

# A NEW DAWN A NEW HOPE

Annual Report - 2015



**Plantation Human Development Trust**

Enriching the Quality of Life of the Plantation Community



# A NEW DAWN A NEW HOPE

PHDT continues work passionately and relentlessly to uplift the working standards and the livelihood of the estate community. With a focused effort PHDT have fortified the lives of the community with projects to develop their homes, to avail the community with better health care and opportunities to better their vocation and industry.

Your company's tireless efforts have propelled the estate workers to evolve to promising heights; so much so that with more opportunities to grow and more lucrative means to help their families and community thrive, we are starting to see those with the determination to hone their skill, knowledge and experience returning to the estate to give back something to the community that first believed in them.

Success is achieved a step at a time. And greatness takes time.

Today the estate community have greater opportunities to build their industry achieving sustainability and it is with irrefutable joy and inimitable purpose that PHDT offers the estate community the dignity and means to flourish... to evolve.

A new dawn. A new hope.









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## VISION

"To be the leading human development Organisation trusted for excellence, providing sustainable development programs to continuously improve the quality of life in the plantations"

## MISSION

To improve

- ▶ Integrated services beneficial to plantation sector and its environs
- ▶ Social economic and spiritual well being
- ▶ Knowledge and self confidence
- ▶ Occupational health and safety dimensions
- ▶ Talents and capabilities of the beneficiaries by bench marking against the best practices
- ▶ Productivity of the sector"

## VALUES

- ▶ We will adopt an open door policy
- ▶ We will ensure equity and fairness to our stakeholders
- ▶ We will make people feel valued and demonstrate integrity
- ▶ We will promote our team work through dedication and active listening
- ▶ We will work and achieve our objectives as one family
- ▶ We will ensure the stakeholder satisfaction through our dedicated activities



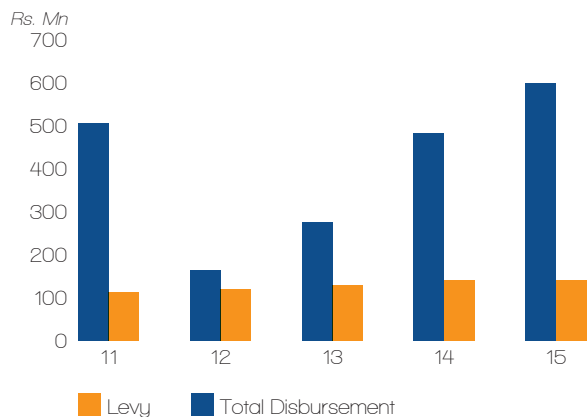
# FINANCIAL HIGHLIGHTS

	2015 Rs: Mn	2014 Rs: Mn
<b>Results for the year</b>		
Recurrent Expenditure & Levy	138,460	139,026
Gain / Loss on Project Activities	4,290	9,420
Income / (Loss) before Tax	(3,316)	15,339
Income / (Loss) after Tax	(3,685)	13,683
Total Amount Disbursed to RPC's	600,379	482,209
<b>At the year end</b>		
Accumulated Funds & Reserves	67,465	71,150
Total Assets	499,177	517,771

Rs. **600.3 MN**  
Disbursements 2015

Rs. **138.4 MN**  
Levy 2015

Total Project  
Disbursements Vs Levy









# CHAIRMAN'S REVIEW

“We have also been ably supported by the Government Ministries, Trade Unions, Regional Plantation Companies, Donors and many other organizations for over two decades to continuously enhance the quality of life of the plantation community who are the backbone of this vital industry, for the National economy.”









## CHAIRMAN'S REVIEW (CONTD.)

It is a time to analyse the past and look towards the future. The PHDT was created parallel to the privatisation of the management of plantations to implement housing and social welfare programmes for the plantation workers. It was established as a tripartite body to foster a partnership between the employers, employees and the Government. This social partnership has worked successfully to meet the objectives of PHDT. None of the partners have lost sight of this need from the inception.

We were initially supported by the Governments of Netherlands & Norway and by India in recent times. We have also been ably supported by the Government Ministries, Trade Unions, Regional Plantation Companies, Donors and many other organizations for over two decades to continuously enhance the quality of life of the plantation community who are the backbone of this vital industry, for the National economy.

In 2015, the year under review, PHDT has received funding totaling Rs. 603.40 Mn to continue its core activities such as housing, infrastructure, re-roofing, water sanitation, road development, health, child care, capacity building, mobilisation and strengthening of the Estate Worker Housing Cooperative Societies (EWHCS), which makes a significant contribution to uplift the living conditions of the plantation workers.

In view of the need to further develop the quality of life of the plantation community, the new Ministry of Hill Country New Villages, Infrastructure and Community Development moved in with resources to meet future challenges. The speedy resettlement of families affected by the landslides by constructing 288 new individual complete houses as a full grant given by the Ministry proved the capability of PHDT through their regions to meet any challenge.

We also welcome the other supporting Ministries, Regional Plantation Companies, Trade Unions, UN Agencies, INGOs/NGOs and other Institutions to help complete the work left undone to achieve the PHDT's concept of creating a "happy family living with dignity".

In this respect, we acknowledge with appreciation the initiative by the present GoSL to establish a separate Ministry dedicated to develop the plantation areas and improve the welfare facilities for the community living in the Estates.

“The speedy resettlement of families affected by the landslides by constructing 288 new individual complete houses as a full grant given by the Ministry proved the capability of PHDT through their regions to meet any challenge.”


It is with pride I highlight that the PHDT has bagged the "Silver Award" under the NPO category at the glamorous 51st Annual Report Awards, organized by the Institute of Chartered Accountants of Sri Lanka. We also won a "Merit Award" presented by the South Asian Federation of Accountants (SAFA) for transparency and accountability of published Annual Reports in the Region.

The PHDT Nuwara Eliya and the Kegalle Regional Offices have been recognized with the "Bronze" and "Merit" Awards respectively for Small Scale Service Sector organizations and Main Office with "Merit" Award for Medium Scale Service Sector at the Social Dialogue Excellence Award 2015. In addition, Ms. Kalawathi Nadaraj of Main Office won the "Gold" Award for Short Video competition, in the Social Dialogue and Workplace Co-operation Competition conducted by the Department of Labour and the Ministry of Labour and Labour Relations.

I wish to place on record our appreciation to the Hon. Minister for Hill Country, New Villages, Infrastructure and Community Development, his Ministry Secretary and Staff, other relevant Ministers, Members of Parliament, Provincial Councillors, CEOs of Regional Plantation Companies, Trade Unions, Donors and all other stakeholders for their dedication and cooperation extended to PHDT to implement their activities.

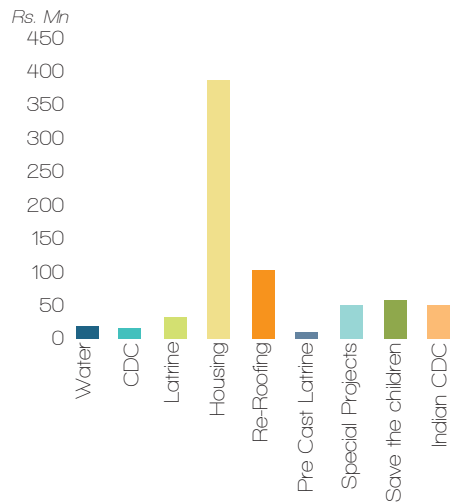
I take this opportunity to extend my gratitude to all my colleagues on the Board, who have extended their unstinted cooperation at all times to successfully guide PHDT. I also commend and thank all Internal & Regional Directors and staff of PHDT, under the leadership of the Director General, Mr. Ranjith Ellegala, who has always led from the front in implementing many activities undertaken by PHDT and for the cooperation extended at all levels.

I am confident the PHDT as the leading human development organization would continue its services to enhance the quality of life of the plantation community.

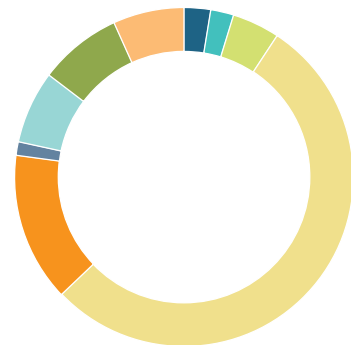


V. Puththirasigamoney  
Chairman

### Construction Activities Total Investment -2015



### Construction Activities Total Investment -2015



Water	3%
CDC	2%
Latrine	5%
Housing	54%
Re-Roofing	14%
Pre Cast Latrine	1%
Special Projects	7%
Save the children	8%
Indian CDC	7%



# DIRECTOR GENERAL'S REVIEW

“While contributing to sustainable growth of the industry, we have attempted to make a difference to our customers, who comprise the plantation society, at large. We strive in making change of the plantation lives, which is an integral part of our day-to-day activities.”







