



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

පිටපත්/බ/එස්එල්ආර්ඩී/1/එස්ජී/2023

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

2024 සැප්තැම්බර් 26 දින

සභාපති

ශ්‍රී ලංකා රුපවාහිනී සංස්ථාව

ශ්‍රී ලංකා රුපවාහිනී සංස්ථාව 2023 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන සහ වෙනත් තෛතික හා නියාමන අවශ්‍යතා පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 12 වන වගන්තිය ප්‍රකාරව විගණකාධිපති වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 තත්ත්වගණනය කළ මතය

ශ්‍රී ලංකා රුපවාහිනී සංස්ථාවේ 2023 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්ව ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා වූ ආදායම් ප්‍රකාශනය, හිමිකම් වෙනස්වීමේ ප්‍රකාශනය සහ එදිනෙන් අවසන් වර්ෂය සඳහා මුදල් ප්‍රවාහ ප්‍රකාශනය සහ ප්‍රමාණාත්මක ගිණුම්කරණ ප්‍රතිපත්ති වලට අදාළ තොරතුරු ද ඇතුළත් මූල්‍ය ප්‍රකාශන වලට අදාළ සටහන් වලින් සමන්විත 2023 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන, ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ සහ 1971 අංක 38 දරන මුදල් පනතේ විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව ප්‍රකාරව මාගේ වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුවේ සභාගත කරනු ලැබේ.

මාගේ වාර්තාවේ තත්ත්වගණනය කළ මතය සඳහා පදනම කොටසේ විස්තර කර ඇති කරුණු වලින් වන බලපෑම හැර, ආයතනයේ මූල්‍ය ප්‍රකාශන තුළින් 2023 දෙසැම්බර් දිනට මූල්‍ය තත්ත්වය සහ එදිනෙන් අවසන් වර්ෂය සඳහා එහි මූල්‍ය ක්‍රියාකාරිත්වය හා මුදල් ප්‍රවාහ ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිතිවලට අනුකූලව සත්‍ය හා සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

1.2 තත්ත්වගණනය කළ මතය සඳහා පදනම

(අ) ශ්‍රී ලංකා ගිණුම්කරණ ප්‍රමිති අංක 01 ට අනුව කල්පිරීමේ කාලය වර්ෂයක් වන ස්ථාවර තැන්පතු ජංගම වත්කම් ලෙස මූල්‍ය තත්ත්ව ප්‍රකාශනයේ දැක්විය යුතු වුවද කල්පිරීමේ

Statement of Directors' Responsibility

The Finance Act No.38 of 1971 and the Sri Lanka Rupavahini Corporation Act No.6 of 1982 require the Directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of Sri Lanka Rupavahini Corporation (hereinafter referred to as the "Corporation").

The Directors confirm that in preparing the financial statements of the Corporation appropriate Accounting Policies and Standards have been selected, consistently applied and supported by reasonable and prudent judgments and estimates. Any material departures have been disclosed and explained in the financial statements.

Having reviewed the Corporation's future financial projections, cash flows and current performance, the Directors consider that the Corporation has adequate resources to continue operations. The Directors have thus adopted a going concern basis in preparing financial statements.

The Directors have taken the responsibility to ensure that the Corporation maintains accounting records that disclose with reasonable accuracy the financial position of the Corporation as required by Sri Lanka Rupavahini Corporation Act No.6 of 1982 and that the financial statements comply with the Finance Act No.38 of 1971 and Sri Lanka Accounting Standards.

The Directors have taken reasonable measures to safeguard the assets of the Corporation and to establish appropriate systems of internal controls in order to prevent and detect fraud and other irregularities.

The Directors also confirm that to the best of their knowledge all taxes and levies payable by the Corporation, all contributions, levies and taxes payable on behalf of and in respect of the employees and all other known statutory obligations including retirement gratuities as were due as at the Balance Sheet date have been either duly paid or appropriately provided in the financial statements.

On behalf of the Board of Directors;

Dr. Prasad Samarasinghe
Chairman
Sri Lanka Rupavahini Corporation

Director

3/27/2024

3/27/2024

Sri Lanka Rupavahini Corporation**Statement of financial position as at 31st December 2023**

		2023 December Rs.	2022 December Rs.
ASSETS			
Non-current assets			
Property, plant and equipment	8	336,307,697	426,225,794
Intangible asset	9	38,460,178	57,922,979
Available for sale financial asset		1,104,000	1,104,000
Deferred income tax asset		66,337,750	49,873,538
Social Welfare Fund		534,665	507,517
Held to maturity financial assets	10	32,427,500	232,373,251
		<u>475,171,789</u>	<u>768,007,079</u>
Current assets			
Inventories	11	200,644,303	203,341,539
Trade receivables	12	295,533,782	198,561,834
Loans & receivables	13	76,225,951	108,889,046
Other receivables	14	188,490,254	209,428,045
Prepayments		241,887	1,541,490
Cash and cash equivalents	15	48,464,740	16,391,524
		<u>809,600,914</u>	<u>738,153,478</u>
Total assets		<u>1,284,772,704</u>	<u>1,506,160,557</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital		892,186,117	760,742,424
Accumulated profit		(1,459,985,460)	(1,111,944,969)
		<u>(567,799,343)</u>	<u>(351,202,545)</u>
Non-current liabilities			
Government grant for capital items	16	179,393,160	272,743,648
Foreign aid		27,727,791	31,774,244
Social Welfare Fund payable		534,665	507,517
Defined benefit obligations	17	191,362,999	209,378,638
Bank Loan non-current	22.2	43,112,922	37,209,298
		<u>442,131,537</u>	<u>551,613,344</u>
Current liabilities			
Trade payables	18	108,904,491	101,205,291
Other financial liabilities	19	623,005,225	750,847,925
Other payables	20	436,539,782	53,143,145
Bank Loan current portion		65,311,163	55,813,953
Short-Term Bank Loan For ICC World Cup	22.1	-	-

Bank overdraft	21	176,679,849	344,739,442
		<u>1,410,440,510</u>	<u>1,305,749,756</u>
Total liabilities		1,852,572,047	1,857,363,101
Total equity and liabilities		<u>1,284,772,704</u>	<u>1,506,160,557</u>

The Chief Accountant certifies that the financial statements have been prepared in compliance with the requirements of the Sri Lanka Financial Reporting Standards as laid down by the Institute of Chartered Accountants of Sri Lanka , finance act no. 38 of 1971 & Sri Lanka Rupavahini Corporation act of no. 06 of 1982.

Mr.M.A.L.Priyankara
Chief Accountant

.....
Date

The board of directors is responsible for the preparation and presentation of these financial statements. These financial statements were authorized for issue by the chairman on behalf of the board of directors on 27th of March 2024.

Dr. Prasad Samarasinghe
Chairman

.....
Date

Director

.....
Date

The accounting policies and notes as set out in pages 7 to 32 form an integral part of these financial statements.

Sri Lanka Rupavahini Corporation
Income statement for the year ended 31th December 2023

		2023	2022
	Note	Total December	Total December
		Rs.	Rs.
Sales	1	1,159,435,207	943,026,815
		-	
Cost of sales	3	<u>(1,150,941,737)</u>	<u>(1,250,441,808)</u>
		-	
Gross profit		8,493,471	(307,414,993)
		-	
Other operating income	2	313,011,787	376,786,877
		-	
		-	
Distribution cost	4	(59,929,645)	(68,856,479)
		-	
Administrative expenses	5	<u>(568,302,638)</u>	<u>(489,653,181)</u>
		-	
Operating profit /(Loss)		(306,727,025)	(489,137,776)
		-	
Finance cost	6	<u>(52,951,609)</u>	<u>(51,864,443)</u>
		-	
Profit/(Loss) before income tax		(359,678,634)	(541,002,219)
		-	
Income tax	7	<u>16,464,212</u>	<u>(4,451,887)</u>
		-	
Profit/(Loss) after income tax		(343,214,422)	(545,454,106)
		-	
Other Comprehensive Income		-	-
		-	
		-	
Recognition of Actuarial Gain/ (Loss)		<u>-</u>	<u>7,173,001</u>
		-	
Total comprehensive income for the period		<u>(343,214,422)</u>	<u>(538,281,105)</u>

Note: Administration expenses consist with the special VRS payment of Rs. 95,069,479.
(Instead of special VRS payment, the loss for the year 2023 has been reduced to
Rs 248,144,943)

Loss for the year 2023 with VRS payment	(343,214,422)
(-) VRS Payment	95,069,479
Loss for the year 2023 without VRS payment	<u><u>(248,144,943)</u></u>

Sri Lanka Rupavahini Corporation

Statement of changes in equity for the year ended 31st December 2023

	Retained earnings Rs.	Government contribution Rs.	Total Rs.
Balance at 1st January 2022	(571,576,904)	735,742,424	164,165,521
Trasuary Grant	-	25,000,000	25,000,000
Adjustment	(284)	-	(284)
G.M.M.T.L Bandara prior Year adjustment	(3,500)	-	(3,500)
Prior year adjustment for investment income receivable	(887,581)	-	(887,581)
Prior year adjutment for revenue of Gurugedara educational programme	(980,645)	-	(980,645)
Prior year gratuity reimbursment by Labour Department	58,921	-	58,921
Prior year adjustment for cancelled cheque	(273,872)	-	(273,872)
Comprehensive income for the period	(538,281,105)	-	(63,024,037)
Balance at 31st December 2022	(1,111,944,969)	760,742,424	(351,202,545)
Balance at 1st January 2023	(1,111,944,969)	760,742,424	(351,202,545)
Removal Duplicate Client Receipt SLRC022/2022 & Same amount Logged by C223/00034 (DCB 17 2023)	(1,304,348)	-	(1,304,348)
Trasuary Grant for VRS	-	131,443,693	131,443,693
Prior year adjustment for client receipt c215/00345 21/03/2023	(60,000)	-	(60,000)
Amendmend of Bond Value (M W P Jayasingha S/No 1675)	(84,980)	-	(84,980)
Interest Adjustment of SMIB FD Withdrawal on 07/02/2023	(387,914)	-	(387,914)

Adjusment by SMIB for SLRC Housing Loan Fund	(70,034)	-	(70,034)
Removal Duplicate Client Receipt SLRC050,051,052,053/2021/MOL & Same amount Logged by C222/00150	(1,025,015)		(1,025,015)
Write of Advance payment for NOVA VISION according to Board Decision on 28/11/2023 - 899.03.02	(3,454,279)		(3,454,279)
Reissued Cancel Cheque Mr Wasantha Bandara	(2,000)		(2,000)
Removal Duplicate Client Receipt SLRC022/2022 & Same amount Logged by C223/00034 (DCB 17 2023)	(800,000)		(800,000)
Reversal of Accrued Expenses 2022 (Due to Agreement has not been Renewed)	2,362,500		2,362,500
Comprehensive income for the period	(343,214,422)		(343,214,422)
Balance at 31st December 2023	(1,459,985,460)	892,186,117	(567,799,343)

Figures in brackets indicate deductions.

