

ANNUAL REPORT

2020

SRI LANKA TRANSPORT BOARD

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VISION

The excellent transport provider in the region.

MISSION

To provide the public a safe, dependable and comfortable road passenger transport at a reasonable fare system through a staff dedicated to service and obtain the maximum utilization of all resources functioning as a financially viable organization.

AIMS & OBJECTIVES

1. To Promote a qualitative and quantitative and efficient and effective bus service through 12 Regions by monitoring, coordinating and counseling.
2. To provide a satisfactory bus service to school going children.
3. To provide bus services on uneconomic routes which are neglected by private operators due to pecuniary considerations.
4. To provide long distance services to remote areas from Central Bus Station, Pettah.
5. To coordinate the public and the private sector transport agencies.
6. To coordinate bus services during festivals, special events, Parliamentary/ Provincial Council elections etc.
7. To transport mails and newspapers.
8. To coordinate between General Treasury, Regions, National Transport Commission, Provincial Councils, relevant Ministries and other related agencies for operation of buses.
9. To provide well trained and disciplined drivers from SLTB Driver Training Schools.
10. To conduct seminars/ Workshops for drivers, conductors, mechanics and supervisory staff.
11. To provide units/ sub units produced by Provincial Workshops to Depots.
12. To provide season tickets to adults and students at attractive discounted rates.
13. To maintain a Transit Stores at S.L.T.B Head Office, Narahenpita for issue of critical spare parts to Provincial Workshops.
14. To conduct security investigations, Flying Squad checks etc. in Depots.

INTRODUCTION

All aspects of transport, no doubt are vital for the economic development of the country. This is specially so, in the case of road passenger transport. In a developing country like Sri Lanka bus services play an important role in connecting towns and villages and thereby linking the whole country.

Bus services in the Island provided by about 80 operators who totally operated about 1200 routes and 3532 registered buses were nationalized by Motor Transport Act No 48 of 1957 on 1957.10.31 and consequently the Ceylon Transport Board (C.T.B) came into being on 1958.01.01

Since then up to 1977 C.T.B enjoyed a monopoly status with regard to road passenger transportation. In 1978 C.T.B was decentralized into 10 Regional Transport Boards coordinated by the Sri Lanka Central Transport Board by Transport Board Law No 19 of 1978.

The Government was of the view that decentralization of C.T.B. would serve the needs of the travelling public more efficiently and effectively as smaller units were expected to be more sensitive to local and regional needs and be capable of providing quicker solutions to local transportation problems.

However, in response to continued escalatory deficits being incurred by CTB and its inability to meet the ever increasing passenger demand generated by the new concept of liberalization of the economy the private sector was permitted to enter into road passenger transportation.

The Government with a firm belief in privatization earmarked C.T.B for peoplisation as part of a public sector restructuring. The above conversion was carried out under the Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act No 23 of 1987. Each of the 93 Transport Board depots existing at the time of peoplisation became separate Limited Companies with governance by a Board of Directors chosen mostly from the employees. Half the number of shares was distributed among the employees and the balance was retained with the General Treasury. The peoplisation Program commenced in 1990 and concluded in 1994. As peoplisation was implemented in a haphazard method the desired results were not achieved.

Therefore, in 1997 Bus Companies were clustered by an amendment to the NTC Act No: 37 of 1991 and the Cluster Bus Companies were formed but this, too, failed to achieve the desired results. Excess staff, serious breakdown in discipline, unfair competition, social obligations, lack of professionalism, inefficiency, escalation of operating costs, political and trade union undue interference, rampant corruption are some of the maladies that affected the Cluster Bus Companies.

In order to find a solution to the above problems the Sri Lanka Transport Board was established effective from 2005.10.19 by SLTB Act No: 27 Of 2005.

Message from the Chairman

It gives me great pleasure in presenting the Annual Report of the Sri Lanka Transport Board (SLTB) for the period 2019/01/01 to 2019/12/31. I assumed duties as Chairman of the SLTB on 2019/12/27 and as I was the Chairman of the SLTB for the under review I am issuing a message for the Annual Report for the year 2020.

The SLTB is one of the largest State Institutions in Sri Lanka. Prior to nationalization the transport system was organized by a handful of private bus owners. As it was unjust that the national wealth should be concentrated in the hands of a few individuals and as it was also manifestly obvious that the national wealth should be evenly distributed among the people of this country the bus services were nationalized. It is therefore proper that the management and the employees should realize that the progress of the SLTB depends largely on their endeavours.

In the year under review the average number of buses operated by the SLTB was 3961 and the total number of kmm. operated was 25.7 Mn. and when compared with last year there is a decline of 94% which amounts to about 405.6 kmm.

The waybill revenue for the year 2020 was Rs. 16,787.3 Mn. and this was Rs. 27,441.6 Mn. in the year 2019. Accordingly when compared with last year there is a decline in revenue of Rs. 10,654.3 Mn. which amounts to 38.82%. The decline in revenue for the year 2020 is directly attributed to COVID 19 Pandemic which was spread throughout the country from March 2020. The operational loss for the year 2020 was Rs. 2,104.9 Mn. and when this is compared with the year 2019 there is a decline of 443%.

893 engines, 999 gear boxes and 710 bus bodies were repaired with the funds made available by the General Treasury. Though the number of bus trips were increased and early morning and late night services were operated with a view to reduce congestion in buses, I wish to remind that due to the lockdown of the whole country and isolation of various Regions from time to time and the uncertain situation that prevailed as a result of widespread COVID 19 Pandemic from 19th March 2020 it was not possible to operate normal bus services or perform other operational activities. However, I wish to mention that I am pleased to note that during that period as an essential service in the country the SLTB provided bus services to transport employees in essential services such as the health sector and other State Institutions, Covid patients, Covid patients' associates, pensioners to draw their pensions, Tri-forces including Police Force in a laudable manner.

Mainly due to the spread of COVID 19 Pandemic during the year 2020 the financial performance of the SLTB was adversely affected. Currently the situation is improving and now the SLTB is releasing averagely about 5,100 buses daily for operation out of which 4,600 buses are operated. The average daily waybill revenue is about Rs. 112 Mn. Further I wish to mention that the adjustment of salaries of PL I, PL II and PL III category of employees in terms of Department of Management Services Circular No. 02/2016 have now been completed by the SLTB.

I am very glad about the contribution made by the entire staff of the SLTB and the Board of Directors to achieve the vision and mission of the SLTB. I wish to express my thanks to the Hon. Minister of Transport, Hon. State Minister of Transport for Motor Vehicle Regulation, Bus Train Services and Train Compartments and Motor Car Industry, Secretaries of both Ministries, officials of the General Treasury and all other stakeholders who have shown encouragement and determination for helping me to implement the policies of the Government.

We possess the ability and determination to withstand the onslaught of COVID 19. It is important that all of us join hands in our journey for the development and prosperity of the Sri Lanka Transport Board.



Kingsley Ranawaka
Chairman
Sri Lanka Transport Board

❖ OPERATIONS DIVISION

01. The daily average number of buses released for operation during the year 2020 was 5,272 and the average number of buses operated per day was about 3,753. Average number of kilometers operated per day was about 0.81 Mn. Average daily waybill revenue earned per km. was about Rs. 56.07. Due to the COVID Pandemic that prevailed in the country there was a setback in the number of buses released for operation, number of buses operated and the number of Kmm. operated in the year 2020.
02. Action has been taken according to the needs to strengthen the number of trips operated by the SLTB buses in the early morning and late night services.
03. Considering the passenger needs action has been taken to strengthen the existing rail – road coordinated services and to commence new bus services with a view to developing rail-road coordinated bus services from railway stations.
04. The “Sisusariya” project has developed up to 740 buses. Necessary arrangements are being made to provide more buses under this Project taking into consideration the necessity and demands of the schools and the students.
05. All buses have been provided with electronic ticket machines and through this project it was possible to provide a more productive and efficient bus service to the public.

Contribution by the SLTB for social benefits

Operation of early morning and late night services

Though the SLTB contributes directly to the economy by helping movement of the workforce within the country by operating early morning and late night services, the SLTB gets only goodwill. However considering this as another social obligation the SLTB continues to operate the services for the convenience of the public.

Bus operations in rural areas

The SLTB directly contributes as a predominant medium of transport linking the city and the village to strengthen the rural economy. Always action is being taken to continue this service considering the needs of passengers. In future, too, it has been planned to procure new buses and develop this service to give an impetus to the rural economy and also to streamline the rural transport.

Operation of School buses

For the sake of future, school children are provided with a wide range of school services. Sacrificing opportunities to earn revenue in profit making routes, in spite of its limited resources available, the SLTB provides bus services to school children taking them to schools in time and bringing them back home safely.

❖ Secretariat Division

Meetings of the Board of Directors in the year 2020

Number of Meetings of the Board of Directors held in the Year 2020

01 st Meeting	-	2020.02.11
02 nd Meeting	-	2020.04.28
03 rd Meeting	-	2020.06.26
04 th Meeting	-	2020.07.24
05 th Meeting	-	2020.09.08
06 th Meeting	-	2020.10.27
07 th Meeting	-	2020.11.24
08 th Meeting	-	2020.12.29

Eight (08) Meetings of the Board of Directors were held in the year 2020.

01. Inform all Members of the Board of Directors and the SLTB Heads of Divisions/Sections about the date on which the meeting of the Board of Directors will be held.
02. Take over the Board Papers and allot them numbers and after registering them prepare files and hand them over to the Members of the Board of Directors.
03. Prepare an Agenda for the meeting mentioning about the Board Papers and the Circular letters.
04. Table Board Papers and the Circular Letters according to the Agenda and the instructions of the Chairman.
05. Record decisions taken by the Board of Directors and the related instructions about respective Board Papers and the Circular Letters accurately and allot them item Nos. to each such decision.
06. When approval is received for decisions of the Board of Directors, hand over the extracts of such decisions to the respective SLTB Heads of Divisions/Sections for implementation.
07. All these activities should be carried out accurately, confidentially and properly.
08. Provide refreshments to the Members of the SLTB Board of Directors and the other Heads of Divisions/Sections who are invited to the meeting of the Board of Directors.
09. Take action to pay the sitting allowance to the Members of the Board of Directors (other than the SLTB Officers) who participate at the meeting of the Board of Directors.

10. Take action to pay the Transport Allowance to the Members of the Board of Directors (other than the SLTB Officers) who participate at the meeting of the Board of Directors.

Carrying out activities related to the Lands and properties of the Sri Lanka Transport Board (SLTB)

- (01) Basic documents such as Cabinet Memorandum and other accompanying Notes to the Cabinet of Ministers were prepared and referred to the Ministry of Transport and a Cabinet decision was obtained to vest the State Land named Anderson Golf Link in extent of 3.4125 Hectare through State Free Grant.

As per the decision of the Meeting of the Cabinet of Ministers held on 15th March 2021, further action will be taken in coordination with institutions such as Ministry of Lands / Office of the Land Commissioner General / Thimbirigasyaya Divisional Secretariat to carry out the vesting activities of the land after paying the undeveloped estimated valuation existed at 1966. (This also applies to the year 2021)

- (02) Action has been taken to obtain a copy of the Vesting Certificate under Section 44 of the Land Acquisition Act relating to the land which the SLTB did not have ownership at Pothuhara Driver Training School.

- (03) Though the Land Acquisition activities for the 04 Acre Road 03 Perches 05.02 Land on which the SLTB Udahamulla Depot is located had commenced about 50 years ago, such activities had not been completed. Therefore the relevant coordination activities were fulfilled and Office of Sri Jayawardenapura Kotte was informed and the files were completed. Steps have been taken to obtain the acquisition certificate. (This applies to the year 2021 too.)

Also, the SLTB Legal Division has been instructed to take necessary action to file a case to evict the unauthorized Trade Stalls and to take possession under Retaking Possession of State Land Act and action is being taken accordingly.

- (4) Action has been taken to obtain compensation assessment amount awarded by the title deed inspection for the 10.9 perches of land acquired for road development from the old Homagama bus stand land which was to be transferred to the Western Provincial Road Passenger Transport Authority and to be taken over by the Urban Development Authority as per a Cabinet decision in the year 1996.

Accordingly, action has been taken to obtain Rs. 31,045,250 / - out of the compensation amount of Rs. 31,154,750 / - to the SLTB Finance Division.

- (5) Relevant coordinating activities have been carried out by exchanging letters with the Urban Development Authority informing the Ministry of Transport to obtain the dues of the SLTB from the Urban Development Authority. But due to the delay of the Urban Development Authority, the relevant payment has not been made.

- (6) On a decision made by the SLTB Board of Directors an Agreement with conditions has been entered into for a period from 25/01/2016 to 24/01/2019 between the Sri Lanka Transport Board and the Sri Jayawardenapura Kotte Municipal Council for the development activities of the Sri Jayawardenapura Kotte Municipal Council limits after obtaining the Government Valuer's report.

25/01/2016 – 24/01/2017 -	Rs.2,260,000/-
25/01/2017 – 24/01/2018 -	Rs.2,260,000/-
25/01/2018 – 24/01/2019 -	Rs.2,260,000/-

According to the Agreement the land was released. Subsequently, through a letter dated 22/05/2019 the Municipal Commissioner requested that this land be leased for another year (from 25/01/2019 to 24/01/2020). Accordingly, at the 4th meeting of the Board of Directors held on 07/06/2019, approval was obtained to grant the above land on lease from 25/01/2019 to 24/01/2020 under Board Paper No. 49.

Though relevant parties in the Sri Jayewardenepura Kotte Municipal Council informed several times orally and in writing to prepare and to sign the lease agreement for the relevant period and to recover the lease amount of Rs. 2,260,000/-, up to now action could not be taken either to make payment or sign the Agreement.

Further, the SLTB Legal Division is taking steps for the arbitration process regarding non-return of this land to the SLTB though the lease period has expired and for breach of contract.

