

NATIONAL INSTITUTE OF PLANTATION MANAGEMENT

ACCOUNTING POLICIES

(1) FUNDAMENTAL ACCOUNTING CONCEPTS:

The accounts have been prepared under the going concern concept since in the opinion of the Board of Governors, sufficient funds will be made available from Government grants and on receipts from training programmes, correspondence courses, conducting examinations, fellowship and membership subscriptions and sales of Publications to enable the Institute to meet all its liabilities as and when they fall due.

(2) ACCOUNTING POLICIES

(a) Accounting Convention :

The accounts have been prepared under the historical cost convention

(b) Accruals :

All dues to and from the Institute as at December, 31st have been dealt with on the accrual basis.

(c) Depreciation :

Depreciation of fixed Assets is on the Declining - Balance method based on rates estimated to write off the asset over the term of its useful life leaving a residual value for accounting purposes. Depreciation is not charged on fixed assets, which are purchased during the year under review. The rates generally in use are as follows:

Free hold Buildings	5%
Office Furniture	10%
Office Equipment	10%
Motor Vehicles	20%
Plant and Machinery	10%
Road, Water Supply,	
Electricity and Telephone	10%
Library Books	10%

(d) **Stock**

(i) **Journal and other publications of the Institute**

They are valued at the material cost on the basis of first in first out principle.

(ii) **Stationery**

They are used for Institute's internal activities and are valued at the first in first out principle.

(e) **Work, Services and Supplies:**

Tender procedures are followed for procuring work, services and supplies.

ANNEXURE 10

DESCRIPTION	BUDGETED AMOUNT	ACTUAL AMOUNT	VARIANCE	REASONS FOR VARIANCE
<u>INCOME</u>				
Government Grant	9,650,000.00	9,650,000.00	0.00	
Academic, Professional and Special programmes	4,087,500.00	3,163,668.50	(923,831.50)	Not started due to lack of nominations
Business/ Technical Development Training programmes	800,000.00	186,125.00	(613,875.00)	Not conducted due to lack of nominations
Skill Development Training Programmes	750,000.00	1,374,250.00	624,250.00	No. of programmes increased
Worker Skill Development Programmes	1,800,000.00	1,384,650.00	(415,350.00)	Not conducted due to lack of nominations
Special Programmes (not budgeted)	-	2,824,352.00	2,824,352.00	Demanded New programmes
Tea Development project - Institute's fund	2,200,000.00	2,200,000.00	0.00	
Programme for Planter Trainees	-	1,741,000.00	1,741,000.00	Started in the current year
Sales of Institute's publications	400,000.00	140,936.00	(259,064.00)	Sales has been decreased
Hiring out Residential Facilities	1,794,000.00	2,599,418.00	805,418.00	More facilities rented out
Providing Meals for the Participants of Internal Programmes	175,000	346,872.00	171,872.00	Internal programmes were reduced
Income from External Activities (Examinations etc.)	100,000.00	8,120.00	(91,880.00)	No increase as expected
Income from Printing Activities	-	82,736.00	82,736.00	More outside jobs received
Income from Garden produce	25,000.00	2,712.00	(22,288.00)	-
Sundry Income	100,000.00	297,653.44	197,653.44	-
Profit on Sales Misc. Equipments	-	7,535.78	7,535.78	Reimbursed during this year
Miscellaneous Income from TDP	-	2,718,213.00	2,718,213.00	-
<u>EXPENDITURE</u>				
Personal Emoluments	10,320,740.00	9,450,310.14	870,429.86	Overtime Daily paid wages and other expenditure decreased
Travelling & Subsistence	475,000.00	422,083.44	52,916.56	Travelling reduced due to less No. of out station trips
Supplies and Office Requisites	2,465,000.00	2,090,915.69	374,084.31	Expenditure reduced due to decrease in purchasing
Repairs & Maintenance of Fixed Assets	1,289,000.00	1,434,249.06	(145,249.06)	Expenditure increased due to repair of old vehicles
Transportation, Communication, Utility and other Services	2,218,500.00	2,783,658.46	(565,158.46)	Telephone, Electricity, Postage increased
Contributions, Credits and Subsidies	160,000.00	121,819.00	38,181.00	Due to reducing of daily paid wages
Retirement Benefits & Gratuities	1,151,760.00	1,294,464.56	(142,704.56)	Provision increased
Media, Advertising and Publicity	261,500.00	160,656.69	100,843.31	Advertising expenses were less
Training Expenses	2,534,000.00	3,644,673.67	(1,110,673.67)	Increased due to special training programmes
Miscellaneous Expenses	1,006,000.00	1,463,614.53	(457,614.53)	increased due to meals expenses for outside Training programmes
Provision for Depreciation	4,352,900.00	4,704,342.21	(351,442.21)	