## THE DIRECTOR GENERAL'S REVIEW (CONTD.)

As another year of accomplishments comes to an end, it gives me great pleasure in presenting my review to you.

The Plantation Human Development Trust (PHDT) has been engaged as a change agent that touched the hearts of the plantations in the island in shaping and adding value to thousands of lives. We recall with gratitude the unstinted support and contribution made by a multitude of stakeholders including the Government Ministries, Regional Plantation Companies, Trade Unions, both national and international donor agencies, the plantation community and dedicated staff members of our organization who have been our source of strength.

While contributing to sustainable growth of the industry, we have attempted to make a difference to our customers, who comprise the plantation society, at large. We strive in making change of the plantation lives, which is an integral part of our day-to-day activities.

The PHDT commonly referred to as the "trust" has been faced with great expectations by the plantation community, we give their lives exactly what they require to create a unique progress. Plantation Human Development Trust, a tripartite organization involving the Government, Regional Plantation Companies and the major Trade Unions in the plantation sector is passionate in reaching out those in the plantations with a view to improving the quality of life. Day-by-day, month-by-month, year-after-year, time passes by, yet our primary focus has remained unchanged for decades, striving for improving quality of lives in the plantations. The confidence placed on us by many a stakeholders has been continued with and we wish to thank them for partnering with us to surpass the benchmarks set by ourselves previously.

The success and credibility of our progress is ensured through the dedicated staff members who march forward by keeping with the specific needs of the community, under the strategic guidance and direction of The Chairman and the Board of Directors.

We are able to look back at 2015 with a sense of pride having made significant strides in fulfilling our mandate and we thank all our stakeholders for their assistance and encouragement in making our dreams realities.

In the year, we witnessed a landmark of success with the allocation of houses constructed in 7 perch plots of

lands with the provision of individual interim titles and look forward to a brighter future with challenging opportunities and prospects.

During the year under review, we made our presence and continued to march forward. With the guidance and assistance of the Ministry of Hill Country New Villages, Infrastructure and Community Development, we carried out our component on the Government's 100 Days' work programme successfully and made an investment of Rs 522 Mn in the plantation sector, of which, the key component was the construction of houses numbering to 308 new housing units at a value of Rs.369.6 million and we are pleased to place on record that the work of 288 new houses had been completed and the work of remaining 20 units is in progress. Furthermore, under the 'New Life' housing programme, the work of 511 housing units are being continued.

The other work included upgrading of Child Development Centres (21 Centres), the construction of 19 nos. of water projects, re-roofing of 1702 units of worker housing and 79 special projects identified by the Ministry of Hill Country New Villages, Infrastructure and Community Development, beneficial for the plantation community.

We are pleased to inform that the Hon. Minister of Hill Country New Villages, Infrastructure and Community Development has introduced a new concept 'New Township Village' where a cluster of houses numbering to 150 houses or more with all modern amenities to be constructed at particular locations. Two sites have been identified and laying of foundation ceremony held in the 1st quarter of 2016 at Hauteville Estate in Nuwara Eliya Region and Kotiyagala Estate in Hatton Region, respectively.

During the period under review, we continued to support the EWHCSs being mindful of the magnitude of development work that would be entrusted to these community based organizations, in the future.

Our efforts with the Provincial Commissioners of the Department of Cooperative Development, their Assistant Commissioners, Estate Management and the Office Bearers of EWHCS have ensured audits of 215 EWHCS, out of 422 EWHCS (51 %) in the Estates, coming under the purview of the Regional Plantation Companies during the during year, promoting good governance and transparency.



The robust and forwarding thinking of the organization's strategy coupled with good governance and transparency enabled us being chosen for many coveted accolades during the past year that are attributable to all our stakeholders.

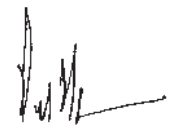
These achievements not only consolidate our presence in the plantation sector, but reflect our passion for extending the boundaries in the delivery of social development endeavors.

I take this opportunity to thank the Hon. Minister P. Thigambaram of the Ministry of Hill Country New Villages, Infrastructure & Community Development and other members of the Parliament for their guidance and support. The kind assistance of the Secretary and staff of the Ministry of Hill Country New Villages, Infrastructure & Community Development, the advisors and the personal staff of the Hon. Minister are also appreciated.

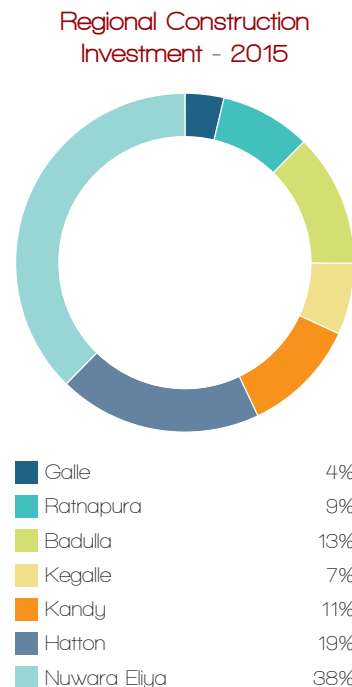
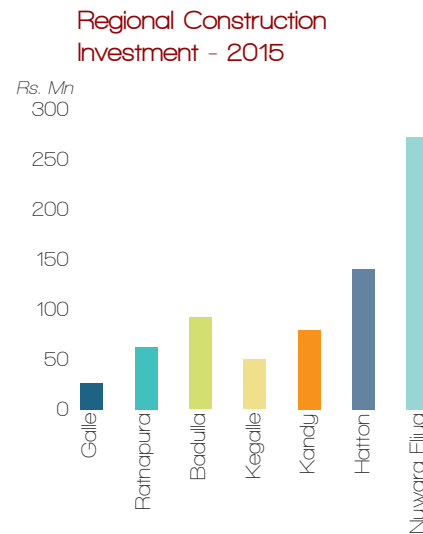
I wish to extend my sincere appreciation to the Ministry of Plantation Industries, Ministry of Finance, Ministry of Health, Nutrition & Indigenous Medicine, Ministry of Women and Child Affairs, Regional Plantation Companies and Trade Unions for their valuable contribution during the year under review and also thank the many foreign missions, donor agencies, INGOs and NGOs for the support extended during the year and look forward to their continuation for the benefit of the plantation community.

I also express my gratitude to the Chairman and the Board of Directors for their strategic vision, guidance and consistent support.

In conclusion, my appreciation is also extended to our Internal Directors, Regional Directors and all members of staff for their continued dedication and contribution to achieve our objectives.



R.M.M. Ellegala  
Director General



# BOARD OF DIRECTORS



## Mr. V. Puththirasigamoney - Chairman

Mr. V. Puththirasigamoney, had been a Honorary Professor (Emeritus) of two universities in India and holds Diploma in Industrial Law (Sri Lanka), Diploma in Business Administration (India), Diploma in Strategic InfoTech (Italy) and completed a Special Study on Minorities and American Constitution in America.

As a Trade Unionist, he has held various positions including Deputy General Secretary of LJEJU and Administrative Secretary and Vice President of CWC and now the Senior Advisor of NUW. In his political career he is the most senior Upcountry Tamil Politician, who was elected as Deputy Mayor of Nuwara Eliya in 1983 and as a Member of the Provincial Council in 1988 and has held the Office of Deputy Chairman and Minister of Education, Trade, Tourism, Industries and other portfolios of the Province up to 1999 and appointed to Parliament in 2000 and held office of the Secretary of Parliamentary Friendship Association of many countries including USA, Switzerland, Australia, Cyprus besides other positions

and the Deputy and Acting Minister of Justice and Law Reforms up to 2010. He also served in the Working Committee of the United National Party appointed by Late President J.R. Jayawardena as the youngest member in 1984 and served up to 2001.

He is appointed to serve as a Member of Tertiary and Vocational Education Commission at present by H.E. the President.

Served as a Director/Board Member of the Tea Research Board for 6 years and Lanka Estate Development Ltd. for 6 years.

