

**LANKA SATHOSA LIMITED**  
**DRAFT FINANCIAL STATEMENTS FOR THE**  
**YEAR ENDED 31ST DECEMBER 2024**

**LANKA SATHOSA LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME-DRAFT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

<i>(Expressed in Sri Lankan Rupees)</i>	Notes	2024 Year	2023 Year
Net Revenue	3	52,647,431,051	58,178,566,801
Cost of Sales		(46,013,925,364)	(51,036,717,322)
<b>Gross Profit</b>		<b>6,633,505,686</b>	<b>7,141,849,479</b>
Other Income	5	1,011,392,232	1,224,230,775
Selling and Distribution Expenses	6	(5,254,112,758)	(4,749,521,408)
Administrative Expenses	7	(2,342,222,089)	(2,272,030,923)
Provision for impairment	8	(502,193,013)	(849,869,028)
<b>Profit /(Loss) from Operation Activities (EBIT)</b>		<b>(453,629,941)</b>	<b>494,658,896</b>
Interest Income	9	63,967,188	88,715,076
Interest Expence	10	(706,971,408)	(1,278,607,108)
<b>Profit /(Loss) before Taxation</b>		<b>(1,096,634,160)</b>	<b>(695,233,136)</b>
Income Tax Expense			-
<b>Profit /(Loss) for the Period (EAIT)</b>		<b>(1,096,634,160)</b>	<b>(695,233,136)</b>

**LANKA SATHOSA LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2024**

2024 Year
2023 Year

(Expressed in Sri Lankan Rupees)		Note		
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	12	553,632,137	561,581,663	
Lease Asset	12	134,760,782	202,028,331	
Intangible Assets	13	246,517,731	75,288,447	
<b>Total Non-Current Assets</b>		<b>934,910,649</b>	<b>838,898,440</b>	
<b>Current Assets</b>				
Inventories	15	6,760,723,031	8,037,622,194	
Trade and Other Receivables	16	792,561,254	1,097,156,433	
Deposit and Advances	17	180,685,417	186,472,476	
Consumable Stocks	18	77,968,347	83,392,226	
Pre-Paid Expenses and Statutory Receivables	19	55,609,210	51,334,774	
Fixed Deposits		599,312,798	599,312,798	
Fixed Deposits-Bank Gurantee	20	25,000,000	10,000,000	
Cash and Cash Equivalents	21	919,893,535	758,837,467	
<b>Total Current Assets</b>		<b>9,411,753,592</b>	<b>10,824,128,368</b>	
<b>TOTAL ASSETS</b>		<b>10,346,664,242</b>	<b>11,663,026,809</b>	
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated Capital	22	893,752,720	893,752,720	
Equity Infusion		10,330,855,677	8,035,109,971	
Retained Earnings (at Debit)		(21,667,604,686)	(20,570,970,526)	
Revaluation Reserve		558,873,306	558,873,306	
<b>Total Equity</b>		<b>(9,884,122,983)</b>	<b>(11,083,234,529)</b>	
<b>Non-Current Liabilities</b>				
Retirement Benefits Obligation	23	462,821,849	400,396,271	
Government Grants	29	63,101,484	65,306,704	
Finance Lease Liability	26	123,183,670	164,570,121	
Interest Bearing Loans and Borrowings	27	-	1,147,675,065	
<b>Total Non-Current Liabilities</b>		<b>649,107,002</b>	<b>1,777,948,161</b>	
<b>Current Liabilities</b>				
Trade and Other Payables	24	11,172,863,171	12,085,152,322	
Interest Payable on Import Loan	25	38,906,798	97,557,480	
Government Grants	29	24,106,815	59,145,108	
Finance Lease Liability	26	84,139,410	122,287,587	
Interest Bearing Loans and Borrowings	27	1,680,311,492	3,428,382,133	
Statutory Payables	28	968,837,821	652,964,594	
Bank Overdrafts	21	5,612,514,716	4,522,823,953	
<b>Total Current Liabilities</b>		<b>19,581,680,223</b>	<b>20,968,313,177</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,346,664,242</b>	<b>11,663,026,809</b>	

**LANKA SATHOSA LIMITED**  
**LANKA SATHOSA LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31ST DECEMBER 2024**  
*(Expressed in Sri Lankan Rupees)*