The accounting policies and notes as set out in pages 7 to 32 form an integral part of these financial statement:

Sri Lanka Rupavahini Corporation

Statement of cash flows for the year ended 31st December 2023

	2023 Rs.	2022 Rs.
Cash flows from operating activities		
Cash generated from operations	100,242,721	(195,627,411)
Interest paid	(27,873,507)	(22,784,178)
Defined benefits obligations paid	(48,015,640)	(31,073,872)
Purchase of intangible(Purchase of teledrama)	(15,992,500)	(3,018,000)
ESC Paid	-	-
WHT paid	-	-
Net cash (used in) / generated from operating activities	8,361,075	(252,503,460)
Cash flows from investing activities		
Acquisition of property, plant & equipment	(36,781,424)	(5,843,339)
Proceeds from disposal of property, plant & equipment	1,380,000	3,000
Investment income received(Treasury Bills & Fixed Deposits)	32,736,550	19,476,955
Investment in subsidiary(Held to maturity financial asset-Fixed deposits)	199,945,751	188,620,662
Maturity of Treasury Bills		-
Investment in subsidiary(Treasury Bills & Fixed Deposits re- invest)		-
Net cash used in investing activities	197,280,877	202,257,279
Cash flows from financing activities		
Dividends paid	-	-
Bank loan received	33,118,417	-
Bank loan payments	(38,627,560)	(63,839,087)
Bank gurantee	-	-
Net cash generated from / (used in) financing activities	(5,509,143)	(63,839,087)
(Decrease) / increase in cash and cash equivalents	200,132,808	(114,085,268)
Movement in cash and cash equivalents		
At beginning of month (Decrease) / increase	(328,347,917)	(214,262,649)
At end of the period	(128,215,109)	(328,347,917)

	2023 Rs.	2022 Rs.
<u>Cash Flow from Operating activities</u>		
Net Profit Before Tax	(359,678,634)	(541,002,219)
<u>Adjustments For</u>		
Treasuary Grant	-	25,000,000
prior Year Adjustments For Clients	-	(284)
Prior year adjustment for depreciation provision	-	(3,500)
Prior year adjustment for investment income receivable	-	(887,581)
Prior year adjutment for revenue of Gurugedara educational	-	(980,645)
Prior year gratuity reimbursment by Labour Department	-	58,921
Prior year adjustment for cancelled cheque	-	(273,872)
Treasury Grant for VRS	131,443,693	-
Removal of duplicate client receeipt SLRC022/2022	(1,304,348)	-
Prior Year Adjustment for Client Receipt C215/00345 21/03/2023	(60,000)	-
Amendmend of Bond Value (M W P Jayasinghe S/No-1675)	(84,980)	-
Interest Adjustment of SMIB FD Withdrawal on 07/02/2023	(387,914)	-
Adjustment by SMIB for SLRC Housing Loan Fund	(70,034)	-
Removal of duplicate client Receipt	(1,025,015)	-
Write off of Advance Payment for NOVA VISION according to Board Decision	(3,454,279)	-
Reissued cancel cheque Mr Wasantha Bandara	(2,000)	-
Removal of Duplicate Client Receipt SLRCC022/2022	(800,000)	-
Reversal of Accrued Expenses 2022	2,362,500	-
Government Subsidiary	-	-
Investment Income	(24,094,094)	(21,187,740)
Profit on disposals-PPE	(1,379,998)	(2,933)
Amortization of Foreign Aid	(4,046,453)	(26,006,174)
Contra Income	(18,020,000)	(14,359,125)
Contra Expenses	1,700,000	15,785,797
Government grant for capital items	(93,350,488)	(123,493,499)
Depreciation	126,699,521	141,723,953
Impairment of Client Debtors	1,403,099	7,092,603
Impairment of Employee Debtors	10,387	(10,387)
Impairment of sundry Debtors	1,835,975	37,513
Losses on Disposal-PPE	-	-
Bank Interest (OD)	27,873,507	22,784,178
Lease Interest (Vehicle Loan)	-	-

Bank Loan Interest	20,909,977	22,175,022
Amortize of intangible(Purchase of teledrama)	30,855,500	58,665,500
Amortise of intangible(In-house production teledrama)	2,499,858	4,828,883
Amortise of intangible(In-house production - others)	2,099,944	3,274,661
Amortise Grant of foreign programmes(NHK) (Intangible asset)	-	14,720,000
Gratuity Provision	30,000,000	42,241,832
Operating Profit/(Loss)Before Working Capital Changes	(128,064,275)	(369,819,095)
(Increase)Decreases in WIP	-	-
(Increase)Decreases in Inventories	2,697,236	2,071,032
(Increase)Decrease in Accounts Receivable & Others (W2)	(35,943,375)	137,552,972
Increase/(Decrease) in Accounts Payable & Others (W3)	261,553,136	34,567,681
	100,242,721	(195,627,411)

Working 2

	2023	2022
	Rs.	Rs.
(Increase)Decrease in Accounts Receivable & Others (W2)		
Trade Receivables	(80,355,046)	57,869,122
Loans & Receivables(without treasury bills)	32,652,709	30,499,007
Other Receivables	10,459,359	44,582,631
Prepayment	1,299,604	4,602,212
	(35,943,375)	137,552,972

Working 3

	2,023	2022
	Rs.	Rs.
Increase/(Decrease) in Accounts Payable & Others (W3)		
Trade Payables	5,999,199	(21,331,753)
Other Financial Liability	(127,842,700)	49,609,741
Other Payable	383,396,637	6,289,693
	261,553,136	34,567,681

9 Related party disclosures

The Corporation Carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard 24 “Related Party disclosures”, the details of which are reported below.

	Name	Designation	Nature of the related party transaction	Address
1	Dr. Prasad Samarasinghe	Chairman - SLRC	No related party transaction	65/25/A, Wickramasinghe Mw, Kumaragewatta Rd, Pelawatta, Battaramulla
2	Mr. Deepal Chandrarathne	Board Member Chairman(Sri Lanka Film Corporation)	No related party transaction	No 576/1, 10 Post, Malabe.
3	Mr. Hudson Samarasinghe	Board Member Chairman(Sri Lanka Broadcas	No related party transaction	255/B11,Torignton Garden, Torington Avenue, Colombo 07.
4	Prof. D.M. Ajith Disسانayake	Board Member Professor(University of Kelaniya)	No related party transaction	No. 150/2, Wataddara, Weyangoda.

5	Prof. Chaminda Rathnayake	Board Member Professor(NSBM University)	No related party transaction	No. 136/4, Uduwana, Homagama
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6	Mr. N. A. Kelum Lasantha Wijenayake	Board Member Ministry of Mass Media	No related party transaction	Ministry of Mass Media
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7	Mr. Rakhitha Abeygunawardane	Board Member Attorney at Law	No related party transaction	No.352/1/B, Samadana Mawatha, Makola North, Makola.
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8	Mr. A. J. S. Samarasinghe Edirisooriya	Board Member Additional Secretary Educatio	No related party transaction	662/2, Elhena Road, Gothatuwa.
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9	Ms. R.J. Abdeen	Board Member Director (Ministry of Finance	No related party transaction	XB 9/1/1, Edmonton Apartment, Edmonton Rd, Kirulapone.
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10 Mr. D.M.K. Dasanayake

**Acting Deputy Director
General**
(Engineering)

No related party
transaction

224/1C,
Malwatte Road,
Arangala,
Malabe.

11 Mr. P.B.G
Sumedha
Athulasiri

Deputy Director General
(Programme /Marketing)

No related party
transaction

234/J,
Kadurugahawatta lane,
Kottikawatta.

12 Mr K. J. L. Perera

Director
(Administration-Attend to
Duties)

No related party
transaction

577A, Madiwela Rd,
Thalawathugoda.

13 Mr. M. A. L.
Priyankara

Chief Accountant

No related party
transaction

No.23,
Kalatuwawa North,
Kalagedihena.

14 Mr.Thilak
Mahagamage

Director
(Production Service)

No related party
transaction

84-18/A,
School Lane,
Temple's Road,
Thalapathpitiya,
Nugegoda.

