

SUMMARY OF COUNTRY WISE TEA EX

Country	Bulk Kilograms	Packeted Kilograms	Tea Bags Kilograms	Instant Tea Kilograms	Green Tea Kilograms
1 Russia	32,365,148	14,551,387	3,049,399		322,626
2 U. A. E.	22,158,876	6,576,732	398,283		33,733
3 Syria	22,813,369	6,795,430	522,766		1,525
4 Iraq	17,094,342	612,405	8,000		
5 Turkey	9,839,504	1,770,650	90,675		17,256
6 Iran	7,582,751	7,004,433	12,040		334
7 Saudi Arabia	6,986,328	2,429,409	601,839		48,148
8 Jordan	3,046,714	4,281,503	876,441		5,625
9 Ukraine	4,013,005	2,009,099	888,060		94,169
10 United Kingdom	7,263,690	70,802	21,829	82,560	29,373
11 Japan	6,426,249	55,042	598,793	29,175	2,253
12 Tunisia	6,293,420				
13 Chile	6,174,930	61,544	14,853		746
14 Finland	2,598,058	2,975,798	538,722	96	9,774
15 Germany F. R.	4,663,860	583,992	96,134	115,265	23,505
16 Libya		5,395,420	68,523		720
17 Hongkong	2,963,494	574,955	76,493	23,905	504
18 Netherlands (H)	1,010,173	2,364,329	162,642		15,284
19 U. S. A.	2,030,729	338,937	300,878	127,920	72,590
20 Pakistan	3,134,918	24,478			
21 Australia	730,279	433,783	1,883,839	3,360	14,169
22 Kuwait	1,033,454	1,529,639	355,956		3,975
23 Israel	1,651,768	859,595	95,162		2,775
24 Greece	1,077,352	1,360,681	68,858		14,595
25 Azerbaijan	1,478,553	232,561	2,562		
26 Lebanon	771,672	966,245	106,663		742
27 Poland	723,314	91,437	799,317		630
28 Italy	1,390,568	35,354	33,267	108,516	23,884
29 Uzbekistan	914,280	392,590	23,900		672
30 South Africa	1,324,700	27,026	20,663		
31 France	225,944	767,451	186,943	13,760	33,417
32 Taiwan	815,204	9,445	135,174	34,650	186,867
33 Canada	996,651	46,653	50,773	920	5,677
34 Egypt	204,360	786,390	64,205		480
35 Ireland	380,517	17,515	3,483	652,000	2
36 New Zealand	343,420	99,391	395,302		1,308
37 Kazakhstan	537,900	165,452	82,633		1,509
38 India Republic	774,757	2,695	11,649	7,350	31,500
39 Croatia	664,320	136,110			
40 Liberia		735,024	4,848		
41 Singapore	466,548	53,817	57,045	1,860	1,981
42 Kyrgyzstan	478,975	30,800	2,345		350
43 Lithuania	56,750	177,893	118,412		150
44 Latvia	81,058	158,148	33,588		10,557

45	Fiji Island	340,375	31,449	25,045	240	10
46	Sweden	58,140	208,497	20,268		108
47	Indonesia	262,279			36,115	
48	Belarus	83,070	100,939	24,790		3,182
49	Malaysia	236,739	2,383	14,660	3,125	456
50	Denmark	104,890	42,983	67,753		5,673
51	Yemen		216,007	15,175		604
52	Maldive Island	80,341	17,808	105,098		3,928
53	Afghanistan	211,200	108			
54	China (People	131,771	11,804	14,330	8,848	1,512
55	Korea (South)	141,590	25,183	7,190		3
56	Moldove		62,603	50,019		575
57	Bahrain	33,120	62,199	35,007		550
58	Qatar	49,500	65,084	18,108		649
59	Czechoslovakia	68,166	454	27,411		27
60	Oman	59,784	26,959	31,265		

SUMMARY OF COUNTRY WISE TEA EX

Country		Bulk Kilograms	Packeted Kilograms	Tea Bags Kilograms	Instant Tea Kilograms	Green Tea Kilograms
61	Uruguay	113,690		4,608		
62	Guinea	4,560	260	110,213		
63	Hungary	110,760				133
64	Ivory Coast	26,250		77,654		
65	Cyprus	26,707	32,553	29,175		74
66	Spain	26,078	13,906	14,098		16,050
67	Estonia		70,675	5,482		1,180
68	Gambia/Marutania		8,640	74,906		
69	Belgium	200	20,986	53,687		416
70	Angola			73,946		
71	Macau	59,253	10,782	1,620		
72	Norway		55,404	7,059		1,315
73	Palastine	53,200	6,000	7,128		
74	Balgeria		52,150	13,715		
75	Phillippines Is	23,030	33,178	8,042		1,145
76	Australia	30,556	9,948	13,744		400
77	Algeria	8,600	46,860	2,160		
78	Kenya	15,400			40,176	
79	Armania		12,930	22,685		859
80	Thailand	35,530	1,485	7,456		438
81	Seychelles	49,940				
82	Morocco	9,800	25,700	11,034		
83	Grogia		2,175	36,825		
84	Vietnam			1,209	8,520	
85	Switzerland	32,807	273	7,186		513
86	Togo			39,102		

87	Turkmenistan	6,032	3,528	1,324		
88	Ghana		35	35,833		
89	Mali		808	34,029	174	
90	Argentina	24,640				
91	Sierra Leone			22,188		
92	Fork Island	21,881				
93	Surinam		1,500	17,480		
94	Bolivia		14,514	3,186		
95	Senagal			17,676		
96	Rumania		5,090	9,371	1	
97	Solvania		13,000			
98	Mongola		1,300	3,482	688	
99	Trenendad			7,890		
100	Bangladesh	9,000				
101	Netherlands Antillers			8,640		
102	Jamaica			2,508		
103	Brunei			5,750	237	
104	Uganda			6,019		
105	Congo			5,904		
106	Nigeria			4,888		
107	Cuba		1,595	680		
108	Aruba			3,096		
109	Mauritius	3,000				
110	Panama			2,700		
111	Bhamars			213		
112	Iceland		2,521			
113	Barbados			2,280		
114	Brazil					
115	Bellize		150	887		
116	Yugoslavia			216		
117	Malta			439		
118	America Samoa			214		
119	Ethiopia			274		
120	Republic of Dijibonts					
121	Slovakia		42		10	
122	Portugal					
123	Reunion		11		3	
124	Madagascar	4	1			
Total		188,133,785	68,914,500	14,138,977	1,298,361	1,054,318