	Stated Capital	Revaluation Reserve	Equity Infusion	Retained Earnings (at Debit)	Total
<b>Balance as at 31st December 2022</b>	<b>893,752,720</b>	<b>558,873,306</b>	<b>5,739,364,265</b>	<b>(19,801,830,055)</b>	<b>(12,609,839,764)</b>
Profit /(Loss) for the year	-	-	-	(695,233,136)	(695,233,136)
Prior Year Adjustment	-	-	-	6,070,645	6,070,645
Prior Year Adjustment-Depreciation				(32,034,998)	
Equity Infusion	-	-	2,295,745,706	-	2,295,745,706
Other Comprehensive Income / (Expense)	-	-	-	(47,942,983)	(47,942,983)
Revalaution Gain	-	-	-	-	
<b>Balance as at 31st December 2023</b>	<b>893,752,720</b>	<b>558,873,306</b>	<b>8,035,109,971</b>	<b>(20,570,970,526)</b>	<b>(11,051,199,531)</b>
Profit /(Loss) for the Period				(1,096,634,160)	(1,096,634,160)
Prior Year Adjustment					
Equity Infusion			2,295,745,706		2,295,745,706
Other Comprehensive Income / (Expense)					
<b>Balance as at 31st December 2024</b>	<b>893,752,720</b>	<b>558,873,306</b>	<b>10,330,855,677</b>	<b>(21,667,604,686)</b>	<b>(9,852,087,986)</b>

FOR THE YEAR ENDED 31ST DECEMBER 2024 (Expressed in Sri Lankan Rupees)	2024 Year	2023 Year
<b>Cash Flows from Operating Activities</b>		
Profit /(Loss) for the Period (EAIT)	(1,096,634,160)	(695,233,136)
<b>Adjustments for;</b>		
Depreciation	342,116,426	541,988,675
Amortization of Intangible Assets	68,746,767	63,274,249
Amortization of Government Grant	(62,037,771)	(117,350,571)
Amortization of Government Grant- Recurrent		(100,000,000)
Provision for Gratuity	81,228,358	81,228,358
Interest Expense	706,971,408	1,278,607,108
Interest Income	(63,967,188)	(88,715,076)
Prior Year Adjustment		6,070,645
Provision for impairment	502,193,013	849,869,028
Provision for Stock Loss and Repair and Maintenance	-	
<b>Operating Loss/profit Before Changes in Working Capital</b>	<b>478,616,852</b>	<b>1,819,739,279</b>
<b>Changes in Working Capital</b>		
Inventories	918,794,796	(393,895,362)
Trade and Other Receivables	109,128,444	(501,895,181)
Deposit and Advances	5,787,059	(33,537,490)
Consumable Stocks	5,423,879	(4,845,740)
Prepaid Expenses & Statutory Receivables	(4,274,436)	(14,901,559)
Trade and Other Payables	(912,289,151)	948,731,129
Statutory Payable	315,873,227	538,492,233
<b>Cash used in Operations</b>	<b>917,060,670</b>	<b>2,357,887,309</b>
Gratuity Paid	(18,802,780)	(17,560,943)
Interest Paid for Over Draft and WCL	(665,988,265)	(1,225,930,307)
Government Grant Received for Recurrent Exp		100,000,000
<b>Net Cash used in Operating Activities</b>	<b>232,269,625</b>	<b>1,214,396,059</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(240,449,352)	(129,578,284)
Acquisition of Intangible Assets	(239,976,050)	(4,125,000)
Cash Received from Disposal of Assets		-
Interest Received	98,689,535	28,205,555
Net Changes in Fixed Deposits	-	(99,312,798)
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>(381,735,867)</b>	<b>(204,810,527)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of Loan Capital	(2,895,745,706)	(2,895,745,706)
Receipt of Government Grant for Capital Repayment-IL	2,295,745,706	2,828,382,133
Payment of Loan Interest on IL	(341,150,295)	(592,691,327)
Government Grant Received for Interest-IL	282,499,612	694,423,661
Government Grant Received for Capital Projects	-	25,002,150
Repayment for Lease Assets	(120,517,772)	(136,578,385)
Bank Guarantee		
<b>Net Cash Flow from Financing Activities</b>	<b>(779,168,454)</b>	<b>(77,207,474)</b>
<b>Net Changes in Cash and Cash Equivalents During the Period</b>	<b>(928,634,695)</b>	<b>932,378,058</b>
Cash and Cash Equivalents at Beginning of the Period	(3,763,986,486)	(4,696,364,543)
<b>Cash and Cash Equivalents at End of the Period</b>	<b>(4,692,621,181)</b>	<b>(3,763,986,486)</b>

LANKA SATHOSA LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST DECEMBER 2024

2024 Year

2023 Year

3    Net Revenue

Grocery Products	20,668,962,843	20,449,525,688
Provision Products	20,784,333,139	27,218,680,265
Liquor	11,227,256,112	6,673,561,267
<b>Gross Revenue</b>	<b>47,445,845,351</b>	<b>58,181,202,953</b>
Sales Discount	(33,121,043)	(2,636,152)
<b>Net Revenue</b>	<b>47,412,724,309</b>	<b>58,178,566,801</b>

Unaudited Financial Statements 2024

NOTES TO THE FINANCIAL STATEMENTS (Contd...)
FOR THE YEAR ENDED 31ST DECEMBER 2024
2024 Year
2023 Year
(Expressed in Sri Lankan Rupees)
Note