Represented Sri Lanka as the Youngest Workers' Delegate ever in 1984 and as Workers' Advisor continuously from 1981 to 1992 at International Labour Conference, Geneva. Also, as the Advisor to Hon. Minister of Labour in 2014.

Travelled widely around the world to many countries representing Sri Lanka participated and presided over many conferences, workshops and seminars.

He is the Patron of the Nuwara Eliya District Cricket Association and Football League.

He was the Chairman of Hill Country Sports Federation; Patron of Dimbulla Athletic and Cricket Club and Past Pupils Association of Holy Trinity College; President of Scout Association of Nuwara Eliya District; Past President and Zonal Chairman MJF of Lions Club International, Nuwara Eliya; Justice of Peace (Sri Lanka); Ambassador of Peace (Korea) and hold several positions in sports, social, cultural and religious organizations.





**Mr. S. K. L. Obeyesekere**

Since Privatization of Plantations and the formation of Regional Plantation Companies Mr. Obeyesekere has been functioning as the Chief Executive Officer of Madulsima Plantations & Balangoda Plantations PLC. He is a Fellow of the National Institute of Plantation Management in Sri Lanka and counts over 42 years experience in the Industry having commenced his career as a Management Trainee and then rising to the position of Chief Executive Officer.

Mr. Obeyesekere was the Chairman of the Ceylon Planters' Association and the Plantation Employers' Services Group of the Employers Federation of Ceylon. He serves as an elected member of the Ceylon Rubber Traders' Association & the Ceylon Tea Traders Association and also a nominated member of the Council of the Employers' Federation of Ceylon. He is a member of the National Labour Advisory Council (NLAC) and the Consultative Committee on Research of the Tea Research Institute of Sri Lanka and a Board Member of Madulsima Plantations PLC & Balangoda Plantations PLC.



**Mr. H. M. Goonetilleke**

Mr. Goonetilleke has just completed 51 years in the Plantation Industry.

He is currently the Secretary General of the Planters' Association of Ceylon, which position he has held since 2002 and in which capacity he serves on several National and Industry Boards and Committees, representing the Association and its membership.

Prior to that, he was the Managing Director of a BOI Company manufacturing bulk packaging for Tea and thereafter, the Director, Plantation Management Monitoring Division of the Ministry of Plantation Industries.

Having Commenced his planting career in Sri Lanka and rapidly moving up the ranks to become a Senior Manager and Visiting Agent, he was invited by the Commonwealth Development Corporation to undertake a pioneering Tea project in East Malaysia where he worked as General Manager for 9 years until its fruition.

He is a Fellow of the National Institute of Plantation Management.

## BOARD OF DIRECTORS (CONTD.)



**Dr. R. R. M. L. R. Siyambalagoda**

Apart from his MBBS Medical Degree from the University of Peradeniya, Dr. Siyambalagoda has a Masters in Medical Administration from the University of Colombo and a M.Phil. in Community Nutrition from the University of Peradeniya.

Presently, he is the Additional Secretary (Medical Services) and the DDG (PHS II), Ministry of Health, Nutrition & Indigenous Medicine.

He served as Medical Officer for the General Hospital in Kurunegala and in Maternal and Child Health in Polonnaruwa District. In addition to this, he was also the Medical Officer of Health for Gampola followed by Hingurakgoda and Polonnaruwa whilst also assuming the role of Regional Director of Health Services in the district of Polonnaruwa.

In a directorial capacity, Dr. Siyambalagoda was the Deputy Director of the Teaching Hospital in Peradeniya, the Director of the Anti Malaria Campaign.



**Mr. D. S. Seneviratne**

Mr. Seneviratne is a Fellow of the Institute of Chartered Accountants of Sri Lanka (FCA) and a Fellow of the Institute of Certified Management Accountants (FCMA) with over 27 years of post-qualifying experience in Finance, General Management & Commercial operations in the corporate sector.

At present, he is a Director at Hayleys Plantation Services (Pvt) Ltd. and Director/Deputy Chief Executive Officer of Talawakelle Tea Estates PLC.

He served as a member of the Steering Committee on IAS 41 – Agriculture of the Institute of Chartered Accountants of Sri Lanka and the Chairman of the CSR Steering Committee of the Ceylon Chamber of Commerce. He also served as a Trustee of the Plantation Trust Fund.





**Mr. G. D. V. Perera**

He commenced his career in planting with Mackwoods Estates & Agencies Limited in 1971. With the nationalization of Estates, he worked as an Estate Manager and Visiting Agent and was subsequently promoted as a Director of Janatha Estates Development Board in the Nuwara Eliya Region. He has provided his services to the prestigious Commonwealth Development Corporation (CDC) of UK on Tea Projects in Tanzania and was resident there. After the privatization of the management of Regional Plantation Companies, he returned to Sri Lanka and joined Forbes Plantation Management Services Ltd., as a Plantation Director of Balangoda Plantations Limited in 1993. He joined Lankem Tea & Rubber Plantations (Pvt) Limited (LT&RP), Managing Agents in 1996 and was appointed to the Directorate of LT&RP in 2002. He was appointed to the Boards of Kotagala Plantations Limited and Agradatana Plantations Limited in 2006. Director, Union Commodities (Pvt) Ltd.

He is a past Chairman of the Planters' Association of Ceylon and is a Trustee of the Colombo Tea Traders' Charity Trust. Mr. G.D.V. Perera is a Member of the Ceylon Institute of Planting and a Fellow of the National Institute of Plantation Management.



**Mr. M. Ravindran**

Mr. M. Ravindran is currently holding the post of Deputy President of Lanka Jathika Estate Workers Union (LJEWU). Prior to that, he served the Union as its Deputy General Secretary from 2007 to 2014. Mr. Ravindran commenced his political career as the Honorary Organiser of the LJEWU from 1993.

Apart from this, he has involved himself in local politics, holding posts in the Ambagamuwa Pradeshiya Sabha. He was elected as the past Chairman of that Council in 1997 and served up to 2002 and thereafter till 2006, he was functioning as the Vice Chairman of the same Council. In 2006, he was elected as the Member of the Central Provincial Council and contributed his service up to 2009. Presently he is continuing his services as the Member of the Ambagamuwa Pradeshiya Sabha.

To his credit, he served as a Working Director of JEDB and SLSPC under the Ministry of Plantation Industries from 2002 to 2004.

## BOARD OF DIRECTORS (CONTD.)



**Mr. S. Arullsamý**

Mr. S. Arullsamý who is representing the Ceylon Workers' Congress as the Vice president started his carrier as a young Trade Unionist under the leadership of Late Hon. Saumyamoorthi Thondaman. He has possessed wide Trade Union experience by attending various International Conferences for the well being of workers in Sri Lanka, including the International Labour Conference held at ILO, Geneva in the 80's.

He had been elected as a Member of Central Provincial Council from Nuwara Eliya District in 1993 and then continued to be a Member till 2008. In 2005, he became the Minister of Tamil Education, Sports, Industries, Estate Infrastructure, Rural Development, Women Affairs and the Hindu Cultural Affairs Ministry of Central Province.

In 2009, he was appointed as the Coordinating Director to His Excellency former President Mahinda Rajapakse till 2014. In 2010, he was elected as a Member of Parliament from Nuwara Eliya District after the demise of Late Hon. Chandrasekeran.



**Mrs. W. L. M. A. Liyanage**

Mrs. Liyanage obtained her first degree BSc in Business Administration (Special) Finance from the University of Sri Jayewardenepura and reading for her Master of Financial Economics in the University of Colombo. In addition to that she is an Associated Member of the Chartered Institute of Management Accountants (CIMA) – UK. Further to being a member of the Sri Lanka Accountancy Service, she is also the Assistant Director-Finance of the Department of Development Finance in the Ministry of Finance.





### Mr. D. M. P. Weerasinghe

Mr. Weerasinghe possesses more than 30 years of experience in the Plantation Industry having commenced his career with the Janatha Estates Development Board (JEDB). He has been an associate member of the United Kingdom Association of Professionals (2009), holds Diplomas in Business Administration and Personal Management and Industrial Relations. Having acquired management training overseas, he has occupied various positions in the Planting Sector. He is presently serving as the Chief Executive Officer of Maturata Plantations Ltd.