15	Mr. Indika Marasinghe	Director -Acting (News & Current Affairs)	No related party transaction	No. 44/4, Kithulwatta patumaga, Borella.
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16	Mr.Chandrasiri Thambavita	Director (Education Programme)	No related party transaction	L.L.53 Malabe, Ittapana.
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17	Mr Satheeis Neelakandan	Director Marketing	No related party transaction	No 4/2, Haudan Lane, Colombo 06.
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18	Mr. Nilar N. Casim	Director Nethra Channel	No related party transaction	65/E/4, 5th Lane , I Jothipala Mw,Malabe.
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19	Mr. Sanjaya Indrakumara	Director Channel EYE	No related party transaction	330, K 2/1, National Housing Scheme, Serphantain Road, Borella.
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Sri Lanka Rupavahini Corporation

Notes to the financial statements

Note	2023 Rs.	2022 Rs.
1 Revenue		
Sale of TV time - channel 1	879,325,297	703,689,039
Sale of TV time - channel Eye	157,267,360	120,671,834
Sale of TV time - Nethra	104,822,551	74,431,817
Sale of TV time - contra deal	18,020,000	14,359,125
	1,159,435,207	913,151,815
Sale of TV time-Education Programme	-	29,875,000
	1,159,435,207	943,026,815
2 Other operating income		
Production income	110,169,000	103,486,250
Youtube Viewership Contribution	-	1,789,175
Investment income (Please refer table 11)	24,094,094	21,187,740
Transfer fees	151,360	138,877
Profit on disposals-property plant & equipment	1,380,000	2,933
Rent from canteen	60,000	60,000
Departmental fines	800,490	370,393
Interest on loans to employees	3,667,973	4,490,528
Miscellaneous income	7,917,900	7,724,482
Amortization of foreign aid	4,046,453	26,006,174
Royalty Reimbursement By Client	-	-
Non-refundable tender deposits	414,961	108,877
Registration fees	258,950	202,771
Sale of programme material	781,013	1,029,843
Registration fee - TV dealers	-	-
Utilization of SLRC facilities (foreign)	723,200	-
Utilization of SLRC facilities (local)	10,248,407	16,967,320
Income Of Acting Academy	1,176,000	6,361,000
Foreign Grant for Programme Production	-	-
Sale of magazine	-	-
Sale of Books -Dayata kirula	-	-
Publicity programme Sale Of Tickets(Musical Programme)	-	-
Reimbursement of Programme Expenses	1,027,357	445,000
Income From Diploma Course	13,226,500	5,108,000
Sale of Nanamihira Question Papers	18,581,520	31,602,140
Loan impairment gain	-	-

Sale of magazine		
Commercial promotional income	66,522	157,593
Budhist Programme	6,522	5,236,147
Musical Chart Show	1,175,226	453,929
Viewership contribution-Google Asia	19,315,810	20,363,673
Information providing charges	42	535
Exchange Gain	-	-
Government grant for capital items	93,350,488	123,493,499
Nethra TV Other Income	372,000	
Other charges reimbursement - clients	-	-
Government grant	-	-
	313,011,787	376,786,877

2.1 Government Subsidiary

Government Subsidiary

-	-
-	-

3.0 Cost of sales

Programme expenses

3.1 Educational programme expenses

Artiste fees	2,771,510	2,679,775
Refreshments	1,123,305	624,622
Make-up materials	8,869	5,360
Incidental expenses	335,952	135,743
Stationery	150,680	130
Stage design	818,598	164,750
Video cassettes & tapes	561,601	556,308
Water Expenses	132,424	9,858
Hire of transport facilities	-	7,890
Hire of equipment facilities	1,776,131	185,900
Hire of facilities (Theatre/Audio)	-	90,000
Hire of sound equipment	1,253,000	226,000
Electricity	20,000	2,500
Fuel for motor vehicle	283,195	71,034
Lodging	817,000	335,500
Still photographs	5,000	5,000
Traveling & subsistence	434,800	230,850
Premises	142,690	-
Special event	1,812,250	2,326,320
	12,447,004	7,657,540

Channel eye/Nethra

Artiste fees	1,879,945	2,151,898
Previewing & monitoring chargers	-	-

Refreshment	134,200	18,350
Hire of equipment/transport	62,000	24,200
Hire of transport	-	-
Hire of sound equipment	-	-
Electricity	-	4,000
Electricity reimbursement- Channel eye(Fairway Towers)	4,296,445	2,535,923
Tower rental	2,400,000	2,400,000
Incidental expenses	160,510	78,762
Traveling & subsistence	19,000	6,513
Water Expenses	43,319	3,200
Still photographs	-	-
Stationery		
Procurement of programme material - foreign	39,150,850	-
Lodging	-	-
Video cassettes & tapes	194,973	154,403
Rent of antenna tower at SLBC	-	-
Reimbursement of electricity charges SLBC	-	-
Stage design/sets	150,400	31,200
Fuel for motor vehicle	-	-
Fuel for generator	7,999	1,519
Hire of facilities (Theatre/Audio)	-	-
Premises	23,000	4,000
Special event	8,500	-
Special Payment English News	-	-
Graphic material	-	-
Make-up materials	-	-
	48,531,141	7,413,968

3.2 General programme expenses

Artistes fees	13,331,163	16,628,147
Previewing & monitoring charges	-	71,100
Refreshment allowance	3,813,278	2,967,340
Purchase of copy/ production TV right	47,318,000	138,993,720
Stage & design/ sets/ props	1,587,760	1,593,200
Make-up materials	77,893	98,338
Video cassettes & tapes	1,560,104	1,041,896
Graphic & animation materials	-	-
Still photographs	25,458	20,006
Hire of equipment facilities	6,170,486	6,590,315
Incidental expenses	1,236,578	953,974
Water Expenses	724,346	179,465
Procurement programme materials - foreign	-	14,720,000
Traveling & subsistence	1,632,042	1,143,780
Special event	73,800	264,055
Lodging	2,970,362	2,522,750
Electricity	180,353	111,273
Hire of facilities (Theatre/Audio)	686,863	2,799,528

Hire of sound equipment	93,860	1,864,000
Hire of transport	706,161	740,382
Fuel for generator	3,148	16,663
Fuel for motor vehicle	949,835	277,094
Premises	770,948	268,570
	83,912,439	193,865,595

3.3 News programme expenses

Payments to news readers/ editors	7,637,375	6,600,555
News gathering - Local	18,400,000	17,417,825
News gathering - Foreign	-	-
Incidental expenses	97,211	143,836
Satellite & related charges. - Foreign	-	11,921
ABU's fixed & variable charges	7,009,416	8,035,200
Transport news vehicle	14,288,989	13,441,267
Web streaming service	3,330,000	2,700,000
Video cassettes & tapes	153,856	139,566
Refreshment allowances	371,557	400,441
Design/news sets	1,443,955	3,130,045
Artistes fees	3,091,755	3,246,927
Hire of equipment facilities	855,970	1,118,568
Water	38,820	18,550
Hire of sound equipment	132,250	132,250
Traveling & subsistence	208,708	192,050
Graphic & Animation Material	-	-
Premises	144,221	144,221
Lodging	152,000	179,500
Sets/props (current affairs)	249,312	495,466
Hire of transport facilities(current affairs)	40,000	-
Hire of facilities (Theatre/Audio)(current affairs)	-	401,439
Still photographs(current affairs)	20,000	20,000
Fuel for generator	19,880	707
Fuel for motor vehicle	-	-
Electricity	3,000	-
Live streaming	3,330,000	2,700,000
On demand video streaming	-	-
Special events	221,902	201,902
	61,240,176	60,872,234

3.4 Commercial production expenses

Artistes fees	2,973,040	657,790
Refreshment allowance	991,600	77,585
Stage & design/sets/props	1,384,138	190,341
Hire of transport facilities	22,000	-
Hire of equipment facilities	3,691,650	195,500
Water Expenses	189,323	26,013
Incidental expenses	341,080	113,401

Traveling & subsistence	413,300	134,730
Electricity	-	-
Fuel for generator	244,903	177
Graphic & Animation Material	-	-
Lodging & premises	1,048,400	527,000
Hire of sound equipment	275,500	-
Premises	120,000	-
Video cassettes & tapes	89,327	127,862
Special events	2,202,020	-
Social Media Development Charges	1,640,758	8,878
	15,627,038	2,059,278

3.5 Other production expenses

Salaries & other allowances (For production staff)

Salaries/ allowances - Permanent staff	362,525,995	426,137,782
Salaries/ allowances - Contract staff	4,325,670	7,470,249
Salaries/ allowances - Relief staff	7,232,699	6,678,045
Overtime	118,878,793	118,691,160
Corporation share of EPF	51,866,763	61,365,301
Corporation share of ETF	10,373,402	12,273,060
Holiday pay	32,763,716	33,216,395
Week-end payment for executive	1,189,050	1,122,188
Hardship/ altitude/ heavy duty	4,991,425	6,011,559
Duty officers/ engineers fees	2,592,619	1,014,525
Meal allowance -Non executive	5,991,375	6,779,540
Incentive allowance	14,144,130	19,472,681
Transport allowance	10,206,816	9,186,579
Encashment medical leave	902,247	1,678,559
Bonus	(15,000)	-
Electricity - Head office (75%)	134,696,976	69,751,222
Fuel for generator	5,280,916	14,382,424
Running expenses (75%)	11,522,422	9,658,055
Repairs & maintenance - Equipment	13,823,187	6,202,068
Tax on foreign programmes	-	110,000
Commercial contra expenses	-	15,785,797
Frequency chargers	2,919,130	5,413,699
Leasing of satellite band with 9 MHZ	-	-
Acting Academy Expenses	921,745	675,450
Transmission Tower Rental	12,842,432	13,233,037
Data circuit for monitoring & controlling	-	-
Colombo -Palali link for video transmission	4,617,729	4,832,774
Rental for fiber optic link	-	-
Hiring of third party infrastructure	-	-
	814,594,237	851,142,150

3.6 Depreciation

Depreciation	114,589,701	127,431,043
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	Total Cost of Sales	1,150,941,737	1,250,441,808
4	Distribution expenses		
	Agency commission	55,167,624	60,052,529
	Incentive pament for Marketing Manager	-	-
	Promotional expenses	993,465	1,185,160
	Client Discount Rate Adjustment	-	-
	Ru-entertainment recorded cassette expenses	519,095	499,061
	Bad debts-Employee	10,387	(10,387)
	Bad debts-Sundry	1,835,975	37,513
	Bad debts-Clients	1,403,099	7,092,603
		59,929,645	68,856,479
5	Administration expenses		
	Members remuneration	1,222,333	1,606,167
	Salaries/ allowances - permanent staff	120,841,998	142,045,927
	Salaries/ allowances - contract staff	1,441,890	2,490,083
	Salaries/ allowances - relief staff	2,410,900	2,226,015
	Overtime	39,626,264	39,563,720
	Corporation share of EPF	17,288,921	20,455,100
	Corporation share of ETF	3,457,801	4,091,020
	Holiday pay	10,921,239	11,072,132
	Week-end payment for executive	396,350	374,063
	Hardship/ altitude/ heavy duty	1,663,808	2,003,853
	Duty officers/ engineers fees	864,206	338,175
	Membership fees for professional executives	-	-
	Contribution for pension & W & O.P	128,545	253,196
	Meal allowance -Non executive	1,997,125	2,259,847
	Incentive allowance	4,714,710	6,490,894
	Transport allowance	3,402,272	3,062,193
	Encashment medical leave	300,749	559,520
	Incentive gratuity & compensation	4,876,097	1,447,031
	Bonus	(5,000)	-
	Recreation	13,300	-
	Uniforms to staff	6,000	3,000
	Premium - medical insurance scheme	21,326,696	23,263,261
	Premium for accident & life insurance	1,040,787	1,096,941
	Traveling & subsistence - Local	863,088	639,130
	Traveling & subsistence - Mileage allowance	1,782,891	2,239,088
	Traveling & subsistence - foreign	335,396	3,000
	Incidental expenses - Foreign travel	58,586	3,451
	Corporation refreshment/ entertainment	968,080	642,811
	Rent, rates & taxes	17,398,953	16,583,220
	Electricity & power	44,898,992	23,250,407
	Telephone including rental	19,406,825	20,062,455
	Security service	9,452,304	12,635,460
	Postage	407,965	360,567