5	Other Income		
	Gondola Income	213,269,874	137,271,147
	Promotional Income	24,653,154	30,129,657
	Commission Income	6,678,011	5,785,335
	Sundry Income	30,296,452	54,978,684
	Registration and Listing Income	49,142,500	45,476,375
	Rent Income	20,578,704	9,468,334
	Penalty Income	16,355,109	8,486,551
	Amortisation of Deferred Income - Capital Grant	62,037,771	117,350,571
	Recoveries	9,440,602	11,456,116
	Electricity Recoveries	5.115,238,028	14,266,950
	Transport Recoveries	5.1563,702,027	664,561,054
		1,011,392,232	1,224,230,775
6	Selling and Distribution Expenses		
	Salaries	1,052,353,463	982,805,544
	Cost of living and Other Allowances	871,482,181	447,084,810
	Employees Provident Fund	201,796,150	160,155,384
	Employees Trust Fund	50,568,721	39,903,589
	Overtime	310,580,475	287,447,836
	Advertising Expenses	57,288,906	70,097,690
	Incentive	29,353,025	37,669,517
	Consumable Store Charges	21,615,550	24,067,925
	Grocery Bags	159,511,886	226,494,479
	Packing Charges	6,984,907	17,809,034
	Printing Expenses	3,335,098	28,165,418
	Rent	872,981,832	819,337,408
	Security Charges	346,671,658	268,926,597
	Transport Charges	512,213,960	675,383,309
	Promotional Expenses	25,172,277	4,748,212
	Trade License Fees	71,825,273	40,281,240
	Rental Expenses	836,742	4,246,045
	Casual Labor	288,452,367	349,635,931
	Social Security Contribution Levy	316,463,322	245,124,846
	Stock Loss	6.154,624,965	16,829,239
		5,254,112,758	4,749,521,408

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
*(Expressed in Sri Lankan Rupees)*

	2024 Year	2023 Year
<b>7 Administrative Expenses</b>		
Salaries - Managerial, Executive and Clerical	145,064,825	129,519,544
Cost of living and Other Allowances	183,397,503	121,049,341
Employees Provident Fund	25,433,177	19,656,104
Employees Trust Fund	6,245,162	4,862,190
Overtime	10,939,865	10,542,378
Director Fees	1,453,000	1,984,000
Annual Leave Payment	24,938,886	21,008,566
Audit Fees and Expenses	2,400,000	2,400,000
Repair and Maintenance	183,746,989	83,653,264
Stock Verification Charges	55,505,437	42,662,832
Courier Charges	4,835,715	5,081,322
Depreciation	342,116,426	541,988,675
Amortization of Intangible Assets	68,746,767	63,274,249
Gratuity	81,228,358	81,228,358
Donations	6,121,500	997,045
Electricity	497,536,621	472,369,894
Fine and Surcharges	4,870,387	293,153
Pest Control	5,149,602	4,391,440
Service Agreement Fees- AMC	38,996,336	35,193,016
Fuel Charges	26,275,780	32,555,058
Subscription	259,768	172,985
Insurance	28,593,694	24,384,973
Water Expenses	17,621,297	16,129,390
Legal Fees	6,887,739	5,982,886
Rates and Taxes	1,993,028	819,351
Postage and Stamp Fees	4,458,331	6,170,215
Secretarial Fees	575,100	390,000
Staff Training	46,956	68,200
Professional Fees	17,447,528	21,424,361
Stationeries	64,683,540	74,626,146
Telephone and Internet	122,107,511	117,572,544
Travelling & Subsistence	30,234,315	29,949,100
Unclaimable VAT	115,949,472	100,724,593
Staff Welfare	76,661,922	54,303,419
Vehical Rental	8,855,466	11,032,332
Bank Charges and Commissions	124,839,814	120,866,881
Miscellaneous	6,004,207	6,003,856
	<b>2,342,222,089</b>	<b>2,272,030,923</b>

**FOR THE YEAR ENDED 31ST DECEMBER 2024**

## 2024 Year

## 2023 Year

(Expressed in Sri Lankan Rupees)

## Note

<b>8</b>	<b>Provision for impairment</b>		
	For Debtors	31,819,251	42,561,206
	For Stock Loss Recoverable	98,995,958	429,374,648
	For Stock Returns	358,104,367	310,895,633
	For Debit balance of Creditors	-	66,813,380
	For Receivable from Treasury (Handling fee on cannot	-	224,161
	For Rent Advance	3,500,000	
	For Salary Advance	2,000,000	
	For Rent Advance	7,773,437	
		<b>502,193,013</b>	<b>849,869,028</b>
<b>9</b>	<b>Interest Income</b>		
	Interest on Fixed Deposits and Savings	(63,967,188)	(88,715,076)
		<b>(59,606,493)</b>	<b>(88,715,076)</b>
	<b>Net Finance Cost</b>		
<b>10</b>	<b>Interest Expenses</b>		
	Interest on People's Bank Loan	28,371,993	55,629,993
	Interest on BOC Loan	254,127,619	478,475,866
	( - ) Government Grant Received	(282,499,613)	(534,105,859)
	Interest on WCL	46,591,048	225,446,849
	Overdraft Interest	619,397,217	1,000,483,458
		<b>665,988,264</b>	<b>1,225,930,307</b>
	Lease Interest	40,983,143	52,676,801
		<b>706,971,408</b>	<b>1,278,607,108</b>