PORTS - 2002

Others Kilograms	Total Kilograms	Value SL Rs.	FOB Rs./Kg.
3,490,843	53,779,403	10,916,573,816	202.99
1,736,238	30,903,862	6,821,512,800	220.73
11,968	30,145,058	6,046,357,463	200.58
22,440	17,737,187	2,171,153,442	122.41
4,569,169	16,287,254	3,832,672,958	235.32
263,979	14,863,537	3,160,405,536	212.63
37,884	10,103,608	2,110,016,838	208.84
60,984	8,271,267	2,025,336,031	244.86
872,086	7,876,419	2,104,384,278	267.18
98,441	7,566,695	1,418,683,131	187.49
126,396	7,237,908	1,896,059,415	261.96
19,380	6,312,800	895,184,438	141.80
26,384	6,278,457	838,832,326	133.60
31,309	6,153,757	1,471,211,576	239.08
108,576	5,591,332	1,183,284,926	211.63
5,359	5,470,022	969,540,349	177.25
4,210	3,643,561	837,825,358	229.95
31,591	3,584,019	653,538,219	182.35
382,611	3,253,665	1,100,777,521	338.32
1,480	3,160,876	517,310,599	163.66
89,677	3,155,107	1,442,796,654	457.29
29,614	2,952,638	646,224,393	218.86
1,765	2,611,065	520,883,837	199.49
5,592	2,527,078	390,008,933	154.33
465,731	2,179,407	502,199,479	230.43
4,822	1,850,144	370,070,287	200.02
145,666	1,760,364	589,283,825	334.75
61,059	1,652,648	436,552,791	264.15
58,704	1,390,146	259,942,016	186.99
7,767	1,380,156	272,559,327	197.48
76,021	1,303,536	347,950,496	266.93
12,270	1,193,610	343,651,758	287.91
74,966	1,175,640	319,934,717	272.14
10,011	1,065,446	217,719,951	204.35
750	1,054,267	466,168,160	442.17
19,251	858,672	263,808,265	307.23
70,232	857,726	198,188,348	231.06
3,529	831,480	104,422,749	125.59
	800,430	118,098,199	147.54
	739,872	123,373,551	166.75
18,233	599,484	144,975,236	241.83
45,925	558,395	105,706,613	189.30
120,031	473,236	241,913,966	511.19
121,634	404,985	112,023,937	276.61

504	397,623	80,726,076	203.02
72,827	359,840	104,662,131	290.86
	298,394	82,753,662	277.33
71,923	283,904	76,103,114	268.06
5,932	263,295	56,023,658	212.78
12,057	233,356	93,807,098	401.99
437	232,223	48,088,931	207.08
7,406	214,581	79,739,068	371.60
	211,308	24,547,732	116.17
11,519	179,784	58,841,509	327.29
2,794	176,760	41,450,912	234.50
25,598	138,795	51,330,152	369.83
3,402	134,278	44,557,075	331.83
48	133,389	27,448,932	205.78
30,898	126,956	36,680,753	288.92
543	118,551	31,319,841	264.19

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PORTS - 2002

Others Kilograms	Total Kilograms	Value SL Rs.	FOB Rs./Kg.
	118,298	26,914,694	227.52
	115,033	58,800,020	511.16
	110,893	15,962,646	143.95
	103,904	43,971,762	423.20
3,353	91,862	30,299,801	329.84
18,328	88,460	22,882,058	258.67
7,635	84,972	21,292,673	250.58
	83,546	32,683,845	391.21
1,367	76,656	35,285,768	460.31
	73,946	22,658,966	306.43
	71,655	14,556,096	203.14
4,375	68,153	25,432,108	373.16
	66,328	14,391,957	216.98
90	65,955	13,437,758	203.74
66	65,461	15,410,355	235.41
4,536	59,184	18,188,941	307.33
	57,620	11,638,011	201.98
	55,576	10,486,416	188.69
17,777	54,251	26,158,825	482.18
8,432	53,341	17,082,168	320.24
	49,940	9,359,545	187.42
	46,534	13,666,609	293.69
5,425	44,425	17,544,894	394.93
32,426	42,155	50,716,563	1,203.10
129	40,908	11,715,940	286.40
	39,102	20,109,622	514.29

28,021	38,905	13,661,577	351.15
233	36,101	17,411,549	482.30
59	35,070	16,244,462	463.20
	24,640	4,640,328	188.33
	22,188	9,882,288	445.39
	21,881	3,369,893	154.01
60	19,040	7,671,976	402.94
	17,700	4,787,895	270.50
	17,676	8,737,560	494.32
1,262	15,724	6,023,427	383.07
	13,000	1,734,460	133.42
4,500	9,970	4,386,666	439.99
1,664	9,554	6,572,370	687.92
2	9,002	1,795,953	199.51
	8,640	2,081,203	240.88
5,424	7,932	4,137,769	521.66
919	6,906	5,344,727	773.93
	6,019	2,962,371	492.17
	5,904	1,936,335	327.97
	4,888	2,200,398	450.16
1,031	3,306	1,652,944	499.98
	3,096	1,653,976	534.23
	3,000	660,480	220.16
	2,700	1,140,534	422.42
2,360	2,573	2,488,212	967.05
	2,521	555,175	220.22
	2,280	1,612,963	707.44
1,582	1,582	2,277,060	1,439.36
253	1,290	1,224,178	948.98
794	1,010	900,020	891.11
	439	145,765	332.04
91	305	362,864	1,189.72
	274	255,325	931.84
196	196	186,952	953.84
22	74	148,186	2,002.51
31	31	84,028	2,710.58
2	16	59,984	3,749.00
	5	2,060	412.00
13,742,911	287,282,852	61,188,841,106	212.99