NATIONAL INSTITUTE OF PLANTATION MANAGEMENT

BALANCE SHEET AS AT 31ST DECEMBER 2002

2001	DESCRIPTION	NOTES	2002	2002
Rs.			Rs.	Rs.
	<u>CAPITAL</u>			
90,086,689.00	Government Grant from Consolidated Fund		101,086,689.00	
3,814,835.00	Grant from International Development Association		3,814,835.00	
1,900,000.00	Grant from Tea Board		1,900,000.00	
7,950,000.00	Funds From Asian Development Bank		7,950,000.00	114,751,524.00
103,751,524.00				
	<u>DONATIONS</u>			
160,540.00	Foods and Agricultural Organization in 1979		160,540.00	
173,713.00	Foods and Agricultural Organization in 1980		173,713.00	
89,919.00	Foods and Agricultural Organization in 1981		89,919.00	
238,240.00	Foods and Agricultural Organization in 1982		238,240.00	
5,503.00	Mr. R.F. Ponnampereuma for Library Books		5,503.00	667,915.00
667,915.00				115,419,439.00
-	Capital Reserve (Revaluation of Motor Vehicles)			4,994,378.78
	<u>ACQUIREMENT</u>			
4,205,519.31	Ranjan Wijeratne Plantation Staff College - Regional Centre Bogawantalawa		4,205,519.31	
6,956,229.00	Regional Centre - Agalawatta		6,956,229.00	11,161,748.31
115,581,187.31				131,575,566.09
	<u>ADD/ (LESS)</u>			
(40,283,532.06)	Brought Forward Balance of Income and Expenditure A/C			(39,072,390.51)
75,297,655.25				92,503,175.58

2001	DESCRIPTION	NOTES	2002				Rs.
Rs.	<u>REPRESENTED BY</u> <u>FIXED ASSETS</u>	VI	COST	ADDITIONS/ (DISPOSALS)	ACCUMULATED DEPRECIATION	WRITTEN DOWN VALUE	
			Rs.	Rs.	Rs.	Rs.	
1,646,410.00	Lands (including improvements)		1,646,410.00	-	-	1,646,410.00	
52,585,052.47	Buildings		69,605,645.54	17,770,784.97	19,649,845.69	67,726,584.82	
243,023.97	Plant and Machinery		575,920.00	(7,123.34)	351,374.57	217,422.09	
7,168,861.90	Equipment		13,122,504.90	67,153.00	6,546,725.96	6,480,391.99	
				(162,539.95)			
2,184,371.91	Furniture		3,928,054.49	(53,750.00)	1,914,965.99	1,959,338.50	
2,703,618.34	Motor Vehicles		10,711,209.25	(10,707,636.75)	492,109.12	6,861,463.38	
				7,350,000.00			
1,650,028.30	Road, Water Supply, Electricity & Telephone		2,216,217.00	262,672.50	731,191.53	1,747,697.97	
1,195,106.30	Library Books		1,884,348.29	2,750.00	808,752.62	1,078,345.67	
485,439.66	Misc. Equipment (Office)		485,439.66	8,672.50	-	492,742.16	
				(1,370.00)			
503,392.43	Misc. Equipment (Hostel)		503,392.43	30,140.00	-	533,532.43	
70,365,305.28			104,679,141.56	14,559,752.93	30,494,965.48	88,743,929.01	88,743,929.01
1575000.00	Nirmana Consultants - Constructions at Agalawatte					-	
2924965.75	Mobilization Advance - Constructions at Agalawatte					-	
35,262.26	Savings Account (A/C 1-001296-6) Membership Fees					320,655.20	
48,872.70	Security Deposits	VII				51,847.10	
79,475.00	Deposits	VIII				79,475.00	451,977.30
4,663,575.71							89,195,906.31