- (7) According to a decision of the SLTB Board of Directors a Passengers' Lodge situated at the SLTB Central Bus Station Complex, Pettah was released on a monthly lease rental payment from 31.12.2015 to 21/12/2020.
- From 21/12/2015 to 20/12/2017, a payment of Rs. 120,000 / - per month was made to the SLTB by that institution (Heshan Caterers (Pvt) Ltd.) and a receipt for the payment was issued by the Finance Division every month.
 - Rental was paid at the rate of Rs. 135,000/ per month from 21/12/2017 to 20/12/2020 till February 2020. The Finance Division issued a monthly payment receipt for same every month.
 - Further, after the termination of this agreement Board Paper No. 86 was submitted to the 07th SLTB Board of Directors Meeting for the year 2020 and according to a decision of the Board, approval was given to recover the pre- lease value of Rs. 135,000/- for the future months and accordingly the Finance Division has received the money and issued receipt.
- (8) A title No. 12491 was obtained from the Land Reform Commission for Rs. 109,000/- for a portion of the land situated at Mulatiyana Diddenipothawaththa in SLTB Hakmana Depot in extent of (03 acres 02 roods 23.4 perches).
- (9) A title No. 12559 was obtained from the Land Reform Commission for Rs. 109,000/- for a portion of the land situated at St. Georgewaththa in SLTB Mathugama Depot in extent of (10 acres 00 roods 00 perches).
- (10) The Land Reforms Commission is in the process of obtaining a deed for Lot Nos. 01.02 for Plan No. 809 from Udabagewatta (lower section) land at Deraniyagala Depot of the Sri Lanka Transport Board.
- (11) Under the SLTB Fuel Filling Station Project the construction work of the SLTB Orugodawatta Fuel Filling Station is currently in the final stages and it has been decided to hold a special discussion soon under the chairmanship of the Chief Executive Officer to take further steps in this regard.
- (12) Applications and documents of the Koggala, Mawanella, Embilipitiya Fuel Station Project have been handed over to the Ceylon Petroleum Corporation under the 2020 Budget Proposals and survey plans have been prepared for the relevant land and then referred to the Procurement Section to prepare designer plans.

- (13) The approval of the Board of Directors has been obtained by now for the reconstruction of Nuwara Eliya Circuit Bungalow No. 01 and further steps will be taken after the completion of the survey of the land.
- (14) The land allotted for the LaggalaPallegama Circuit Bungalow has been assigned to the Survey Department for surveying.

❖ **Security Section**

1. To provide security for SLTB Regional Offices, Depots, Regional Workshops and other institutions.
2. To investigate complaints, media reports and occurrence of malpractices etc. involving SLTB.
3. Maintenance and supervision of fire protection system in the SLTB premises.
4. Issue of identity cards to all SLTB employees.
5. Conduct surprise inspections and maintaining discipline in the SLTB.
6. In case of emergency take action to safeguard the property and the life of all SLTB employees and coordinate with other institutions.
7. To provide security to Ministry of Transport and the National Transport Medical Institute and earn income through such services.
8. To provide security to Ministry of Transport and State Ministry of Transport offices.

❖ **Engineering Division**

Details of engines, gearboxes and bus body repairs for the year 2020

	Engines	Gear Boxes	Bus bodies
Provincial Workshops	432	190	313
Depots	300	809	253
External Agencies	161	-	144
Total	893	999	710

❖ **Internal Audit Division**
Finance Section

- 01) Properly conduct annual survey of all Stores
- 02) Auditing together of main cash books, daily cash books, payment vouchers, cash receivable and revenue
- 03) Preparation of accounting activities using the accounting package

Technical Section

- 01) Repairs to engine units and gear box units
- 02) Inspection of tyre consumption

Administration Section

- 01) implementation of Human Resources Information System

Development and Planning Section

- 01) Preparation of various reports and submitting them

Operations Divisions

- 01) Issuing free travel Passes to government institutions and obtaining money
- 02) Maximize season ticket revenue

Others

- 01) Implementation of 2019 Action Plan
- 02) Auditing of Gratuity
- 03) Special auditing of matters referred to by the Chairman
- 04) Conducting Audit Discussions
- 05) Conducting Audit and Management meetings
- 06) Supervision of replies to Government Audit Queries

** Wish to inform that audit activities were impaired due to travel restrictions throughout the island due to Corona.

❖ **Human Resources Management Division**

New Appointments of Drivers/ Conductors for a period of 06 months purely on contract basis for Rs. 30,000/- monthly allowance.

Nature of Appointments	Number
	2020
Contract Drivers	-
Contract Conductors	-
Total	-

Details of Executive Grade Appointments

Nature of Appointments	number
	2020
Permanent appointments	-
Covering Appointments/Assignments	382
Promotions	-
Confirmation of Covering Appointments	-
Transfers	41
Contract Appointments	05
New recruitments	-
Total	428

Granting re-appointments

Nature of Appointments	number
	2020
Re-appointments	06
Total	06

Providing practical training

Nature of Appointments	number
	2020
Computer Section Training	07
Accounting Section Training	07
Technical Section Training	19
Total	33

Non-executive transfers

Nature	number
	2020
Transfers	118
Total	118

Disciplinary Section

Disciplinary file details

Nature of Appointments	number
	2020
Completed Disciplinary files	1863
Completed Appeal Files	117
Total	1980

❖ Flying Squad Section

Flying Squad Progress Report for the year 2020 (Head Office)

Month	No. of teams	No. of checks	No. of buses checked	Serious offences (IV)	Minor offences (V)	No. of passengers fined	Fines recovered Rs.
January	5	97	1,281	34	0	27	13,918.00
February	5	94	1,129	56	1	31	13,612.00
March	5	45	645	19	2	15	8,926.00
April	No checks were conducted due to imposition of curfew						
May	3	19	231	14	0	0	0.00
June	4	80	966	28	0	3	940.00
July	5	82	1,066	22	1	5	1,548.00
August	5	46	771	16	2	8	2,974.00
September	5	53	780	21	0	0	0.00
October	4	50	611	14	0	1	402.00
November	3	27	284	6	0	0	0.00
December	3	61	760	22	0	5	3,282.00
Total		654	8,524	252	6	95	45,602.00

Flying Squad Progress Report for the year 2020 (Island wide)

Month	No. of teams	No. of checks	No. of buses checked	Serious offences (IV)	Minor offences (V)	No. of passengers fined	Fines recovered Rs.
January	15	232	3,556	44	18	139	34,204.00
February	16	233	3,343	82	24	77	36,170.00
March	5	45	645	19	2	15	8,926.00
April	No checks were conducted due to imposition of curfew						
May	3	23	231	14	0	0	0.00
June	11	110	1,371	29	16	16	6,138.00
July	22	307	5,174	54	53	83	34,668.00
August	25	293	4,790	47	81	78	44,133.00
September	13	145	1,983	32	23	23	8,638.00
October	10	93	1,063	15	4	5	2,258.00
November	11	87	908	11	4	4	2,026.00
December	10	120	1,508	27	8	16	7,648.00
Total		1,688	24,572	374	233	456	184,809.00

❖ **Development & Planning Section**

Proposed Activities	Physical Target			
	Quarter			
	1	2	3	4
Preparation and submission of monthly, quarterly, biannual and annual Progress Reports for the period January – December 2020 relating to information included and not included in Action Plan	Prepared and submitted			
Preparation and submission of Action Plan for the year 2021 to the Board of Directors for approval before 31.12.2020	Prepared and submitted.			
Preparation and submission of Corporate Plan for the period 2021 to 2023 before 31.12.2020 and submit for the approval of the Board of Directors	Prepared and submitted			
Preparation and submission of Progress Report to the Budget for the year 2020 in Sinhala, Tamil and English languages	Prepared and submitted			
Preparation and submission of Information Report for the year 2020 to the Central Bank for inclusion in the Annual Report issued by the Central Bank	Prepared and submitted			
Preparation and submission of various reports requested by the Central Bank	Prepared and submitted			
Prepare and submit various reports requested by the Department of Census and Statistics.	Prepared and submitted			
Prepare reports on operational progress of the Regions and provide them to the requested parties throughout the year.	Prepared and submitted			
Preparing and updating the monthly ERP system including Monthly Operating Progress from January to December 2020 to include Profit and Loss Statements of all Depots, Provincial Workshops, Circuit Bungalows, Driving Schools, Central Bus Station, SLTTS, Ratmalana and Orugodawatta Fuel Filling Stations and Head Office.	Prepared and submitted			
Collection and updating of information regarding the Board.	Prepared and submitted			
Preparation and submission of reports requested by the Ministry of Transport and other Government Agencies.	Prepared and submitted			
Arrangements have been made to send response for letters received seeking information under the Right to Information Act.	Prepared and submitted throughout the year			

❖ **Tender Section**

Serial No.	Date	Works Performed	Date of Tender Opening
01	2020-01-02	Supply of Uniform to Drivers/ Conductors of SLTB Super Luxury Tourist Transport Service for the year 2020	2020-01-06
02	2020-01-08	Procurement 01 Nos. of Heavy Duty Dot Matrix Printer & 05 Nos. of Laser Jet Printer for SLTB.	2020-01-24

03	2020-01-21	Quotation For the Repairing of Canopy Celling& Fuel Shed at Rathmalana Depot.	2020-02-05
04	2020-01-21	Quotation For the Repairing of Work Shop Roof & Service Pit Area Roof at Rathmalana Depot.	2020-02-05
05	2020-01-30	Bid for the obtaining insurance coverage for SLTB buses and official vehicles for the year 2020	2020-02-06
06	2020-02-07	Quotation For the Air Conditiiners to the SLTB	2020-02-17
07	2020-02-07	Calling for quotations for pre-curing 295x22.5 new tyres	
08	2020-03-04	Supply & Delivery of Fuel Dispensing Pump for SLTB Depots	2020-03-26
09	2020-03-10	Quotation for the Renovations at central Bus Stand.	2020-03-20
10	2020-03-10	Quotation for the roof Repairing of central stores at Katubedda Depot.	2020-03-30
11	2020-03-10	Quotation for the civil Engineering works at Mathara Depot	2020-03-30
12	2020-03-10	Quotation for the Construction and Renovations at Koggala Bus Stand.	2020-03-30
13	2020-05-26	Calling for quotations for the purchase of Civil Engineering works for depots of SLTB Ruhunu Region (Rubble, Sand, Bricks)	2020-05-29
14	2020-05-26	Supply of Annual Requirement of Toners & Ink Ribbons	2020-05-29
15	2020-05-26	Annual Requirement Of Stationery Items	2020-05-29
16	2020-05-26	Purchase of paints required to paint SLTB Ruhunu Region Depots	2020-06-02
17	2020-05-02	Purchase of sheets required to repair SLTB Ruhunu Region Depots	2020-06-03
18	2020-06-12	Windows License for Saga ERP Server System. SLTB Finance Division	2020-06-12
19	2020-06-12	Supply & Delivery of Laptop Computer for SLTB	2020-06-15
20	2020-06-15	Supply & Delivery of Rest Room Furniture for SLTB	2020-06-19
21	2020-06-16	Purchase of timber required for SLTB Ruhunu Region Depots	2020-06-29
22	2020-06-24	Fixing of Aluminum doors/ windows and partitioning the main building of Orugodawaththa Fuel Filling Station	2020-06-30
23	2020-06-24	Supply & Delivery of Rest Room Furniture for SLTB (Calling for quotations II time)	2020-06-29
24	2020-06-25	Invitation of Quotation for Purchase of Stamps & Seals for SLTB	2020-06-24
25	2020-06-30	Purchase of Air Conditioners for SLTB	

26	2020-07-01	Purchase of Aluminum doors / windows required for engineering works at SLTB Ruhunu Regions Depots	2020-07-06
27		Purchase of wires required for engineering works at SLTB Ruhunu Regions Depots	2020-06-17
27- I		Sale of buffin powder at SLTB Ampara Tyre Workshop	2020-06-04
28	2020-07-02	Purchase of tiles required for engineering works at SLTB Ruhunu Regions Depots	2020-07-06
29	2020-07-02	Invitation of Quotations for purchase of stamps & seals for SLTB (II time)	2020-07-02
30	2020-07-07	Calling for quotations for goods ordering forms (S-01) receiving forms (S-05) issue forms (S-06) O - 15 books	2020-07-15
31	2020-07-08	Quotation For the Repairing of Canopy Ceiling & Fuel Sheat at Rathmalana Depot.	2020-07-13
32	2020-07-08	Paying of interlock blocks for the yard at Orugodawaththa Fuel Filling Station	2020-07-13
33	2020-07-08	Quotation for the supply of Air Conditioners for SLTB	2020-07-13
34	2020-07-09	Sale of old newspapers accumulated at Head Office	2020-07-16
35	2020-07-17	Purchase of zinc / aluminum sheets required for the roof repair of Angoda Depot Engineering Section	2020-08-17
36	2020-07-20	Purchase of spare parts for TATA Engines and Gear Boxes (W-06)	2020-08-21
37	2020-07-20	Purchase of spare parts for Ashok Leyland Engines and Gear Boxes (W-05)	2020-08-20
38	2020-07-22	Purchase of 10 Super Luxury buses for operations in Express Highways on credit basis from suppliers	2020-07-14
39	2020-08-13	Calling for quotations for the purchase of materials required for building boundary wall for SLTB Ambalanthota depot	2020-09-02
40	2020-08-18	Purchase of required Aluminum chequered sheet for the body repair of SLTB buses	2020-09-02
41	2020-08-18	Regarding building and electric system for Orugodawaththa Fuel Filling Station	
42	2020-08-18	Sri Lanka Transport Board Stationery Items for SLTB Divisions & Sections	2020-08-28
43	2020-08-19	Arrangement of office in SLTB Head Office Operations Division by partitioning with Aluminum Sheets	2020-09-07
44	2020-08-19	Fixing of ceiling for the canopy at SLTB Orugodawaththa Fuel filling Station	2020-09-07
45	2020-08-19	Purchase of 50 double beds for SLTB Central Bus Station (with the approval of Minor Tender Board)	
46	2020-08-24	Purchase of spare parts for TATA chassis for SLTB(W-06)	2020-09-08
47	2020-08-24	Purchase of Electrics spare parts for SLTB (W-20/ W-29)	2020-09-09

48	2020-08-26	Supply and fixing of underground tanks at Balangoda, Rathmalana and Rathnapura Depots	2020-09-03
49	2020-08-26	Quotation for the supply of Air Conditioners for SLTB (Second Time)	2020-08

Tenders submitted to Ministry Procurement Committee by the Tender Board Section

Serial No.	Date	Works Performed	Date of Tender Opening
01		Purchase of lubricants and grease required for SLTB - 2020	2019-11-26
02		Refilling and pre-curing of tyres required for SLTB	2020-07-27
03		Obtaining Private Security Services for SLTB depots, regional Officers and Provincial Workshops	2020-07-27