# HEAD OFFICE

## DIRECTORS



- 1 R.M.B. Ellegala - Director General
- 2 C.U.B. Ranasinghe - Director Admin & HRD
- 3 R.Y. Kulatunga - Director Finance
- 4 J. Kudahetty - Consultant Marketing
- 5 A. Abeysekera - Director Engineering







# REGIONAL DIRECTORS



L.R. Perera  
*Nuwara Eliya*



H.N. De Silva  
*Ratnapura*



R.V.A.N.P. Wijeratne  
*Badulla*



G.B. Dissanayake  
*Kegalle*





A.S. Ratwatte  
*Kandy*



L.P.A.N. Senarathne  
*Hatton*



A.S.B. Ekanayake  
*Galle*

# HOUSING & INFRASTRUCTURE

Many years ago, our line rooms caught fire. After that incident we faced many problems in our day-to-day lives. Most of our properties got damaged. However, with the intervention of PHDT, and the New Housing Project passed with the assistance of the Ministry (Ministry of Hill country New Villages, Infrastructure and Community Development) as a full grant we found hope where there was none.



Ms. A. Lushiya  
*Albion Estate, Ardlaw Division*







## HOUSING & INFRASTRUCTURE (CONTD.)

### Housing

#### 100 Day Housing Programme

Housing and Infrastructure development has become the major need in the plantation sector. The Ministry of Hill Country New Villages Infrastructure & Community Development has taken leadership to fulfill the requirement with the plantation sector playing a major role in the economy of Sri Lanka and that worker needs should be looked after. In the year 2015 our Ministry has allocated 308 housing units for the landslide affected community at the rate of Rs.1.2 M per house (full grant) including electricity, water, ceiling, gutters and internal roads etc., for a total value of Rs.369 M and also another 30 units for the New Portmore Estate under the New Life programme with a cost of Rs.15.45 M. Out of the 308 units given for landslide victims to date we have successfully completed 288 units and handed over to the beneficiaries by the Hon. Minister, Ministry of Hill Country New Villages Infrastructure & Community Development.

Table 1 – 100 Day Housing Details

Region	No. of Units	Value Rs. M	No. of Completed Units
Ratnapura	30	36.00	30
Badulla	47	56.40	47
Kegalle	12	14.40	12
Kandy	40	48.00	40
Hatton	62	94.40	62
Nuwara Eliya	117	140.40	97
Total	308	369.60	288

#### New Life Housing Programme

This project commenced in 2011 under the then Ministry funds. The total houses undertaken to be constructed under this programme was 1314 out of which 803 have been completed and work on the balance 511 units work is in progress as per the details given below. This programme was implemented in the plantation on a loan and grant package. (53% loan – 47% grant).

Table 2 – New Life Housing Programme

Region	No. of Units
Ratnapura	40
Badulla	20
Kegalle	84
Kandy	80
Hatton	84
Nuwara Eliya	203
Total	511

“ The appalling living conditions resulted in health problems which led to poor attendance, impacting the productivity of this vital sector of the national economy.

The Government of Sri Lanka has taken several positive steps to improve the living conditions of the Plantation Community by constructing individual houses with all facilities, to replace their age-old line rooms. ”





## Roofing

### Re-Roofing Programme 2015

The next economical method of providing the population with a roof above their heads is to repair the existing line rooms according to the allocated budget for the year. The existing line houses are re-roofed with Ministry funds as an interim measure until new houses are provided. In 2015, the Ministry provided Rs.54 M to undertake 1,702 units re-roofing and the sheets have been distributed to the regions and the work is in progress.

Table 3 – Re-roofing Programme

Region	No. of Units
Galle	199
Ratnapura	201
Badulla	200
Kegalle	170
Kandy	213
Hatton	336
Nuwara Eliya	383
Total	1,702

## HOUSING & INFRASTRUCTURE (CONTD.)

### Child Development Centres

#### Upgrading Centres

Child care is one of the key programmes in Estates and it is very much focused on addressing the needs of mothers and their children. This year, 21 Child Development Centres were upgraded in seven regions under the Ministry programme for a value of Rs.14.85 M with the work successfully completed.

Table 6 – Upgrading Child Development Centres

Region	No. of Units
Galle	03
Ratnapura	03
Badulla	03
Kegalle	03
Kandy	03
Hatton	03
Nuwara Eliya	03
Total	21

### Special Projects

#### Special Projects Pradeshiya Sabha Year 2015

We received an allocation of 61 M for 79 projects from the Ministry of Hill Country New Villages Infrastructure & Community Development in October/November 2015. The activities undertaken included renovation of kovils, concreting roads, pre-schools, supply IT materials, school buildings, cultural centres, water supply, electricity and playgrounds etc., in Kandy, Hatton and Nuwara Eliya districts, (Kandy 3 projects, Hatton and Nuwra Eliya 76 projects). To date we have claimed Rs. 21 M and the balance money to be received when all the projects are completed.

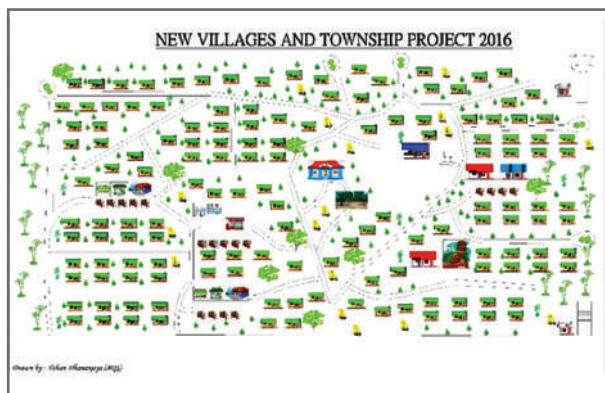
#### Save The Children Project

We received an allocation of Rs. 56.86 M for the Save the Children project in Nuwara Eliya district and have undertaken 12 Nos. upgrading Child Development Centres, 01 New Child Development Centre, 04 Nos. Safety Fences, 04 Nos. Upgrading Clinic Centres, 04 water Projects and 636 Pre-cast Toilets in Agrapatana, Elpitiya, Kelani Valley, Maskeliya, Udapussellawa and Talawakelle Plantations. This programme was successfully completed on time.

Activity	No. of Units
Upgrading CDC	12
New CDC	01
Safety Fence Phase I	04
Upgrading Clinic Centre	04
Construction of Community Water Supply Scheme	04
Pre-cast Toilets with Pit	636

### Township Village Concept

The Hon Minister has introduced a new concept where approximately 150 houses or more as a township is included in every project. The foundation stones for the first two projects at Hauteville in Nuwara Eliya and at Kotiyagala in Hatton were placed. Tenders have been invited from C3 CIDA graded contractors. The project will commence in mid March to be completed by end September 2016. The use of new technology such as pre-cast low cost housing; panel housing may be experimented under these schemes in the future.

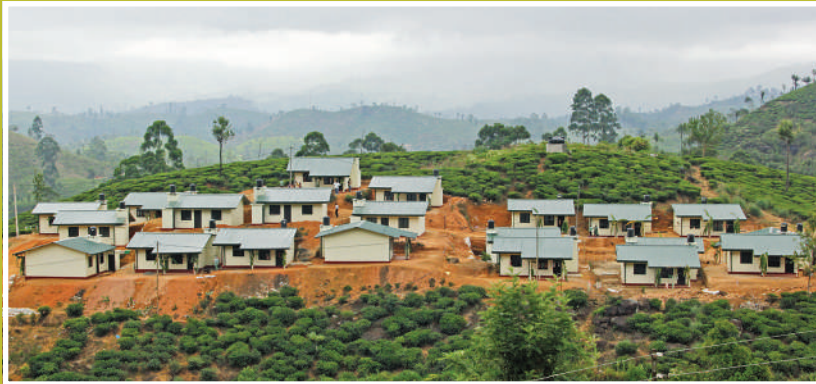


### Indian Housing Programme

Construction of 4,000 houses for the plantation community in Uva and the Central Province under the Indian Grant Programme will be forthcoming.

As per the MOU signed on 17th January 2012 between the Government of India and the Government of Sri Lanka 4,000 houses are planned to be constructed within the next 3 years (2016 – 2018), through the Estate Worker Housing Co-operative Societies (EWHCS) in Uva and the Central Province.





Under Phase I of the programme, 1,134 houses will be constructed with all the preliminary activities; land identification, NBRO approval, surveying and identification of beneficiaries been completed and ready to commence work. For the remaining 2,866 houses, beneficiary identification is being carried out with priority given to the families who are in landslide affected/prone areas and also in fire affected line-rooms.