SRI LANKA TEA BOARD

BALANCE SHEET AS AT 31ST DECEMBER 2002

2001	Total	S.L.T.B Head Office	Tea Commissioner's Division	Tea Promotion Division	Effect On W.C	
Rs. '000	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	
FIXED ASSETS						
74,032,324	Property Plant & Equipment	73,708,278.79	29,206,051.62	28,932,814.19	15,569,412.98	
44,427,055	Less: Accumulated Depreciation	44,673,998.39	17,499,782.89	17,125,678.79	10,048,536.71	246,944
29,605,269		29,034,280.40	11,706,268.73	11,807,135.40	5,520,876.27	
9,138,326	Capital Work in Progress	37,181,552.74	37,181,552.74	-	-	28,043,227
38,743,595	TOTAL FIXED ASSETS	66,215,833.14	48,887,821.47	11,807,135.40	5,520,876.27	
23,273,308	Current Account with Divisions	20,300,264.82	20,300,264.82	-	-	
4,813	Long Term Investments	4,813.20	-	-	4,813.20	
32,700,000	Long Term Loan to Tea Museum	37,700,000.00	37,700,000.00	-	-	
CURRENT ASSETS						
4,545,356	Stocks	4,472,154.93	202,315.44	1,532,009.91	2,737,829.58	(73,201)
644,585,788	Debtors	157,303,553.57	148,821,333.64	628,666.39	7,853,553.54	(487,282,234)
210,705,769	Short Term Investments	213,188,642.86	203,274,581.08	7,407,405.60	2,506,656.18	2,482,874
44,133,832	Loans and Advances	72,182,609.45	40,862,664.42	25,583,936.55	5,736,008.48	28,048,777
59,410,652	Deposits and Prepayments	60,768,423.49	316,708.03	4,290,656.72	56,161,058.74	1,357,772
3,461,430	Other Current Assets	807,310.34	235,746.50	571,563.84	-	(2,654,120)
24,779,808	Cash and Bank Balances	39,437,200.72	19,337,321.72	2,754,547.68	17,345,331.32	14,657,393
991,622,634	TOTAL CURRENT ASSETS	548,159,895.36	413,050,670.83	42,768,786.69	92,340,437.84	(443,462,739)
LESS: CURRENT LIABILITIES						
619,485,816	Creditors and Provisions	159,876,282.96	70,554,797.49	5,950.00	89,315,535.47	(459,609,533)
9,235,331	Accrued Expenses	11,736,451.49	2,847,141.64	8,889,309.85	-	2,501,120
437,009	Other Current Liabilities	16,867,003.84	0.00	16,867,003.84	-	16,429,995
629,158,156	TOTAL CURRENT LIABILITIES	188,479,738.29	73,401,939.13	25,762,263.69	89,315,535.47	(440,678,418)
362,464,479	Net Current Assets	359,680,157.07	339,648,731.70	17,006,523.00	3,024,902.37	(2,784,321)
457,186,195	TOTAL NET ASSETS	483,901,068.23	446,536,817.99	28,813,658.40	8,550,591.84	26,714,873
FINANCED BY:						
353,052,205	Capital Fund	384,226,929.48	384,226,929.48	-	-	31,174,724
61,761,739	Reserves	57,761,608.89	57,761,608.89	-	-	(4,000,130)
23,273,308	Current Account with H.O.	20,300,264.82	-	16,620,814.48	3,679,450.34	(2,973,043)
19,098,941	Long Term Liabilities	21,612,265.04	4,548,279.62	12,192,843.92	4,871,141.50	2,513,324
457,186,195		483,901,068.23	446,536,817.99	28,813,658.40	8,550,591.84	26,714,873

Sgd. A.D.W. Bandarage
Asst. Director General (Finance)

Sgd. A.H. de Alwis
Acting Director General

Sgd. Ronnie Weerakoon
Chairman

28th February 2003

146,200,031.73
141,929,772.88
4,270,258.85

SCHEDULES TO THE BALANCE SHEET - 2002

(1) FIXED ASSETS

CAPITAL HEAD	COST AS AT 01.01.2002	ADDITIONS/ ADJUSTMENTS DURING THE YEAR	DISPOSALS/ TRANSFERS DURING THE YEAR	BALANCE AS AT 31.12.2002	DEPRECIATION PROVISION FOR THE YEAR	ACCUMULATED DEPRECIATION AS AT 31.12.2002	NET VALUE AS AT 31.12.2002
	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.
Land Freehold	75,000.00	-	-	75,000.00	-	-	75,000.00
Buildings	3,890,897.68	-	-	3,890,897.68	77,817.93	1,603,223.66	2,287,674.02
Plant & Machinery	3,555,996.98	442,953.21	-	3,998,950.19	420,338.28	3,100,423.23	898,526.96
Office equipment	2,817,556.02	2,684,907.25	-	5,502,463.27	364,308.23	2,171,072.64	3,331,390.63
Furniture Fittings & Household Equipm	1,582,676.14	762,075.45	-	2,344,751.59	108,527.98	1,404,259.18	940,492.41
Motor vehicles & Bicycles	9,863,501.88	-	2,792,749.50	7,070,752.38	612,500.00	6,356,711.98	714,040.40
Water, Electricity & Telephones	822,466.88	1,032,955.00	613,406.88	1,242,015.00	102,107.00	287,495.97	954,519.03
Decoration & Display items	415,651.10	-	-	415,651.10	22,126.61	357,430.66	58,220.44
Computer Hardware / Software	4,051,814.67	394,998.63	-	4,446,813.30	921,216.51	2,059,881.87	2,386,931.43
Library books	200,191.11	18,566.00	-	218,757.11	37,681.74	159,283.70	59,473.41
TOTAL	27,275,752.46	5,336,455.54	3,406,156.38	29,206,051.62	2,666,624.28	17,499,782.89	11,706,268.73

SCHEDULES TO THE BALANCE SHEET - 2002

(II) CAPITAL WORK IN PROGRESS

Rs. Cts.

Buildings	37,181,552.74
	<u>37,181,552.74</u>

(III) CURRENT ACCOUNTS WITH DIVISIONS

	Tea Commissioner's Division	Tea Promotion Division	Total
	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>
Balance 1st Jan. 2002	27,543,566.85	(4,270,258.85)	23,273,308.00
Remittances from Head Office	49,200,000.00	164,500,000.00	213,700,000.00
IDT (Net balance)	(6,291,668.74)	2,581,825.44	(3,709,843.30)
Other Adjustments (Net)	-	(4,000,129.67)	(4,000,129.67)
Excess of Expenditure over Income Year 2001-02	(53,831,083.63)	(155,131,986.58)	(208,963,070.21)
Balance 31st Dec. 2002	<u>16,620,814.48</u>	<u>3,679,450.34</u>	<u>20,300,264.82</u>

NOTE: Negative figures are shown within brackets.

(IV) STOCKS

Rs. Cts.