Printing & stationary	8,137,661	5,530,874
Newspapers & periodicals	1,926,950	1,228,245
Office requisites	1,615,443	1,526,603
Losses on disposal -property plant & equipment	-	-
Exchange losses	-	-
Sundry expenses	6,403,823	3,056,901
Advertisement- tender & recruitment	843,714	1,356,950
Compensation for court cases	-	-
Running expenses of motor vehicles	3,840,807	3,219,352
Hire of motor vehicles	11,513,398	8,424,113
Insurance - building & other assets	2,446,716	1,702,359
License & insurance motor vehicle	1,285,366	1,379,142
Repairs & maintenance - building	15,534,666	14,949,147
Repairs & maintenance - Garden	868,798	678,579
Repairs & maintenance - Other assets	1,161,109	1,231,840
Water	3,095,804	3,857,587
Grant For SLRC Canteen	-	-
Lodging	367,500	217,000
Web hosting/Internet lease line	13,000	23,938
Computer requisites	-	-
License fee for Microsoft product & other expenses	4,316,765	-
Seminar & training programme - general	6,000	-
Anniversary celebration	1,046,576	759,646
Public addressing system charges/ rental	110,922	63,384
Repairs of motor vehicles	11,408,053	6,778,282
Publicity & propaganda	-	-
Training expenditure - internal	1,486,858	101,425
Incentive payments for production	70,000	-
Survey & research expenses	500,528	1,050,000
Donation	100,000	100,000
Licence Fee & Communication Equipment	-	-
Payee tax contribution	-	-
National events	-	156,562
Print of Nana Mihira question paper	6,156,300	19,236,780
Corporation publication	-	-
Royalty for the broadcast Songs	43,500	154,200
Diploma course expenses	605,201	596,283
Expenses for election - presidential/general	-	-
Special Levy-Treasury	-	-
International Relationship Unit Expenses	-	-
ABU training	-	-
Expenses for reconciliation channel	-	-
GHOGM expenses	-	-
Subscription fees(contribution to AIDB)	12,707,812	14,617,520
Depreciation	12,109,821	14,292,910
	443,233,159	447,411,349
Interest Charges for benefit obligation	30,000,000	42,241,832

	473,233,159	489,653,181
5.1 Compensation for VRS	95,069,479	-
	568,302,638	489,653,181
6 Financial & other charges		
Bank charges	733,495	587,954
Bank interest	27,873,507	22,784,178
Lease interest (Vehicle loan)	-	-
Bank loan interest	20,909,977	22,175,022
Bank gurantee charges	-	-
Audit fees	1,200,000	1,248,000
Legal fees	1,817,005	4,816,189
Stamp duty	177,625	253,100
Financial & other write offs	-	-
Consultancy & Other Prof. Chg	240,000	-
Special levy - Treasury	-	-
	52,951,609	51,864,443
7 Taxation		
Profits & income exempt from tax		
Recognized Actuarial Gain/ Loss	-	7,173,001
	-	7,173,001
Profit /(loss) Before Tax) for the year	(343,214,422)	(541,002,219)
Government Subsidiary	-	-
Profit/(loss)Before Tax for the year (Without Government	(343,214,422)	(541,002,219)
Depreciation	126,699,521	141,723,953
Interest paid (100% Allowed)	48,783,484	44,959,200
Corporation entertainment	968,080	642,811
Publicity & propaganda (25% Disallowable)	-	-
Donations	100,000	100,000
Commercial promotional expenses (25% Disallowable)	248,366	296,290
Contra expenses (25% Disallowable)	-	3,946,449
Profit/loss on disposal	1,380,000	2,933
Tax gain /loss on disposal	3,629	(5,495)
Anniversary celebration	1,046,576	759,646
Provisions for gratuity	30,000,000	42,241,832
Gratuity paid	(48,015,640)	(31,073,872)
Provisions for bad debts-Sundry	1,835,975	37,513
Provisions for bad debts-Clients	1,403,099	7,092,603
Provisions for bad debts-Employees	10,387	(10,387)
Specific bad debts write off	-	-
Interest income	(24,094,094)	(21,187,740)
Grant for capital items	(93,350,488)	(123,493,499)
Foreign Grant for Programme Production	-	-
Capital allowances	54,363,371	(99,558,647)

Amortization of foreign aid	(4,046,453)	(26,006,174)
Business profit/(loss)	(245,878,609)	(600,534,803)
Interest income	24,094,094	21,187,740
Total statutory income	24,094,094	21,187,740
35% from Statutory Income Allowable Losses	(8,432,933)	(7,415,709)
Interest Paid	(48,783,484)	(44,959,200)
Assessable income	(33,122,323)	(31,187,169)
Qualifying payments	-	-
Taxable income	(33,122,323)	(31,187,169)
Tax amount (30%)	-	-
Income tax liability	-	-
Deferred tax	16,464,212	4,451,887
	16,464,212	4,451,887
Notional tax credit (Treasury bill income 1/10)	-	-
Tax liability	16,464,212	4,451,887

Sri Lanka Rupavahini Corporation

Notes to the financial statements

Note	2023 Rs	2022 Rs
9 Intangible assets		
Purchase of teledrama	35,199,500	50,062,500
In-house production teledrama	2,177,235	4,677,093
In-house production - others	1,083,441	3,183,385
Programe material foreign	-	-
Local programmes(Not telecast)	-	-
Grant of foreign programmes(NHK)	-	-
Local programmes (Work- In Progress)	-	-
	38,460,178	57,922,979
10 Held to maturity financial assets		
Fixed deposits (Bank Of Ceylon)	22,000,000	211,253,251
Fixed deposit (State Mortgage & Investment Bank)	10,427,500	21,120,000
	32,427,500	232,373,251
11 Stocks		
Printing & stationary	1,474,583	1,860,178
Spare parts - ENG I	18,052,749	18,052,749
Spare parts - ENG II	177,996,532	177,996,532
Spare Parts ENG & ENGINEERING	231,465	265,398
Graphics material	1,669	1,669
Make-up material	35,380	14,725
Building material	2,611	2,762
Motor vehicle material	1,189,053	1,565,721
Office requisites(exluding printing & stationary)	24,155	8,470
Miscellaneous items	142,261	130,261
Cassettes & tapes (blank) in main stores	627,598	2,577,535
Electrical consumables	115,650	93,796
Cassettes & tapes (library)	104,865	159,566
Recorded cassettes	645,730	612,175
	200,644,303	203,341,539
12 Trade receivables		
Client debtors	432,136,027	333,760,980
Returned Cheques	57,500	57,500
Less : Impairment of client debtors	(136,659,745)	(135,256,646)
	295,533,782	198,561,834
13 Loans & other receivables		
13.1 Treasury bills		

	Treasury bills	-	-
		-	-
13.2 Debtors - Employees			
	TV loan - others	35,452	35,452
	Distress loan	9,034,520	24,402,287
	Festival advance	10,600	361,000
	Transport loan	6,079,603	9,193,934
	Special loan	962,690	3,948,981
	Other loan	-	-
	Textile loan	126,200	1,988,000
	Housing loan	60,122,731	69,094,850
	Housing loan prepayments	-	-
	Debtors - Employees	76,371,796	109,024,505
	Less : Impairment of loan debtors	(145,846)	(135,459)
		<u>76,225,951</u>	<u>108,889,046</u>
	Loan & other receivable	76,225,951	108,889,046
14 Other receivables			
14.1 Advances & deposits			
	State Mortgage & Investment Bank(Housing loan fund)	26,058,044	15,239,179
	Goods in transit	37,455,812	56,119,330
	Advance to suppliers - Local purchases (Institutes)	3,682,141	8,464,358
	Advance to suppliers	2,375,941	5,647,193
	Advance to employees - M.E.	70,000	70,000
	Advance to employees- Miscellaneous	648,895	122,950
	Advance to employees - Programme	417,054	1,251,477
	Cash in hand divisions (Petty Cash)	-	-
	Deposits for services - Refundable	3,683,557	3,803,557
	Stamp IMP - Administration division	33,820	95,000
	Advance for room charges	54,000	137,000
	Advance on foreign purchase - Spares parts	9,239,950	9,233,586
	Withholding tax (WHT) deducted at source	36,974,494	36,974,494
	Advance to employees - Purchase	5,085,491	3,694,535
	Traveling advance - Foreign	121,800	121,800
	Tax- Economic Service Charge (ESC)	21,030,312	21,030,312
		<u>146,931,310</u>	<u>162,004,770</u>
14.2 Sundry debtors			
	Miscellaneous debtors	6,573,988	7,166,402
	Recoverable from retired / resigned employees	80,358	80,358
	Income receivables (From inland revenue & other)	58,329,572	57,956,445
	Income receivables - Investment income	3,044,748	11,687,204
	Agency Commission	11,095,460	10,995,066