DETAILED EXPENDITURE

2001	DESCRIPTION	200
		RWPSC
Rs.	PERSONAL EMOLUMENTS	Rs.
6,501,495.71	Salaries	241,595.87
1,134,154.81	Special Allowances	-
148,262.32	Over Time	-
70,235.96	Holiday Pay	-
169,932.52	Lecture Fees for Institute's Staff	-
317,875.40	Daily Paid Wages	110,662.55
58,493.38	Chairman's Remuneration	-
646,926.16	Contributions for Medical Aid Scheme	-
-	Allowances - Telephone	-
-	Allowances - Fuel	-
4,388.85	Memberships, Subscriptions to Foreign/ Local Organizations	-
6,000.00	Internal Auditor's Allowance	-
9,057,765.11		352,258.42
	TRAVELLING EXPENSES	
414,399.09	Travelling and Subsistence (Local)	-
-	Travelling and Subsistence (Overseas)	-
414,399.09		-
	SUPPLIES AND OFFICE REQUISITES	
748,309.38	Printing Materials	-
589,200.84	Printing Papers	-
444,431.91	Stationery & Office Requisites	-
23,420.28	Consumables	-
832,844.29	Fuel and Lubricant	-
95,501.67	Periodicals & News Papers	-
73,932.50	Uniforms	-
427,336.27	Institute's Publications	-
-	Computer Software Package	-
-	Printing work done by outside printers	-
3,234,977.14		-
	REPAIRS & MAINTENANCE OF FIXED ASSETS	
13,345.00	Plant and Machinery	-
154,459.95	Buildings	6,675.75
318,048.24	Equipment	-
-	Furniture and Fittings	-
1,645,564.90	Motor Vehicles	-
19,134.69	Road, Water Supply, Electricity & Telephone	-
2,150,552.78		6,675.75
	TRANSPORTATION, COMMUNICATION, UTILITY AND OTHER SERVICES	
539,348.41	Telephone	49,612.50
17,839.84	Internet Charges	-
83,291.00	Postage	-
661,985.58	Electricity	240,702.32
263,412.75	Insurance (Buildings, Vehicles, Cash, etc.)	2,468.94
550,077.21	Security Service	-
100,000.00	Audit Fees (External)	-
-	Motor vans hiring charges	-
22,650.00	Legal Fees	-
8,244.50	Bank Charges	-
10,764.00	Stamp Duty	-
2,257,613.29		292,783.76

DETAILED EXPENDITURE

2001	DESCRIPTION	200
		RWPSC
Rs.		Rs.
	CONTRIBUTIONS, CREDITS AND SUBSIDIES	
49,640.00	Inservice Training	-
126,254.25	Staff Welfare (liquid tea)	-
175,894.25		-
	RETIREMENT BENEFITS AND GRATUITIES	
184,650.39	Contribution for E.T.F.	-
741,532.99	Contribution for E.P.F.	-
810,716.25	Provisions for Gratuity	-
-	Compensation	-
1,736,899.63		-
	MEDIA, ADVERTISING AND PUBLICITY	
244,029.66	Advertising Expenses	-
15,803.00	Entertainments	-
259,832.66		-
	TRAINING EXPENSES	
1,948,499.10	Lecture Fees for Visiting Staff	-
20,050.00	Fees to the Committees relating to Training Activities	-
1,860,210.25	Meals & Accommodations for Trainees	584,936.95
111,014.84	Laundering Linen	3,719.25
-	Library Facilities - British Council	-
195,881.90	Sundry Training Expenses	-
4,135,656.09		588,656.20
	MISCELLANEOUS EXPENDITURE	
31,500.00	Allowances for the Board of Governors	-
5,050.00	Allowances for Other Committees	-
7,200.00	Allowances for the Committee of Medical Aid Scheme	-
36,308.00	Garden up keep	-
2,986.50	Losses or Damages	-
61,891.36	Others	-
144,935.86		-
853212.82	MEALS AND ACCOMADATIONS - OUTSIDE TRAINING PROGRAMMES	402,067.46
4,809,095.19	DEPRECIATION ON FIXED ASSETS - (NOTE VI)	

02
TOTAL
Rs.
6,425,567.79
1,742,258.82
136,699.96
60,896.00
209,750.00
119,962.55
71,495.00
667,770.78
16,200.00
64,145.00
1,703.00
-
9,516,448.90
412,783.44
-
412,783.44
551,555.00
303,368.75
363,555.45
25,151.50
690,920.68
51,579.02
31,330.00
37,955.29
25,000.00
30,750.00
2,111,165.69
3,915.00
108,431.00
466,980.52
-
850,083.79
4,838.75
1,434,249.06
617,528.69
14,710.74
94,080.26
950,173.08
305,976.87
578,824.02
100,000.00
72,379.70
42,495.00
3,982.50
3,508.00
2,783,658.86

02
TOTAL
Rs.
1,500.00
120,319.00
121,819.00
181,193.65
734,157.66
354,113.25
25,000.00
1,294,464.56
150,247.69
10,409.00
160,656.69
1,479,885.83
22,012.00
1,781,027.95
30,484.05
7,500.00
322,261.04
3,643,170.87
38,500.00
700.00
8,900.00
33,320.00
40,340.59
63,679.18
185,439.77
1,278,174.76
4,704,343.21