Printing, Stationary & Office Requisites, etc.	180,745.50
Staff Tea - (Packetted)	9,719.94
Publications	11,850.00
	<u>202,315.44</u>

SCHEDULES TO THE BALANCE SHEET - 2002

(V) DEBTORS

	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>
Sundry Debtors		50,630,986.88
Tea Museum		14,039.60
Staff debtors		5,315.86
Director of Customs - Cess dues	94,562,942.94	
Bank of Ceylon - Interest on deposits & Treasury Bills	1,555,751.54	
Interest on Tea Museum Loan	608,749.67	
Interest on SMIB deposits	<u>1,443,547.15</u>	98,170,991.30
Less: Provision for Bad & Doubtful Debts		-
Total Debtors less provision for bad & doubtful debts		<u>148,821,333.64</u>

SCHEDULES TO THE BALANCE SHEET - 2002

(VI) SHORT TERM INVESTMENTS	Rs. Cts.	Rs. Cts.
Treasury Bills	44,052,850.00	
	13,859,723.33	
	2,416,225.16	
	4,638,446.84	
	25,062,718.18	
	4,315,635.12	
	4,003,896.24	
	24,999,816.66	
	<u>16,248,207.15</u>	139,597,518.68
Call Deposits		3,000,000.00
Treasury Bonds		41,577,062.40
N.S.B. - Fixed Deposit for payment of Grtuity		<u>19,100,000.00</u>
		<u>203,274,581.08</u>

(VII) LOANS AND ADVANCES

TEA BOARD STAFF

Festival Advance	40,220.00	
Special Salary Advance	107,500.00	
Salary Loan	6,383,246.95	
Housing Loan Scheme Deposit A/C - SMIB	12,000,000.00	
Welfare Society Advance A/C	<u>12,084.88</u>	18,543,051.83

OTHERS

Staff Tea Recoveries A/c	8,930.00	
Advance Paid to CTC Project in Progress	13,950,985.00	
Payment In Advance A/c	<u>8,359,697.59</u>	22,319,612.59

TOTAL

40,862,664.42

SCHEDULES TO THE BALANCE SHEET - 2002

(VIII) DEPOSITS AND PREPAYMENTS

	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>
DEPOSITS		
Office Telephone Trunk & Overseas Calls	72,740.00	
Postal Franking Machine Deposit	5,100.00	
Petrol Deposit	75,000.00	
Credit Facilities for Vehicle repairs	1,500.00	
Electricity Board Security Deposit	10,000.00	
Maintenace of Telephone System	1,000.00	
Gas Cylinder	<u>2,000.00</u>	167,340.00
PRE- PAYMENTS		<u>149,368.03</u>
		<u>316,708.03</u>

(IX) CASH AND BANK BALANCES

Petty Cash & Stamp A/C	5,012.00	
Petty Cash (Laboratory)	1,500.00	
Bank Of Ceylon - Corp. Branch	16,682,452.01	
Bank Of Ceylon - Kollupitiya Branch	<u>2,648,357.71</u>	
	<u>19,337,321.72</u>	

(X) OTHER CURRENT ASSETS

Goods in Transit	<u>235,746.50</u>	
	<u>235,746.50</u>	

SCHEDULES TO THE BALANCE SHEET - 2002

(XI) CREDITORS AND PROVISIONS

CREDITORS	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>
General Deposit Account		163,353.59
Retention Monies Deposit Account		1,152,790.07
Sundry Creditors	<u>54,732,951.33</u>	54,732,951.33
 PROVISIONS		
Payment for generator	14,160,750.00	
Audit Fees	312,481.00	
Payment of data processing charges	2,000.00	
Printing of Annual Report	30,471.50	
		<u>14,505,702.50</u>
TOTAL		<u>70,554,797.49</u>

SCHEDULES TO THE BALANCE SHEET - 2002

(XII) ACCRUED EXPENSES

Rs. Cts.

2,847,141.64

(XIII) OTHER CURRENT LIABILITIES

SCHEDULES TO THE BALANCE SHEET - 2002

(XIV) CAPITAL FUND

	Rs. Cts.
Balance 1st January 2002	353,052,205.32
	353,052,205.32
Add: Net Operating Surplus / Deficit For 2002	31,174,724.16
Balance 31st December 2002	384,226,929.48

(XV) RESERVES

	Rs. Cts.	Rs. Cts.	Rs. Cts.
1. Capital Reserves			
Balance 1st January 2002	3,306,555.56		
Adjustments During the Year 2002	-	3,306,555.56	
Less : Differance In Exchange (TPD)		(4,000,129.67)	(693,574.1100)
2. Revenue Reserves			
Balance 1st January 2002		58,455,183.00	
Adjustments During the Year 2002		58,455,183.00	58,455,183.00
			57,761,608.89

(XVI) LONG TERM LIABILITIES

Provision For Gratuity	4,548,279.62
	4,548,279.62

SRI LANKA TEA BOARD

BALANCE SHEET AS AT 31ST DECEMBER 1999

1998		Total	S.L.T.B Head Office	Tea Commissioner's Division
Rs. '000		Rs. Cts.	Rs. Cts.	Rs. Cts.
	FIXED ASSETS			
29,206,052	Property Plant & Equipment	29,206,051.62	29,206,051.62	
17,499,783	Less: Accumulated Depreciation	17,499,782.89	17,499,782.89	
11,706,269		11,706,268.73	11,706,268.73	
37,181,553	Capital Work in Progress	37,181,552.74	37,181,552.74	-
48,887,821	TOTAL FIXED ASSETS	48,887,821.47	48,887,821.47	0.00
20,300,265	Current Account with Divisions	20,300,264.82	20,300,264.82	-
0	Long Term Investments	0.00	-	-
	CURRENT ASSETS			
202,315	Stocks	202,315.44	202,315.44	
148,821,334	Debtors	148,821,333.64	148,821,333.64	
203,274,581	Short Term Investments	203,274,581.08	203,274,581.08	-
40,862,664	Loans and Advances	40,862,664.42	40,862,664.42	
316,708	Deposits and Prepayments	316,708.03	316,708.03	
235,747	Other Current Assets	235,746.50	235,746.50	
19,337,322	Cash and Bank Balances	19,337,321.72	19,337,321.72	
413,050,671	TOTAL CURRENT ASSETS	413,050,670.83	413,050,670.83	0.00
	LESS: CURRENT LIABILITIES			
70,554,797	Creditors and Provisions	70,554,797.49	70,554,797.49	
2,847,142	Accrued Expenses	2,847,141.64	2,847,141.64	-
0	Other Current Liabilities	0.00	0.00	
73,401,939	TOTAL CURRENT LIABILITIES	73,401,939.13	73,401,939.13	0.00
339,648,732	Net Current Assets	339,648,731.70	339,648,731.70	0.00
408,836,818	TOTAL NET ASSETS	408,836,817.99	408,836,817.99	0.00
	FINANCED BY:			
384,226,929	Capital Fund	384,226,929.48	384,226,929.48	-
57,761,609	Reserves	57,761,608.89	57,761,608.89	-
0	Current Account with H.O.	0.00	-	
4,548,280	Long Term Liabilities	4,548,279.62	4,548,279.62	
446,536,818		446,536,817.99	446,536,817.99	0.00

NOTE:1.Contingent liabilities :

As at balance sheet date commitments outstanding against subsidiary schemes of the Tea Board, Tea Small Holdings Development Authority (Funded by the Tea Board) are approximately Rs.66 M & Rs.40 M respectively and a further Rs.3 M on account of pending legal proceedings at the Tea Commissioner's Division.