❖ **Supplies Division**

S e r. N o.	S u b j e c t	Project Name	Amount Allocated for the year 2020 (Rs. Mn.)	Financial progress (Rs. Mn.)	Target Achieved	Physical progress
01	All Procurements and Sales.	Procurement of materials required for operational activities	3,691.50		Purchase of 500 small buses	Buses were not purchased during the year 2020
02			18,125.00		Purchase of 725 buses with 49 – 54 seaters	Buses were not purchased during the year 2020
03			9,250.00		Purchase of 500 Super Luxury buses with 42 – 45 seaters	Buses were not purchased during the year 2020
04			6,250.00		Purchase of 500 Super Luxury buses with 30 – 35 seaters	Buses were not purchased during the year 2020
05			6,050.00		Purchase of 275 Low Floor buses	Buses were not purchased during the year 2020
06			15,336.25		Purchase of 147,464,015 litres of diesel	Purchases are made according to market price at depot level according to their own requirements
07			988.20	39.25	Taking action to purchase spare parts required for bus	The purchase of spare parts is done by the Head

					maintenance/ repairs and manufacture of unit production	Office and at the depot level according to the approved prices but the price list for the spare parts obtained at the depot level has not been received by the Supplies Division. Mentioned here are only the prices of spare parts provided to Depot by the Supply Division.
08			29.43	17.31	Arrange for the purchase of materials such as paints required for the maintenance and repair of buses.	Arrangements are made to purchase according to depot requirements.
09			816.37	506.56	Purchase of 24,120 new tyres required for the maintenance of bus fleet.	15,132 new tyres were purchased for depots as at 31/12/2020
10			24.30	10.63	Purchase of 600 Yutong tyres required for the maintenance of bus fleet.	Action has been taken to purchase 276 Yutong tyres as at 31/12/2020
11			104.88		Purchase of 2400 Radial tyres required for the maintenance of bus fleet.	Instructions have been issued to purchase at depot level from approved institutions according to requirements
12			145.32	69.80	Purchase of 6000 new batteries required for the maintenance of bus fleet.	Action has been taken to purchase 2885 new batteries as at 31/12/2020
13			540.00		Supply of 1080 engines repaired and supplied for the maintenance of bus fleet.	No funds have been allocated in the Budget
14			360.00		Repair and supply 1800 gear boxes required to maintain the bus fleet	No funds has been allocated from the budget

15			180.00		Repair and supply of 6000 Starter Motors required to maintain the bus fleet	Repairs are done by the Regions according to requirement of depots. The money spent has not been sent at the Regional Level to the Supplies Division.
16	All Procurements and Sales	Procurement of materials required for operational activities	144.00		Repair and supply of 4800 alternators required to maintain the bus fleet.	Repairs are done by the Regions according to requirement of depots. The money spent has not been sent at the Regional Level to the Supplies Division.
17			96.00		Repair and supply of 1200 fuel pumps required to maintain the bus fleet	Repairs are done by the Regions according to requirement of depots. The money spent has not been sent at the Regional Level to the Supplies Division.
18			21.00		Repair and supply of 6000 fuel injectors required to maintain the bus fleet.	Repairs are done by the Regions according to requirement of depots. The money spent has not been sent at the Regional Level to the Supplies Division.
19			68.30		Providing necessary arrangements for the purchase of spring blades for the maintenance and repair of buses.	Repairs are done by the Regions according to requirement of depots. The money spent has not been sent at the Regional Level to the Supplies Division.

20			1,489.06		Filling and pre-curing tires required to maintain the bus fleet.	Instructed to fill and pre-cure tires at the depot level from the approved Company as required.
21			207.83		Purchase of ticket rolls and ticket books as required.	Advised to purchase at depot level from approved company as required.
22			05.58	01.48	Print and Issue Season Tickets as required.	Arrangements have been made to provide the depots as required.
23			11.92	10.05	Purchase and supply of office equipment and stationery required for SLTB operations / administration.	Arrangements have been made for the purchase of office equipment required by the Depot and Head Office as required.
24			258.05		Purchase of 150 computers, 25 laptops, 50 printers, 150 UPS, 100 fingerprint machines as required. Arrangements for purchase of 132 Solar Projects , 01 Travel Pass Printing Machine , 01 Land Project, 132 CCTV Camera.	Necessary arrangements have been made to provide as required.
25			550.00	48.00	Carrying out repairs of SLTB buildings and yards.	Taking action to repair by labour Contract (Civil) from the SLTB Head Office.
26	All Procurements and Sales	Procurement of materials required for operational activities	13.00	35.00	Purchase and supply of materials required for electrical maintenance and new projects in SLTB buildings and yards.	The Head Office has spent Rs. 35 million on new projects and maintained electricity as required.

Training Research and Development Division - Workshops held from January to December 31, 2020

Training workshop	Venue	Date held	Date (No. of days)	Number of participants	Total cost
Fuel storage training	Head Office	2020.02.07	01 Day	94	Rs.40,343/-
Procurement Management Training Workshop	Head Office	2020.02.18	05 Days	35	Rs.248,890/-
		2020.02.19			
		2020.02.25			
		2020.02.26			
		2020.02.27			
Motivational training program for management	Kaluthara Driver Training School	2020.02.29/03.01	02 Days (Stage - 01)	90	Rs.211,735/-
		2020.03.07/08	02 Days (Stage - 02)	90	Rs.234,340/-
Training of drivers engaged in inter-provincial public transport	Pothuhara Driver Training School	2020.03.05/06	01 day	100	Rs.82,280/-
Passenger Transportation Driving License Training Workshop	Kaluthara Driver Training School	2020.06.25/26	02 Days	112	Rs.89,945/-
	Pothuhara Driver Training School	2020.06.29/30	02 Days	81	Rs.81,274.50/-
Minimization of fuel consumption	Attanagalla Youth Division	2020.08.19	01 Day	70	Rs.43,218/-
Drug Prevention Workshop	Attanagalla Youth Division				
Procurement Training Workshop	Head Office	2020.08.27	05 Days	35	Rs.260,823/-
		2020.09.03			

		2020.09.10			
		2020.09.17			
		2020.09.24			
Certificate Course in Accounting	Shalika Hall	1) 2020.09.12		120	Rs.54,270/-
	Head Office	2) 2020.09.19		109	Rs.41,246/-
	Head Office	3) 2020.09.26		109	Rs.43,006/-
	Head Office	4) 2020.10.03		109	Rs.40,486/-
	To be held				
Training Workshop on Labor Law and Industrial Disputes	Head Office	2020.09.16	01 Day	107	Rs.48,413/-
Passenger Transportation Driving License Training Workshop	Kaluthara Driver Training School	2020.09.16/17	02 Days	52	Rs..61,637/-
Profit and loss accounts and cash flow notes	Head Office	2020.09.22	01 Day	104	Rs.48,534/-
Passenger Transportation Driving License Training Workshop	Kaluthara Driver Training School	2020.09.16/17	02 Days	74	Rs.75,008/-
	Pothuhara Driver Training School	2020.09.24/25	02 Days	89	Rs.83,030/
To face court proceedings successfully	Head Office	2020.09.27	01 Day	107	Rs..45,552/-
Short term training for employees in the motor mechanism and vehicle electrical sector	Ceylon –German Technical Training Institute	2020.08.25 to 2020.09.22	01 month	20	Rs.305,555/-
	According to His Excellency The	Starting from December 2020	06 Months	1749	

His Excellency the President's 100,000 Jobs Program	President's Vistas of Prosperity and splendour Statement Curriculum is currently being conducted at the Divisional Skills Based Curriculum with the NVQ 3 level training at the Divisional Secretariat level for 1749 Apprentices in Driving Profession directed to the National Apprenticeship and Technical Training Authority with the objective of "Creating a Poverty Free Sri Lanka"				
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❖ **LEGAL DIVISION**

Handling all legal activities pertaining to cases filed by outside parties against all Regional offices and depots belonging to the SLTB and cases filed against outside parties by the SLTB in all Courts throughout the Island

Under this:

- (i) Appearance by Legal Officers in Courts for SLTB cases wherever possible
 - (ii) Preparing documents for relevant cases.
 - (iii) Instructing Court Officers in Regional offices and the depots.
 - (iv) Coordinating such officers with outside attorneys-a-law and the State attorneys at the Attorney-General's Department.
 - (v) Engaging in legal activities by participating in legal consultations with State Attorneys at the Attorney-General's Department.
01. Giving necessary legal instructions on legal and administrative disputes to SLTB Head office, Regional Offices, Depots and other Units.
 02. Preparing Lease Agreements, Supplies Agreements, Security Agreements and the General Agreements the SLTB enters into with outside Parties.

03. Giving necessary instructions to the Secretariat Division in disputes about SLTB lands and participating in discussions with outside Parties and preparing reports and taking necessary action to ensure ownership of SLTB Lands.
04. Whenever necessary, preparing Cabinet Memoranda when Chairman refers disputes to the Legal Division.
05. Submitting papers to the Board of Directors regarding the future steps to be taken in cases.

Due to the COVID 19 Pandemic, the courts were suspended from time to time due to the imposition of curfew and cases were pro pond from time to time in the year 2020.

According to the above the Legal Division with the Legal Consultant, Chief Legal Officer and the Assistant Legal Officers were carrying out their duties. As it is a complex task to prepare a report listing out all duties performed in respect of subjects shown above by these officers in the year 2020, a list of duties specially carried out by the Legal Division in the year 2020 is given below.

- (i) 87 Summons were received in the year 2020 from Magistrate's Courts and 55 Summons received from District Courts and 16 Labour Tribunal Applications and 04 Arbitration Tribunal Cases and 02 cases from the Supreme Court and 02 cases from Court of Appeal and in all 166 summons were handled in the year 2020 and action is being followed up in all cases.
- (ii) 07 Agreements were prepared by Legal Division in the year 2020.
- (iii) Preparation of the Cabinet Memorandum amending the Sri Lanka Transport Board Act and forwarding it to the Ministry of Transport Services Management.
- (iv) Submitting amendments to be made by the SLTB to the said Amendment Bill when amending the National Transport Commission Act.
- (v) Conducting a training workshop for Court Assistants in all SLTB depots on court activities.
- (vi) Referring the observations of the Legal Division to the Deputy General Manager (Administration) to amend the existing Disciplinary Rules of the SLTB.
- (vii) Providing necessary legal advice to the Human Resources Management Division to issue a Circular stating that disciplinary action should be taken against serious / non-serious misconduct committed by casual / contract employees in the SLTB.

❖ Civil Section

	Region	Depot	Description of functions	Amount (Rs.)
1	Metro	Avisawella	Damaged roof repair in service sector	1,848,015.40
			Damaged roof repair in Engineering Section	479,991.60
			Construction of toilet system	1,136,232.00
		Udahamulla	Construction of fence and gate	656,700.00
2	Sabaragamuwa	Mawanella	Repair of toilets in the Engineering Section	652,850.00
		Daraniyagala	Construction of proposed toilets	1,215,876.00
		Rambukkana	Construction of proposed toilets	1,321,284.00
3	Gampaha	Kirindiwela	Repair of toilets in the Engineering Section	452,046.50
		Nittambuwa	Repair of damaged employee restrooms	50,705.00
			Repair of damaged toilets near employee restrooms	211,794.00
		Jaela	Roof and roof gutters repair in Engineering Section	1,238,380.00
			Repair of toilets in the Operation Section	121,730.00
			Repair of toilets in the Head Office	119,680.00
			Repairs to toilets of office workers in the Operations Section	266,005.00
		Divulapitiya	Repair to damaged drainage pipes	112,684.00
			Construction of the proposed new toilet systems	334,587.00
			Repair the toilet system of the toilets of drivers and conductors	312,147.00
			Repair of toilets in the Engineering Section	106,772.00
4	Raja Rata	Kekirawa	Construction of toilets	804,783.70
		Galenbindunuwewa	Construction of toilets	799,623.80
			Repair to restroom of workers	1,444,834.00
			Construction of service ramps	803,692.00
		Dambulla	Construction of toilets	775,564.50
		Madawachchiya	Construction of toilets	825,490.80
		Anuradapura	Repair to roof of Engineer's Office	816,188.00
		Kabithigollawa	Construction of toilets	2,252,873.50
			Construction of toilets	552,940.00
			Construction of septic tank and gully	814,783.00
		Horowpathana	Construction of toilets	793,215.00
Kanthale	Construction of toilets	209,187.80		
5	Wayamba	Halawatha	Repair to toilets	324,670.60
		Head Office	Repair to toilets	410,278.00
		Provincial Workshop	Repair to toilets	159,813.10
		Kurunagala/South	Repair of toilets in the Finance department	148,040.82
		Wennappuwa	Employee restroom repair	232,795.04
		Galgamuwa	Employee restroom repair	857,943.00
		Narammala	Repair to toilets	1,517,855.00

		Kuliyapitiya	Repair to toilets	1,605,285.25
		Ridigama	Repair to toilets	1,166,170.42
		Giriulla	Repair to toilets	1,056,246.00
6	Uva	Mahiyanganaya	Repair of toilets in the engineering department	304,917.40
			Repair of toilets in the Drivers and Conductors	710,165.85
			Repair of service pits	262,850.10
		Badulla	Staff toilet repairs	607,952.00
			Repair of toilets in the Operations Section	276,485.00
			Repairs to toilet systems of toilets to drivers and conductors	416,269.85
			Repairs to toilet systems of toilets to Pool Vehicle System	648,415.50
		Wellawaya	Repair of service pits	2,151,000.36
			Construction of toilet systems	1,644,555.00
		Bus Samawaya	Construction of boundary walls	1,613,678.83
7	Ruhunu	Katharagama	Repairs to roof of Engineer's Office	988,334.34
			Repairs to restrooms of drivers and conductors	1,099,971.37
			Repairs to roof of carpentry shop	447,111.00
			Repairs to ladies toilets	475,965.00
		Akuressa	Repairs to restrooms of drivers and conductors	741,608.25
			Repairs to canteen	733,402.00
		Udugama	Repairs to roof of carpentry shop	2,150,000.00
		Galle	Repairs to roof of stores	735,600.00
			Repairs to Head Office	962,933.00
		Katharagama ව/ගා	Construction of rear boundary wall	610,074.00
			Construction of front boundary wall	2,261,924.00
		Ambalanthota	Construction of toilet systems	3,046,010.00
8	Nuwaraeliya	Gampola	Repair to toilets	796,438.80
9	Kaluthara	Horana	Repair to toilets	532,992.51
10	Eastern	Kaththankudi	Construction of new toilet systems	623,108.80
			Construction of workers' restroom	1,671,586.54
		Kalawanchikudi	Repair to toilets	685,334.95
		Trincomalee	Construction of toilets of workers restroom	1,903,484.64
				58,111,921.92

Significant Accounting Policies

1. Corporate Information

1.1 Reporting Entity

Sri Lanka Transport Board is a statutory board enacted by the Parliament under the SLTB Act No. 27 of 2005. The registered office of the Board is located at No 200, Kirula Road, Colombo 05 and the principal place of business is situated at the same location.