	Staff debtors - Sundries	44,261	44,261
	Insurance corporation medical scheme	232,266	(2,894,180)
	Coin adjustment	29,333	29,552
		81,036,752	85,065,108
	Less : Impairment of sundry debtors	(39,477,809)	(37,641,833)
		41,558,944	47,423,274
	Other receivables	188,490,254	209,428,045
15	Cash, bank balance & deposits as call		
	BOC savings A/C	24,213,398	1,341,524
	Cash in hand Control A/C	-	-
	Call Deposits	-	-
	Fixed deposits-short term	22,707,952	15,000,000
	Repo	-	-
	Peoples bank	1,543,390	50,000
	Bank balance BOC Corporate Branch	-	-
	Bank balance BOC Torrington Branch	-	-
		48,464,740	16,391,524
16	Government grant for capital items		
	Government grant for capital items	179,393,160	272,743,648
	Government grant for capital items	179,393,160	272,743,648
17	Retirement benefit obligation -Gratuity		
	Retirement benefit obligation -Gratuity	191,362,999	209,378,638
		191,362,999	209,378,638
18	Trade payables		
	Creditors client	23,705,738	20,022,269
	Agency commission payable	84,602,201	80,616,944
	Client transfer / refunds	596,553	566,078
		108,904,491	101,205,291
19	Other financial liabilities		
	Accrued expenses	455,056,155	372,020,801
	Unclaimed salaries & wages	977,773	1,218,834
	Retention - contract	27,761	-
	Security - contract & suppliers	94,241	94,241
	Creditors control	15,659,180	7,791,410
	Cancelled cheques - corporate	149,339	149,339
	Cancelled cheques - Department of Inland Revenue(Taxes)	-	254,828,071
	Artists fee payable (cancelled cheques)	37,859,761	35,001,646
	Retention - SLRC employees	7,000	7,000
	SLBC	1,386	1,170
	Pre reciepts	19,541,837	9,614,652
	Tender deposits (Refundable)	1,660,516	1,294,116
	Salaries payable	58,125,287	34,870,863

	Viwership contribution payable	5	311,195
	Fund for Rupavahini museum	10,002	10,002
	Funds from Chairman (410330)	10,500	
	Dr Salomon Fonseka Memorial Childerens Theater	836,076	836,076
	CIR stamp duty	341,762	188,162
	Ministry of state	130,983	94,685
	Provision for fine on gratuity	73,745	73,745
	Suspence Account	-	-
	Miscellaneous payable - Suwa sahana	73,574	73,574
	Provision for dividend (to the government)	32,368,342	32,368,342
		623,005,225	750,847,925
20	Other payables		
	Retention with holding tax	1,744,964	1,745,241
	Provision for income tax	-	-
	VAT control A/C	410,126,071	51,249,674
	NBT Payable	20,999,551	-
	ESC Payable	3,449,382	-
	Retention with holding turnover tax	4,472	4,447
	VAT payment	-	-
	PAYE tax	215,342	143,783
		436,539,782	53,143,145
21	Bank overdraft -		
	Peoples bank	-	-
	Bank overdraft -BOC Torrington Branch	(43,844,034)	113,663,316
	Bank overdraft -BOC Corporate Branch	220,523,883	231,076,126
		176,679,849	344,739,442
22	Finance leases		
22.1	Finance leases payable current portion	-	-
22.2	Finance leases payable non-current portion	-	-
		-	-
22	Bank Loan		
22.1	Bank Loan current portion	55,813,953	55,813,953
	Bank Loan for outstanding loan (410315)-Current	453,667	-
	Short-Term Bank Loan For ICC World Cup	-	-
	Bank loan for OD Facility (410305)	9,043,544	
		65,311,163	55,813,953
22.2	Bank Loan Non-current portion	27,234,589	37,209,298
	Bank Loan for outstanding loan (410315) Non-Current	15,878,333	-
		43,112,922	37,209,298

9 Intangible Assets

In -House production Teledrama (340120)

2023				
Year	Cost	Amortised Per year	Total Amortize Value	Net Amount
2012	23,290,247.00	-	23,290,247.00	-
2013	14,867,624.00	1,486,762.40	14,867,624.00	-
2014	4,794,717.00	479,471.70	4,315,245.30	479,471.70
2016	4,367,318.00	436,731.80	3,057,122.60	1,310,195.40
2017	968,920.00	96,892.00	581,352.00	387,568.00
Total	48,288,826.00	2,499,857.90	46,111,590.90	2,177,235.10

In -House production Teledrama (340120)

2022				
Year	Cost	Amortised Per year	Total Amortize Value	Net Amount
2012	23,290,247.00	2,329,024.70	23,290,247.00	-
2013	14,867,624.00	1,486,762.40	13,380,861.60	1,486,762.40
2014	4,794,717.00	479,471.70	3,835,773.60	958,943.40
2016	4,367,318.00	436,731.80	2,620,390.80	1,746,927.20
2017	968,920.00	96,892.00	484,460.00	484,460.00
Total	48,288,826.00	4,828,882.60	43,611,733.00	4,677,093.00

Purchase of Tele drama (340130)

2023				
Year	Cost	Amortised Per year	Total Amortize Value	Net Amount
2014	19,850,000.00	1,960,000.00	17,640,000.00	2,210,000.00
2015	4,455,830.00	-	4,143,330.00	312,500.00
2016	19,265,000.00	480,000.00	17,575,000.00	1,690,000.00
2018	38,717,500.00	-	38,717,500.00	-
2019	15,955,000.00	1,595,500.00	6,382,000.00	9,573,000.00
2020	33,700,000.00	-	33,700,000.00	-
2021	33,712,000.00	21,732,000.00	33,712,000.00	-
2022	10,509,500.00	5,088,000.00	5,088,000.00	5,421,500.00
2023	15,992,500.00	-	-	15,992,500.00
Total	192,157,330.00	30,855,500.00	156,957,830.00	35,199,500.00

Purchase of Tele drama (340130)

2022

Year	Cost	Amortised Per year	Total Amortize Value	Net Amount
2014	19,850,000.00	1,960,000.00	15,680,000.00	4,170,000.00
2015	4,455,830.00	-	4,143,330.00	312,500.00
2016	19,265,000.00	480,000.00	17,095,000.00	2,170,000.00
2018	38,717,500.00	4,455,000.00	38,717,500.00	-
2019	15,955,000.00	1,595,500.00	4,786,500.00	11,168,500.00
2020	33,700,000.00	32,360,000.00	33,700,000.00	-
2021	33,712,000.00	11,980,000.00	11,980,000.00	21,732,000.00
2022	10,509,500.00	-	-	10,509,500.00
Total	176,164,830.00	52,830,500.00	126,102,330.00	50,062,500.00

Local Programme not Telecast (340140)

2023				
Year	Cost	Addition	Transfer	Net Amount
2017	2,426,122.00	-	2,426,122.00	-
2018	2,994,100.00	-	2,994,100.00	-
Total	5,420,222.00	-	5,420,222.00	-

Procurement of Foreign Programme (340160)

2023				
Year	Cost	Amortize Per year	Total Amortize Value	Net Amount
2016	-	-	-	-
2018	1,778,127.25	-	1,778,127.25	-
2019	1,852,500.00	-	1,852,500.00	-
Total	3,630,627.25	-	3,630,627.25	-

Procurement of Foreign Programme (340160)

2022				
Year	Cost	Amortize Per year	Total Amortize Value	Net Amount
2016	-	-	-	-
2018	1,778,127.25	1,778,127.25	1,778,127.25	-
2019	1,852,500.00	1,852,500.00	1,852,500.00	-
Total	3,630,627.25	3,630,627.25	3,630,627.25	-

Grant of Foreign Programme (340165)

2023				
Year	Cost	Amortize Per year	Total Amortize Value	Net Amount

2017	<u>73,600,000.00</u>	<u>-</u>	<u>73,600,000.00</u>	<u>-</u>
Total	<u>73,600,000.00</u>	<u>-</u>	<u>73,600,000.00</u>	<u>-</u>

Grant of Foreign Programme (340165)

2022

Year	Cost	Amortize Per year	Total Amortize Value	Net Amount
2017	<u>73,600,000.00</u>	<u>14,720,000.00</u>	<u>73,600,000.00</u>	<u>-</u>
Total	<u>73,600,000.00</u>	<u>14,720,000.00</u>	<u>73,600,000.00</u>	<u>-</u>

In-House Production - Others (340170)

2023

Year	Cost	Amortize Per year	Total Amortize Value	Net Amount
2012	-	-	-	-
2013	<u>10,165,025.00</u>	<u>1,016,502.50</u>	<u>10,165,025.00</u>	<u>-</u>
2014	<u>10,834,414.00</u>	<u>1,083,441.40</u>	<u>9,750,972.60</u>	<u>1,083,441.40</u>
Total	<u>20,999,439.00</u>	<u>2,099,943.90</u>	<u>19,915,997.60</u>	<u>1,083,441.40</u>

In-House Production - Others (340170)

2022

Year	Cost	Amortize Per year	Total Amortize Value	Net Amount
2012	<u>11,747,174.00</u>	<u>1,174,717.40</u>	<u>11,747,174.00</u>	<u>-</u>
2013	<u>10,165,025.00</u>	<u>1,016,502.50</u>	<u>9,148,522.50</u>	<u>1,016,502.50</u>
2014	<u>10,834,414.00</u>	<u>1,083,441.40</u>	<u>8,667,531.20</u>	<u>2,166,882.80</u>
Total	<u>32,746,613.00</u>	<u>3,274,661.30</u>	<u>29,563,227.70</u>	<u>3,183,385.30</u>

Net Amount

	31/12/2023	31/12/2022
In -House production Teledrama	2,177,235.10	4,677,093.00
Purchase of Tele drama (340130)	35,199,500.00	50,062,500.00
Grant of Foreign Programme (340165)	-	-
In-House Production - Others (340170)	<u>1,083,441.40</u>	<u>3,183,385.30</u>
	<u>38,460,176.50</u>	<u>57,922,978.30</u>

Sri Lanka Rupavahini Corporation

Income Statement For the 12 th Month Period Ended 31st December 2023

(Rs. in 000's)