.....
Asst. Director General (Finance)

.....
Director General

.....

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**Tea
Promotion
Division**
Rs. Cts.

-

0.00

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0.00

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Chairman

SRI LANKA TEA BOARD - HEAD OFFICE

**SOURCE & APPLICATION OF FUNDS FOR THE YEAR ENDED
31ST DECEMBER 2000**

	<u>Rs. '000</u>	<u>Rs. '000</u>
SOURCE OF FUNDS		
Operating Surplus		178,565,563
<i>Adjustments for Items not involving movement of Funds</i>		
Depreciation for the year	1,497,147	
Decrease in Long Term Liabilities (Provision for Gratuity)	<u>(89,322)</u>	
	1,407,825	
Less: Profit From Disposal of Fixed Assets	<u>(5,661)</u>	<u>1,402,164</u>
		179,967,727
EXTERNAL SOURCES		
Decrease in Current Account with Divisions	26,736,248	
Net Proceeds From Sale of Fixed Assets	<u>12,701</u>	<u>26,748,949</u>
		206,716,676
APPLICATION OF FUNDS		
Net Operating Deficits of Other Divisions	201,761,557	
Additions to Fixed Assets	1,061,401	
Decrease in Reserves	1,115,086	
Increase in Capital Work in Progress	<u>300,000</u>	<u>204,238,044</u>
Increase in Working Capital (as given below)		<u><u>2,478,632</u></u>
<u>EFFECT ON WORKING CAPITAL</u>	Increase	Decrease
	<u>Rs. '000</u>	<u>Rs. '000</u>
Stocks	33,368	
Debtors		119,054,013
Short-term Investments	39,470,023	
Loans & Advances	1,385,009	
Deposits & Prepayments	7,905	
Cash & Bank Balances	781,853	
Other Current Assets	2,055,997	
Creditors & Provisions	71,304,778	
Accrued Expenses	6,232,885	
Other Current Liabilities	<u>260,827</u>	<u>-</u>
	<u>121,532,645</u>	<u>119,054,013</u>
		<u><u>2,478,632</u></u>

Note: Negative figures are shown within brackets.

SRI LANKA TEA BOARD - HEAD OFFICE

OPERATING ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2002

<u>2 0 0 1</u>		SCHEDULE	<u>2 0 0 2</u>
<u>Rs. '000</u>	<u>INCOME</u>	<u>NO</u>	<u>Rs. Cts.</u>
1,027,189,042	Cess	1	767,473,412.50
22,261,037	Interest on Investments	2	16,403,405.68
<u>921,599</u>	Miscellaneous	3	<u>2,428,351.91</u>
<u>1,050,371,678</u>	TOTAL INCOME		<u>786,305,170.09</u>
	<u>EXPENDITURE</u>		
8,976,589	Personnel Emoluments	4	13,884,551.16
839,882	Travelling	5	530,242.82
1,755,110	Supplies & Requisites	6	1,702,586.76
4,328,322	Repairs & Maintenance	7	4,644,486.81
5,282,327	Transport., Communications, Utility Services	8	6,676,224.70
1,384,779	Staff Welfare	9	1,587,993.41
938,762	Contribution, Grants & Incentives	10	53,442,320.31
2,294,843	Pensions, Retirement Benefits & Gratuities	11	3,407,909.65
13,708,815	Development Subsidies	12	20,150,210.55
50,175	Media Advertising, Publicity & Gifts	13	1,509,812.68
636,861,540	Grants to TSHDA and TRB	14	460,484,047.50
<u>1,330,553</u>	Miscellaneous	15	<u>468,067.52</u>
<u>677,751,697</u>	TOTAL EXPENDITURE		<u>568,488,453.87</u>
372,619,981	Operating Surplus/(Deficit)		217,816,716.22
<u>-</u>	Prior Year Adjustment	16	<u>22,321,078.15</u>
<u>372,619,981</u>	Net Operating Surplus/(Deficit)		<u>240,137,794.37</u>

SCHEDULES TO THE OPERATING ACCOUNT - 2002

INCOME

<u>2 0 0 1</u>		<u>2 0 0 2</u>
Rs. Cts.		Rs. Cts.
	(1) CESS	
693,643,232	Cess received from Customs during the year	672,910,469.56
<u>333,545,809</u>	Add: Cess due from Customs for 2002	<u>94,562,942.94</u>
<u>1,027,189,042</u>	Total Cess for the year	<u>767,473,412.50</u>
	(2) INTEREST ON INVESTMENTS	
<u>22,261,037</u>	Interest on Investments	<u>16,403,405.68</u>
<u>22,261,037</u>		<u>16,403,405.68</u>
	(3) MISCELLANEOUS	
601,637	Interest on Staff Loans	538,044.49
318,173	Other Miscellaneous Income	1,890,307.42
1,789	Difference in Exchange	
-	Profit from Disposal of Fixed Assets	-
<u>921,599</u>		<u>2,428,351.91</u>