Sri Lanka Transport Board (SLTB) is an institution that is under the purview of Ministry of Transport.

1.2 Principle activities

During the year, the principal activity of the Board is to provide road passenger transport to the community. The objectives of the Sri Lanka Transport Board are to provide the public a safe, dependable and comfortable road passenger transport at a reasonable fare system.

2. Basis of Preparation

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka. For all periods up to and including the year ended 31st December 2020, the SLTB prepared its financial statements in accordance with Sri Lanka Accounting Standards (SLAS). These financial statements for the year ended 31st December 2020 SLTB has prepared in accordance with the new Sri Lanka Accounting Standards (SLFRS/LKAS)

The Financial Statements comprise the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis.

2.3 Comparative Information

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amount reported in the financial statements in order to enhance understanding of the financial statements of the current period and to improve the inter period comparability.

The accounting policies set out below have been applied consistently to all period presented in these financial statements, unless otherwise indicated.

When the presentation or classifications of items in the financial statements have been amended, comparative amounts also have been reclassified to conform with the current year in order to provide a better presentation.

2.4 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with Sri Lanka Accounting Standards (SLFRSs) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Judgments and estimates are based on historical experience and other factors including expectations that are believed to be reasonable under the circumstances. Hence actual experience and results may differ from these judgments and estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future period.

2.5 Assets and the Bases of Their Valuation

Assets classified as current assets in the Statement of Financial Position are cash, bank balances and those which are expected to be realized in cash, during the normal operating cycle of the Board's business, or within one year from the reporting date, whichever is shorter. Assets other than current assets are those which the Board intends to hold beyond a period of one year from the reporting date.

3. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

3.1 Property Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

(a) Owned Assets

The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes cost of dismantling and removing the items and restoring in the site on which they are located and borrowing costs on qualifying assets.

Significant components of an assets are identified and depreciated separately

(b) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Board and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(c) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives are as follows:

Asset Category	Useful Life (Years)	Depreciation Rate (%)
Buildings	40	2.5%
Busses & Other Vehicles	8	12.5%
Plant & Equipments	10	10%
Furniture & Fittings	10	10%
Computers	4	25%
Bus Engine	5	20%

Depreciation of an asset begins when it is available for use where as depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(d) Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on derecognition are recognized within other income in profit or loss.

3.2 Leased Assets

Leases in terms of which the Board assumes substantially all the risk and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured and capitalized at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and, except for investment property, the leased assets are not recognized in the Board's statement of financial position.

3.3 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, using the production of supply of goods or services or for administrative purposes. Investment property is measured at cost.

When the use of property changes from investment property to owner occupied property it is reclassified as property, plant & equipment.

3.4 Capital Work In Progress

Capital expenses incurred during the year, which are not capitalized as at the balance sheet date are shown as Capital work in progress, whilst the capital assets which have been capitalized during the year and put to use have been transferred to Property Plant & Equipment.

3.5 Intangible Assets

An Intangible Asset is recognized if it is probable that economic benefits are attributable to the assets will flow to the entity and cost of the assets can be measured reliably in accordance with the Sri Lanka Accounting Standard LKAS 38-Intangible Assets and carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level.

3.6 Impairment of Non Financial Assets

The carrying amount of the assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an assets or cash generating unit exceeds its recoverable amount. An impairment loss is revised if there has been a change in estimates used to determine the recoverable amount.

3.7 Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories is comprised all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sales.

The cost of the inventories is assigned by using specific identification of their individual costs and first-in-first out formulas.

3.8 Financial asset

3.8.1 Initial recognition and measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets, as appropriate and determine the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

The financial assets of SLTB include cash and short term investment, trade and other receivables, staff loans and other receivables.

3.8.2 Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

(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. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement.

The losses arising from impairment are recognized in the income statement in finance cost.

(c) Held-to-maturity investments

Non- derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to -maturity when the SLTB has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortizations included in finance income in the income statement. The losses arising from impairment are recognized as finance cost in the income statement in finance cost.

(d) Available-for-sale financial investments

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized.

3.8.3 De recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when,

- i) The rights to receive cash flows from the asset have expired
- ii) SLTB has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) SLTB has transferred substantially all the risks and rewards of the asset, or
 - (b) SLTB has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

3.8.4 Impairment of financial assets

The SLTB assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, call deposits, demand deposits, and short term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value net of bank overdrafts that are repayable on demand for the purpose of the Statement of Cash Flows.

3.10 Financial Liabilities

Initial recognition and measurement financial liabilities within the scope of LKAS39 are classified as financial liabilities at fair value through profit or loss, at amortized cost, or as

derivatives designated as hedging instruments in an effective hedge, as appropriate. SLTB determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, carried at amortized cost. This includes directly attributable transaction costs. SLTB's financial liabilities include trade and other payables.

3.10.1 Subsequent measurement

Subsequent measurements of financial liabilities are at amortized cost.

3.10.2 De recognition

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

3.11 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.12 Post Employment Benefits

3.12.1 Defined Benefit Plan Company

The Board has adapted the benefit plan as required under the Payment of Gratuity Act No.12 of 1983 for all eligible employees. The benefit plan is not externally funded. One month salary for every year of service to employees on retirement has been provided.

The liability recognized in the Statement of Financial Position is the present value of the defined benefit obligation at the reporting date, using the projected unit credit (PUC) method. This item is stated under non –current liabilities in the statement of financial position. Actuarial gains or losses are recognized as income or expense in other comprehensive income during the financial year in which it arise.

3.12.2 Defined Contribution Plans – Employees' Provident Fund and Employee Trust Fund

All employees who are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions are covered by relevant contributions funds in line with the relevant statutes. Employer's contributions to the defined contribution plans are recognized as an expense in profit or loss when incurred.

3.13 Voluntary Retirement Scheme (VRS)

4005 applications were received under Voluntary Retirement Scheme. During the year 2016 2,389 employees have gone under Voluntary Retirement Scheme. In the year 2017 balance number of employees have gone under Voluntary Retirement Scheme.

3.14 Trade & Other Payables

Trade & other payables are stated at cost.

3.15 Provisions

A provision is recognized if, as a result of a past event the Board has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.16 Provision for Slow Moving Stocks

Provisions for slow moving stocks are made when the Board identifies the impairment in inventory through its regular assessments.

3.17 Capital Commitments and Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by certain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured.

Statement of Comprehensive Income

3.18 Revenue

The Board revenue represents revenue from passenger Transport.

3.18.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Board and the revenue and the associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes, and after eliminating sales within the Board.

(a) Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

(b) Rendering of services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

(c) Other Income

Revenue from dividends is recognized when the Board's right to receive the payment is established.

Profits or losses from disposal of property, plant and equipments recognized having deducted from proceeds on disposal, the carrying value of the assets and the related expenses.

Foreign currency gains and losses are reported on a net basis.

Income from scrap sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term.

3.19 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When SLTB receives non-monetary grants, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

3.20 Expenditure Recognition

3.20.1 Operating Expenses

All expenses incurred in day to day operations of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of comprehensive income in arriving at the profit for the year. Provision has also been made for impairment of financial assets, slow moving stocks, all known liabilities and depreciation on property, plant and equipment.

3.20.2 Lease Payments

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.20.3 Borrowing Costs

Borrowing costs directly attributable to acquisition, construction or production of assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that Board incurs in connection with the borrowing of funds.

3.20.4 Net Finance Income / (Expenses)

Finance income comprises interest income on funds invested and staff loans, and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognized on financial assets, borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.21 Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

3.22 Cash Flow

Interest received and dividends received are classified as investing cash flows, while dividend paid and interest paid, is classified as financing cash flows for the purpose of presentation of Statement of Cash Flows which has been prepared using the 'Indirect Method'.

3.23 Events Occurring After the Reporting

Events after the reporting period are those events favorable and unfavorable that occurs between the end of the reporting period and the date when the financial statements are authorized for issue.

The materiality of the events occurring after the reporting period is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

Sri Lanka Transport Board
Statement of Financial Position as at 31st December 2020

(all amounts in Sri Lanka Rupees)

(Re Stated)

<u>ASSETS</u>	<u>Note</u>	<u>31 December</u>	<u>31 December</u>
NON CURRENT ASSETS		<u>2020</u>	<u>2019</u>
Property, Plant and Equipment	01	7,083,280,977.22	9,174,029,658.88
Other Financial Asset	02	26,906,250.00	25,000,000.00
Work-in-Progress		42,372,869.98	26,569,098.30
Unoperated Accounts	03	1,290,782,781.62	1,290,782,781.62
		8,443,342,878.82	10,516,381,538.80
CURRENT ASSETS			
Inventories	04	1,696,207,318.88	1,680,585,239.13
Trade & Other Receivables	05	2,864,130,067.71	2,875,523,617.50
Other Financial Asset	06	1,131,363,974.06	1,071,901,706.06
Cash & Cash Equivalents	07	2,742,229,957.14	3,522,440,758.78
TOTAL CURRENT ASSETS		8,433,931,317.79	9,150,451,321.47
TOTAL ASSETS		16,877,274,196.61	19,666,832,860.27
EQUITY & LIABILITIES			
CAPITAL AND RESERVES			
Equity Capital		350,000,000.00	350,000,000.00
Accumulated Profit/Loss	08	(44,135,887,622.78)	(42,011,553,749.77)
Treasury Share Capital		3,944,890,550.00	3,944,890,550.00
Employee Share		411,144,470.00	411,144,470.00
Government Grants	09	3,300,557,519.78	2,981,392,312.95
Reserves	10	5,470,757,941.77	5,470,757,941.77
Available For Sale Reserves		26,656,250.00	24,750,000.00
Total Equity		(30,631,880,891.23)	(28,828,618,475.05)
NON CURRENT LIABILITIES			
Provision for Retirement Gratuity	11	13,450,587,559.71	13,593,105,638.09
Other Non Current Liabilities	12	3,860,454,904.02	4,411,280,894.22
Unoperated Accounts	13	18,526,264,783.02	18,526,264,783.02
		35,837,307,246.75	36,530,651,315.33
CURRENT LIABILITIES			
Trade & Other Payables	14	11,524,081,084.92	11,725,356,464.65
Bank Overdraft	07	147,766,756.17	239,443,555.34
Total Current Liabilities		11,671,847,841.09	11,964,800,019.99
TOTAL EQUITY & LIABILITIES		16,877,274,196.61	19,666,832,860.27

The Accounting policies and Notes on 01 to 21 form an integral part of these Financial Statements.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf.


Chairman
Kingsley Ranawaka
Chairman
Sri Lanka Transport Board


Deputy General Manager
M.G.A. Mangala Jayathilaka
ACA, Bst. Acc. (Sr) (Csr)
Sri Lanka Transport Board


Board Director
Sri Lanka Transport Board
Sri Lanka Transport Board
Colombo - 05

Sri Lanka Transport Board
Statement of Comprehensive Income
For The Year Ended 31st December 2020

		(Re Stated)	
		2020	2019
<i>(all amounts in Sri Lanka Rupees)</i>			
	Note		
Revenue	15	24,562,341,758.99	35,737,094,498.55
Operating Expenses	16	28,675,750,034.96	36,592,797,521.84
Operating Profit/(Loss) before depreciation		(4,113,408,275.97)	(855,703,023.29)
Other income	17	6,382,319,726.77	6,947,823,732.03
Profit/(Loss) after Other income		2,268,911,450.80	6,092,120,708.74
Administration expenses	18	5,355,665,246.92	6,940,996,226.40
Operating Profit/(Loss)		(3,086,753,796.12)	(848,875,517.66)
Financial and Other expenses	19	264,255,275.96	384,432,888.01
Finance Income		184,884,183.17	254,290,570.50
Net Finance Cost		(79,371,092.79)	(130,142,317.51)
Profit/(Loss) before Production Loss		(3,166,124,888.91)	(979,017,835.17)
Production Loss	20	66,237,243.79	20,172,420.21
Profit/(Loss) before Grants and Subsidies		(3,232,362,132.70)	(999,190,255.38)
Grants and Subsidies	21	1,127,367,737.76	1,473,921,845.00
Net Profit/(Loss) for the Period		(2,104,994,394.94)	474,731,589.62
Other Comprehensive Income			
Net change in Fair Value of AFS Financial Assets		1,906,250.00	(625,000.00)
Other comprehensive income for the year		1,906,250.00	(625,000.00)
Total Comprehensive Income for the Year		(2,103,088,144.94)	474,106,589.62

Statement of Cash Flow for the Year ended 31.12.2020

(all amounts in Sri Lanka Rupees)