Each house is to be constructed in a land area of 7 perches. The floor area of a house is 550 sq ft and its value is Rs. 970,000/- including community contribution. In addition, the Plantation Companies will have to contribute Rs. 30,000/- per house for preliminary work. The Ministry takes responsibility in providing water, electricity and other infrastructure facilities at an average cost of Rs.120,000/- per house for which the government funds will be utilised.



### Challenges and Lessons Learnt

The selection of contractors for large projects should be done with special care. The contractors who have the financial capacity of a minimum of 50% of the total project cost needs to be selected.

Adverse weather conditions disrupted all the construction projects and given deadlines could not be met. When deciding upon contract periods, this factor should be considered very carefully.





# WATER & SANITATION

We had to travel a long distance to collect water and bring them back in containers for usage at home. Now we have pipe borne water available at home or near by. Our children have ample water to wash while cooking is made convenient as well.



Ms. S. Shanthi  
*Dickoya Estate, Dickoya Division*







## WATER & SANITATION (CONTD.)

### Water

#### Water Projects

Our Ministry also provided 19 water projects for a total value of Rs.17.64 M where 1,048 families benefited. The project has been successfully completed and handed over to the community.

Table 5 – Water Projects

Region	No. of Units
Galle	02
Ratnapura	02
Badulla	03
Kegalle	03
Kandy	02
Hatton	03
Nuwara eliya	04
Total	19

#### World Bank Assisted Water Supply & Sanitation Improvement Project

The World Bank funded water Supply & Sanitation Improvement Project was undertaken in the Nuwara Eliya district. The project will focus on supply of purified water to the estate community. The following are in progress.

1. Capacity building of the estate workers to manage the water schemes.
2. Roles of the different parties on Operation & Maintenance (O & M) - Water Board, Regional Plantation Companies, Community, PHDT and the Estate Worker Housing Co-operative Society (EWHCS).
3. The selection of schemes in the estates was based on a participatory and demand driven approach. The estates/divisions were selected on a established criteria.

The project will cover a large number of families as per details below.

1. 130 water schemes and 20,000 individual latrines will be undertaken during the implementation period between 2015 – 2019. The project cost for the plantation sector is US\$ 14 Mn. Each latrine will cost Rs. 35,000/- and one water scheme around Rs. 3 to Rs. 4 Mn.
2. All civil, electrical and mechanical works will be contracted out to qualified contractors.
3. The community (represented by EWHCS) will be fully trained to be more responsible for the O & M activities.
4. All estate schemes will be designed considering a horizon of 15 years.
5. The feasibility studies for water quality and yield tests investigations will be carried out by the National Water supply & Drainage Board.
6. Water meters for plantation communities will be introduced on a pilot basis

“ The availability of one latrine for many families far away from the line rooms resulted in the pollution of the environment and water resources available for cooking and drinking.

The pollution of natural water sources due to lack of proper sanitation facilities has led to many bowel diseases affecting those living in downstream villages as well.”

during the project.

7. Availability of good quality safe drinking water after required treatment.
8. Water safety plans and new staff recruitments will be considered.
9. Conduct more community training and awareness programmes with formation of water committees as well.





## Sanitation

### Construction of Latrines

Another critical area when it comes to hygiene of the plantation community is sanitation. The PHDT has taken great strides to provide 54% of the requirement of individual family toilets to improve the sanitary conditions in the plantations. The pollution of natural water sources due to lack of poor sanitation facilities has led to many bowel diseases affecting those living in downstream villages as well. In 2015 there were 700 latrines constructed in all the regions by the Ministry for a value of Rs. 33.30 Mn. The construction work was successfully completed and handed over to the community. The details are given in Table 4 below.

Table 4 – Construction of Latrines

Region	No. of Units
Galle	100
Ratnaopura	90
Badulla	100
Kegalle	100
Kandy	85
Hatton	125
Nuwara Eliya	100
Total	700

A special latrine project for Kegalle Region with 200 units approved by the Ministry to the value of Rs. 9.35 Mn and 80% of work has been successfully completed.

The common latrine concept has been changed and individual latrines are provided to each family. This enables proper upkeep, privacy for females, protection of environment etc.,

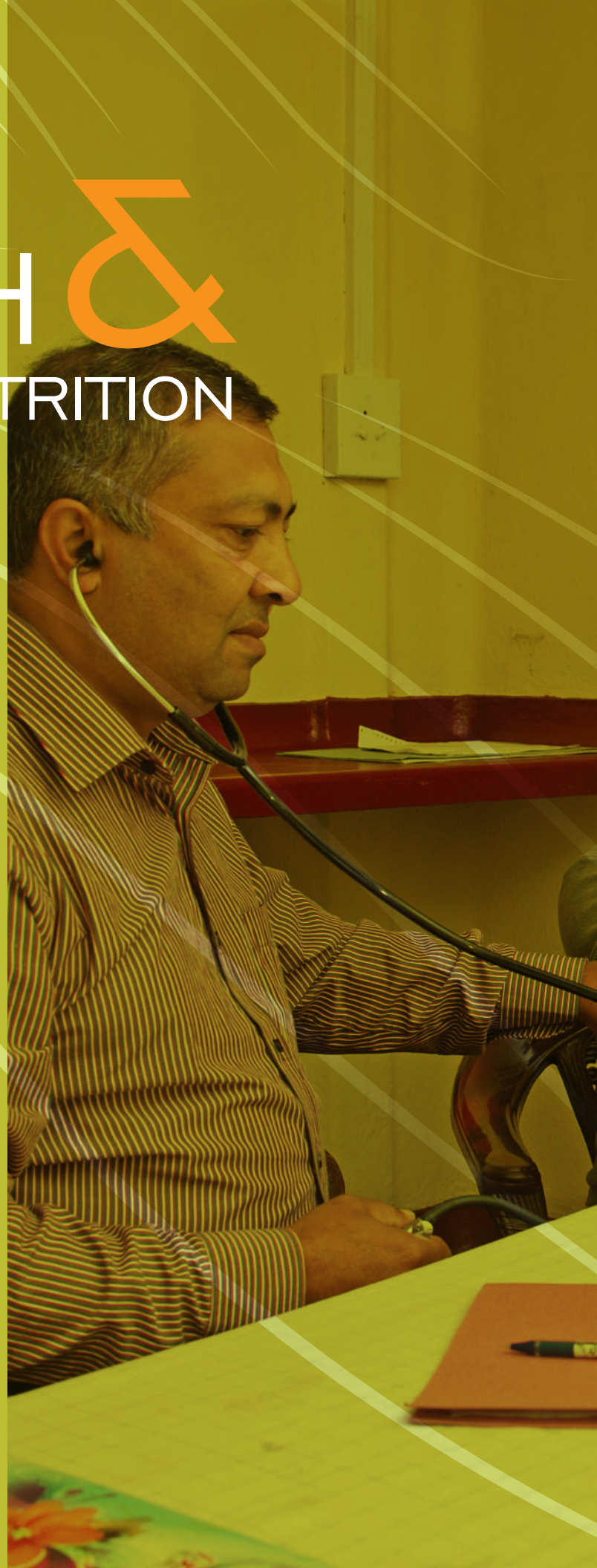
# HEALTH & NUTRITION

Malnutrition, numerous health issues, infant and maternal deaths were issues we constantly faced. But today we have health related facilities at the Estate i.e. EMA, Mid Wife, PFWO Wards and Dispensary.

In the past we had to take leave and spend much on transport in order to find medicine and treatment from either private or government hospitals. With the assistance of PHDT and the Estate, we now have the same facilities free of charge.



Ms. D. Chandrodayam  
*Oliphant Estate, Middle Division*









## HEALTH & NUTRITION (CONTD.)

Health and welfare services for workers and their families living in the plantations were developed over several decades, commencing from colonial times to the present day. In the early 1980s from what was then a rudimentary system of health care, the services had steadily improved to cater adequately to the health and welfare needs of the population in estates.

After the formation of PHDT in 1993, it performs a supportive, coordinating and facilitating role in promotion and delivery of health and childcare on estates. The Health Ministry, government institutions, UN Agencies and non-governmental organisations are assisting PHDT for the successful implementation of health and child care programmes to date.