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**  
*(Expressed in Sri Lankan Rupees)*

		2024-Year	2023-Year
<b>13</b>	<b>Intangible Assets</b>		
	<b>Cost</b>		
	<b>Opening Balance</b>	306,875,996	302,750,996
	Previous Year Adjustment <b>13.1</b>		
	Additions during the year	239,976,050	4,125,000
	<b>Closing Balance</b>	<b>546,852,046</b>	<b>306,875,996</b>
	<b>Amortiadation</b>		
	<b>Opening Balance</b>	231,587,549	168,313,300
	Previous Year Adjustment <b>13.1</b>		-
	Charge for the Year	68,746,767	63,274,249
	<b>Closing Balance</b>	<b>300,334,316</b>	<b>231,587,549</b>
	<b>Net Carrying Value</b>	<b>246,517,731</b>	<b>75,288,447</b>
<b>14</b>	<b>Deferred Tax Assets / Liability</b>		
	Since the company had been incurring continuous losses, no deferred tax assets have been recognised.		
<b>15</b>	<b>Inventories</b>		
	Trading Stocks (Provisional Items)	1,115,088,424	1,729,445,506
	Trading Stocks (Grocery Items)	5,217,072,124	5,937,391,953
	Trading Stocks (Liquor)	825,158,315	681,680,369
	Stock In Transit	272,401,645	
	Provision for Impairment (Returns)	(669,000,000)	(310,895,633)
	Provision for Stock Loss	-	
		<b>6,760,723,031</b>	<b>8,037,622,194</b>
<b>16</b>	<b>Trade &amp; Other Receivables</b>		
	Trade Receivables <b>16.1</b>	737,247,606	877,200,987
	Amounts Due from Related Parties <b>16.2</b>	(5,519,653)	110,867,153
	Other Receivables <b>16.3</b>	60,833,301	109,088,294
		<b>792,561,254</b>	<b>1,097,156,433</b>
<b>16.1</b>	<b>Trade Receivables</b>		
	Trade Receivables	402,081,525	539,439,769
	Unsettled Fund	(18,770,919)	(6,080,799)
	Provision for Impairment	(62,959,958)	(62,959,958)
	Provision for Impairment-New	(74,380,457)	(42,561,206)
		<b>245,970,192</b>	<b>427,837,807</b>
	Accounts Receivable	491,369,414	449,455,180
	Provision for Impairment	(92,000)	(92,000)
		<b>737,247,606</b>	<b>877,200,987</b>

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

<i>(Expressed in Sri Lankan Rupees)</i>		2024-Year	2023-Year
<b>16.2</b>	<b>Amounts due from CWE</b>		
	Co-operative Wholesale Establishment	4,563,701	120,950,506
	Provision for Impairment	(10,083,353)	(10,083,353)
		<u>(5,519,653)</u>	<u>110,867,153</u>
<b>16.3</b>	<b>Other Receivables</b>		
	Receivable From Ministry	2,269,998	2,269,998
	Provision for Impairment	(2,270,000)	(2,270,000)
		<u>0</u>	<u>0</u>
	Receivable From Treasury(Claim)	224,161	224,161
	Provision for Impairment	(224,161)	(224,161)
	Receivable From Treasury(Rice Loan)	(0)	0
	Sports Ministry	36,453,533	36,453,533
	Provision for Impairment	(36,453,533)	(36,453,533)
		<u>0</u>	<u>(0)</u>
	Stock Loss Recoverable	528,366,809	442,094,725
	Provision for Impairment	(528,370,606)	(429,374,648)
	Cash Loss Recoverable	8,755,403	9,564,175
	FD Interest Receivable	52,081,695	86,804,042
		<u><b>60,833,301</b></u>	<u><b>109,088,294</b></u>
<b>17</b>	<b>Deposits and Advances</b>		
	Rent Advance	78,181,782	66,557,762
	Provision for Impairment	(3,500,000)	
	Rent Deposit	55,024,266	33,363,241
	Rent & Rates Prepaid	113,214	113,214
	Rent Recoverable	5,921,125	4,640,524
	Salary Advance	2,263,053	2,454,588
	Provision for Impairment	(2,000,000)	
	Festival Advance	3,526,500	24,436,937
	Advances- Other	279,119,156	299,698,930
	Import Clearing Advance-Liverpool 1	(267,600,500)	(267,600,500)
	Refundable Deposit Receivable	10,130,593	10,330,830
	NTB Utility Card Control	756,305	(1,605,838)
	Mcash bill Control	9,005,484	4,096,554
	Travelling Advance	72,475	704,781
	Big Onion Control	-	-
	Under Remittance	-	-
	Refundable Deposit - Container	-	-
	Mobilisation Advance	9,671,964	9,281,453
		<u><b>180,685,417</b></u>	<u><b>186,472,476</b></u>
<b>17.1</b>	<b>Festival Advance</b>		
	Advances to Staff	11,745,937	24,882,937
	Provision for Impairment	(446,000)	(446,000)
	Provision for Impairment-New	(7,773,437)	
		<u><b>3,526,500</b></u>	<u><b>24,436,937</b></u>