	Notes	Actual Rs.	Budget Rs.	Actual upto 31.12.2022 Rs.	Variance with Budget %	Variance with Last Year %
Revenue	1	1,159,435	1,705,150	943,027	(32.00)	22.95
Other Income	2	<u>313,011</u>	<u>554,566</u>	<u>376,787</u>	<u>(43.56)</u>	<u>(16.93)</u>
Total Income		<u>1,472,446</u>	<u>2,259,716</u>	<u>1,319,814</u>	<u>(34.84)</u>	<u>11.56</u>
Less ;						
Distribution Expenses	3	59,929	200,558	84,642	(70.12)	(29.20)
Administration Expenses	4	1,287,828	1,307,974	1,324,901	(1.54)	(2.80)
Programme Expenses	5	336,347	659,177	399,299	(48.97)	(15.77)
Finance Expenses	6	<u>52,951</u>	<u>85,437</u>	<u>51,974</u>	<u>(38.02)</u>	<u>1.88</u>
Total Expenses		<u>1,737,055</u>	<u>2,253,146</u>	<u>1,860,816</u>	<u>(22.91)</u>	<u>(6.65)</u>
Profit /(Loss) Before VRS Payments		<u>(264,609)</u>	<u>6,570</u>	<u>(541,002)</u>	<u>(4,127.53)</u>	<u>(51.09)</u>
VRS Payments		<u>95,069</u>	<u>-</u>	<u>-</u>		
Profit /(Loss) Before Tax After VRS Payments		<u>(359,678)</u>	<u>6,570</u>	<u>(541,002)</u>		
Deferred Income Tax		16,464	(4,200)	(4,452)		
Profit /(Loss) After Tax		<u>(343,214)</u>	<u>2,370</u>	<u>(545,454)</u>		
Other Comprehensive Income						
Recognition of Actuarial Gain/(Loss)		-	-	7,173		
Period		<u>(343,214)</u>	<u>2,370</u>	<u>(538,281)</u>		

Sri Lanka Rupavahini Corporation

Notes to the Accounts

(Rs. In 000's)

	Actual Rs.	% from total Revenue/ Expenditure	Budget Rs.	Actual up to 31.12.2022 Rs.
01. Revenue				
Sale of TV Time - Channel 1	879,325	59.72	1,363,100	703,689
Sale of TV Time - Channel Eye	157,267	10.68	150,050	120,672
Sale of TV Time - Contra Deal	18,020	1.22	12,000	14,359
Sale of TV Time - 3rd Channel	104,823	7.12	180,000	74,432
N.B.T. on Sale of TV Time	-	-	-	-
	<u>1,159,435</u>	<u>78.74</u>	<u>1,705,150</u>	<u>913,152</u>
Sale of TV Time - Education Prog.	-	-	-	29,875
	<u>1,159,435</u>	<u>78.74</u>	<u>1,705,150</u>	<u>943,027</u>
02. Other Income				
Production Income (Commercial)	110,169	7.48	130,000	103,486
Investment Income	24,094	1.64	30,000	21,188
Others	178,748	12.14	394,566	252,113
	<u>313,011</u>	<u>21.26</u>	<u>554,566</u>	<u>376,787</u>
Total Revenue	<u>1,472,446</u>	<u>100</u>	<u>2,259,716</u>	<u>1,319,814</u>
03. Distribution Expenses				
Agency Commission	55,168	3.18	184,098	60,052
Promotional Expenses	993	0.06	5,000	1,185
Incentive Payment for M/Manager	-	-	-	-
Commercial Contra Expenses	-	-	7,560	15,786
Recorded Cassettes	519	-	1,090	499
Bad Debts Provision(Client)	3,249	0.19	2,810	7,120
	<u>59,929</u>	<u>3.42</u>	<u>200,558</u>	<u>84,642</u>
	-	-	-	-
04. Administration Expenses				
Salaries	582,988	33.56	675,330	686,839
Over Time & Holiday Pay	203,775	11.73	147,223	204,040
Incentive & Other Allowances	56,756	3.27	108,115	60,558

Depreciation	12,110	0.70	14,852	14,293
N.B.T./S.S.C.L.	-	-	-	-
Subscription Fees	20,245	1.17	16,294	24,864
Other Administration Expenses	411,954	23.72	346,160	334,307
	<u>1,287,828</u>	<u>74.14</u>	<u>1,307,974</u>	<u>1,324,901</u>
	-	-	-	-
05. Programme Expenses	-	-	-	-
Educational Programme	12,447	0.72	18,229	7,657
General Programme	36,594	2.11	116,871	54,872
News Programme	61,240	3.53	86,160	60,872
Nethra & EYE Channel Programme	48,531	2.79	76,155	7,414
TV Rights	47,318	2.72	237,105	138,994
Commercial Production	13,927	0.80	18,657	2,050
Social media Development charges	1,700	0.10	1,000	9
Depreciation	114,590	6.60	105,000	127,431
	<u>336,347</u>	<u>19.36</u>	<u>659,177</u>	<u>399,299</u>
	-	-	-	-
06. Finance Expenses	-	-	-	-
Bank Charges	733	0.04	576	588
Financial & Other - Bank Interest	27,873	1.60	29,500	22,784
Bank Loan Interest	20,910	1.20	52,161	22,175
Financial & Other - Audit Fees	1,200	0.07	1,300	1,248
Financial & Other - Legal Fees	1,817	0.10	1,500	4,816
Consultancy & Other Pro. Charges	240	0.01	250	-
Financial & Other - Write off	-	-	-	-
Stamp Duty	178	0.01	50	253
Tax on Foreign Prog.	-	-	100	110
	<u>52,951</u>	<u>3.05</u>	<u>85,437</u>	<u>51,974</u>
	-	-	-	-
Total Expenditure	<u>1,737,055</u>	<u>100</u>	<u>2,253,146</u>	<u>1,860,816</u>
	-	-	-	-
Profit /(Loss) Before VRS Payments	<u>(264,609)</u>		<u>6,570</u>	<u>(541,002)</u>
VRS Payments	95,069		-	-
	-	-	-	-
Profit /(Loss) Before Tax After VRS Payments	<u>(359,678)</u>		<u>6,570</u>	<u>(541,002)</u>
	-	-	-	-
Income Tax	16,464		(4,200)	(4,452)

Profit /(Loss) After Tax	(343,214)	2,370	(545,454)
Other Comprehensive Income			
Recognition of Actuarial Gain/(Loss)	-	-	7,173
Profit /(Loss) for the Period	<u><u>(343,214)</u></u>	<u><u>2,370</u></u>	<u><u>(538,281)</u></u>

Sri Lanka Rupavahini Corporation

Notes to the financial statements

1 1.1 General Information

Sri Lanka Rupavahini Corporation (hereinafter referred to as the "Corporation") was incorporated under the Sri Lanka Rupavahini Corporation Act No.6 of 1982. The Corporation operates as the National Television Broadcaster in Sri Lanka with the prime objectives of providing education, entertainment & information to a multi ethnic & multi religious Sri Lankan society.

Total number of employees of the Corporation as at 31st December 2023 was 657 (Permanent, Contract & Casual grades).

The Financial Statements of the Corporation for the year ended 31st December 2023 were authorized for issue by the chairman on behalf of board of directors on 27th of March 2024.

1.2 Going Concern

A material uncertainty exists that continued losses of the corporation have generated from previous years up to this accounting year may adversely affected to corporation's net asset and therefore without financial support of the government & treasury individually or collectively may cast significant doubt on the corporation's ability to continue as a going concern.

2 Basis of preparation and adoption of Sri Lanka Financial Reporting Standards ('SLFRS')

The Corporation prepares its financial statements in accordance with the Sri Lanka Accounting Standards ('SLFRS') issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of Sri Lanka Accounting and Auditing Standards Act No. 19 of 1995.

The Institute of Chartered Accountants of Sri Lanka issued a new volume of Sri Lanka Accounting Standards ('SLFRS') and to require enterprises to apply these standards effective for years beginning on or after 1 January 2012.

3 Summary of significant accounting policies

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

3.1 Basis of preparation

The financial statements of the corporation have been prepared in accordance with Sri Lanka Financial Reporting Standards ('SLFRS'). The financial statements have been prepared under the historical cost convention.

No adjustments have been made for inflationary factors affecting the financial statements. The financial statements are presented in Sri Lankan rupees.

The preparation of financial statements in conformity with SLFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 7.

Changes in new standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2012 and not early adopted.

- (i) IFRS 13, 'Fair Value Measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across SLFRSs.
- (ii) IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 replaces the parts of LKAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the LKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Corporation is yet to assess IFRS 9's full impact.

3.2 Currencies

(a) Functional and presentation currency

Items included in the financial statements of the Corporation are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Sri Lankan Rupees, which is the Corporation's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other (losses) / gains'.

3.3 Property, plant and equipment

Land and buildings comprise transmission stations and head office. All the property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the corporation and the cost of the item can be measured reliably. The carrying amount of replaced parts are derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Table 1-Depreciation Rates of PPE

The principal depreciation rates used for this purpose are:

	Rate
Buildings	2%
Computers	20%
Furniture and fittings	10%
Electronic equipment	20%
Motor vehicles	25%
Office equipment	20%
Library Stock	20%
TV Sets	20%
Other Assets	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'Other (losses)/ income' in the income statement.

Some fixed assets are fully depreciated when its original recorded cost, less any salvage value, matches its total accumulated depreciation. That fixed assets are still in use in the corporation and are fully depreciated, there is no additional accounting entry at all.

3.4 Financial Instruments

Financial Assets

3.4.1 Classification

The Corporation classifies its financial assets in the following categories: at Held to maturity, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Held to maturity

Held-to-maturity investments consists of fixed deposits which are non-derivative financial assets with fixed or determinable payments and fixed maturities that the corporation's management has the positive intention and ability to hold to maturity (See Note 10).

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets as maturities are lower than 12 months after the end of the reporting period. The Corporation's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet (See Note 13).

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. These consist of investment in unquoted shares in Lanka Puwath (Private) Limited.

(B) Financial Liabilities

Liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.5 Inventories

Inventories of the corporation consist of consumable stock (Stock held for the use of the Corporation & not for sale). Therefore inventories are valued at their cost. Stock valuation is done on a first-in-first-out (FIFO) basis.