NATIONAL INSTITUTE OF PLANTATION MANAGEMENT

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2002

2001	DESCRIPTION	NOTES	2002	
			RWSPC	TOTAL
Rs.			Rs.	Rs.
	<u>INCOME</u>			
4,918,100.00	Government grant for Recurrent Expenditure		-	9,650,000.00
2,390,687.50	Academic, Professional and Special Programmes	I	35,275.00	3,163,668.50
305,900.00	Business/Technical Development Training Programmes	II	-	186,125.00
303,500.00	Skill Development Training Programmes	III	557,500.00	1,374,250.00
2,264,872.00	Worker Skill Development Training Programmes		-	1,384,650.00
737,097.90	Contribution of Tea Development Project		-	2,200,000.00
365,708.00	Sales of Institute's Publications		-	140,936.00
1,823,657.25	Hiring Out Residential Facilities to Outside Organizations		775,770.00	2,599,418.00
173,911.50	Providing Meals and Accommodations to the Participants of Internal Training Programmes		-	346,872.00
72,585.80	Income from External Activities (Examinations etc)		-	8,120.00
2,153.00	Income from Garden Produce		-	2,712.00
281,418.20	Sundry Income	IV		297,513.44
50,219.82	Membership Fees			26,970.94
2,189,326.85	Special Programmes (not budgeted)	V	748,700.00	2,824,352.00
-	Reimbursement of Income from Tea Development Project			2,718,213.00
-	Induction Course for Planter Trainees		-	1,741,000.00
-	Income from Outside Printing Activities		-	82,736.00
-	Profit on sales of Miscellaneous Equipment		-	7,537.78
15,879,137.82			2,117,245.00	28,755,074.66
	<u>EXPENDITURE</u>			
9,057,765.11	Personal Emoluments		352,258.42	9,516,448.90
414,399.09	Travelling & Subsistence		-	412,783.44
3,234,977.14	Supplies and Office Requisites		-	2,111,165.69
2,150,552.78	Repairs and Maintenance of Fixed Assets		6,675.75	1,434,249.06
2,257,613.29	Transportation, Communication, Utility and Other Services		292,783.76	2,783,658.86
175,894.25	Contributions, Credits, Subsidies		-	121,819.00
1,736,899.63	Retirement Benefits and Gratuities		-	1,294,464.56
259,832.66	Media, Advertising and Publicity		-	160,656.69
4,135,656.09	Training Expenses		588,656.20	3,643,170.87
144,935.86	Miscellaneous Expenditure		-	185,439.77
853,212.82	Meals and Accommodations - Outside Training Programmes		402,067.46	1,278,174.76
4,809,095.19	Depreciation on Fixed Assets		-	4,704,343.21
29,230,833.91			1,642,441.59	27,646,374.81
(13,351,696.09)	Excess over (Expenditure) / Income			1,108,699.85
(26,634,317.98)	Brought Forward Balance			(40,283,532.06)
(297,517.99)	Add/(Less) - Adjustments in Respect of the Previous Year			102,441.70
(40,283,532.06)	Total Excess over (Expenditure) / Income			(39,072,390.51)

B.M. Somasiri
Senior Accountant

Nimal K. Bandara
Director

K.A.S. Gunasekara
Chairman

NOTE - VI
SCHEDULE OF FIXED ASSETS AS AT 31.12.2002

Description	Value as at 01.01.2002	Additions	Disposals	Total as at 31.12.2002	Accumulated Depreciation as at 01.01.2002	Depreciation for the year	Depreciation for Disposals	Accumulated Depreciation as at 31.12.2002	W.D.V as at 31.12.2002
Lands (Including Improvements)	1,646,410.00	-	-	1,646,410.00	-	-	-	-	1,646,410.00
Buildings	69,605,645.54	17,770,784.97	-	87,376,430.51	17,020,593.07	2,629,252.62	-	19,649,845.69	67,726,584.82
Plant and Machinery	575,920.00	-	7,123.34	568,796.66	332,896.03	23,590.00	5,111.46	351,374.57	217,422.09
Equipment	13,122,504.90	67,153.00	162,539.95	13,027,117.95	5,953,643.00	700,632.20	107,549.24	6,546,725.96	6,480,391.99
Furniture	3,928,054.49	-	53,750.00	3,874,304.49	1,743,682.58	213,062.19	41,778.78	1,914,965.99	1,959,338.50
Motor Vehicles	10,711,209.25	7,350,000.00	10,707,636.75	7,353,572.50	7,998,640.91	853,292.74	8,359,824.53	492,109.12	6,861,463.38
Road, Water Supply, Electricity & Telephone	2,216,217.00	262,672.50	-	2,478,889.50	566,188.70	165,002.83	-	731,191.53	1,747,697.97
Library Books	1,884,348.29	2,750.00	-	1,887,098.29	689,241.99	119,510.63	-	808,752.62	1,078,345.67
Misc. Equipment (Office)	485,439.66	8,672.50	1,370.00	492,742.16	-	-	-	-	492,742.16
Misc. Equipment (Hostel)	503,392.43	30,140.00	-	533,532.43	-	-	-	-	533,532.43
Total	104,679,141.56	25,492,172.97	10,932,420.04	119,238,894.49	34,304,886.28	4,704,343.21	8,514,264.01	30,494,965.48	88,743,929.01