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**  
*(Expressed in Sri Lankan Rupees)*

		2024-Year	2023-Year
<b>17.2</b>	<b>Import Clearing Advances-Liverpool Navigation</b>		
	Import Clearing Advances	267,600,500	267,600,500
	Provision for impairment	(267,600,500)	(267,600,500)
		-	-
<b>17.2.1</b>	Above amount represents the amount paid to Liverpool Navigation in the year 2015 and 2016 for clearance of Imported Rice and Legal Action has been taken by the company to recover the same.		
<b>17.3</b>	<b>Big Onion Control</b>		
	Big Onion Control	137,826,385	137,826,385
	Provision for Impairment	(137,826,385)	(137,826,385)
		-	-
<b>17.4</b>	<b>Under Remittance</b>		
	Under Remittance	56,762,337	56,762,337
	Provision for Impairment	(56,762,337)	(56,762,337)
		-	-
<b>17.4.1</b>	The above represent the amount spent out of the sales collection by the manual outlets since 2013		
<b>17.5</b>	<b>Refundable Deposit - Container</b>		
	Refundable Deposit - Container	19,507,254	19,507,254
	Provision for Impairment	(19,507,254)	(19,507,254)
		-	-
<b>18</b>	<b>Consumable Stocks</b>		
	Grocery Bags	12,539,206	13,046,955
	Thermal Papers	7,859,880	14,193,990
	Stationeries	17,162,718	11,294,731
	Printer Toners	26,129,781	31,244,200
	Printed Documents	14,276,763	13,612,350
		<b>77,968,347</b>	<b>83,392,226</b>
<b>19</b>	<b>Pre-Paid Expenses &amp; Statutory Receivables</b>		
	Pre-Paid Expenses <b>19.1</b>	45,802,554	45,254,102
	Statutory Receivables <b>19.2</b>	9,806,656	6,080,671
		<b>55,609,210</b>	<b>51,334,774</b>
<b>19.1</b>	<b>Pre - Paid Expenses</b>		
	Insurance	17,684,992	7,398,996
	Liquor Licenses	296,112	16,557,823
	Other Pre-Paid Expenses	27,821,449	21,297,284
		<b>45,802,554</b>	<b>45,254,102</b>
<b>19.2</b>	<b>Statutory Receivables</b>		
	Income Taxes	10,927,534	10,927,534
	Withholding Tax	11,812,066	8,086,082
	Provision for impairment	(12,932,944)	(12,932,944)
		<b>9,806,656</b>	<b>6,080,671</b>

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**  
 (Expressed in Sri Lankan Rupees)

<b>12    PROPERTY, PLANT AND EQUIPMENT</b>					
<b>12.1    Carrying</b>	<b>Balance as at</b>	<b>Adjustment</b>	<b>Additions</b>	<b>Transfer from/To</b>	<b>Balance as at</b>
<b>Amount Cost</b>	<b>01.01.24</b>				<b>31/12/24</b>
Buildings	460,595,809		911,701		461,507,511
Name Board , Furniture and Fittings	504,496,157		16,978,086		521,474,243
Computers Equipment	434,180,674		74,816,280		508,996,953
Computer Software	258,110,179		519,976		258,630,155
Equipment	1,966,479,442		147,737,638		2,114,217,080
Office Equipment	352,459,321		-		352,459,321
Motor Vehicles	18,821,440		26,450,000		45,271,440
Communication Equipment	3,642,602		-		3,642,602
Assets of CWE	22,798,843		-		22,798,843
<b>Total Gross Carrying Amount</b>	<b>4,021,584,467</b>	<b>-</b>	<b>267,413,681</b>	<b>-</b>	<b>4,288,998,148</b>
<b>12.1.1 Capital Work-in-Progress</b>					
Project Advance - Mannar	12,056,960				
Provision for Impairment	(12,056,960)				
	-				
<b>12.2    Depreciation</b>	<b>Balance As At</b>	<b>Adjustment</b>	<b>Charge for the</b>	<b>Transfer from</b>	<b>Balance as at</b>
	<b>01.01.24</b>		<b>Year</b>		<b>31.12.24</b>
Buildings	224,121,149		23,210,334		247,331,483
Name Board , Furniture and Fittings	473,759,860		28,774,920		502,534,781
Computers Equipment	345,971,913		57,466,250		403,438,163
Computer Software	236,094,059		2,816,172		238,910,231
Equipment	1,782,289,697		159,422,945		1,941,712,642
Office Equipment	352,429,781		21,106		352,450,887
Motor Vehicles	18,821,440		3,137,151		21,958,591
<b>Total Depreciation</b>	<b>3,459,929,345</b>	<b>-</b>	<b>274,848,878</b>	<b>-</b>	<b>3,734,778,223</b>

