

(a) Even though, a sum of Rs.5.3 million had been included into the action plan to buy equipments required to assist and establish 05 technology exchange centres, to make quality production and prepare a data system to get and give production data towards implement by the Project unit of the authority, action had not been taken by the authority to carryout activities in this regards in the year under review.

(b) Even though a sum of 3.5 million had been allocated in the action plan to assist to make value addition coconut production outer area of the coconut triangle, out of that only Rs.0.54 million had been utilized.

4.2 Management Activities

The following observations are made.

(a) Even though balances of Rs.136,970 and Rs.7,060,032 should be received from the Sri Lanka Broadcasting Corporation and Rupavahini Corporation from the amount paid in 2014 for advertising with objectives of promoting coconut milk, coconut milk powder and coconut cream among consumers by the authority, action had not been taken to recover the balance or to advertise another programmes even by the end of the under review.

(b) A sum of Rs.293,677 and Rs.308,823 had been paid for in house treatments and reimbursement of medical bills respectively for the staff by the authority due to that delay of procurement activities of the surgeries and hospital insurance scheme by 2 months and 19 days.

(c) The Authority was unable to receive the brand name of 'Ceylon Coconut' for coconut productions exporting by Sri Lanka till end of the year under review.

4.3 Staff Administration

At the end of the under review, Director (process development), Director Marketing (international), Legal Officer and Quality Control officer of the authority had remained in vacant and action has not been taken to fill the vacancies with qualified officers.

5. Sustainable Development

5.1 Achievement of Sustainable Development Goals

Every public institute should act in compliance with the circular No. NP/SP/SDG/17 of 14th August 2017 issued by the secretary to the Ministry of National Policies and Economic Affairs on the '2030 agenda' of the United Nations for Sustainable Development. With respect to the year under review, the Coconut Development Authority had aware as to how to take measures relating to the activities under the preview of the scope. The following observations are made in the in this regard.

(a) The activities identified by the authority for achieving the sustainable development goals, has not been included in the Annual Plan, whilst the financial provision required to carry out those activities had not been included in the annual budget.

(b) Even though the existence of the accurate statistical data is compulsory for evaluating the performance of a certain activity. It was observed that the authority had not taken action to maintain an accurate collection of data in view of evaluating the achievement of sustainable development goals.

6. Accountability and Good Governance

6.1 Deficiencies in Control Administration

As per the agreement of Rs.17,105,455 entered with a contractor on 25 September 2017 for modification of the laboratory, the relevant construction should be completed before 25 December 2017, But, the construction had not been completed even by the date of audit of 30 July 2018. Hence, laboratory equipments purchased in 2017 for sum of Rs.17,950,802 could not be utilized for relevant objectives.

7. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Authority from time to time. Special attention is needed in respect of the following areas of control.

Areas of Systems and Controls	Observations
(a) Accounting	(i) Fixed assets had not been accurately categorized and accounted. (ii) Make Adjustment though Journal entries without recommendation of responsible officers.
(b) Human Resources Management	Necessary actions had not been taken in respect of recruitments for major posts.
(c) Budgetary Control	Budgeted funds had not been utilised to achieve relevant objectives.

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NAOSL

(d) Assets Management	Delay relating to getting the report for fire damage occurred in the office building at Adipada Street, Fort and office equipment and computer accessories worth of Rs.3,312,462 had been written off from the books without proper order.

H.M.Gamini Wijesinghe
Auditor General

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General