**REPORT TO BE SUBMITTED WITH ACCOUNTS IN TERMS OF SECTION 13(5)(B)
OF THE FINANCE ACT, NO. 38 OF 1971**

1. Balance Sheet	Yes	No	Any other short answer
<i>1.1. Verification of the existence of physical assets (land, buildings, plant, machinery, stores, etc.)</i>			
1. Was a physical verification of all the physical assets carried out as at date of the Balance Sheet?	Yes		
2. Where no physical verification was carried out as at the date of the Balance Sheet, were the assets verified on a staggered or continuous basis?		No	
3. Are schedules showing book quantities, physically verified quantities, variations, action taken with regard to variations in respect of the verifications carried out, available for audit examination?	Yes		
4. Give a summary of the position with regard to physical verification as shown in Annex 1. Annex 1 duly completed is submitted herewith.	-	-	Submitted
<i>1.2. Confirmation of money assets (Bank balances, petty cash balances, debtors, advances, deposits, investments, etc.)</i>			
1. Were custodians required to confirm the balances of the money assets as at the Balance Sheet date?	Yes		

	Yes	No	Any other short answer
2. If no confirmations were called for as at the Balance Sheet, were confirmations called for as at any other date during the year?	-		
3. Are the confirmations received available for audit examination?	Yes		
1.3. <i>Confirmation of liabilities (all liabilities including capital and current liabilities)</i>			
1. Were letters sent out calling for confirmation of liabilities as at the Balance Sheet date?	Yes		
2. If no confirmation were called for as at the Balance Sheet date, were confirmations called for as at any other date during the year?	-		
3. Are the confirmations received available for audit examination?	Yes		
1.4. <i>Legal position with regard to assets and liabilities</i>			
1. Are all the assets shown in the Balance Sheet owned by the Corporation?	Yes		
2. If the legal position with regard to the ownership of any assets shown on the Balance Sheet is not clear, give particulars of such assets in a separate Schedule. A schedule is annexed.	-	-	
3. Does legal liability exist in respect of each liability shown in the Balance Sheet?	-	-	

	Yes	No	Any other short answer
4. If the legal position with regard to any liability is not clear, give particulars of such liability in a separate schedule. A schedule is annexed.	-	-	
5. Are there any assets or liabilities legally determined but which have not been disclosed on the Balance Sheet?	-	-	
If so, give particulars of such assets and liabilities in a separate schedule. The schedule is annexed.	-	-	

1.5. *Valuation of Assets*

1. Statements showing particulars of the valuation of fixed assets, stocks, etc., should be prepared in the form shown in Annex 2. The relevant statements are submitted herewith.	Yes		
2. Has there been any change in the basis of valuation of any type of asset during the year as compared to the basis adopted during the previous year?	-	No	
3. If there has been any such change in the basis of valuation of assets, particulars of such assets and changes should be given in the form shown in Annex 3. Annex 3 duly completed is annexed.	-	-	
4. In the valuation of any assets have the following charges been included? (a) Financing charges (b) FEECs	-	-	

	Yes	No	Any other short answer
5. In the valuation of any asset, has any indirect cost been charged on the basis of any apportionment?	-	-	
6. Where the value of any asset has been estimated, give particulars of such assets, the basis of estimating and the reasons therefore in a separate schedule. Such schedule is annexed.	-	-	
7. Is the work in progress determined on the basis of works certified?	-	-	
8. Has any advance payment to contractors been treated as work in progress without work certificates?	-	-	
9. Are all the retention moneys due to contractors shown separately under liabilities?	-	-	
1.6. <i>Valuation and computations of liabilities and provisions</i>			
1. Has there been any change on the basis of computation or valuation of any liabilities or provisions including provisions for depreciation, bad debts, obsolescence, etc., during the year as compared to the basis adopted in the previous year?	-	No	
2. Give particulars of such liabilities, provisions and the changes in the basis of computation and valuation in the form shown in Annex 4. Annex 4 duly completed is submitted herewith.	-	-	

	Yes	No	Any other short answer
1.7. Trial Balance			
1. If the Trial Balance has not been agreed, what is the difference?	-	-	Agreed
1.8. Control Accounts			
1. Give in the form shown in Annex 5 particulars of control accounts maintained and the difference, if any, between the control accounts balances and the detailed subsidiary ledger balances. The form duly completed is annexed.	-	-	
1.9. Bank Reconciliation			
1. Has the Bank Reconciliation as at the date of the Balance Sheet been prepared?	Yes		
2. Have all debits and credits made direct by the Bank been incorporated in the Cash Book in arriving at the Cash Book Balance shown in the reconciliation?	Yes		
3. Are there payments which are outstanding for six months or more awaiting debit by the Bank?	-	No	
4. Are there any credits outstanding more than one week recorded in the Cash Book but not credited by the Bank?	-	No	
5. Give particulars of the debits and credits referred to in 3 and 4 above in a separate schedule. The schedule is submitted herewith.	-	-	

	Yes	No	Any other short answer
1.10. Suspense Accounts			
1. Are there any debit accounts or credit accounts appearing in the Balance Sheet which accommodate unidentified items and which await reconciliation and clearing?	-	No	
Give particulars of such accounts in the form shown in Annex 6. Annex 6 duly completed and submitted herewith.	-	-	