12.3	Balance as at 31.12.24	Balance as at 31.12.2023	Balance as at 31.12.2022
<b>Net Book Values</b>			
Buildings	214,176,028	236,474,660	260,780,777
Name Board , Furniture and Fittings	18,939,462	30,736,297	44,826,186
Computers Equipment	105,558,790	88,208,760	85,026,147
Computer Software	19,719,924	22,016,120	39,203,487
Equipment	172,504,439	184,189,745	507,148,199
Office Equipment	8,434	29,540	75,263
Motor Vehicles	23,312,849	-	-
<b>Total Carrying Amount of Property, Plant and Equipment</b>	<b>554,219,926</b>	<b>561,655,122</b>	<b>937,060,059</b>
Fixed Asset Intermediate Account	(587,789)	(73,459)	1,699,443
<b>Total Carrying Amount of Property, Plant and Equipment</b>	<b>553,632,137</b>	<b>561,581,663</b>	<b>938,759,502</b>

12.5 Lease

Carrying Amount Cost	Balance as at 01.01.24	Additions	Disposals	Balance as at 31.12.24
Equipment	315,488,805		-	315,488,805
Name Board , Furniture and Fittings	19,631,960			19,631,960
<b>Total Gross Carrying Amount</b>	<b>335,120,765</b>	<b>-</b>	<b>-</b>	<b>335,120,765</b>
Depreciation	Balance As At 01.01.24	Charge for the Period	Disposals	Balance As At 31.12.24
Equipment	125,289,218	63,341,157		188,630,375
Name Board , Furniture and Fittings	7,803,216	3,926,392		11,729,608
<b>Total Depreciation</b>	<b>133,092,434</b>	<b>67,267,549</b>	<b>-</b>	<b>200,359,983</b>
Net Book Values	Balance as at 31.12.24	Balance as at 01.01.24		
Equipment	126,858,430	190,199,587		
Name Board , Furniture and Fittings	7,902,352	11,828,744		
<b>Total Carrying Amount of Lease Assets</b>	<b>134,760,782</b>	<b>202,028,331</b>		

LANKA SATHOSA LIMITED NOTES TO THE FINANCIAL STATEMENTS (Contd....) FOR THE YEAR ENDED 31ST DECEMBER 2024 (Expressed in Sri Lankan Rupees)				2024-Year	2023 YEAR
		Note			
20	Bank Guarantee				
	Lanka Sathosa limited has placed a Bank Gurantee of Rs.10 Mn for Farms Pride.				
21	Cash & Cash Equivalents				
	Components of Cash and Cash Equivalents				
21.1	Favourable Cash and Cash Equivalent Balance				
	Money Market Ac-PB			50,854,415	-
	Cash at Bank	21.1.1		783,253,299	398,785,738
	Cash in Hand	21.1.2		85,785,820	360,051,729
				919,893,535	758,837,467
21.1.1	Cash at Bank				
	People's Bank				
	Savings Account - 004-2-002-6-1991855			15,796,849	18,562,863
	Saving Account 004-2005-31991855 Colombo 01			5,796,072	138,674,482
	Saving Account 004-2006-21991855 Colombo 02			4,559,731	11,794,476
	Saving Account 004-2007-11991855 Colombo 03			779,754	3,984,324
	Saving Account 004-2008-01991855 Gampaha 01			4,095,457	3,322,275
	Saving Account 004-2009-91991855 Gampaha 02			2,639,082	10,024
	Saving Account 004-2010-61991855 Matale			2,830,075	6,691,942
	Saving Account 004-2011-51991855 Nuwaraeliya			76,609	10,023
	Saving Account 004-2012-41991855 Kegalle			10,020	1,639,024
	Saving Account 004-2013-31991855 Rathnapura 01			3,653,385	118,013
	Saving Account 004-2014-21991855 Rathnapura 02			4,675,021	464,525
	Saving Account 004-2015-11991855 Galle 01			24,401	460,025
	Saving Account 004-2016-01991855 Galle 02			685,019	2,458,314
	Saving Account 004-2017-91991855 Matara			3,200,278	2,061,784
	Saving Account 004-2018-81991855 Kurunegala			1,278,969	15,044
	Saving Account 004-2019-71991855 Puttalam			10,020	6,922,024
	Saving Account 004-2020-41991855 Kaluthara			1,792,020	8,533,333
	Saving Account 004-2021-31991855 Kandy			3,621,220	276,803
	Saving Account 004-2022-21991855 Badulla			10,020	31,695
	Saving Account 004-2023-11991855 Anuradhapura			(948,508)	4,145,524
	Saving Account 004-2024-01991855 Polonnaruwa & Trinco			3,601,020	2,905,325
	Saving Account 004-2025-91991855 Monaragala			6,121,020	2,957,524
	Saving Account 004-2026-81991855 Hambanthota			1,855,020	3,146,475
	Saving Account 004-2027-71991855 Ampara & Batticaloa			2,102,520	10,024
	Saving Account 004-2028-61991855 Jaffna			262	10,776
	Master Card Account - 004-1-001-1-0000044			275,066	1,034,734
	Petty Cash Account - 004-1-003-7-1991855			3,648,954	4,265,964
	General Account - 004-1-004-6-1991855			9,435,034	18,164,548
	Mobitel Account - 004-1-006-4-1991855			3,142,188	613,595
	Bank of Ceylon	Current Account	-76587128	592,309,942	36,031,178
	Nations Trust Bank	Card Account	- 10006001103	(7,868,715)	10,335,324
	Commercial Bank	Card Account	- 1480045870	5,731,760	3,622,173
	Sampath Bank	Card Account		11,181,009	
	Fuel Card Wallet			735,261	
				686,855,835	293,274,158
	Card Control			96,397,464	105,511,580
21.1.2	Cash in Hand				
	Floating Cash			4,857,869	4,687,869
	Special Petty Cash			680,042	430,914
	Petty Cash Float			10,275,819	9,621,216
	Outlet Cash Control	21.1.2.1		69,972,090	345,311,730
				85,785,820	360,051,729
				919,893,535	758,837,467