SCHEDULES TO THE OPERATING ACCOUNT - 2002

EXPENDITURE

<u>2001</u>		<u>2002</u>
Rs. Cts.		Rs. Cts.
	(4) PERSONAL EMOLUMENTS	
6,992,960	Salaries & Wages	10,970,142.11
-	Allowance - Cost of Living	-
1,312,056	Other Allowance	2,058,365.52
652,572	Overtime	809,734.93
2,924	Holiday warrants & Season tickets	7,701.60
2,110	Daily paid wages & Holiday pay	9,150.00
<u>13,967</u>	Membership subscript.- Foreign/Locals	<u>29,457.00</u>
<u>8,976,589</u>		<u>13,884,551.16</u>
	(5) TRAVELLING EXPENSES	
88,890	Travelling (Local)	29,263.60
<u>750,993</u>	Travelling (Overseas)	<u>500,979.22</u>
<u>839,882</u>		<u>530,242.82</u>
	(6) SUPPLIES AND REQUISITS	
681,982	Printing, Stationary & Office Requisites	724,200.76
559,595	Fuel & Lubricants	526,544.89
115,383	Mechanical, Electrical & General Goods	98,713.20
158,691	Books, Periodicals and Newspapers	187,170.30
65,978	Computer Stationery	73,814.66
<u>173,481</u>	Uniforms	<u>92,142.95</u>
<u>1,755,110</u>		<u>1,702,586.76</u>
	(7) REPAIRS AND MAINTENANCE OF CAPITAL ASSETS	
793,116	R/M of Vehicles	1,010,085.15
235,828	R/M of Plant & Machinery	245,753.82
97,755	R/M of Buildings & Other Capital Assets	215,912.74
157,771	R/M of Office Equipment	309,729.55
10,931	R/M of Furniture & Fittings	16,379.00
159,702	Other Utility services	180,002.27
<u>2,873,220</u>	Depreciation of Fixed Assets	<u>2,666,624.28</u>
<u>4,328,322</u>		<u>4,644,486.81</u>

SCHEDULES TO THE OPERATING ACCOUNT - 2002

<u>2001</u>		<u>2002</u>
Rs. Cts.		Rs. Cts.
	(8) TRANSPORTATION, COMMUNICATION, UTILITY & OTHRT SERVICES	
245,816	Advertising	161,751.59
905,521	Postage & Telecommunication	910,152.42
1,439,383	Electricity, Water Supply & Mainten. of Road	1,484,926.65
374,224	Rent, Rates and Taxes	798,687.89
250,424	Computerising of Management information	233,300.78
473,603	Insurance (Buildings, Vehicles, etc.)	117,692.11
1,138,449	Security Services	1,229,902.32
150,000	Audit Fees	250,000.00
176,847	Legal Fees	428,576.00
-	Other Fees	825.00
41,268	Bank charges	4,775.00
86,793	Bad debts	-
-	Withholding / debit Tax	993,208.34
-	Losses (Fixed Assets written off)	62,426.60
<u>5,282,327</u>		<u>6,676,224.70</u>
	(9) STAFF WELFARE	
951,901	Medical benefits	1,140,290.39
190,462	Liquid Tea supplies to Staff & Tea Room	176,739.82
192,966	Supply of packeted tea to Staff	206,213.20
49,450	Staff Welfare	64,750.00
<u>1,384,779</u>		<u>1,587,993.41</u>
	(10) CONTRIBUTION, GRANTS AND INSENTIVES	
-	Contributions & Donations - Local	11,750,000.00
938,762	Contributions & Donations - Foreign	1,040,296.00
-	Incentive for packeted Tea exports/Tea Bag	40,652,024.31
-	Contribution To TRB Training & research	-
<u>938,762</u>		<u>53,442,320.31</u>
	(11) PENSIONS, RETIREMENT BENIFIT & GRATUITIES	
1,131,657	E.P.F. Contributions	1,628,262.93
228,313	E.T.F. Contributions	327,119.85
246,950	Pensionary Contributions	244,944.00
687,923	Staff Gratuity	1,207,582.87
<u>2,294,843</u>		<u>3,407,909.65</u>

SCHEDULES TO THE OPERATING ACCOUNT - 2002

<u>2001</u>		<u>2001</u>
<u>Rs. Cts.</u>		<u>Rs. Cts.</u>
	(12) DEVELOPMENT SUBSIDIES	
-	Grants to CTC machinery	-
-	Subsidy for purchase of Generators	17,000,000.00
<u>13,708,815</u>	Subsidy for purchase of Tea Bagging Machines	<u>3,150,210.55</u>
<u>13,708,815</u>		<u>20,150,210.55</u>
	(13) MEDIA, ADVERTISING, PUBLICITY & GIFTS	
49,734	Entertainment	156,698.02
441	Gifts	1,353,114.66
-	Public Relations	-
<u>50,175</u>		<u>1,509,812.68</u>
	(14) CESS ALLOCATION	
256,799,008	Grants to TRB	230,242,023.75
<u>380,062,532</u>	Grants to TSHDA	<u>230,242,023.75</u>
<u>636,861,540</u>		<u>460,484,047.50</u>
	(15) MISCELLANEOUS EXPENSES	
44,750	Fees to Board Members/Interview Panel etc.	70,500.00
-	Difference in Exchange	748.61
112,398	Staff Training	266,789.75
864,039	Loss on Disposal of Fixed Assets	101,044.16
18,329	Other miscellaneous expenses	24,235.00
<u>291,037</u>	Market Research Consultation Fee	<u>4,750.00</u>
<u>1,330,553</u>		<u>468,067.52</u>
	(16) PRIOR YEAR ADJUSTMENTS	
-	Prior Year Adjustments	22,321,078.15
<u>-</u>		<u>22,321,078.15</u>