3.6 Trade Receivables

3.6-1 Provisions-Trade receivables/Client Debtor

Trade receivables are carried at anticipated realizable value. A provision for impairment of trade receivables is established when there is objective evidence that the corporation will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization and default payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the statement of comprehensive income within distribution cost. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivable. Subsequent recoveries of amounts previously written-off are credited against distribution cost in the income statement. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Table 2-The Client Debtors Provision as at 31/12/2023

In Rs.	
Provision as at 01/01/2023	135,256,646
Charge for the year 2023	1,403,099
Provision as at 31/12/2023	136,659,745

3.6-2 Provisions-Sundry Debtor

Tables 3-The Sundry Debtors Provision as at 31/12/2023

In Rs.	
Provision as at 01/01/2023	37,641,833
Charge for the year 2023	1,835,976
Provision as at 31/12/2023	39,477,809

3.6-3 Provisions-Other Receivables

3.6-3(1) Employee Loans

Employee loans constitute amounts granted to eligible employees under the following categories:

- I Distress loan
- II Special loan
- III Transport loan
- IV Housing loan
- V Other loan

The provision for bad debts for Employee Loans has been made only for the outstanding amounts with respect to employees who are no longer in service (either retired or resigned) with Sri Lanka Rupavahini Corporation.

Table 4-The Employee Loan provision as at 31/12/2023

In Rs.	
Provision as at 01/01/2023	135,459
Charge for the year 2023	10,387
Provision as at 31/12/2023	145,846

3.6-3(2) Employee Advances

Employee advances constitute amounts given to eligible employees under the following categories:

- Advance for Programme Production
- Advance for Employees (Miscellaneous)
- Advance for Foreign Travel
- Advance for Room Charges

The provision for bad debts for employee advances has been made to reflect the amounts outstanding with respect to employees who are no longer in service (either retired or resigned) with Sri Lanka Rupavahini Corporation.

3.7 Statement of changes in equity

Treasury Grant for VRS	131,443,693
Removal of duplicate client receipt SLRC022/2022	(1,304,348)
Prior Year Adjustment for Client Receipt C215/00345 21/03/2023	(60,000)
Amendment of Bond Value (M W P Jayasinghe S/No-1675)	(84,980)
Interest Adjustment of SMIB FD Withdrawal on 07/02/2023	(387,914)
Adjustment by SMIB for SLRC Housing Loan Fund	(70,034)
Removal of duplicate client Receipt	(1,025,015)
Write off of Advance Payment for NOVA VISION according to Board Deci	(3,454,279)
Reissued cancel cheque Mr Wasantha Bandara	(2,000)
Removal of Duplicate Client Receipt SLRC022/2022	(800,000)
Reversal of Accrued Expenses 2022	2,362,500
	<u>126,617,623</u>

3.8 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand & bank current account balance. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities. Bank balances according to the bank statements for 31st December 2023 Bank Of Ceylon Corporate branch Rs.(1,302,048.45) & Torrington branch is Rs.(7,813,657.74) Peoples Bank Rs.1,543,389.69.

3.9 Trade Payables/Liabilities

Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value.

3.10 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the provision of Inland Revenue Act No.10 of 2006 & subsequent amendments. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions here appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Table 5- Deferred Tax as at 31 December 2023

Description	Book Written down value	Tax written down value	Timing difference	Tax rate	Deferred tax
Property ,plant &	197,379,614	50,859,049	146,520,566	30%	43,956,170
Gratuity provision & other	367,646,398	-	367,646,398	30%	(110,293,920)
					(66,337,750) Asset
Note					
Total assets net book value	336,307,696				
Less:					
Land	(7,660,503)				
Motor vehicle (NBV)-2010	(1)				
Motor vehicle (NBV)-2011	(2)				
JICA project(Grant)	(16)				
Motor vehicle(Grant)	(1)				
Equipment on Treasury Funds	(116,336,745)				
Equipment on Treasury Funds	(14,930,814)				
Property ,plant & equipments	197,379,614				
Note					
Gratuity provision	(191,362,999)				
Provision for bad debts-Client	(136,659,745)				
Provision for bad debts-Employee	(145,846)				
Provision for bad debts-Sundry	(39,477,809)				
Gratuity provision & other provisi	(367,646,398)				

Table 6- Deferred Tax as at 31 December 2022

Description	Book Written down value	Tax written down value	Timing difference	Tax rate	Deferred tax
Property ,plant &	261,711,881	87,105,713	174,606,168	24%	41,905,480
Gratuity provision & other	382,412,576	-	382,412,576	24%	(91,779,018)
					(49,873,538) Asset
Note					
Total assets net book value	425,712,286				
Less:					
Land	(7,660,503)				
Motor vehicle (NBV)-2010	(1)				
Motor vehicle (NBV)-2011	(2)				
JICA project(Grant)	(16)				
Motor vehicle(Grant)	(1)				
Equipment on Treasury Funds	(156,339,882)				
Property ,plant & equipments	261,711,881				
Note					
Gratuity provision	(209,378,638)				
Provision for bad debts-Client	(135,256,646)				
Provision for bad debts-Employee	(135,459)				
Provision for bad debts-Sundry	(37,641,833)				
Gratuity provision & other provisi	(382,412,576)				
Difference					(16,464,212)

3.11 Contingent Liabilities

Provisions are recognized when the corporation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A total of 6 cases have been filed against the Corporation. The estimated compensation for the plaintiffs in the event of a court ruling against the corporation for all the 6 cases is Rs.425,500,000.(Schedule Annex XXXVIII)

3.12 Retirement Benefit Liabilities

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognized past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds as no active market for high-quality corporate bonds in Sri Lanka.

This valuation is based on the Sri Lanka Accounting Standard No.19 (LKAS 19).

The Key Assumptions used by the actuary include the following;

i Retirement Age 60 years

The corporation will continue as a going concern & Gratuity Plan is not pre-funded.

Table 7-The Amount recognized in the Balance sheet

In Rs.	
Balance as at 01/01/2023	209,378,638
Charge for the year 2023	30,000,000
Payments made during the year 2023	(48,015,639)
Total Amount recognized in OCI	0
Balance as at 31/12/2023	191,362,999

3.13 Grants

Grants relating to property, plant and equipment are included in non-current liabilities as deferred grants and are credited to the statement of comprehensive income on a straight-line basis over the expected lives of the related assets. Since in the year 2023 grant will amortise at the time the related purchase assets transfer to the relevant accounts.

3.13.1 Local Grants

The Corporation has received grant from government amounting Rs.11,500,000 (Car value Rs.7,400,000 & Van Rs.4,100,000) in 2016. In the year 2017 a local grant received for reconciliation channel Rs.171,000,000 & production of programmes for reconciliation channel Rs.9,000,000. For the year 2018 received 100 millions, in the year 2019 received 150 millions and the year 2020 it was 235 millions for purchase capital items under national budget.

The corporation has been received grant from central treasury in the year of 2023 amounting of Rs. 131,443,693 in order to pay for the Voluntary Retirement Scheme of SLRC employees.

3.13.2 Foreign Grants

The Corporation has received foreign grants amounting to Rs. 654,665,339 in the form of equipment. This amount has been amortized over the useful life of the equipment and the relevant amount for the year 2021 is Rs.2,596,040.18. This is shown separately under the item "amortization of foreign aid" in the notes to the income statement.

A foreign grant for equipment to the value Rs.66,773,684.69 was received on 27/12/2012 from the government of Japan through JICA Sri Lanka. These equipment give the corporation the editing to create 2D & 3D animations. The amount would be amortized over its useful life (5 years) beginning from year 2013.

Foreign grant Rs.73.6 million (Japanese Yen 52.6 million) Grant for the Improvement of Japanese TV programmes of Sri Lanka Rupavahini Corporation under Japanese cultural grant aid programme 2015/2016. Accordingly treasury has been agreed to release Rs.42,720,573.44 for the implementation of above project on grant basis. Year 2017 Rs.20 million had received to the SLRC and that amount shown under other Income (Foreign grant for programme production) in income statement. Remaining amount received in the year 2018 and 2019.

In the year 2017 Korean grant aid project RAPA received for media assets management with digital archiving system valued Rs.36,198,604.65. In the year 2020 Rs.7,252,063 valued follow up support for equipment provided Under RAPA ODA Project.

3.14 Revenue

Revenue of the Corporation is accounted for on an accrual basis. Interest Income on investment is also recognized in the same basis.

Revenue is measured at the fair value of the consideration received or receivable. The corporation recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the corporation.

The primary source of revenue is derived from Sale of airtime. Other sources of income recognized in the income statement are given as a note to the income statement.

3.15 Accounting for Expenditure

Expenditure of the corporation is accounted for on accrual basis, charging all expenses incurred in the day to day operations of the business and in maintaining the property, plant & equipment in a state of efficiency.

Over draft interest cost is charged to the Income Statement under financial charges as and when it is incurred.

3.16 Cash Flow Statement

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash in hand and bank current account balance.

3.17 Events after the Balance Sheet Date

All material post balance sheet events have been considered and disclosed or adjusted, where applicable.

3.18 Rupavahini Social Welfare Fund

The source of these funds was from the general public, in response to various campaigns carried out by the corporation at time of disaster situation effected to Sri Lanka.

The Account balance is given in the table below.

Table 08-Social Welfare Fund Balance as at 31/12/2023

In Rs.	
Balance as at 01/01/2023	507,517
Call Deposit Interest	27,148
Fund Balance at the end of the year 2023	534,665

The Social Welfare Fund is an integrated part of statement of financial position.

4 Intangible Asset (Copyright fees paid)

Copyright fees paid to acquire telecast rights of programmes (either local or foreign) & cost of in-house produced programmes (teledramas, motion pictures, films & etc) that meet the triple criteria of identifiability, control & existence of future economic benefits as defined in LKAS 38 (Intangible Assets) have been amortized based on the following policy of the corporation.

Tables 09-The policy for amortization of acquired (or procured) programmes and in-house produced programmes.

Category	Amortization Policy
Acquired (or Procured) local teledramas and films	Number of runs. If the number of runs are not exhausted as defined in the contract within the contract period then to recognise the balance amount capitalised as an expenditure at the end of the contract.
Acquired (or Procured) local programmes (other than local teledramas and films)	Number of runs. If the number of runs are not exhausted as defined in the contract within the contract period then to recognise the remaining capitalised amount as an expenditure at the end of the contract.
Acquired (or Procured) foreign films / soap operas	Number of runs. If the number of runs are not exhausted as defined in the contract within the contract period then to recognise the balance amount capitalised as an expenditure at the end of the contract.
Acquired (or Procured) foreign programmes (other than foreign films / soap operas)	Number of runs. - If the number of runs are not exhausted as defined in the contract within the contract period then to recognise the remaining capitalised amount as an expenditure at the end of the contract.
In-house productions - teledramas	- 50% in the 1 st run and to amortise the balance 50% for 10 years in equal amounts.
In-house productions – programmes other than teledramas	- amortise 50% in the 1 st run and to amortise the balance 50% for 10 years in equal amounts.
Acquired (or Procured) foreign films and soap operas that grant rights indefinitely	- 50% in the 1 st run and to amortise the balance 50% for 10 years in equal amounts.
Acquired (or Procured) programmes other than films or soap operas that grant rights indefinitely	- amortise 50% in the 1 st run and to amortise the balance 50% for 10 years in equal amounts.