Maternal care, child development, child protection, health education, nutrition, reproductive health, improving child development centres, training of health staff are some of the major programmes implemented by the health division of PHDT to serve nearly 250,000 families (approx one million population) in estates. The PHDT have been continuing above progress uninterruptedly in the estates with the support of the Regional Plantation Companies, Estate Management, Trade Unions and healthcare staff.

### Health Development Programme

The PHDT has been continuing programmes uninterruptedly in the estate sector with the support of all stakeholders, far more than 2 decades for the benefit of the plantation community.

Some of the main programmes are as follows.

- Health & Nutrition
- Maternal & Child Health
- Early Childhood Care Development
- Housing, Water and Sanitation
- Essential Drugs & Equipment
- Training of Health and Welfare Staff (EMA, Midwives, CDOs and PFWOs)

“

The Estate population is served by a network of hospitals, dispensaries and maternal wards managed by qualified staff.

Health and welfare services in the plantations were developed over several decades, with PHDT performing a supportive, coordinating and facilitating role in the promotion and delivery of health and childcare on estates.”

Training of health and welfare staff is one of our main features by the Health Division and it contributes to the success of the proper implementation of Health programmes and activities. The estate population is served by providing medical services through the provision of medical drugs, conducting medical clinics, health camps, training and education programmes etc.

### Special Health Programmes by Donor Agencies

#### Gender-based Violence

Gender-based Violence is now being recognized as one of the significant threats to women's health. In addition, it has been accepted that domestic violence is a major public health issue affecting mostly women who are at a high risk of multiple negative health outcomes. Particularly in the area of reproductive health, a majority of those directly experiencing such violence are women and most perpetrators are men. In the plantation sector, the lack of proper data has limited having a broader understanding on Gender-based Violence in the plantation sector. Under reporting of GBV cases are also observed on plantations. With the support of the World Health Organisation, the PHDT organized Gender Awareness programmes to enhance the knowledge on GBV to the Managers, EMAs and Welfare Officers in the Kandy region covering 60 estates. We intend to raise awareness on GBV among the estate community through their improved sensitivity on this matter.



Major programmes conducted on GBV are as follows

**1. Advocacy for Estate Managers**

Estate managers play a major role as administrators on plantations and their awareness on GBV makes a huge impact towards addressing same among the community in their respective estates. Their broader knowledge through such an awareness will provide the leadership towards reducing GBV among estate workers.



**2. Training of Estate Medical Assistants on GBV**

This activity aimed at having knowledgeable and capable trainers to train primary healthcare providers at grassroots level to sensitize the estate community on GBV which will help to reduce its prevalence among the estate community.



**3. Training of PFWOs**

As part of the sensitisation of the plantation health team on GBV at grassroots level, PFWOs also be trained and given proper exposure on GBV to support the team at estate level.

We intend to replicate and disseminate this valuable project to the rest of the plantation areas in the near future.





# CHILDCARE & DEVELOPMENT

There was a time when we feared for the well being of our children. At present, we don't have any fear for our children, because now we have the assistance of well trained CDOs. We also have a upgraded CDC Building with a play area for our sons and daughters.

Thanks to PHDT we have child care facilities available at the Estate for free! Our children are happy to go to the CDC.



Ms. R. Mariamma  
*Oliphant Estate, Middle Division*







## CHILDCARE & DEVELOPMENT (CONTD.)

Due to the tight work schedule of estate workers it is very difficult to get high participation of parents for childcare related awareness programs. Furthermore, apart from that the level of education, poor literacy, lack of awareness and capable teachers in schools with poor attitudes have resulted in the poor level of knowledge among community members in estates. In most of the families in the estate sector both parents go to estate labour work and their children and youth stay at home facing vulnerable situations.

### Save the Children Project

A Pilot Project of Mother and Child Friendly Tea Estates – Achieving Universal Maternal Child Health and Nutrition and Early Childhood Development on Estates in Nuwara Eliya Region was funded by Save the Children International

### Background

This is a partnership between Save the Children International, The Planters' Association of Ceylon and the Plantation Human Development Trust with a view to undertaking specific activities under the project titled "Mother and Child Friendly Tea Estates". The major focus of the project is to sustainably improve health and nutrition status of mothers and their children living in Sri Lankan tea estates managed by the Regional Plantation Companies. It was envisaged by the project to directly address the issues of maternal and child health by imparting knowledge, inculcating better practices and creating awareness among the families. It was also suggested to promote exclusive breast feeding, child health and nutrition. The project would provide early child care and development with suitable training and awareness to upgrade selected ECCD centres and equip them besides improvements to water and sanitation facilities on selected tea plantations in this pilot project.

Furthermore, it was also decided to provide solutions to overcome a lack of knowledge and access leading to low utilisation of services. With the collaboration of the stakeholders listed above it is expected to create a sustainable standard of maternal and child care on Tea Estates. This standard will lead to a certification process that will be used to differentiate the Sri Lankan teas in the market place, especially in the new markets.

Goal : Mother and children in Tea Estates have improved their nutritional status through the adaption of tea plantation certification for meeting ' mother and child friendly' guidelines.

Objectives :

1. To enlighten the knowledge of Estate Management and health staff on the importance and the need of nutrition programme for Estate Communities.
2. To enhance knowledge and attitudes of child development officers / pre school teachers to plan and implement successful progress on the nutrition of children at CDCs.
3. Promote home gardening and environmental sanitation to reduce morbidity and mortality of young children.
4. To change behaviour of families by improving knowledge, attitudes and practices positively on nutrition.

“ Previously the working mothers had to leave their children at home with older relatives, children or with untrained staff in the “Pulaiemadu” with “Pullikari’s” resulting in their return every now and then to feed and check on their safety.

Today their children are in Child Development Centers in the safe hands of trained and qualified Child Development Officers enabling the mothers to complete a full day's work on the field and contribute to the productivity of the Estate.”





Award Ceremony Held on 17<sup>th</sup> September 2015 at DMCC Dickoya

Conducted by Plantation Human Development Trust

Project Period: 1st April 2015 – 31st December 2015

**Project Locations**

The project targeted Estates in Nuwara Eliya. Eventually wide geographic spread was achieved.

The project locations were selected according to the following criteria;

- Easy access and scope for monitoring and evaluation of project activities
- Each household having at least one woman of reproductive age group (15- 49 years)
- High prevalence of maternal anemia among pregnant mothers
- Low weight gain in pregnancy among mothers
- Low exclusive breast feeding rate
- Low age appropriate immunisation rate among children under 5 years
- High prevalence of diarrhea and other waterborne diseases among children under 5 years
- Having ECCD centres that need upgrading
- Low attendance of children (2-5 years) at ECCD centres
- Low sanitation facilities for the Estate community
- Low access to safe drinking water facilities

## CHILDCARE & DEVELOPMENT (CONTD.)

### UNICEF Project

Plantations are concentrated in hilly terrains mainly in the central hills of Sri Lanka. Estates comprise of large acreages of cultivated land with resident labour divided into manageable divisions based on the acreage for logistic purposes. The large estates have as much as five or six divisions and a work force of around 4,000 persons. This population includes estate worker and non estate worker families. In this context, the estate population is one of the most disadvantaged in terms of social conditions below those of the rest of the country as a whole. Inadequate housing, poor health, water and sanitation, nutrition etc. and the fact that working mothers have less time for child care are major factors contributing to continued poor health and nutrition particularly of children and women.

In most cases both parents engage in plantation work with no one to look after their children. This deprives the child of protection leading to the risk of child abuse, child labor, teenage pregnancies, school dropouts etc. Furthermore, domestic violence due to alcoholism and congested homes have created more vulnerable environments with regard to health, nutrition and child protection. This vulnerable position has affected social and economic stability of resident families in the plantations. Considering these aspects PHDT in partnership with UNICEF designed and implemented a project in Kandy, N'Eliya and the Badulla Regions. In the project implementation, UNICEF assisted the activity implementation especially in the training of Child Development Officers and advocacy awareness for Estate Managers. In addition to this Program Officers were engaged in project monitoring through field visits and analysing progress reports.

### Project Details

1. Project Title : Improving Nutritional Status of Children & Women in the Estate Communities in Kandy, N'Eliya and Badulla Regions.
2. Goal : Happy and well-nourished children and women in Estates.
3. Objectives
  - To enlighten the knowledge of Estate management and health staff on the importance and the need of nutrition improvement in Estate communities.
  - To enhance knowledge and attitudes of Child Development Officers / Preschool teachers to plan and implement successful progress on nutrition of children at CDCs.