	2020	2019
<u>Cash Flows From Operating Activities</u>		
Net Profit / (Loss) for the year	(2,104,994,395)	1,890,458,961
Adjustments for :		
Depreciation	2,507,395,399	2,265,408,864
Profit / Loss Adjustment	(19,339,478)	1,023,658,667
Government Grant - Amount Amortized During the year	(1,127,367,738)	(1,473,921,845)
Interest Income	(184,884,183)	(254,290,571)
Finance Cost	264,255,276	384,432,888
Profit from Bus Disposal	-	(41,673,000)
Provision for Defined Benefit Plans - Gratuity	831,270,451	(139,569,908)
Operating Profit / (loss) before working capital changes	166,335,332	3,654,504,056
(Increase) / Decrease in Inventories	(15,622,080)	(246,653,341)
(Increase) / Decrease in Trade & Other Receivable	11,393,550	(393,103,266)
(Increase) / Decrease in Work-in- Progress	(15,803,772)	(7,772,876)
Increase / (Decrease) in Creditors	343,407,781	867,603,317
Increase / (Decrease) in Accrued Expenses	(527,284,220)	(1,376,643,012)
Increase / (Decrease) in Other Non Current Liabilities	-	2,123,697,122
Cash Generated From Operation	(37,573,409)	4,621,632,000
Cash used in operations		
Defined Benefit Plan Costs paid	(973,788,530)	(1,259,953,938)
Net Cash flows from / (used in) operating activities	(1,011,361,939)	3,361,678,062
<u>Cash Flows From / (Used In) Investing Activities</u>		
Acquisition of Property, Plant & Equipment	(416,646,717)	(2,678,314,349)
Sale Proceeds from Disposal	-	41,921,000
Acquisition of Other Investment	(59,462,268)	(362,730,391)
Interest Income	184,884,183	254,290,571
Net Cash flows from / (used in) Investing activities	(291,224,802)	(2,744,833,169)
<u>Cash Flows From / (Used In) Financing Activities</u>		
Finance Cost Paid	(50,494,933)	(282,310,354)
Government Grants Received	1,446,532,945	1,473,921,845
Net Movement in Lease Creditors/(Lease Payment)	(781,985,273)	(2,362,625,213)
Cash Flows From / (Used In) Financing Activities	614,052,738	(1,171,013,722)
Increase / (Decrease) in cash & cash equivalents	(688,534,002)	(554,168,730)
Cash & cash equivalents at the beginning of the year	3,282,997,203	3,837,165,933
Cash & cash equivalents at the end of the year	2,594,463,201	3,282,997,203

Statement Of Changes In Equity for the Year ended 31.12.2020

(all amounts in Sri Lanka Rupees)

	Equity Capital	Minor Share Holders	Government Grants	Reserves	Treasury Share Capital	Available For Sale Reserve	Accumulated profit / (Loss)	Total
Balance as at 31 December 2018	350,000,000.00	411,144,470.00	2,981,392,312.95	5,470,757,941.77	3,944,890,550.00	24,750,000.00	(40,595,826,378.47)	(27,412,891,103.75)
Opening Balance Adjustment								-
Add for the Year			-					-
Less for the Year			-				(1,435,066,849.37)	(1,435,066,849.37)
Adjusted Balance as at 31 December 2019	350,000,000.00	411,144,470.00	2,981,392,312.95	5,470,757,941.77	3,944,890,550.00	24,750,000.00	(42,030,893,227.84)	(28,847,957,953.12)
Add for the Reserves	-	-	354,628,007.59	-	-			354,628,007.59
Less for the Reserves	-	-	(35,462,800.76)	-	-		(2,104,994,394.94)	(2,140,457,195.70)
Comprehensive Income Gain/(Loss)						1,906,250.00		1,906,250.00
Balance as at 31 December 2020	350,000,000.00	411,144,470.00	3,300,557,519.78	5,470,757,941.77	3,944,890,550.00	26,656,250.00	(44,135,887,622.78)	(30,631,880,891.23)

Sri Lanka Transport Board

Notes to the Accounts

01. Property, Plant & Equipment

Free hold Asset

	Land & Building	Plant & Machinery	Office Equipments	Motor Vehicles	Condemn Other Vehicles	Air conditioners	Computers	Busses
Balance As At 2018.12.31	378,104,967.74	262,480,657.54	186,335,694.20	300,449,252.76	1,041,195.32	14,107,020.69	140,378,736.80	14,577,640,549.36
<u>Adjustments</u>								
Addition								
Disposals								
Balance As At 2019.12.31	378,104,967.74	262,480,657.54	186,335,694.20	300,449,252.76	1,041,195.32	14,107,020.69	140,378,736.80	14,577,640,549.36
Transferred from L/H/A								
Addition	9,282,341.98	388,934,715.38	6,384,484.39	-	-	526,520.00	2,070,295.00	-
Disposals								
Balance As At 2020.12.31	387,387,309.72	651,415,372.92	192,720,178.59	300,449,252.76	1,041,195.32	14,633,540.69	142,449,031.80	14,577,640,549.36

Lease hold Asset

	Land & Building	Plant & Machinery	Office Equipments	Motor Vehicles	Condemn Other Vehicles	Air conditioners	Computers	Busses
Balance AS At 2018.12.31								12,343,801,671.84
<u>Adjustments</u>								
Addition								
Disposals								
Balance As At 2019.12.31	-	-	-	-	-	-	-	12,343,801,671.84
Transferred to F/H/A								
Addition								-
Disposals								
Balance As At 2020.12.31	-	-	-	-	-	-	-	12,343,801,671.84

01.Property,Plant & Equipr

Free hold Asset

	Condemn Busses	Shot Gun	Bus Engine	Ticket Machine	Other Assets	Computer Softwear	Total
Balance As At 2018.12.31	1,367,754,792.20	34,750.00	2,136,653,340.63	264,747,597.14	69,320,954.48	26,600,314.60	19,725,649,823.46
<u>Adjustments</u>							-
Addition	-						-
Disposals							-
Balance As At 2019.12.31	1,367,754,792.20	34,750.00	2,136,653,340.63	264,747,597.14	69,320,954.48	26,600,314.60	19,725,649,823.46
Transferred from L/H/A							-
Addition	-	-	1,166,400.01	1,669,800.00	1,278,278.50	5,333,882.18	416,646,717.44
Disposals							-
Balance As At 2020.12.31	1,367,754,792.20	34,750.00	2,137,819,740.64	266,417,397.14	70,599,232.98	31,934,196.78	20,142,296,540.90

Lease hold Asset

	Condemn Busses	Shot Gun	Bus Engine	Ticket Machine	Other Assets	Computer Softwear	Total
Balance AS At 2018.12.31							12,343,801,671.84
<u>Adjustments</u>							-
Addition							-
Disposals							-
Balance As At 2019.12.31	-	-	-	-	-	-	12,343,801,671.84
Transferred to F/H/A							-
Addition							-
Disposals							-
Balance As At 2020.12.31	-	-	-	-	-	-	12,343,801,671.84

**Free hold Asset
Depreciation**

	Land & Building	Plant & Machinery	Office Equipments	Motor Vehicles	Condemn Other Vehicles	Air conditioners	Computers	Busses
Balance AS At 2018.12.31	164,314,644.18	149,837,519.27	135,950,576.51	261,597,050.63	520,385.32	5,704,993.51	74,804,371.28	11,049,796,496.02
<u>Adjustments</u>								
Addition		-	-				-	
Disposals								
Balance As At 2019.12.31	164,314,644.18	149,837,519.27	135,950,576.51	261,597,050.63	520,385.32	5,704,993.51	74,804,371.28	11,049,796,496.02
Charge for the Year	1,569,663.85	38,550,745.47	8,140,277.42	11,630,339.50	-	1,144,194.71	26,133,711.61	349,042,005.85
Adjustments								
Disposals								
Transferred from L/H/A/D								
Balance As At 2020.12.31	165,884,308.03	188,388,264.74	144,090,853.93	273,227,390.13	520,385.32	6,849,188.22	100,938,082.89	11,398,838,501.87

Lease hold Asset

	Land & Building	Plant & Machinery	Office Equipments	Motor Vehicles	Condemn Other Vehicles	Air conditioners	Computers	Busses
Balance AS At 2018.12.31								7,906,830,779.16
<u>Adjustments</u>								
Addition								
Disposals								
Balance As At 2019.12.31	-	-	-	-	-	-	-	7,906,830,779.16
Charged for the Year								1,794,257,024.95
Adjustments								
Disposals								
Transferred to F/H/A/D								
Balance As At 2020.12.31	-	-	-	-	-	-	-	9,701,087,804.11

Total Asset	387,387,309.72	651,415,372.92	192,720,178.59	300,449,252.76	1,041,195.32	14,633,540.69	142,449,031.80	26,921,442,221.20
Total Depreciation	165,884,308.03	188,388,264.74	144,090,853.93	273,227,390.13	520,385.32	6,849,188.22	100,938,082.89	21,099,926,305.98
Net Book Value	221,503,001.69	463,027,108.18	48,629,324.66	27,221,862.63	520,810.00	7,784,352.47	41,510,948.91	5,821,515,915.22

Free hold Asset**Depreciation**

	Condemn Busses	Shot Gun	Bus Engine	Ticket Machine	Other Assets	Computer Softwear	Total
Balance AS At 2018.12.31	1,367,754,792.20	34,750.00	1,563,027,643.31	174,532,229.13	26,623,928.71	14,091,677.19	14,988,591,057.26
<u>Adjustments</u>							-
Addition	-				-		-
Disposals							-
Balance As At 2019.12.31	1,367,754,792.20	34,750.00	1,563,027,643.31	174,532,229.13	26,623,928.71	14,091,677.19	14,988,591,057.26
Charge for the Year	-	-	226,338,436.05	39,098,386.57	6,258,085.71	5,232,527.41	713,138,374.15
Adjustments	-						-
Disposals							-
Transferred from L/H/A/D							-
Balance As At 2020.12.31	1,367,754,792.20	34,750.00	1,789,366,079.36	213,630,615.70	32,882,014.42	19,324,204.60	15,701,729,431.41

Lease hold Asset

	Condemn Busses	Shot Gun	Bus Engine	Ticket Machine	Other Assets	Computer Softwear	Total
Balance AS At 2018.12.31							7,906,830,779.16
<u>Adjustments</u>							-
Addition							-
Disposals							-
Balance As At 2019.12.31	-	-	-	-	-	-	7,906,830,779.16
Charged for the Year							1,794,257,024.95
Adjustments							-
Disposals							-
Transferred to F/H/A/D							-
Balance As At 2020.12.31	-	-	-	-	-	-	9,701,087,804.11

Total Asset	1,367,754,792.20	34,750.00	2,137,819,740.64	266,417,397.14	70,599,232.98	31,934,196.78	32,486,098,212.74
Total Depreciation	1,367,754,792.20	34,750.00	1,789,366,079.36	213,630,615.70	32,882,014.42	19,324,204.60	25,402,817,235.52
Net Book Value	-	-	348,453,661.28	52,786,781.44	37,717,218.56	12,609,992.18	7,083,280,977.22

	<u><i>Cost - Land & Building</i></u>	31.12.2020	31.12.2019
101-1	Land & Building	290,377,302.57	281,094,960.59
101-1-A	Wesco - Land & Building	17,606,792.92	17,606,792.92
101-1-B	Depot /Garage - Land & Building	12,780,411.77	12,780,411.77
101-1-C	Land & Building (Temporary)	540,742.70	540,742.70
101-1-D	Land & Building (Shelters)	14,007,685.89	14,007,685.89
101-1-E	Land & Building - Others	51,774,373.87	51,774,373.87
101-1-F	SLTB - Play Ground	300,000.00	300,000.00
	Total	387,387,309.72	378,104,967.74

	<u><i>Cost -Motor Vehicles</i></u>		
101-5-A	Vans, Lorries & Other Vehicles	277,922,828.03	277,922,828.03
101-5-B	Cars, Motor Cycles & Bicycles	22,526,424.73	22,526,424.73
	Total	300,449,252.76	300,449,252.76

	<u><i>Accumulated Depreciation - Land & Building</i></u>		
104-1-A	Land & Building (Temporary)	540,742.70	540,742.70
104-1-B	Land & Building	143,641,719.27	142,072,055.42
104-1-C	Land & Building - Werahera	8,742,038.00	8,742,038.00
104-1-D	Land & Building - Depot /Garage	5,947,599.68	5,947,599.68
104-1-E	Land & Building - Stands/Shelters	4,981,605.27	4,981,605.27
104-2	Land & Building - Other	2,030,603.11	2,030,603.11
	Total	165,884,308.03	164,314,644.18

02.Other Financial Assets

Available for Sale Investment

Account Code	Description	31.12.2020			31.12.2019		
		No of Shares	Cost	Market Value	No of Shares	Cost	Market Value
105-2-G	Lanka Ashok Leyland - Investment In Shares	31,250	250,000.00	26,906,250.00	31,250	250,000.00	25,000,000.00
	Subtotal	31,250	250,000.00	26,906,250.00	31,250	250,000.00	25,000,000.00

Note	Work-in-Capital	31.12.2020	31.12.2019
		Rs.	Rs.
102-2	Balance as at 01.01.2020	26,569,098.30	18,796,222.31
	Addition	15,803,771.68	7,772,875.99
	Balance as at 31.12.2020	42,372,869.98	26,569,098.30

03.Unoperated Accounts

		31.12.2020	31.12.2019
		Rs.	Rs.
203-2-13	Unoperated Accounts - Debits Balance	1,290,782,781.62	1,290,782,781.62
		1,290,782,781.62	1,290,782,781.62

04.Inventories

Account Code	Description	31.12.2020	31.12.2019
		Rs.	Rs.
106-1	Inventory	1,635,165,408.85	1,513,522,729.47
106-2	Fuel	89,785,490.36	95,839,866.02
106-4	Stock in Transit	(40,135,862.07)	69,713,130.27
106-6	Work in Progress - Material (work shop)	11,392,281.74	1,509,513.37
		1,696,207,318.88	1,680,585,239.13
	Total	1,696,207,318.88	1,680,585,239.13

05. Trade & Other Receivable

05.1 Advances

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
107-1	Salary Advance - 4040	11,289,373.69	12,060,489.61
107-2	Festival Advance - 5012	148,889,550.55	202,263,198.00
107-3	Sports Advance - 5012/1	25,557,075.37	23,544,586.00
107-4	Special Loan Advance - 5012/2	33,861,646.48	46,037,504.95
107-5	Other Advance	14,867,970.98	12,062,620.27
107-6	Local Purchase Advance	1,494,298,735.42	1,496,150,077.34
107-7	SLTB Advance A/C	2,797,767.50	2,797,767.50
107-8	4040/1 Special Advance	863,306.52	730,006.52
	Sub Total	1,732,425,426.51	1,795,646,250.19