In the case a programme does not meet one or more of the triple criteria (identifiability, control & existence of future economic benefits) then the total cost associated with the programme has been recognised as an expense in the first run.

Tables 10 -Copyright Fee

In Rs.	Purchase of Teledrama	Procurement of Foreign Programme	In-house Produced Teledrama	Local Programme not- telecast	WIP Local Programme	In-house Production Others	Grant of Foreign Programme (NIL)
Balance as at 01/01/2023	50,062,500	-	4,677,093	-	-	3,183,385	-
Addition	15,992,500	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-
Amortized for the year 2023	(30,855,500)	-	(2,499,858)	-	-	(2,099,944)	-
Balance as at 31/12/2023	35,199,500	-	2,177,235	-	-	1,083,441	-

5 Security For Overdraft Facility

Depending on the size of the overdraft facility & nil margin of letter of credit, the bank may require from the Corporation to provide some security. - Therefore Rs. In 28.5 millions fixed deposits provided by the corporation as the security to the bank for securing the overdraft facilities & nil margin facility of letter of credit.(According to the SLFRS 1)

6 Investment Income

Tables 11 -Amounts of Investment Income in the year 2023

Type of Investment	Amount
Fixed Deposits (Bank of Ceylon)	19,052,749
SMIB Fixed Deposit (State Mortgage & Investment Bank)	1,743,751
State Surplus Trust Fund	-
Special Housing Loan Scheme (State Mortgage & Investment Bank)	520,235
Fixed Deposits (Short Term) Bank Of Ceylon	2,622,612
Savings Account (Bank of Ceylon)	154,747
Total Investment Income	24,094,094

7 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- Critical accounting estimates and assumptions

The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Income taxes

The Corporation is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(b) Pension Benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Corporation determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Corporation considers the interest rates of government bonds as no active market for the corporate bonds in Sri Lanka.

Other key assumptions for pension obligations are based in part on current market conditions.

(c) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Corporation uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The Corporation has used discounted cash flow analysis for various available-for-sale financial assets that are not traded in active markets.

8 Financial Risks Management

8.1 Financial risks factors

The Corporation's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. Risk management is carried out by management under policies approved by the board of directors. Management identifies and evaluates the financial risks on a regular basis.

8.2 Market Risks

i) Foreign exchange risk

Foreign exchange risk arises when future recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Corporation is not exposed to foreign exchange risk as the Corporation does not have foreign currency denominated receivables or payables.

ii) Interest rate risk

The risk of an adverse financial impact due to changes in the absolute level of interest rates is known as interest rate risk.

The Corporation has no interest bearing borrowings as at the balance sheet date. The lease liability and the investments in treasury bills being the only instruments that carry interest are not significant. Therefore the interest rate risk is within the tolerable level.

iii) Price risk

The risk of an adverse financial impact due to changes in the commodity and equity prices is known as price risk.

Even though the Corporation has investments in unquoted shares which are classified as available-for-sale, the Corporation is not exposed to price risk as these shares are not traded in an active market. The Corporation is not exposed to commodity price risk.

8.3 Credit Risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Respective officers are responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered.

Table 12- Credit Period Analysis for the year 2023

	2023 Rs.'000	2022 Rs.'000
Within the credit period		
0 - 1 month	130,454	88,321
Past due		
1 - 3 months	93,691	66,739
3 - 6 months	30,199	14,776
More than 6 months	177,789	163,922
Total trade receivables	432,133	333,758
Impairment	(136,660)	(135,257)
Net trade receivables	295,473	198,501

Property, Plant & Equipment

Cost									
Note	Balance as at 31/12/2021	Additions	Adjustment	Disposals	Balance as at 31/12/2022	Additions	Adjustment	Disposals	Balance as at 31/12/2023
8 Land	7,660,503	-	-	-	7,660,503	-	-	-	7,660,503
Building	272,927,117	-	-	-	272,927,117	1,276,780	-	-	274,203,897
Furniture & Fittings	56,625,124	94,000	-	-	56,719,124	77,755	-	-	56,796,880
Plant & Equipment	3,093,783,924	5,002,985	-	-	3,098,786,909	5,525,113	-	-	3,104,312,022
Equipment On Treasury Fund	363,088,000	-	-	-	363,088,000	18,663,517	-	-	381,751,517
Office Equipment	54,550,609	282,431	-	-	54,833,040	518,390	-	-	55,351,430
Electrical Equipment	8,202,340	40,550	-	-	8,242,890	33,380	-	-	8,276,270
TV Sets	26,065,729	307,930	-	(80,107)	26,293,552	-	-	(253,741)	26,039,811
Library Stocks	2,488,715	-	-	-	2,488,715	-	-	-	2,488,715
Loose Tools & Accessories	4,650,969	8,537	-	-	4,659,506	120,083	-	-	4,779,589
Computer	139,423,926	-	-	-	139,423,926	1,575,499	-	-	140,999,425
Other Assets	5,472,904	106,906	-	-	5,579,810	48,730	-	-	5,628,540
Accounting Software	9,542,602	-	-	-	9,542,602	8,942,176	-	-	18,484,778
Equipment For NTV	33,159	-	-	-	33,159	-	-	-	33,159
Motor vehicle	102,717,335	-	-	-	102,717,335	-	-	(5,054,926)	97,662,409
Musical Instrument	171,537	-	-	-	171,537	-	-	-	171,537
Caravan Equipment	162,142	-	-	-	162,142	-	-	-	162,142
Security Equipment	2,169,763	-	-	-	2,169,763	-	-	-	2,169,763
JAICA Project	66,773,685	-	-	-	66,773,685	-	-	-	66,773,685
Equipment For Reconciliation Channel	151,278,272	-	-	-	151,278,272	-	-	-	151,278,272
Container	3,549,895	-	-	-	3,549,895	-	-	-	3,549,895
Total Value of Assets	4,371,338,249	5,843,339	-	(80,107)	4,377,101,481	36,781,424	-	(5,308,667)	4,408,574,238

Depreciation

Note	Balance as at 31/12/2021	Depreciation for the year	Adjustment	Disposals	Balance as at 31/12/2022	Depreciation for the year	Adjustment	Disposals	Balance as at 31/12/2023
8 Land	-	-	-	-	-	-	-	-	-
Building	147,247,259	5,458,542	-	-	152,705,801	5,458,542	-	-	158,164,343
Furniture & Fittings	51,548,374	1,273,567	-	-	52,821,941	971,709	-	-	53,793,650
Plant & Equipment	3,044,030,711	24,976,731	-	-	3,069,007,442	15,900,416	-	-	3,084,907,857
Equipment On Trasuary Fund	60,509,491	72,199,513	-	-	132,709,004	75,932,217	-	-	208,641,220
Equipment For NTV	33,158	-	-	-	33,158	-	-	-	33,158
Office Equipment	53,005,955	785,370	-	-	53,791,325	615,673	-	-	54,406,999
Electrical Equipment	7,986,053	66,411	-	-	8,052,465	68,191	-	-	8,120,655
TV Sets	25,320,474	518,255	-	(80,040)	25,758,688	239,181	-	(253,741)	25,744,128
Library Stocks	2,416,513	38,658	-	-	2,455,171	12,588	-	-	2,467,759
Loose Tools & Accessories	4,506,317	59,291	-	-	4,565,608	61,928	-	-	4,627,536
Computer	127,211,688	5,890,377	-	-	133,102,064	4,520,835	-	-	137,622,899
Other Assets	5,202,443	131,142	-	-	5,333,585	90,536	-	-	5,424,120
Accounting Software	9,542,593	-	-	-	9,542,593	-	-	-	9,542,593
Motor vehicle	102,717,315	-	-	-	102,717,315	-	-	(5,054,925)	97,662,390
Musical Instrument	170,332	300	-	-	170,632	300	-	-	170,932
Caravan Equipment	162,140	-	-	-	162,140	-	-	-	162,140
Security Equipment	2,169,755	-	-	-	2,169,755	-	-	-	2,169,755
JAICA Project	66,773,669	-	-	-	66,773,669	-	-	-	66,773,669
Equipment For Reconciliation Channel	98,267,052	30,254,799	-	-	128,521,850	22,756,408	-	-	151,278,259
Container	410,484	70,998	-	-	481,482	70,998	-	-	552,480
Total Depreciation	3,809,231,774	141,723,953	-	(80,040)	3,950,875,687	126,699,521	-	(5,308,666)	4,072,266,543

Net book value of assets

Note	Balance as at 31/12/2021	Balance as at 01/01/2022	Balance as at 31/12/2022	Balance as at 01/01/2023	Balance as at 31/12/2023		
8 At Cost	4,371,338,249	4,371,338,249	4,377,101,481	4,377,101,481	4,408,574,238		
Depreciation	(3,809,231,774)	(3,809,231,774)	(3,950,875,687)	(3,950,875,687)	(4,072,266,543)		
Total Carrying amount of Property, Plant & Equipment	562,106,475	562,106,475	426,225,794	426,225,794	336,307,696		
Work-in progress							
Note	Balance as at 31/12/2021	Additions	Transfers	Balance as at 31/12/2022	Additions	Transfers	Balance as at 31/12/2023
8 Work-in progress	-	-	-	-	1,757,238	(1,757,238)	-
Total							
Note	Balance as at 31/12/2021	Balance as at 01/01/2022	Balance as at 31/12/2022	Balance as at 01/01/2023	Balance as at 31/12/2023		
8 Total Carrying amount of Property, Plant & Equipment	562,106,475	562,106,475	426,225,794	426,225,794	336,307,696		
Work-in Progress	-	-	-	-	-		
Total	562,106,475	562,106,475	426,225,794	426,225,794	336,307,696		