- Promote home gardening and environmental sanitation to reduce morbidity and mortality of young children.
- To change behaviour of families by improving knowledge, attitudes and practices positively on nutrition.

4. Project Period : December 2014 to 31st May 2015

### Better Vision and Healthy Ageing Programme funded by Burnet Institute, Australia

The PHDT was identified as the key stakeholder for implementing the project on Better Vision and Healthy Aging in Estates. The project targeting the aging community in Walapane in the Nuwara Eliya Region covered 22 estates.

Major activities of the project were;

- Advocacy for stakeholders & Estate Managers
- Training of EMAs
- Formation of Elders Clubs
- Leadership Training for Leaders
- Peer Education Programme
- Organising Educational Trips
- Elders Day Celebrations
- Eye screening camps and help the identified elders to get cataract surgeries done
- Provision of spectacles
- Monitoring and follow up

### Child Development and Pre-school Education Programme in the Estate Sector

The majority of the estate workforce are women who work under pressure to earn their living while attending to domestic chores and caring for their children. During these heavy daily household tasks, women have to face other difficulties which are beyond their control, such as domestic violence and abuse. Such atmosphere compels women workers to attend to their daily activities under stress. Motivating these workers in such situations for gaining optimum productivity is a challenge, but need to be addressed to increase productivity. Estate crèches have been one of the first form of welfare. These centres enabled women workers to leave their children when they go for work on the estate.





At the beginning, the main objective of this programme was to provide custodial care to children of 0 – 5 years. Initially untrained old ladies (Pulleammas) looked after around 30 to 40 children in small ill ventilated rooms with minimum facilities. Today trained and qualified CDOs provide quality care and education to those children in most CDCs.



After the formation of the PHDT in 1993, these programmes were carried out more effectively in all estates, giving priority to the following activities.

- Healthcare for children
- Nutrition and growth monitoring
- Age appropriate stimulation
- Pre-school education
- Psychosocial development
- Parental awareness programmes
- Raising awareness on child rights
- Formation of child development committees
- Child protection committees



### Training of Child Development Officers

The success of the Child Development Centres depends mainly on the Child Development Officer, the person to whom the children will look for love, care and protection. The CDOs receive comprehensive basic and refresher training on Early Childhood Development, education, psychosocial development, child development centre management and pre-school education. The training will also include nutrition, health, communication and leadership.



## CHILDCARE & DEVELOPMENT (CONTD.)

The PHDT together with the Open University and other relevant organizations collaborated to develop training curricula for basic and refresher training and pre-school training for estate child development officers. The PHDT registered as an institution under the Ministry of Child Development to conduct the National Diploma on Child Development, Pre-school Education and Management. Diploma to CDOs is officially recognised at National Level by the Ministry of Child Development. This indeed is a great achievement for the PHDT.

### National Diploma Programme for Child Development Officers (CDOs)

After registering with the Ministry of Child Development and Women's Affairs as a training provider we are now eligible to award a National Diploma programme on Child Development, Pre School Education and Management. So far PHDT has trained 594 Child Development Officers in the plantation sector up to national standards. This is

indeed a unique feat since ordinary estate CDOs are now well trained to dispatch their duties as nationally qualified CDOs.

Under the program of Diploma Training in Child Development/Preschool Education and Management for Child Development Officers/Pre school Teachers in the Estate Sector, 79 Child development officers from Hatton, Nuwara Eliya and Kandy were trained and awarded the Diploma in 2015

### World Bank Assisted Early Childhood Development Project

The World Bank assisted five year ECD project of the Ministry of Women and Child Affairs would be implemented in all Regions from 2016-2020. The project cost is UD\$.10 Mn includes upgrading CDCs, play areas and Diploma Training for CDOs. The table below gives the project details.

Table 9 - Project details

No.	Activity	2016 - 2020		
		Total No. of Units	Allocation per Unit	Total Allocation
1	Construction of New CDCs	140	6.5	910.00
2	Renovation of ECCD Building	175	1.5	262.50
3	Construct new play area	175	0.25	43.75
4	Renovate existing play area	210	0.15	31.50
	TOTAL			1247.75



## Safeguarding the Sexual and Re-productive Health of Families and Youth in Plantations

Having analysed health statistics of PHDT operational areas, the Health division developed a proposal and implemented a project on SRH HIV integration to safeguard the sexual and reproductive health of families and youth in Estates communities in the Hatton Region as a pilot project.

Donor : Family Planning Association - Sri Lanka through European Union

Project period : October 2014 to June 2015

Project title : Using SRH HIV integrated approaches to safeguard the sexual and Reproductive health of families and youth in Estates of the Regional Plantation Companies of the Hatton Region

Project Goal : Youth are knowledgeable on HIV AIDS and STI/STD and perform safer sexual behaviour

## Objectives

1. Sensitise Estate management to advocate relevant stakeholders for greater availability and uptake of SRH HIV integration approaches to safeguard the sexual and reproductive health of families of the plantation community.
2. To improve the skills and knowledge of Government and Estate Public Health Midwives on HIV AIDS and STI/STD.
3. To increase knowledge of estate CDOs and Welfare staff on HIV AIDS and STI/STD
4. Focusing the reduction of teen age pregnancies and promoting safer sexual behaviour.

## Activity Progress

	Target beneficiaries			Actual beneficiaries		
	Male	Female	Total	Male	Female	Total
Advocacy Workshop for Estate management staff	60	13	73	27	08	35
Training of Trainers for Govt. and Estate PHMW & EMAs	54	130	184	64	73	137
Sensitization Programme for CDOs & Estate Welfare Officers by trained PHMs on RH issues & SRH, HIV & STIs	179	179	358	382	1084	1496
Total	293	322	563	473	1165	1668

# ESTATE WORKER HOUSING COOPERATIVE SOCIETY

Thanks to PHDT forming EWHCS we have learnt so much and received many benefits. One of the main projects undertaken by EWHCS is the Co-op Welfare Shop. Back in the day we had to travel a long distance to buy our household items and necessities.

But thanks to our Consumer Outlet, we can now buy goods at very low prices for Cash as well as on Credit.



Mr. P. Sanmugasundaram  
*Labookelle Estate, Upper Division*









## ESTATE WORKER HOUSING COOPERATIVE SOCIETY (CONTD.)

### Transforming the Lives of the Plantation Community Through the EWHCS

The resident Plantation workers / community have been significantly empowered by the Estate Worker Housing Cooperative Societies (EWHCS) units which are now available in all Estates managed by RPC's by providing them loans, creating job opportunities, access to many goods and services etc within their respective estates.

The EWHCS has emerged as a leading community-based organization (CBO) in the country which has been successfully developed over the years by the PHDT and the Estate management to make a significant contribution in elevating poverty and uplifting the living standards of the Plantation community.

The EWHCS units are supported by the Regional Plantation Companies (RPC's) in numerous spheres. The Estate Manager serves ex-office as the President of the Estate's EWHCS and committee which comprises of estate workers, providing the necessary guidance and direction. The RPCs have assisted the initiatives of the cooperatives by allocating space within buildings in the estate for storage purposes, providing security for welfare shops and particularly in capacity building with regard to financial management, accounting, auditing etc.

The Plantation Human Development Trust (PHDT) through their seven Regional Offices located in Galle, Ratnapura, Badulla, Kegalle, Kandy, Hatton and Nuwara Eliya have also played a vital role in developing the EWHCS network since its inception, with the support of the Department of Co-operative Development and their Provincial network, governed under their By- Laws. The PHDT recently introduced amendments to these By - Laws in collaboration with the Department of Co-operative Development to cater to the current and future activities of the EWHCS for its development and sustenance.

“ The EWHCS, as one of the economic models of Sri Lanka, has made a significant contribution to alleviate poverty and uplift the living conditions of the Plantation community.

Many initiatives with new products and services were introduced for the benefit of the community and also to further develop and sustain this network.”







The familiar sight of the elders in the community trudging to the market place in town and returning with their household provisions on a daily basis is no more with the availability of all their requirements at their doorstep on credit through the welfare shops of the Estate Worker Housing Cooperative Societies (EWHCS) which has been a blessing today particularly to communities living far interior in their Plantations.



The availability of these welfare shops has also enabled leading Organisations to reach the 1.0 mln captive resident population with their products and services.