05.2 Other Receivables

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
108-1	Sundry Debtors	109,596,829.49	108,069,141.30
108-2	Trade Debtors	15,386,338.22	15,009,528.71
108-3	Income Receivables	93,923,144.26	117,760,823.07
108-4	Receivables - Army Hires	69,419,277.10	191,892,366.34
108-5	Receivables - Police Warrant	589,929,148.10	389,975,838.49
108-6	Court Deposits	6,580,898.70	7,969,070.79
108-7	Other Deposits	4,668,429.15	5,946,928.68
108-8	Conductor Shortage	6,141,909.29	6,987,068.73
108-9	Donations - Tsunami	136,800.00	-
108-10	Fidelity Guarantee Fund	70,331.76	70,331.76
108-11	Fuel Sale Control A/C	2,906,096.83	2,124,898.15
108-12	Lakdiwa Engineering (E-kale)	10,549.50	10,549.50
108-13	Cashier Shortage	427,709.55	3,815,947.99
108-14	Pre paid expenses	269,288,760.29	269,234,578.15
108-18	Work done by Out side Parties	2,931,618.84	705,245.53
108-20	Deposits - Container Deposits	-	18,250.00
108-23	Provision for doubtful debts	(39,713,199.88)	(39,713,199.88)
	Sub Total	1,131,704,641.20	1,079,877,367.31
	Total	2,864,130,067.71	2,875,523,617.50

6 Other Financial Asset

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
105-1	Treasury Bills	8,223,252.10	7,749,998.26
105-2-B	Investment in fidelity guarantee	42,678.00	42,678.00
105-2-C	Employee security Deposits	516,555.17	587,831.01
105-2-D	Fixed Deposits	1,122,581,488.79	1,063,521,198.79
	Subtotal	1,131,363,974.06	1,071,901,706.06

7 Cash & Cash Equivalents

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
105-2-A	Short-term Investments	650,000,000.00	585,000,000.00
105-2-E	Saving Accounts	1,311,937,499.35	1,856,494,264.45
	Subtotal	1,961,937,499.35	2,441,494,264.45

07. Cash at Bank

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
109-1	Head Office	172,999,041.59	186,091,977.35
	Region & Depots	327,086,738.06	520,322,816.40
	W.S/D.T.S & Fuel Sheds	165,571,952.26	180,893,157.00
	Total	665,657,731.91	887,307,950.75

07. Bank Overdraft

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
109-1	Head Office	11,008,177.21	98,243,667.04
	Region & Depots	136,726,688.96	141,199,888.30
	W.S/D.T.S & Fuel Sheds	31,890.00	-
	Total	147,766,756.17	239,443,555.34

07. Cash in Hand

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
110-1	Cash in Hand	7,982,732.35	7,489,661.60
110-2	Petty Cash Impress	593,254.99	633,609.49
110-3	Cash in Transit	51,885,936.71	90,387,563.88
110-4	Stamp Impress	199,485.00	149,604.00
110-5	Pool Vehicle Impress	245,939.00	190,886.00
110-6	Revenue to be deposit	53,727,377.83	94,787,218.61
	Total	114,634,725.88	193,638,543.58

07. Grand Total Cash & Cash Equivalents

2,742,229,957.14 **3,522,440,758.78**

07. Grand Total Bank Overdraft

147,766,756.17 **239,443,555.34**

08. Accumulated Loss

		(Re Stated)	
		31.12.2020	31.12.2019
Accumulated Loss		Rs.	Rs.
201	Accumulated loss brought from previous year	(42,011,553,749.77)	(43,509,944,006.02)
201-1	Add: Adjustment in respect of previous year	(19,339,478.07)	1,023,658,666.63
	Profit/ (Loss) for the year	(2,104,994,394.94)	474,731,589.62
	Total	(44,135,887,622.78)	(42,011,553,749.77)

Treasury Share Capital

		31.12.2020	31.12.2019
		Rs.	Rs.
202-5	Share Capital	3,368,242,400.00	3,368,242,400.00
202-6	Share Capital - Treasury A/C	576,648,150.00	576,648,150.00
	Total	3,944,890,550.00	3,944,890,550.00

09. Government Grants

		31.12.2020	31.12.2019
		Rs.	Rs.
202-3	Balance as at 01.01.2020	2,981,392,312.95	2,981,392,312.95
	Receipts from Treasury for the Year 2020	354,628,007.59	-
	Amortized for the year	(35,462,800.76)	-
	Balance as at 31.12.2020	3,300,557,519.78	2,981,392,312.95

10. Reserves

		31.12.2020	31.12.2019
		Rs.	Rs.
201-2	Capital Reserves	22,295,374.57	22,295,374.57
201-3	Insurance Reserves	292,329.36	292,329.36
201-4	Workmen Compensation Reserves	2,988,322.52	2,988,322.52
201-5	Commissioner of Motor Traffic	2,667,679.00	2,667,679.00
201-6	Season Ticket Fund	272,673.18	272,673.18
201-8	Revaluation Reserve	140,397,051.58	140,397,051.58
201-9	Capital Reserve a/c & Other Reserve	5,301,844,511.56	5,301,844,511.56
201-10	Reserves for writing off the Losses a/c	-	-
	Total	5,470,757,941.77	5,470,757,941.77

11. Provision for Retirement Gratuity

		(Re Stated)	
Account Code	Description	31.12.2020	31.12.2019
		Rs.	Rs.
202-1	Balance as at Beginning of the Year	13,593,105,638.09	13,576,902,113.41
	Provision for the Year	831,270,451.17	1,276,157,462.95
	Payments during the Year	(973,788,529.55)	(1,259,953,938.27)
	Balance as at the End of the Year	13,450,587,559.71	13,593,105,638.09

12. Other Non Current Liabilities

Account Code	Description	31.12.2020	31.12.2019
		Rs.	Rs.
202-20	Lanka Ashoke Leyland	2,196,236,339.00	2,993,120,339.00
202-21	Long Term Liabilities -SLTB Provident Fund	1,860,824,837.37	1,860,824,837.37
202-24	Provision For Bonus	400,000,000.00	400,000,000.00
202-2	Interest Suspense A/C	(596,606,272.35)	(842,664,282.15)
	Total	3,860,454,904.02	4,411,280,894.22

13. Unoperated Accounts

		31.12.2020	31.12.2019
		Rs.	Rs.
203-2-12	Unoperated Accounts -Credit Balance	18,526,264,783.02	18,526,264,783.02
	Total	18,526,264,783.02	18,526,264,783.02

14. Trade & Other Payables

14.1 Creditors

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
203-1-1	Trade Creditors	2,655,641,299.18	2,810,347,686.02
203-1-2	Ceylon Petroleum Corporation	41,491,285.21	58,205,876.40
203-1-3	Other Creditors	117,913,617.16	116,685,736.81
203-1-4	Sri Lanka Insurance Corporation	331,367.61	384,400.95
203-1-5	Cancelled Cheques	-	594,637.40
203-1-6	Unpaid Salary	13,958,374.45	14,766,881.15
203-1-7	Tsunami Fund	748,340.33	748,340.33
203-1-8	Third Party Payments - Payable	42,501,712.16	48,239,142.57
203-1-9	7070 E.P.F Loan	27,249,139.30	27,249,139.30
203-1-10	7082 E.P.F TV Loan	9,289,899.14	9,289,899.14
203-1-11	7075 E.P.F Housing Loan	210,935,869.67	211,051,336.79
203-1-12	7078 EPF Loan	576,741.11	576,741.11
203-1-13	Fines Fund	48,823,254.66	44,377,418.54
203-1-14	Sport Council	13,287,554.80	11,664,530.30
203-1-15	Trade Unions	35,429,441.78	30,567,815.43
203-1-16	Funeral Welfare Society	56,743,950.46	47,054,322.55
203-1-17	Welfare Society	57,669,920.57	47,167,507.41
203-1-18	Canteen Recovery	6,063,969.96	5,710,319.35
203-1-19	Bank Loan - (salary Payable)	56,837,914.37	66,225,966.19
203-1-19	Bank Loan	12,050,383.56	12,050,383.56
203-1-20	Insurance - Payable	1,023,445.12	1,027,319.87
203-1-21	Stamp Duty recovery	28,326,808.81	24,740,586.04
203-1-22	Fines recovery	581,275,796.02	569,537,427.84
203-1-23	Fines Fund recovery	85,869,239.57	95,217,164.79
203-1-24	Unpaid Salary Deductions	6,264,941.53	7,738,050.83
203-1-25	Tender Deposits	11,840,356.99	15,527,160.99
203-1-26	Other Deposits	9,549,670.90	12,795,994.99
203-1-27	Suspense A/C	(183,428.09)	967,187.91
203-1-28	Deposits - by Outside parties	3,057,310.40	3,061,285.40
203-1-29	Deposits - Tender(Factory)	10,909,905.28	10,909,805.28
203-1-30	Employee Deposits	158,941,686.40	157,615,006.41
203-1-31	Miscellaneous Payable	12,958,451.74	12,925,488.93
203-1-32	E.P.F Surcharges	5,109,973.46	5,109,973.46
203-1-33	E.T.F Surcharges	3,803,993.06	3,989,076.26
203-1-35	Accrued Rent & Rates	4,359,594.63	4,387,919.25
203-1-38	Fidelity bond	54,049.46	54,049.46
203-1-46	Interest Suspense a/c (Busess 272 &53)	(211,700,389.80)	(179,402,723.00)
203-1-47	Lanka Ashok Leyland Creditor a/c (Busess 272 &53)	685,884,000.00	574,884,000.00
203-1-45	Recovery from Factories a/c	18,310.00	-
203-1-48	Deposits - Contractors(Factory) a/c	2,832,243.12	-
203-1-49	Deposits a/c	3,249,819.80	4,638,643.97
203-1-50	Deposits - by Tender HO	2,093,000.00	2,293,000.00
203-1-54	Peoples Bank Leasing Creditor	-	95,091,273.20
203-1-56	Amount Received For Land at Werahara	4,554,000,000.00	4,054,000,000.00
203-1-57	Lanka Ashok Leyland Creditor a/c	108,961,684.90	109,971,684.90
203-1-59	Un Identified Receipts	1,800.00	-
	Sub Total	9,476,046,298.78	9,150,037,458.08

203-1-56 Amount Received For Land at Werahara

The above mentioned Rs;4554 Mn represents the sum received from the General Tresary in relation to transferring the land at Werahera to General Sir Jhone Kotalawala Defence University.

14.2 Accrued Expenses

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
203-3-1	Payable Audit Fee	4,079,852.73	4,079,852.73
203-3-3	Payable E.P.F (SLTB)	287,358,936.27	287,366,829.84
203-3-4	Payable E.P.F (Central Bank)	341,717,534.18	310,487,994.12
203-3-5	Payable E.T.F (Central Bank)	34,224,642.80	27,244,993.49
203-3-6	Salary Control A/C	902,906,804.76	1,049,171,167.67
203-3-7	Accrued Expenses	478,887,766.40	896,976,601.72
203-3-8	Online Bus Control a/c	(1,140,751.00)	(8,433.00)
	Sub Total	2,048,034,786.14	2,575,319,006.57
	Grand Total	11,524,081,084.92	11,725,356,464.65

15. Revenue

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
301-1	Waybill	16,787,385,167.05	27,441,637,726.12
301-2	Season Tickets	591,605,217.28	1,141,701,778.16
301-3	Special Hires	599,728,094.58	453,053,440.32
301-4	Mail Transport	45,628,032.95	67,833,501.66
301-5	Army Travel Passes	142,858,305.68	155,763,442.06
301-6	Police Warrant	509,323,606.42	553,960,907.39
301-7	Army Special Hires	5,765,553.00	7,011,912.00
301-8	News Paper Transport	297,600.00	791,766.00
301-9	Miscellaneous Travel Passes	169,070,650.78	187,992,354.51
301-10	Luggage Receipts	22,917,775.25	36,641,657.90
301-11	Welfare Hires	2,092,590.00	1,656,954.00
301-12	Police Vovcher a/c	7,811,572.00	306,762.00
302-1-1	Gemiseriya	-	-
302-1-2	Sisuseriya	116,776,235.00	225,364,794.93
302-1-3	Nisiseriya	11,081,359.00	13,377,501.00
302-4-D	Season Ticket Subsidy	5,550,000,000.00	5,450,000,000.50
	Total	24,562,341,758.99	35,737,094,498.55

16. Operating Expenses

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
401-1	Bus Operation Expenses	13,912,385,620.33	16,036,742,629.14
401-2	Direct Fuel, Oil & Lubricants	9,535,272,494.36	13,879,046,691.91
401-3	Other Direct Costs	3,084,792,889.47	4,747,652,592.86
402-3-1	Depreciation - Busses	2,143,299,030.80	1,929,355,607.93
	Total	28,675,750,034.96	36,592,797,521.84

<u>Bus Operation Expenses</u>		<u>Amount</u>	
		<u>31.12.2020</u>	<u>31.12.2019</u>
401-1-1	Salary - Drivers & Conductors	4,905,159,681.95	5,113,816,869.34
401-1-14	Salary - Engineering	1,402,539,365.51	1,483,853,028.75
401-1-3	Over time - Scheduled Drivers & Con	1,393,492,256.22	2,147,921,245.75
401-1-4	Over time - Un Scheduled Drivers & C	224,536,619.13	384,312,376.29
401-1-16	Over time - Engineering	232,655,703.95	381,786,500.55
401-1-6	Travelling - Drivers & Conductors	4,195,532.25	8,542,078.15
401-1-18	Travelling - Engineering	2,699,427.20	4,052,459.48
401-1-2	Cost of Living - Drivers & Conducto	1,609,916,074.75	1,647,548,126.50
401-1-15	Cost of Living - Engineering	411,853,669.92	424,374,190.39
401-1-5	Bus Crews - Layover	22,219,237.80	35,986,977.81
401-1-7	Incentive - Drivers & Conductors	580,494,496.59	1,067,097,424.56
401-1-17	Incentive - Engineering Employees	114,165,024.84	201,529,430.09
401-1-8	Attendance Allowances - Drivers & C	3,523,620.07	7,799,313.42
401-1-19	Attendance Allowances - Engineerin	654,218.16	1,959,711.00
401-1-10	Special Allowances - Drivers & Cond	1,268,759,646.93	1,312,665,298.54
401-1-20	Special Allowances - Engineering	313,051,159.30	329,232,104.16
401-1-23	Bus Washing & Watching Allowance	39,191,626.80	33,984,536.05
401-1-9	Night Allowances- Drivers & Conduct	6,814,207.77	12,884,172.85
401-1-11	Waybill Checking Commission	4,069,973.15	4,357,554.03
401-1-12	E.P.F - Drivers & Conductors	810,470,975.71	848,774,788.88
401-1-21	E.P.F - Engineering	250,186,042.42	260,972,358.11
401-1-13	E.T.F - Drivers & Conductors	195,157,825.87	209,869,329.13
401-1-22	E.T.F - Engineering	65,103,071.84	66,783,467.70
401-1-24	Other Variable Expenses	51,476,162.20	46,639,287.61
		<u>13,912,385,620.33</u>	<u>16,036,742,629.14</u>