2. Trading, Manufacturing, Profit and Loss Accounts

2.1. Basis of Accounting

1. Are all revenues and incomes treated on accrual basis?	Yes		
2. Are all expenditures treated on an accrual basis?	Yes		
3. Where any item of income or expenditure is not accounted for on an accrual basis, give particulars of such items and reasons for such procedure in a separate schedule. The schedule is annexed.	-	-	
4. Was there any other change in the basis of accounting of revenue and expenditure during the year under review as compared with the previous year?	-	No	

	Yes	No	Any other short answer
5. Where a change in the basis of accounting has occurred give particulars of such changes and the effect of such changes on the financial results of the year in the Form shown in Annex 8. The Form duly completed is annexed.	-	-	
<i>2.2. Matching the revenue with expenditure</i>			
1. Have all expenses incurred in the earning of revenue been charged against revenue?	Yes		
2. Has any item of expenditure been omitted?	-	No	
3. Has any item of revenue been omitted?	-	No	
4. If any item or revenue or expenditure had been omitted give particulars of such items and the reasons therefore in a separate schedule. The schedule is annexed.	-	-	
<i>2.3. Exceptional Items</i>			
1. Are there any item of revenue of a non-recurring nature or which are unusual or exceptional? What is the total of such items?	-	No	
2. Are there any items of expenditure of a non-recurring nature or which are unusual or exceptional? What is the total of such items?	-	No	
3. What would be the profit or loss for the year under review exclusive of the exceptional items referred to above?	-	-	

	Yes	No	Any other short answer
2.4. <i>Estimates and Apportionments</i>			
1. Has any item of revenue or expenditure or any part thereof been brought into account on an estimated basis?	-	No	
2. Does any item of revenue or expenditure include transfers from other accounts on any basis of apportionment?	-	No	
3. Where any estimates or apportionments have arisen give particulars of such estimates and apportionments, the reason for estimating and apportioning and the basis of estimating and apportioning in a separate schedule. The schedule is annexed.	-	-	
2.5. <i>Capital and Revenue Expenditure</i>			
1. Does expenditure charged against income include any items, the benefit of which may extend beyond the period of the accounts?	-	No	
2. Has any expenditure which are directly associated with stocks, stores or fixed assets including financial charges, charged separately in the Profit and Loss Account without being included in the cost of the assets concerned?	-	No	
3. Has interest, rebates, discounts and financial charges relating to acquisition of fixed assets been brought to account in the Profit and Loss Account?	-	No	

	Yes	No	Any other short answer
2.6. Variations in Profit and Loss Items			
1. Give particulars of the variations in items shown in the Profit and Loss Accounts as compared to the previous year in the Form shown in Annex 9. Annex 9 duly completed is submitted herewith.	-	-	Submitted
2.7. Appropriations			
1. Have the appropriations of profits upto the previous Balance Sheet date been approved in accordance with the provisions of the Finance Act, No. 38 of 1971?	Yes		
2. Are the proposed appropriations of the current year's profits approved in accordance with the provisions of the Finance Act?	Yes		
3. Has application been made to the Ministry in charge for the necessary approval of appropriations of surpluses in accordance with the provisions of the Finance Act, No. 38 of 1971?	-	-	
4. Have all compulsory contributions to the Consolidated Fund been charged in arriving at the net surplus available for appropriations?	Yes		

	Yes	No	Any other short answer
2.8. <i>Variations compared to Budget</i>			
1. Explain all the major variations between the items in the accounts for the current period with those of the budget in the form shown in Annex 10. The form duly completed is submitted herewith.	-	-	Explanations appeared in Annex 10
2. Explain the variations between budgeted output volume and actual output volume in the form shown in Annex 10. The form duly completed is submitted herewith.	-	-	Explained in Annex 10

3. Procedures

1. Have written instructions or manuals been prepared in respect of the following subjects?			
(a) Purchasing	Yes		
(b) Sales	Yes		
(c) Receipts	Yes		
(d) Payments	Yes		
(e) Inventory control	Yes		
(f) Budgeting	Yes		
(g) Capital expenditure control	Yes		
(h) Security and maintenance of assets	Yes		
(i) Payrolls	Yes		
(j) Foreign exchange allocations	-		
(k) FEECs	-		
2. Have control accounts been maintained in the general ledger in respect of the following?			
(a) Fixed assets	-	No	
(b) Stocks	Yes		
(c) Trade debtors	-	No	
(d) Employee debtors	Yes		
(e) Trade creditors	-	No	