<b>LANKA SATHOSA LIMITED</b> <b>NOTES TO THE FINANCIAL STATEMENTS (Contd....)</b> <b>FOR THE YEAR ENDED 31ST DECEMBER 2024</b> <i>(Expressed in Sri Lankan Rupees)</i>			
	Note	2024-Year	2023 YEAR
<b>21.2 Unfavourable Balances</b>			
<b>21.2.1 Bank Overdrafts</b>			
<b>People's Bank</b>			
Special Provision Account - 004-1-005-5-1991855		2,234,432,454	2,204,108,612
Savings Account - 004-2-002-6-1991855			
Provision Account - 004-1-007-3-1991855		2,513,203,114	1,862,841,262
Main Current Account - 004-1-001-9-1991855		857,219,013	417,250,472
Liquor Account - 004-1-002-8-1991855		7,660,135	38,623,607
		<b>(5,612,514,716)</b>	<b>(4,522,823,953)</b>
<b>Cash and Cash Equivalents for the Purpose of Statement of Cash Flows 21.2.2</b>		<b>(4,692,621,181)</b>	<b>(3,763,986,486)</b>
<b>22 Stated Capital</b>			
<b>Issued and Fully Paid,</b>			
Ordinary Shares		893,752,720	893,752,720
		<b>893,752,720</b>	<b>893,752,720</b>
No's of Shares		89,375,272	89,375,272
<b>23 Retirement Benefits Obligation</b>			
<b>Opening Balance</b>		<b>400,396,271</b>	<b>288,785,872</b>
Expenses Recognised in Profit or Loss Statement <b>23.1</b>		81,228,358	81,228,358
Acturial (Gain) / Losses Recognised in Other Comprehensive Income		-	47,942,983
Payments Made During The Period		(18,802,780)	(17,560,943)
<b>Closing Balance</b>		<b>462,821,849</b>	<b>400,396,271</b>
<b>23.1 Expenses Recognised in Profit or Loss Statement</b>			
Current Service Cost		29,246,902	29,246,902
Interest Charge for the Year		51,981,456	51,981,456
		<b>81,228,358</b>	<b>81,228,358</b>