SRI LANKA TEA BOARD

INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2002

<u>2001</u>	Total	S.L.T.B Head Office	Tea Commissioner's Division	Tea Promotion Division
Rs. '000	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.
	INCOME			
1,027,189,042	Cess	767,473,412.50	767,473,412.50	-
22,261,037	Interest on investments	18,168,170.22	16,403,405.68	1,764,764.54
1,327,906	Profit from Commercial Activities	1,878,748.51	-	1,878,748.51
66,994,535	Miscellaneous	27,028,745.02	2,428,351.91	9,343,297.02
<u>1,117,772,520</u>	TOTAL INCOME	<u>814,549,076.25</u>	<u>786,305,170.09</u>	<u>11,108,061.56</u>
	LESS: EXPENDITURE			
64,425,349	Personnel Emoluments	72,644,118.18	13,884,551.16	30,755,296.94
6,339,740	Travelling	9,699,493.30	530,242.82	1,858,830.15
5,026,959	Supplies & Requisites	6,999,320.54	1,702,586.76	3,295,048.00
13,845,147	Repairs & Maintenance	12,064,904.82	4,644,486.81	4,879,400.91
48,950,341	Transport, Communication Utility - & Other Services	32,493,865.98	6,676,224.70	14,591,677.43
7,067,751	Staff Welfare	7,505,950.04	1,587,993.41	3,593,071.60
10,231,985	Grants, Contributions & Subsidies	64,733,374.31	53,442,320.31	-
12,748,836	Pensions, Retirement Benefits - & Gratuities	16,992,558.87	3,407,909.65	5,498,155.00
13,708,815	Development Subsidies	20,757,791.85	20,150,210.55	607,581.30
119,157,951	Media, Advertising, Publicity & Gifts	99,886,802.78	1,509,812.68	-
636,861,540	Cess Allocation to TSHDA & TRB	460,484,047.50	460,484,047.50	-
3,761,244	Miscellaneous Expenses	2,349,790.06	468,067.52	382,483.53
<u>942,125,659</u>	TOTAL EXPENDITURE	<u>806,612,018.23</u>	<u>568,488,453.87</u>	<u>65,461,544.86</u>
175,646,861	Operating Surplus/(Deficit)	7,937,058.02	217,816,716.22	(54,353,483.30)
1,059,955	Prior Year Adjustments	22,192,866.80	22,321,078.15	(522,399.67)
<u>176,706,816</u>	Net Operating Surplus/(Deficit) - of Head Office/Division	<u>31,174,724.16</u>	<u>240,137,794.37</u>	<u>(53,831,083.63)</u>

Note : 1 Negative figures are shown within brackets.

NOTE OF THE AUDITOR GENERAL

The accounts of the Sri Lanka Tea Board for the Year ended 31 December 2002 were audited under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunctions with Section 13 (1) of the Finance Act No.38 of 1971.

My observations on these accounts that should be published in terms of section 14 (2) (c) of the Finance Act are contained in my report of even date addressed to the Chairman of the Board.

(S.C. Mayadunne)
Auditor General.
28th April 2003
Auditor General's Department,
Colombo 07.

My No.PI/H/CA/2002/250

Auditor General's Department,
Independence Square,
Colombo 07.
24th April 2003

The Chairman,
Sri Lanka Tea Board,
Galle Road,
Colombo 3.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS
OF THE SRI LANKA TEA BOARD FOR THE YEAR ENDED
DECEMBER 31, 2001 IN TERMS OF SECTION 14 (2) © OF THE
FINANCE ACT NO.38 OF 1971**

In terms of Section 14 (2) © of the Finance Act.No.38 of 1971, I am forwarding herewith my report containing observation for publication along with the Annual Report.

Sgd. S.C. Mayadunne
Auditor General

Copies:

Secretary, Ministry Plantation Industries
Secretary, Ministry of Finance

AUDITOR GENERAL' S DEPARTMENT

Date:- 28th April 2003

My No.PI/H/CA/2002/250

The Chairman,
Sri Lanka Tea Board.

Report of the Auditor General on the Accounts of the Sri Lanka Tea Board for the year ended 31 December 2002 in terms of Section 14(2) (c) of the Finance Act No.38 of 1971

The audit of accounts of the Sri Lanka Tea Board for the year ended 31 December 2002 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. My observations which I consider should be published with the annual report of the Board in terms of Section 14(2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7) (a) of the Finance Act will be issued in due course.

1.2 Scope of Audit

Audit opinion, comments and findings in this report are based on a review of the financial statements presented to audit and substantive tests of samples of transactions. The scope and the extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me. The audit was carried out in accordance with the Sri Lanka Auditing Standards, methods and practices to obtain reasonable assurance as to whether the financial statements are free of material misstatements. The audit included examination of evidence supporting the amounts and disclosures in financial statements and assessment of accounting principles and significant estimates and judgements made in the preparation of financial statements. Evaluation of their overall presentation and determining whether accounting policies adopted were appropriate, consistently applied and adequately disclosed. 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.

2 Accounts

2.1 Audit Opinion

Except for the effects of adjustments arising from the matters referred to the paragraph 2.3 of this report, I am of opinion that the financial statements have been satisfactorily prepared to present fairly in all material respects. The financial position of the Board as at 31 December 2002 and the results of its operations for the year then ended in accordance with the Sri Lanka Accounting Standards and the stated accounting policies as set out in Notes 1 to 6 to the financial statements.

2.2 Financial Results

According to the accounts presented the working of the Board for the year ended 31 December 2002 had resulted in a net surplus of Rs. 7,937,058, as compared with the net surplus of Rs. 175,646,860 for the preceding year.

2.3 Comments on Accounts

2.3.1 Accounting Deficiencies

Cess and interest on fixed deposits, Treasury Bills and loans aggregating to Rs. 98,170,991 had been erroneously shown under debtors instead of being treated as receivables.

2.3.2 Accounts Receivable and Payable

Head Office debtors amounting to Rs. 13,606, Tea Promotion Bureau debtors amounting to Rs. 599,328 and debtors amounting to Rs. 876,792 and creditors amounting to Rs.5,950 of the Tea Commissioner's Division had remained outstanding for over 03 years.

2.3.3 Lack of Evidence for Audit

The following items in the accounts could not be satisfactorily vouched or accepted in audit due to the non-availability of evidence indicated against each item.

Item -----	Value ----- Rs.	Evidence not made available -----
(a) <u>Head Office</u>		
(i) Tea Small Holdings Development Authority Loan	45,000,000	Agreements
(ii) Bank Balance American Express Bank	29,052	}
		}
(iii) Debtors	56,049,094	} Confirmations
		}
(iv) Creditors	148,821,333	}
(b) Tea Promotion Bureau		
(i) Debtors (Local)	2,690,926	}
		}
(ii) Prepayments	2,383,875	}
		}
(iii) Cash at bank, in hand at foreign Bureau	11,688,782	} Confirmations
		}
(iv) Creditors – Local	44,421,324	}
		}
(v) Creditors – Foreign	44,894,211	}
		}

2.3.4 Non-Compliance with Laws, Rules, Regulations and Management Decisions

Several instances of non-compliance with provisions of the following laws, Government Financial Regulations, Public Administration. Public Finance and Treasury Circulars were brought to the notice of the Chairman of the Board from time to time.

- (a) Finance Act, No. 38 of 1971 (Section 13(5)(b))
- (b) Financial Regulations 110(ii), 454(1), 771(3), 1645 and 1646
- (c) Public Administration Circular No. 22/99. (Section 1.1, 1.1.6, 1.2.1, 2.4(i), 2.4(iii))

- (d) Public Finance Circular No. PF/PE/14
- (e) Treasury Circular No. 842
- (f) Public Administration Circular No. 6/99

3. Financial and Operating Review

3.1 Financial Results

The operations of the Board during the year under review had resulted in a net surplus of Rs 7,937,058, as compared with the corresponding net surplus of Rs., 175,646,860 for the preceding year thus indicating a deterioration of Rs167 million in the financial results.