	Yes	No	Any other short answer
(f) Deposits receivable	-	No	
(g) Deposits payable	-	No	
(h) Others (with details)	-	-	
3. Has an internal audit been in operation?	Yes		
4. Is there numerical control on all important documents supporting original entries in the accounts such as purchase orders, payment vouchers, sales invoices, cash receipts, goods receipts, goods issue orders, etc.?	Yes		
4. Compliance with Laws, Regulations, etc.			
1. Have all income tax returns required to be rendered been rendered?	-	-	Not applicable
2. Is payment of income tax in arrears?	-	-	Not applicable
3. Have all amounts due in respect of Business Turnover Tax been paid promptly?	-	-	Not applicable
4. Have any fines been imposed for non-payment of inland revenue taxes?	-	-	Not applicable
5. Have provisions of the Shop and Office Employees' Act been complied with?	Yes		
6. In entering into contracts involving foreign exchange has the necessary approvals been obtained from the Central Bank, Exchange Control, Ministry of Planning and other authorities?	-	-	

	Yes	No	Any other short answer
7. Are there any Board decisions which have not been implemented?	-	No	
8. Are there any Directives from the Cabinet, the Ministry or the Treasury, which have not been complied with?	-	No	
9. Are all the provisions in Finance Act, No. 38 of 1971, being complied with? Indicate the numbers of the sections.	Yes	-	

5. Losses

1. Details of losses detected and experienced during the year should be given in the form shown in Annex 11. The form duly completed is submitted herewith.

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6. Idle Resources

1. Is there any plant, machinery or equipment which is ready for operation but not in operation?
2. Is there any plant, machinery or equipment which is under utilized?
3. Are there any surplus, redundant or obsolete assets awaiting disposal?
4. Are there any items of plant, machinery, etc., awaiting installation?
5. Particulars of idle resources should be given in the form shown in Annex 12. The form duly completed is submitted herewith.

-	No
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-	No
---	----

Yes	-	Action was taken
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-	No
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-	-
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	Yes	No	Any other short answer
7. Commitments and Contracts			
1. Were any contracts entered into in respect of which any Director of the Corporation had any interest? If so, did the Directors declare their interests?	-	No	
2. Were any contracts entered into with foreign suppliers or buyers?	-	No	
3. Were any contracts awarded to parties other than the lowest in case of a purchase or highest in case of a sale?	-	No	
4. In evaluating the contracts were the following factors taken into consideration? (a) Foreign exchange costs (b) Credit terms	-	-	
5. Were there any contracts for purchases or capital expenditure in respect of which the final cost of the work done exceeded the value of the original contract?	-	No	
6. Was any additional work awarded to any contractor or supplier after the award of the original contract without calling for tenders or quotations. If so, what is the value of the work awarded?	-	No	
7. Were there any contracts in respect of which the date of completion had to be extended beyond the originally agreed date?	-	No	
8. Were there any contracts which were abandoned by the contractor?	-	No	

	Yes	No	Any other short answer
9. Were there any contracts awarded to any party without calling for quotations or tenders?	-	No	
10. Were there any contractors or suppliers who defaulted the terms of the contract?	-	No	
11. Did any disputes arise with any contractor during the period under review?	-	No	
12. Are there any penalties or fines recoverable from contractors, suppliers and buyers?	-	No	
13. Particulars of the contracts awarded during the year should be given in the form shown in Annex 13. The form duly completed is submitted herewith.	-	-	

8. Projects in Progress

1. Particulars with regard to capital projects in progress should be given in the form shown in Annex 14. The form duly completed is submitted herewith.	-	-	Submitted
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9. Write-offs

1. Are any amounts written off during the year in respect of the following?			
(a) Debtors for sales,	-	No	
(b) Debts due from employees,	-	No	
(c) Debts due from contractors and suppliers,	-	No	
(d) Debts due from other parties.	-	No	

	Yes	No	Any other short answer
Give particulars of amounts written-off in the form shown in Annex 15. The form duly completed is submitted herewith.	-	-	

10. Information to Board

1. Is regular information submitted to the Board in respect of the following matters?

- | | | | |
|---|-----|---|--|
| (a) Inventories of all classes of stocks, | Yes | - | |
| (b) Debtors, | Yes | - | |
| (c) Capital projects, | Yes | - | |
| (d) Cost statements and Profit and Loss Accounts relating to manufacture, services and sales, | Yes | - | |
| (e) Variations of actuals against budget, | Yes | - | |
| (f) Cash forecasts. | Yes | - | |

What other information is submitted regularly to the Board?

Income & Expenditure Statement
(monthly)

Give particulars of the information regularly submitted to the Board in the form shown in Annex 16. The form duly completed is submitted herewith.