NOTES TO THE FINANCIAL STATEMENTS (Contd...)		2024-Year	2023 YEAR
FOR THE YEAR ENDED 31ST DECEMBER 2024			
(Expressed in Sri Lankan Rupees)			
	Note		
<b>24</b>	<b>Trade and Other Payables</b>		
	Trade Payables		
	Related Party	24.1	1,478,405,303
	Others	24.2	8,795,586,424
	Other Payables	24.3	270,267,428
	Accrued Expenses	24.4	628,604,015
			<b>11,172,863,171</b>
			<b>12,085,152,322</b>
<b>24.1</b>	<b>Trade Payables</b>		
	Supplier Payables, and others		10,207,178,347
	Provision for impairment- Debit Balances		66,813,380
			<b>10,273,991,727</b>
<b>24.3</b>	<b>Other Payables</b>		
	Employee Security Deposits		11,085,120
	Retention Money		33,045,600
	Refundable Deposit Payable		4,651,682
	Gift Voucher Control		136,335,759
	Printing Expense Payable		2,020,000
	Lanka Sathosa Welfare Society and Employee Union		73,293
	Transport Charges Payable		61,281,860
	Chairman's Donation control AC		(223,608)
	SRL Gratuity Control		21,997,722
			<b>270,267,428</b>
<b>24.4</b>	<b>Accrued Expenses</b>		
	Salaries Payable		44,851,647
	Overtime Payable		29,842,066
	EPF Payable		35,562,358
	ETF Payable		5,267,156
	Annual Leave Reimbursement Payable		23,969,239
	Audit and Tax Fee Payable		5,733,000
	Rent Payable		271,077,354
	Electricity Payable		36,512,368
	Telephone Charges Payable		13,965,142
	Water Charges		1,061,591
	Security Charge Payable		34,952,870
	Accrued Charges		125,485,564
	Mobitel Recharge Payable		323,661
			<b>628,604,015</b>
<b>25</b>	<b>Interest Payable on Import Loan</b>		<b>38,906,798</b>
	<u>Interest Payable - BOC</u>		
	Interest Payable Balance B/F		98,287,369
	Interest Expense for the year		254,127,619
	Interest Paid during the period		(310,291,829)
	<b>Interest payable at the end of the year</b>		<b>42,123,160</b>
	<u>Interest Payable - PB</u>		
	Interest Payable Balance B/F		(729,889)
	Interest Expense for the year		28,371,993
	Interest Paid during the period		(30,858,466)
	<b>Interest payable at the end of the year</b>		<b>(3,216,362)</b>
<b>26</b>	<b>Finance Lease Liability</b>		
	Opening Balance		363,032,060
	Recognition of lease liability		-
	Payment made during the year		(120,517,772)
	Closing Balance		242,514,288
	Interest in suspense		(35,191,209)
	<b>Total Lease Liability at the end</b>		<b>207,323,079</b>
			<b>286,857,708</b>

**LANKA SATHOSA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Contd...)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**  
*(All Amounts Are In Sri Lanka Rupees)*

## Note

## 2024-Year

2023 YEAR

*(All Amounts Are In Sri Lanka Rupees)*

27	INTEREST BEARING LOANS AND BORROWINGS		
	<b>Non-Current Interest Bearing Borrowings</b>		
27.1	Import Loan-BOC	-	1,023,972,853
27.2	Import Loan-PB	-	123,702,212
27.3	Working Capital Loan	-	-
		-	<b>1,147,675,065</b>
	<b>Current Interest Bearing Borrowings</b>		
27.1	Import Loan-BOC	1,535,959,280	2,559,932,133
27.2	Import Loan-PB	144,352,212	268,450,000
27.3	Working Capital Loan	-	600,000,000
		<b>1,680,311,492</b>	<b>3,428,382,133</b>
<b>27.1</b>	<b>Import Loan- BOC Bank</b>		
	Opening Balance	3,583,904,986	5,631,850,692
	Loan obtained during the year	-	-
	Repayment During the year	(2,047,945,706)	(2,047,945,706)
	Closing Balance	1,535,959,280	3,583,904,986
<b>27.2</b>	<b>Import Loan- People's Bank</b>		
	Opening Balance	392,152,212	639,952,212
	Loan obtained during the year	-	-
	Repayment During the year	(247,800,000)	(247,800,000)
	Closing Balance	144,352,212	392,152,212
<b>27.3</b>	<b>Working Capital</b>		
	<b>Opening Balance</b>	600,000,000	1,200,000,000
	Loans Obtained During the Year	-	-
	Repayments -Capital	(600,000,000)	(600,000,000)
	<b>Closing Balalnce</b>	-	<b>600,000,000</b>
	<b>Total Loan Liability</b>	<b>1,680,311,492</b>	<b>4,576,057,198</b>
28	<b>Statutory Payables</b>		
	Value Added Tax (VAT) Payable	410,156,776	243,469,310
	Social Security Contribution Levy(SSCL)	559,874,470	409,494,217
	With Holding Tax (WHT) Payable	(2,105,855)	-
	APIT Payable	912,431	1,067
		<b>968,837,821</b>	<b>652,964,594</b>

29 Government Grants

	Development and Implementation of ERP	Outlet Expansion and Refurbishments of Existing Outlets	Installation of CCTV System	Installation of Air Conditioners	Installation of Point of Sales System	Other Projects	Total
Balance as at 01 January 2024	-	63,057,961	7,808,693	7,690,497	10,081,163	35,813,497	124,451,811
Fund receivable/received from ministry	-	-	-	-	-	24,794,259	24,794,259
Amortization for the Period	-	(40,826,110)	(3,853,462)	(4,380,324)	(4,681,189)	(8,296,687) -	62,037,771
Balance as at 31 December 2024	-	22,231,851	3,955,231	3,310,173	5,399,975	52,311,069	87,208,299
Non Current Portion	- 0	13,215,160	2,241,978	1,793,010	3,039,570	42,811,766	63,101,484
Current Portion	-	9,016,691	1,713,254	1,517,163	2,360,405	9,499,302	24,106,815
	(0)	22,231,851	3,955,231	3,310,173	5,399,975	52,311,069	87,208,299