Direct Fuel Oil & Lubricants

401-2-A	Oil & Lubricants for Busses	221,875,192.39	337,176,367.74
401-2-B	Fuel for Busses	9,313,397,301.97	13,541,870,324.17
		<u>9,535,272,494.36</u>	<u>13,879,046,691.91</u>

Other Direct Cost

401-3-1	Spare Parts	1,344,648,716.73	1,798,617,969.35
401-3-2	New Tyres Tubes	615,712,627.69	1,050,125,839.47
401-3-3	Rebuild Tyres	707,324,095.78	1,221,709,579.64
401-3-4	Batteries for Busses	102,500,330.30	131,693,023.65
401-3-5	Busses Repair & Maintenance Expens	264,408,980.70	437,172,416.05
401-3-6	Busses - Insurance Expenses	11,846,098.41	13,340,120.36
401-3-7	Busses - Registration Fees & Revenue	5,255,941.84	22,552,177.73
401-3-8	Tickets & Way Bill Expenses	33,096,098.02	72,441,466.61
		<u>3,084,792,889.47</u>	<u>4,747,652,592.86</u>

17. Other Income

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
303-1	Rent Income	24,798,922.27	18,639,560.29
303-2	Driver Training Schools	(3,850,677.15)	(17,745,655.30)
303-3	Fuel Sheds Income	(3,198,710.13)	(1,647,756.21)
303-4	Circuit Bungalows	4,727,577.44	9,048,850.00
303-5	Advertising	2,851,885.45	5,557,310.00
303-6	Penalty Charges	896,240.46	2,921,719.48
303-8	Dividends Received	156,250.00	-
303-9	Waste Oil Sale	10,079,423.58	10,079,649.15
303-10	Excess Cash	654,927.05	730,982.72
303-11	Damages Recovered	11,986,655.04	19,304,794.97
303-12	Income From Property	32,518,721.50	2,616,883.31
303-13	Building & Canteen Rent	6,398,805.19	5,126,723.67
303-14	Commission & Discounts	30,043,136.55	35,812,571.74
303-15	Fitness Certificate	9,280,627.50	8,829,365.45
303-16	Income from Outside Repairs	500,732.92	683,507.10
303-17	Wrecker charges	1,137,692.74	492,915.00
303-18	Insurance Commission	27,728.75	296,154.65
303-19	Cashier Excess	161,985.02	185,080.81
303-20	Income on Identity Cards	1,114,394.00	1,735,308.60
303-21	Stock Adjustment AC	2,044,092.80	(5,568,101.22)
303-22	Excess / (Shortage) of Fuel Stock	6,459,777.31	11,159,624.43
303-23	Scrap Sale	26,490,885.43	33,160,389.17
303-24	Other Income	127,408,824.28	231,585,885.57
303-25	Revenue from Shalika	564,900.00	4,488,320.00
303-26	Fuel Sale Income	26,209,046.10	25,628,041.07
303-27	profit on sales of buses	-	41,673,000.00
303-29	Sale on Other items	2,707,741.52	3,409,800.25
303-30	Scrap Stock Excess	147,871.15	-
302-1-A	Uneconomic Root Subsidy	5,850,000,000.00	5,500,000,000.00
302-1-4	Other Subsidy	210,000,270.00	999,618,807.33
	Total	6,382,319,726.77	6,947,823,732.03

18. Administration & Establishment Expenses

(Re Stated)

Account Code	Description	31.12.2020	31.12.2019
		Rs.	Rs.
	Salaries & Wages 18.1	1,085,705,521.65	1,193,271,555.76
	Overtime & Leave Pay 18.2	193,172,869.03	287,456,465.40
	Cost of Living Allowance 18.3	462,132,329.49	502,837,182.16
	Travelling Expenses 18.4	11,610,943.93	19,999,283.44
	Other Special Allowances 18.5	745,222,031.54	844,428,707.40
	Repairs & Maintenance 18.6	172,059,788.66	205,268,414.07
402-1-6	Chairman/Director Board Allowance	329,500.00	567,000.00
402-1-8	Private Security Expenses	80,475,224.90	104,400,116.93
402-1-9	Medical Bills	868,196.99	790,479.50
402-1-10	Other Allowances	5,901,392.91	14,734,932.33
402-1-11	Contract & Daily Payment Employees Allowances	112,110,774.89	114,085,958.02
402-1-12	Employee Provident Fund	330,146,221.17	312,240,558.06
402-1-13	Employee Trust Fund	86,260,200.09	69,665,537.31
402-2-5	Printing & Stationary	85,921,925.56	136,036,210.91
402-2-6	Rent & Rates	39,846,434.75	56,843,229.98
402-2-7	Telephone	45,164,396.83	49,661,589.87
402-2-8	Electricity	87,685,399.43	106,484,983.37
402-2-9	Water	26,618,872.83	31,123,302.92
402-2-10	Annual Bonus	291,894,499.32	285,913,567.64
402-2-10	Annual Bonus -(Provision 2018)	-	-
402-2-11	Gratuity Allowances a/c	831,270,451.17	1,276,157,462.95
402-2-12	Medical Condemn Retirement	4,455,272.80	7,785,022.74
402-2-13	Legal Expenses	16,717,001.48	33,964,692.28
402-2-14	Staff Welfare	28,559,194.23	22,392,370.60
402-2-15	Ex-gratia Payments	15,960,123.25	13,816,504.08
402-2-16	Workmen Compensation	3,415,031.00	4,213,909.11
402-2-17	Payment for Police security	2,544,405.40	3,935,858.75
402-2-18	Tsunami Busses Expenses	-	-
402-2-19	Fuel Oil & Lubricants(indirect)	20,033,014.65	20,874,732.07
402-2-20	Entertainment	9,062,598.56	10,018,169.82
402-2-21	Other Expenses	187,069,685.40	859,492,293.05
402-2-22	Doubtful Debts	-	-
402-2-23	Advertising Expenses	2,060,773.18	5,024,160.15
402-2-24	Insurance - Other Vehicles	7,294,803.53	11,375,304.88
402-3-2	Depreciation 18.7	364,096,368.30	336,136,670.85
	Total	5,355,665,246.92	6,940,996,226.40

<u>18.1</u>	<u>Salaries & Wages</u>	<u>31.12.2020</u>	<u>31.12.2019</u>
402-1-1-A	Salaries & Wages - Operation Staff	431,639,898.99	473,698,194.00
402-1-1-B	Salaries & Wages - Accounting Staff	151,008,179.66	160,309,163.21
402-1-1-C	Salaries & Wages - Engineering Staff	186,214,681.33	202,186,641.66
402-1-1-D	Salaries & Wages - Audit Staff	20,230,256.84	20,520,555.24
402-1-1-E	Salaries & Wages - Disciplinary Staff	25,547,954.22	24,045,922.94
402-1-1-F	Salaries & Wages - Security Staff	196,478,043.27	229,181,059.90
402-1-1-G	Salaries & Wages - Supply Staff	67,936,506.76	75,166,177.04
402-1-1-H	Salaries & Wages - D.T.S	6,635,000.58	8,163,841.77
402-1-7	Salary - Trained Graduate	15,000.00	-
		1,085,705,521.65	1,193,271,555.76

<u>18.2</u>	<u>Overtime & Leave Pay</u>		
402-1-2-A	Overtime & Leave Pay - Operation Staff	54,190,877.54	106,075,094.44
402-1-2-B	Overtime & Leave Pay - Accounting Staff	3,735,448.82	8,493,605.98
402-1-2-C	Overtime & Leave Pay - Engineering Staff	15,302,964.96	28,368,008.73
402-1-2-D	Overtime & Leave Pay - Audit Staff	43,027.54	995,376.39
402-1-2-E	Overtime & Leave Pay - Disciplinary Staff	3,046,903.53	4,886,548.18
402-1-2-F	Overtime & Leave Pay - Security Staff	111,816,569.15	126,557,024.68
402-1-2-G	Overtime & Leave Pay - Supply Staff	4,855,576.09	11,313,896.57
402-1-2-H	Overtime & Leave Pay - D.T.S	181,501.40	766,910.43
		193,172,869.03	287,456,465.40

<u>18.3</u>	<u>Cost of Living Allowance</u>		
402-1-3-A	Cost of Living Allowance - Operation Staff	208,571,537.06	225,564,834.16
402-1-3-B	Cost of Living Allowance - Accounting Staff	71,427,686.01	73,581,086.25
402-1-3-C	Cost of Living Allowance - Engineering Staff	73,508,627.52	80,187,096.76
402-1-3-D	Cost of Living Allowance - Audit Staff	9,150,690.00	9,653,550.00
402-1-3-E	Cost of Living Allowance - Disciplinary Staff	10,462,212.67	10,803,648.74
402-1-3-F	Cost of Living Allowance - Security Staff	58,606,646.49	64,377,499.01
402-1-3-G	Cost of Living Allowance - Supply Staff	28,685,918.63	36,666,417.05
402-1-3-H	Cost of Living Allowance - D.T.S	1,719,011.11	2,003,050.19
		462,132,329.49	502,837,182.16

<u>18.4</u>	<u>Travelling Expenses</u>		
402-1-4-A	Travelling Expenses - Operation Staff	6,300,944.74	11,360,139.10
402-1-4-B	Travelling Expenses - Accounting Staff	1,042,739.25	1,470,751.66
402-1-4-C	Travelling Expenses - Engineering Staff	1,600,792.19	2,611,723.00
402-1-4-D	Travelling Expenses - Audit Staff	922,778.50	1,672,183.00
402-1-4-E	Travelling Expenses - Disciplinary Staff	558,522.50	728,462.50
402-1-4-F	Travelling Expenses - Security Staff	631,819.50	1,104,580.38
402-1-4-G	Travelling Expenses - Supply Staff	466,573.75	927,606.70
402-1-4-H	Travelling Expenses - D.T.S	86,773.50	123,837.10
		11,610,943.93	19,999,283.44

18.5	Other Special Allowances	31.12.2020	31.12.2019
402-1-5-A	Other Special Allowances - Operation Staff	393,238,950.52	437,899,464.85
402-1-5-B	Other Special Allowances - Accounting Staff	107,426,553.22	116,043,321.27
402-1-5-C	Other Special Allowances - Engineering Staff	102,894,857.75	123,423,394.02
402-1-5-D	Other Special Allowances - Audit Staff	15,033,657.06	15,379,951.96
402-1-5-E	Other Special Allowances -Disciplinary Staff	17,259,380.24	19,605,012.90
402-1-5-F	Other Special Allowances - Security Staff	66,946,526.99	83,976,069.26
402-1-5-G	Other Special Allowances - Supply Staff	39,866,996.44	45,473,289.33
402-1-5-H	Other Special Allowances - D.T.S	2,555,109.32	2,628,203.81
		745,222,031.54	844,428,707.40

18.6	Repairs & Maintenance		
402-2-1	Repairs & Maintenance (Garage Building)	36,200,859.64	53,278,164.37
402-2-2	Maintenance of Furniture & Office Equipment	10,282,886.32	9,961,702.27
402-2-3	Repairs & Maintenance - Pool Vehicle	97,651,530.53	103,674,696.38
402-2-4	Maintenance of Plant & Machinery	27,924,512.17	38,353,851.05
		172,059,788.66	205,268,414.07

18.7	Depreciation		
402-3-2	Depreciation - Other Vehicle	11,630,339.50	12,825,422.83
402-3-3	Depreciation - Plant & Machinery	38,550,745.47	9,683,446.89
402-3-4	Depreciation -Furniture & Office Equipment	8,140,277.42	8,189,301.98
402-3-5	Depreciation - Building	1,569,663.85	1,291,730.30
402-3-6	Depreciation - Computer	26,133,711.61	23,473,070.96
402-3-7	Depreciation - Others	6,258,085.71	6,198,911.24
402-3-9	Depreciation - Air conditioners	1,144,194.71	942,346.45
402-3-10	Depreciation - Bus Engine	226,338,436.05	226,338,436.05
402-3-12	Depreciation - Ticket Machine	39,098,386.57	41,339,254.95
402-3-13	Depreciation - Computer Softwear	5,232,527.41	5,854,749.20
	Total	364,096,368.30	336,136,670.85

19. Finance Performens

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
402-4-1	Over Draft Interest	1,010,005.95	963,717.03
402-4-2	Bank Charges	5,813,691.27	6,481,077.56
402-4-3	Debit Tax/WHT	-	7,589,371.66
402-4-4	Leasing Interest a/c	213,760,343.00	102,122,534.24
402-4-5	Other Finance Cost a/c	43,671,235.74	267,276,187.52
	Total Financial Cost	264,255,275.96	384,432,888.01

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
303-7	Interest Income	184,884,183.17	254,290,570.50
	Total Financial Cost	184,884,183.17	254,290,570.50

Net Financial Cost	79,371,092.79	130,142,317.51
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20. Production Loss
31.12.2020
Rs.