Following observations are made on the operating results of the Board.

- (a) The Head Office of the Board had spent a sum of Rs. 3,150,210 during the year under review as subsidy for purchase of Tea Bagging Machines as compared with Rs. 13,708,815 during the preceding year.
- (b) Although there is an increase in short term investments, the interest on investments had been decreased to Rs. 16,403,405 as against Rs. 22,261,037 for the previous year.
- © The Tea Promotion Bureau had spent a total sum of Rs. 98,376,990 during the year under review for media, advertising and publicity as compared with Rs. 119,107,776 during the preceding year.

3.2 Performance

3.2.1 Tea Production

According to the Statistics made available by the Board, a classification of tea production during the period 2000 to 2002 is given below.

Elevation

Tea Production (Metric Tons)

	<u>2000</u>	<u>2001</u>	<u>2002</u>
High Grown	83,489	75,117	89,987
Medium Grown	56,208	53,775	53,879
Low Grown	166,147	166,201	169,165
	----- 305,844 =====	----- 295,093 =====	----- 313,031 =====

The following observations are made in this connection.

- (a) Total tea production during the year 2002 had increased by 17,938 metric tons as compared with the preceding year.
- (b) High Grown Tea Production had increased remarkably in the year 2002 by 14,870 metric tons, while others have shown only marginal increases.

3.2.2 Marketing Performance

(a) Tea Export

The following observations are made,

- (i) Sri Lanka had handled 311,420 metric tons of tea at the Colombo Tea Auctions during the year under review as compared with the 304,736 metric tons of tea in the preceding year.
- (ii) An upward trend of exports in packeted tea had prevailed during the year.

(b) Promotion Activities

Tea Promotion Bureau as a Division of the Board had launched many advertising and propaganda programmes to promote Sri Lanka Tea worldwide.

An analysis of costs incurred during the year under review and the preceding year by the Bureau given below.

	2002 ----- Rs.	2001 ----- Rs.
Administration cost of Tea Promotion Bureau	74,285,030	85,143,084
Cost of Media. Advertising And Publicity	98,376,990	119,107,776
Administration cost per Re.1 of Media. Advertising and Publicity cost	0.76	0.71

The following observations are made.

- (i) Administration cost per Re. 1.00 of media, advertising and publicity which was Rs. 0.71 in 2001 had increased to Rs. 0.76 during the year under review.
- (ii) The quantity of tea exported during the year under review to the United Kingdom, Turkey, Egypt and the U.A.E. had decreased over that of the preceding year although expenditure on promotion except in respect of the UAE had increased.

3.3 Cess Collection

- (a) Cess is imposed on all tea exported from Sri Lanka to finance research, fiscal, regulatory, marketing development and promotion activities undertaken by the Board. The rate of Rs.2 per kilogram had been increased to Rs. 2.50 per kilogram with effect from April 1997.
- (b) During the year under review Rs. 767 million had been received as cess and Rs.460 million had been distributed to the Tea Research Institute and Tea Small Holding Development Authority.

- (c) Difference between the Customs Tea Cess Account and the Tea Board Cess Account amounting to Rs. 232 million as at 31 December 2000 had been adjusted in the Prior Year Adjustment Account.
- (d) Loans of Rs. 45 million and Rs. 2 million had been granted to the Tea Small Holdings Development Authority and the Tea Association of Sri Lanka respectively while grants of Rs. 11 million and Rs. 0.25 million had been paid to the Tea Small Holding Development Authority and Estate Workers' Provident Fund Scheme.

The following statement shows the total collection and distribution of Cess fund during the year under review.

	Rs.	Rs.
<u>Description</u>		
Cess received during the year under review		672,910,470
Cess receivable from Sri Lanka Customs As at 31 December 2001		94,562,943

		767,473,413
 <u>Allocation</u>		
Grants to the Tea Research Board	230,242,024	
Grants to the Tea Small Holdings Development Authority	230,242,024	
		460,484,048

Amount allocated to the Board		306,989,365
		=====

A sum of Rs. 94,562,943 had remained unutilized as at end of the year under review thus indicating that the proceeds had not been promptly collected from Sri Lanka Customs for the effective utilization of the cess for the development of the tea industry in Sri Lanka.

3.4 Analytical Laboratory

A sum of Rs. 1,855,376 had been paid during the year under review to the Government Analyst for testing tea samples though the laboratory owned by the Board also had facilities to carry out of such tests.

3.5 Tea Commissioner's Division

Issuing Licenses for Tea Traders

- (a) A list of names had not been maintained at the Head Office.
- (b) Licenses had been issued after the scheduled dates without charging a penalty for the delays.
- (c) License fees, penalty for delays and guarantee deposits had not been identified separately in the accounts as the Regional offices had not prepared the monthly summaries properly.

3.6 Payments for Green Leaf

According to the records Rs. 75,622,978 had been paid to the Tea Small Holders for green leaf by the Factory owners. Age analysis is given below.

<u>Time</u> <u>Years</u>	<u>Amount</u> <u>Rs.</u>
0-1	13,883,636
1-2	25,629,618
2-3	5,218,226
3-4	10,864,000
4-5	13,860,610
5 >	6,165,888

	75,621,978
	=====

Among these Rs. 58,979,494 had been charged from closed factories.

During the year under review Rs. 29,418,339 had been recovered from factory owners and paid to the Small Holders and Rs. 44,940,719 added as unpaid to the total.

3.7 Tea export Division

Testing of Tea Samples for quality

- (a) There was no accepted set of criteria for selection of tea samples for testing before export and auctions.
- (b) The destruction of the stock of condemned tea had not been certified by a responsible officer.

3.8 Vehicle Utilization

The Board had a fleet of 40 motor vehicles during the year under review as compared with 32 motor vehicles during the preceding year. The fuel consumption of the motor vehicles had not been tested once in 06 months.

4 Systems and Controls

Special attention is needed in respect of the following areas of control

- (a) Accounting
- (b) Receivables and Payables
- (c) Administration of Subsidies
- (d) Internal Audit
- (e) Fixed Assets
- (f) Vehicle Utilization
- (g) Budget

(S.C. MAYADUNNE)
AUDITOR GENERAL