NOTES TO THE ACCOUNTS

NOTE (I)

ACADEMIC, PROFESSIONAL AND SPECIAL PROGRAMMES

	Rs.
National Diploma in Plantation Management (DDC-01)	619,750.00
Tea Manufacture and Factory Management (NCC-03)	100,000.00
Accounting and Financial Management (CC-01)	827,443.50
Book-Keeping and Plantation Accounting (CC-02)	627,625.00
Tea Manufacture and Factory Practices Examination (PE-01)	916,350.00
Language Proficiency Examination (PE-04)	72,500.00
	<u>3,163,668.50</u>

NOTE (II)

BUSINESS/TECHNICAL DEVELOPMENT TRAINING PROGRAMMES

	Rs.
Effective Budgeting and Budgetary Control Methods (EDP - 10)	55,000.00
Record and Prepare Accounting statements (EOS - 01)	76,875.00
Produce reports for Budgetary control (EOS - 03)	54,250.00
	<u>186,125.00</u>

NOTE (III)

SKILL DEVELOPMENT TRAINING PROGRAMMES

	Rs.
Skill Development Training programmes for Tea Field Officers (SDP-01)	557,000.00
Skill Development Training programmes for Rubber Field Officers (SDP-02)	108,000.00
Skill Development Training programmes for Tea Factory Officers (SDP-03)	337,500.00
Skill Development Training programmes for Estate Chief Clerk	68,000.00
Skill Development Training programmes for Estate Office Clerk	303,750.00
	<u>1,374,250.00</u>

NOTE (IV)

SUNDRY INCOME

	Rs.
Registration fees for Training Courses and Programmes	86,854.60
Application Fees - Registration of Suppliers	7,450.00
House Rent charged from the Staff	75,459.87
Transport charged from the Staff	19,463.20
Telephone charged from the Staff	2,140.14
Staff Loan interest	52,789.63
Tender Deposits	28,000.00
Room rent charged from RWPSC employees	3,075.00
Sales of Past Papers	8,750.00
Sales of disposal items	13,531.00
	<u>297,513.44</u>

NOTE (V)

SPECIAL PROGRAMMES (NOT BUDGETED)

	Rs.
Application of 5S system to the Plantation Management (Kegalle Plantations Ltd.)	5,000.00
Tea Manufacture for Managers and Asst. Managers (Bogawantalawa Plantations Ltd.)	29,750.00
Tea Manufacture for Tea Factory Officers (Bogawantalawa Plantations Ltd)	32,000.00
Programme on Tea Manufacture (Talawakelle Plantations Ltd.)	11,952.00
Development in quality Tea manufacture for PDs & SDs (Malwatta Valley Plantations Ltd.)	39,600.00
Application for 5S system for PDs & SDs (Malwatta Valley Plantations Ltd.)	39,600.00
Management of Conflict & Grievance for PDs & SDs (Malwatta Valley Plantations Ltd.)	39,600.00
Agronomy Practices in Tea Cultivation (Malwatta Valley Plantations Ltd.)	4,000.00
Hazard Analysis & critical control points system to factory staff (Talawakelle Plantations Ltd.)	80,000.00
Tea Manufacture for Tea Factory Officers (Bogawantalawa Plantations Ltd.)	29,000.00
Elements of Tea Manufacture and Machinery Maintenance (Malwatta Valley Plantations Ltd.)	147,500.00
Social and Community Issues Alcoholism & Saving Habits - (Madulsima Plantations Ltd.)	108,600.00
Programme for Tea Factory Officers and Field Staff (Hapugastenna Plantations Ltd.)	140,000.00
Tea Manufacture for factory workers (Bogawantalawa Plantations Ltd.)	208,000.00
Efficiency Enhancement of Estate Office Staff - 8 programmes (Kotagala Plantations Ltd.)	435,000.00
Alcoholism & Saving Habits (Kotagala Plantations Ltd.)	77,400.00
Scientific Tea Plucking & Leaf Transportation (Kotagala Plantations Ltd.)	64,500.00
Efficiency Enhancement of Tea Factory Operators (Talawakelle Plantations Ltd.)	70,650.00
Agronomy & Management Skill Development (Talawakelle Plantations Ltd.)	75,000.00
Programme on Tapping (Agalawatta Plantations Ltd.)	297,300.00
Programme on Rubber Processing (Agalawatta Plantations Ltd.)	10,800.00
Worker Development for Field staff (Agalawatta Plantations Ltd.)	73,800.00
Programme on Book-keeping (Agalawatta Plantations Ltd.)	45,000.00
Programme on Plucking(Agalawatta Plantations Ltd.)	54,300.00
Tea Agronomy and Methods of handling rush crop (Watawala Plantations Ltd.)	43,400.00
Scientific Tea Plucking & Fertilizer application (Watawala Plantations Ltd.)	31,450.00
Skill based Computer Applications and Management Information (Horana Plantations Ltd.)	164,800.00
Training programme for Tea Field Officers (Horana Plantations Ltd.)	60,750.00
Efficiency Enhancement of Tea Factory Operators (Balangoda Plantations Ltd.)	375,900.00
Special Training programme for the Officers attached to Tea Promotion Division of Tea Board	29,700.00
	<u>2,824,352.00</u>