403-1	Work in Progress as at 01.01.2020 - Materials	1,509,513.37		9,697,053.38	
	ADD				
403-2	Purchases - Materials	159,820,527.87		137,255,432.81	
	LESS		161,330,041.24		146,952,486.19
403-4	Goods Return	627,301.56		340,051.39	
	Work in Progress as at 31.12.2020	11,392,281.74		1,509,513.37	
			12,019,583.30		1,849,564.76
	Primary Cost of Finished Goods		149,310,457.94		145,102,921.43
	Factory Overhead Cost				
403-1-A	Factory Wages & Allowances	125,638,580.76		129,920,190.73	
403-1-B	Overtime	21,898,747.06		12,477,444.04	
403-1-C	Travelling Allowances	73,607.50		191,047.50	
403-1-D	E.P.F	12,775,587.35		11,459,201.68	
403-1-E	E.T.F	2,226,177.86		2,747,849.66	
403-1-F	Other Costs	4,200.00		289,360.76	
	Factory Costs		162,616,900.53		157,085,094.37
	Total Production cost		311,927,358.47		302,188,015.80
403-3	Revenue on Production	236,690,485.97	236,690,485.97		282,015,595.59
	Production Shortage		75,236,872.50		20,172,420.21

21. Government Contribution

Account Code	Description	31.12.2020 Rs.	31.12.2019 Rs.
302-2-B	Grant for Rehabilitation	1,091,904,937.00	1,473,921,845.00
302-5-E	Government Grant Busses	-	-
302-6-F	Government Grant Amotized for The Year	35,462,800.76	
	Total	1,127,367,737.76	1,473,921,845.00

Fuel Sheds **Profit & Loss Statement**

	Rathmalana & Orugodawatte Fuel Shad	
Sales		195,929,847.81
Opening Balance - Diesel	1,057,472.00	
Opening Balance - Petrol	898,720.00	
Opening Balance - Lubricant	311,435.00	
		2,267,627.00
Add		
Purchases -Diesel	128,042,016.63	
Purchases -Petrol	65,029,985.05	
Purchases -Lubricant	558,981.10	
		193,630,982.78
		195,898,609.78
Closing Balance - Diesel	1,655,944.16	
Closing Balance - Petrol	220,267.23	
Closing Balance - Lubricant	303,860.00	
		(2,180,071.39)
		193,718,538.39
Net Profit		2,211,309.42
Other Income	(139,906.58)	
Interest Income a/c	54,191.78	
Fitness Certificate a/c		(85,714.80)
		(85,714.80)
		2,125,594.62
<u>Administrative Expenses</u>		
Salaries & Wages - Engineering Staff a/c	1,871,835.48	
Overtime & Leave Pay - Engineering Staff a/c	846,797.81	
Cost of Living Allowance - Engineering Staff a/c	748,800.00	
Other Special Allowances - Engineering Staff a/c	1,108,567.85	
		4,576,001.14
Repairs & Maintenance (Garage Building) a/c	5,810.00	
Maintenance of Furniture & Office Equipment a/c	60,205.00	
Maintenance of Plant & Machinery a/c	307,580.00	
Printing & Stationary a/c	12,125.00	
Telephone a/c	77,888.36	
Electricity a/c	246,240.25	
Water a/c		
Staff Welfare a/c	11,665.00	
Other Expenses a/c	11,500.00	
		733,013.61
<u>Financial Expenses</u>		
Bank Charges a/c	15,290.00	15,290.00
Total Cost		5,324,304.75
Net Profit		(3,198,710.13)

Chairman

Sri Lanka Transport Board

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Transport Board for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Disclaimer of Opinion

The audit of the financial statements of the Sri Lanka Transport Board for the year ended 31 December 2020 comprising the statement of financial position as at 31 December 2020 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

I do not express an opinion on the accompanying financial statements of the Board. Because of the significance of the matters discussed in the Basis for Disclaimer of

Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

1.2 Basis for Disclaimer of Opinion

(a) Sri Lanka Accounting Standards

- (i) The Value of the Fixed Deposits owned by the Board had been Rs. 28,678,099 and a Fixed Overdraft Facility had also been obtained from the People's Bank. For this purpose, fixed deposits amounting to Rs. 325,100,000 had been offered as a security bond and it had not been disclosed in the Financial Statements in terms of Sections 14 a and b of the Financial Reporting Standards No. 07 (SLFRS7).
- (ii) Action had not been taken in accordance with paragraph 58 of the Standard No. 16 to separately identify the value of lands and buildings amounting to Rs. 378,104,967 and to indicate them in the financial statements.
- (iii) A portion of a land situated at Pokunuwita of Horana belonging to the Board had been vested in the Government in 2016 for the construction of highways, and the amount of Rs. 30,371,875 received as the compensation for that had been credited to the other income account without crediting the amount to the reserve account with the objective of restoring the amount again within that year. Further, action had not been taken to credit the cost of the land to the lands and buildings account and the amount of compensation received for the land had not been stated under the investment activities in the cash flow statement.
- (iv) The Board had a short-term investment (REPO) amounting to Rs.350,000,000 from the year 2018 and the interest income receivable for that amounting to Rs.2,549,442 had not been identified for the year under review and therefore, the income of the Board had been understated by that amount.
- (v) The Board had received machinery worth Rs. 426,390,078 during the year 2019/2020 under the Japan International Cooperation Programme. Out of the machinery, 90 items worth Rs. 189,343,036 had been items received

in the year 2019 and action had not been taken to debit the machinery to machinery account in the year 2019 and to credit the machinery to capital grants account. An amount of 38,663,394 had been paid as customs duty in 2019 to release these assets from customs. This value had been capitalized and an amount of Rs. 322,194 had been depreciated in contrary to Sri Lanka Accounting Standards No. 16. Accordingly, the depreciation had been overstated by that amount in the accounts.

- (vi) Although government grants should be separately indicated in the statement of comprehensive income as per paragraph 29 of the Standard No. 20, Season Tickets amounting to Rs.5,677,857,594, subsidies of Sisu Seriya and Nisi Seriya had been indicated under operational income in the statement of comprehensive income.
- (vii) Although the fair value of the finance leases should be identified as the assets and liabilities in the statement of financial position in terms of paragraph 20 of the Standard 17, 272 ordinary buses with 50 seats and 53 buses with 33 seats worth Rs. 1,046,559,865 purchased during the year of 2019/2020 under the lease method had not been indicated under assets in the statement of financial position. Moreover, an advance of Rs. 263,435,339 paid to purchase 325 buses had not been debited to the lease creditor account and as a result, the lease creditor account had been overstated by that amount.
- (viii) As an amount of Rs. 187,186,000 received as interest income had been indicated as a cash inflow amounting to Rs.184,884,817 in the cash flow statement in terms of Standard No. 07, amounts received from investment activities had understated by Rs.2,301,826.
- (ix) Investments amounting to 1,020,000,000 made during the year under review had not been recorded as cash flow under investment activities in the cash flow statement in terms of Standard No. 07.
- (x) The increase of Rs. 59,060,290 in fixed deposits during the year under review had not been indicated under investment activities in the cash flow statement in terms of Standard No. 07.

- (xi) Although the difference in the payments to creditors account in the year under review and the previous year was Rs. 326,008,840, cash flows had been overstated by Rs. 17,398,940 in the cash flow statement due to stating a sum of Rs.343,407,781 as adjustments under operational activities in the cash flow statement.
- (xii) Although the value had to be revalued at the time of selling of the land as per paragraph 34 of Standard No. 16, the Verahera land belonging to the Board had not been re-valued in the year 2018 at the time of selling the land to the General Sir John Kotelawala Defense University. An amount of Rs.4,554,000 had been received for this up to the year under review, and that amount had been credited to the creditor account. Accordingly, the creditor account had been overstated by that amount. Furthermore, the selling value of the land amounting to Rs. 5,000,000,000 had not been credited to the asset account.
- (b) A sum of Rs. 4,470,901 received by providing the stadium, accounted under fixed assets of the Board, to outsiders and institutions for sports activities had not been credited to the income of the Board and it had been credited to sports clubs account and as a result, the income of the Board had been understated by that amount in accounts.
- (c) The down payment of Rs. 263,435,339 made for 325 buses that were obtained through lease method during the year under review had been indicated under payments in advance.
- (d) Any audit evidence related to debit balances of dormant accounts amounting to Rs.1,290,782,781 and credit balances of dormant accounts amounting to Rs.18,526,264,783 indicated in the statement of financial position had not been submitted to audit. Furthermore, schedules and source schedules related to 09 account items amounting to Rs. 23,386,714,900 had not been submitted to audit.
- (e) The total amount of Rs. 4,054,000,000 comprised of Rs. 2,000,000,000 received in the year 2018 from the General Treasury for vesting a land located in Werahera and belonging to the Board in the Kotelawala Defense University and Rs. 2,054,000,000 received in the year under review had not been accounted

accurately and it had been indicated under other balances payable. The amount received during the year under review had not been indicated under investment activities in the cash flow statement.

- (f) Although computers and Information Technology equipment should have been indicated under fixed assets, computers and equipment amounting to Rs.42,878,983 had been included under stationery and as a result, fixed assets in the statement of financial position had been understated by that amount.
- (g) Fixed assets had been understated by Rs. 111,937,066 in the statement of financial position due to indicating ticket machines, valued at Rs. 378,354,463 according to bin cards related to the ticket machines, as Rs. 266,471,937 in the financial statements.
- (h) The values of the lands and the buildings had not been identified separately and a depreciation value for that amounting to Rs. 1,569,663 had been stated in the financial statements during the year under review.
- (i) Action had not been taken to capitalize air conditioners worth Rs. 1,935,404.
- (j) The Board had not identified the accounting policy in relation to the accounting of the computer software and computer software amounting to Rs. 31,394,194 had been indicated under property, plant and equipment.
- (k) Although the daily road passenger income had been Rs. 57,150,354 according to the trial balance, balance of cash in hand had been overstated by Rs. 3,422,977 as the daily road passenger income had been indicated as Rs. 53,727,377 in the statement of financial position.
- (l) Although the trade creditor balance had been Rs. 2,686,472,044 as per the trial balance, creditor balance had been understated by Rs. 30,830,745 in the financial statement due to indicating the trade creditor balance as Rs. 2,655,641,299 in the statement of financial position.
- (m) Although the interest income had been indicated as Rs.184,884,183 in the income received account, it had been Rs. 189,634,228 as per the balance sheet. Accordingly, interest income had been understated by Rs. 4,750,045 in the

statement of comprehensive income and as a result, income of the year under review had been understated by that amount.

- (n) Although other income had been indicated as Rs.11,986,655 in accordance with the accounts records, actual value of other income as per the trial balance was Rs.14,471,809. Accordingly, other income had been understated by Rs. 2,485,154 during the year under review.
- (o) Although the income received from driving training schools had been stated in the accounts as Rs.13,894,207, that income according to the trial balance had been Rs.14,471,809. Accordingly, the income of driving training schools had been understated by Rs. 20,449,386.
- (p) Although military passport income had been Rs. 142,858,305 as per the accounts note No. 15, it had been Rs. 147,095,230 according to financial statements. Accordingly, the income had been understated by that amount due to the inclusion of Rs. 4,236,925 in the financial statements.
- (q) As the income earned from the online bus reservation fees amounting to Rs.1,140,750 had been included in the online reservations control account as an expense payable, income had been understated by that amount.
- (r) Since the value of fuel stock amounting to Rs. Rs.2,180,071 had not been included in the stock value of the statement of financial position, the stock balance had been understated by that amount.
- (s) Since the amount paid as the annual bonus had been Rs.291,894,499 as per the financial statements and it had been indicated as Rs.291,347,479 in the trial balance, an amount of Rs.547,020 had been overstated in the financial statements.
- (t) The creditor balance of the Petroleum Corporation for the year under review as per the financial statements and the trial balance had been Rs.41,491,285 and Rs.63,997,291 respectively. Accordingly, that balance had been understated by Rs.22,506,006 in the financial statements.

- (u) Detailed schedules and age analysis had not been submitted for trade and other accounts receivable valued at Rs. 2,864,130,067 and balances of accounts payable valued at Rs. 11,524,081,084.
- (v) Condemned buses worth Rs. 1,367,754,792, which had been fully depreciated had been indicated under property, plant and equipment in the statement of financial position for 5 years and the Board had not taken necessary action in that regard.
- (w) According to the financial statements for the year under review, there had been a surplus of fuel stocks amounting to Rs. 6,459,777 and it had been indicated as income in the profit and loss account and the Board had not paid attention in that regard.

As described above, material items included in the statement of financial position, statement of comprehensive income, statement of changes in equity and the cash flow statement could not be confirmed or verified by alternative methods. As a result, I was unable to determine whether it is required to make any adjustments regarding the recorded or unrecorded values or transactions of the values or items that make up the statement of financial position, statement of comprehensive income and the cash flow statement.

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Board is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Board.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My responsibility is to conduct an audit of the Board's financial statements in accordance with Sri Lanka Auditing Standards and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section, I was not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 I have not obtained all the information and explanation that considered necessary for the purpose of audit and I was unable to determine whether proper accounting records have been kept by the Board as per the requirement of Section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of Section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year other than the observations a (i) (ii) (iii) (iv) (v), (b), (c), (d), (e), (f) as per the requirement of Section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

- 2.2.1 to state that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Board which are out of the normal cause of business as per the requirement of Section 12 (d) of the National Audit Act, No. 19 of 2018.
- 2.2.2 to state that the Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of Section 12 (f) of the National Audit Act, No. 19 of 2018, except for the following observations;

<u>Reference to Laws, Rules / Direction</u>	<u>Observations</u>
(a) Environmental Act No. 47 of 1980 and Gazette Extraordinary No. 1533/16 dated 28 January 2008.	Although all depots are required to obtain a license for servicing vehicles, any depot of the Board had not taken action to obtain such a license. Moreover, the Board had not paid attention on the cleaning of the depot premises.
(b) Public Enterprises Circular No. PED / 12 dated 02 June 2003	
(i) Section 5.1.2	Although the Action Plan should be prepared based on the objectives and goals, the Board had not acted accordingly.
(ii) Section 5.2	Although the budgeted income and expenditure statement, budgeted balance sheet, budgeted cash flow statement and budgeted capital expenditure are required to be submitted in the preparation of the Action Plan, the Board had not acted accordingly.

- (iii) Section 6.5.1 Although the financial statements for the year under review must be submitted for audit within 60 days after the end of the year, the financial statements had been submitted on 26 October 2021 with a delay of 306 days.
- (iv) Section 9.2 The organizational chart of the institution and schemes of recruitment and promotion related to that had not been prepared and approved by the Department of Management Services.
- (c) Public Finance Circular No. 2020/02 dated 28 August 2020 Although the Sustainable Development Goals need to be identified and action should be taken accordingly as per the Circular, the Board had not acted in compliance with the relevant Circular.

2.2.3 to state that the Board has not performed according to its powers, functions and duties as per the requirement of Section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 to state that the resources of the Board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of Section 12 (h) of the National Audit Act, No. 19 of 2018

3. Other Audit Observations

- (a) The Board had not paid attention to recover the conductor arrears of Rs. 6,141,909, which had been existing for more than 02 years.
- (b) The product account of the Board shows a loss for more than 03 years and the production deficit for the year under review was Rs.75,236,872. The Board had not focused its attention on making the manufacturing plants profitable by using them at maximum capacity and thereby minimizing costs.

- (c) Although the income earned from the filling stations during the year under review had been Rs. 2,125,594, a gross operating loss had incurred due to the payment of Rs. 4,576,001 for salaries and other allowances.
- (d) The filling stations have been incurring losses continuously for more than 03 years and the Board had not taken any action in that regard.

W.P.C. Wickramaratne
Auditor General