### Gas for Cleaner Cooking

The women on the Estate undergo severe hardships having to work on the field, cook for the family, attend to household chores, look after the children etc.



Cooking also involves collecting firewood at great risk and loss of work on the field. The smoke emanating from the firewood is also harmful to health. The 'Wathu Praja Divi Naguma' Project was undertaken by PHDT in collaboration with Laugfs Gas to improve the overall health and safety of the plantations families.



The introduction of gas cylinders, cookers and accessories at affordable prices on easy payment terms through the EWHCS appointed as sub Agents ensured the safe and healthy cooking for the family which has been a blessing for the Estate Women.

After familiarising themselves during demonstrations, many families in the plantations have commenced using gas with the Estates benefiting from higher attendance, lesser healthcare

Award winners – Estate Manager and Regional Director - PHDT

## ESTATE WORKER HOUSING COOPERATIVE SOCIETY (CONTD.)

expenses, saving of trees/firewood for manure and the protection of the environment.

Award winner – Estate Manager Award winner – Regional Director / PHD

After the 'Wathu Praja Diwi Naguma' Plantations Project being implemented with Laugfs Gas was presented at the World LPG Summit in Colombo in 2014, this project has been included in the World LP Gas Association (WLPGA) "Cooking for Life" programme. The Project was also presented at the LPG Summit in Singapore in end Sep. '15.

In addition twelve Estate Mangers from all seven Regions of PHDT who excelled in sales and collection of payments were selected by an independent panel of judges and recognized by Laugfs Gas with award of Trophy and tour abroad at their Gala Awards night held on 3rd Nov'15 in Ratnapura.

The product is now available in 342 Estates with the profitability to the EWHCS for the year 2015 alone being Rs 6.2 mln to meet its operations costs and ensure the sustainability of this net work.

### Personal Care & Hygiene

Joining hands with a Multinational Company for the first time, the "Wathupraja Ruwa Suwa Sevaya" Plantations project was launched in collaboration with Unilever ( Sri Lanka) Ltd. Their popular and renowned International range of foods, personal and home care products are now available to the Estate Community through the EWHCS who were appointed as their sub dealers .

The entire community, and in particular women and children could also now benefit from the many National promotions conducted by this multinational company throughout the year to improve the overall health, personal care and hygiene of the entire family.

In addition to the revenue earned by the EWHCS, 26 of their welfare shops in upcountry Estates were also upgraded during the year with the installation of display units to enhance visibility of products and improve the overall outlook to promote sales.

Furthermore 14 Activation Programmes were conducted in the Plantations through which the community were educated and benefitted from learning good Hygiene, Nutrition and personal care practices.







Refurbished EWHCS shops – Vellovo Estate and Dambetanna Estate

Another programme under the theme “Sustainable Living Plan” has been added to the Plantations project. This project to enhance the living standards of the Estate Community included programmes to improve the oral hygiene of children, upgrade CDC’s, prevent environment pollution etc. Through this Project which started at the end of 2015, dental care Programmes have been

conducted in two Estates which benefitted 290 children .

Considering the importance and convenience of this network for their workers by the Estate Management, many EWHCS units have been activated with the opening of welfare shops to cater to their needs.

In order to ensure good Governance and financial discipline, Annual Audits

by the Department of Co-operative Development, Programme review meetings with our Regional staff, Capacity Building workshops etc are conducted on a regular basis in all Estates.

Several measures are currently underway to further improve the operations of EWHCS units in the country, including the computerization of their financial records for greater discipline and accountability.

With the assistance of various stakeholders including the RPCs and the PHDT, the EWHCS has gone far is beyond its initial mandate with regard to housing and have been developed over the years to now make a significant contribution to uplift the quality life of the community.

Some have even been recognised for their excellence by winning Presidential Awards presented on International Cooperative Days after competing with other Co-operative Societies in the Country.

In a bid to encourage further improvements, annual evaluations are done to identify the best EWHCS based on diverse criteria including good governance, community development etc and are recognized at the AGM of the PHDT with the presentation of Awards.

Last year the main awards were won by Atale Estate of Kegalle Plantations, Vellovo Estate of Watawala Plantations, Devalakanda Estate of Kalani Valloy Plantations, Talgaswella Estate of Elpitiya Plantations & Neuchatel Estate of Horana Plantations. The Managers as Presidents of the winning EWHCS were also presented with capacity-building opportunity, through the exposure to a Management Development Programme in a neighbouring country.

# SPORTS & WELFARE

We are thankful for the equipment and the upgraded courts to play volleyball which is the main sport in our estate. This gives us exercise, relaxation and the opportunity to meet with our friends while really enjoying the game.



Mr. S. Puvendran  
*Stonycliff Estate, Taprobane Division*







## SPORTS & WELFARE (CONTD.)

The PHDT encourages the estate community, particularly the youth to participating in sport activities and provided facilities such as Volleyball courts with ministry funds. In addition many other regional activities are organised with the participation of both estate managers and PHDT staff.

All employees of PHDT are provided welfare facilities by the organisation on regular basis. They are also given the opportunity to showcase their talents with drawing competitions, inter-regional cricket, carrom and badminton tournaments.

Staff outings and get-togethers are organised annually to provide relaxation and enjoyment with the families. The Sinhala and Tamil New Year, Vesak and other major celebrations by the country are also held on an annual basis.

“ The Plantation Community, particularly the youth, have the talent but not the opportunity and facilities to improve and showcase their sporting skills.



The PHDT has introduced many sports activities, particularly Volleyball, which is popular among the youth with new courts provided.”





### Inter Plantations Volleyball tournament - 2015

The PHDT Galle Region conducted an Inter Plantations Volley Ball tournament at Rayigama Estate.

This tournament was played at the recently upgraded volley ball court with ministry funds,

Champions: Kotagala Plantations team

Runner up: Elpitiya Plantations team



### Southern Cup V -2015

This annual Inter Plantations Cricket Tournament was conducted by PHDT Galle region for the 10th consecutive year. There was keen participation by all RPCs represented in the region.

Champions: Namunukula Plantations PLC

Runner up: Talawakelle Tea Estates PLC



### Issue of Sports Items

Sports items such as volleyball, cricket, badminton, Netball and indoor sports items were donated to Roeberry (MPL) and Newburgh (HPL) Estates which were handed over to the Managers by the Badulla region.



# SUSTAINABILITY

The Plantation Human Development Trust (PHDT) is a tripartite Organisation incorporated in 1992, with the intention of improving the lifestyles of the plantation community through welfare programmes. The three parties in the agreement are the Government of Sri Lanka, Regional Plantation Companies and the major Trade Unions in the plantation sector. The Articles of Association enables PHDT to provide a wide spectrum of services to the plantation worker community with improvements to Housing & Infrastructure, Water & Sanitation, Health & Childcare, Social Mobilisation and Community Development etc.

The Government represented by the Ministries of Hill Country New Villages & Community Development, – the line Ministry of the Organisation gazetted, Health, Plantations Industries and Finance provides various infrastructure programmes to serve the welfare of the plantation community, which represents almost 5% of the total population in Sri Lanka. These programmes mainly consist of Housing & Re-roofing – addressing the basic shelter requirement, providing the free medicine and conducting medical clinics to address their health & nutrition factors, constructing latrines and water facilities to their door step to overcome diseases, establishing Estate Worker Housing Co-operative Societies and Community Development Centres with modern facilities, to upgrade their knowledge etc., all of which, are aimed to help them substantially improve their lifestyles.

PHDT as the main service provider to the plantation worker community has also, expanded its services through various specialised sectors to improve and deliver these services in a more professional manner. These include the following:

- Approved as an accredited agent to facilitate quality improvements in the plantation sector with ISO Quality Standards by the Sri Lanka Standards Institution (SLSI).
- Registered as a Grade C-6 Contractor with ICTAD for providing more quality construction work to the plantation sector.
- Recognised by the Government of Sri Lanka and registered under the Ministry of Child Development and Women's Affairs to conduct National Diploma Courses in Child Development, Pre-school Education and Management for Child Development Officers.

- Accorded recognition as an approved Training Organisation to Intermediate Students to gain experience and knowledge for examinations conducted by the Institute of Chartered Accountants of Sri Lanka.

In addition to the above professional services, the Organisation has been recognised to assemble computers under the "PLANTEC" brand name, to enhance the IT skills by enabling the community to obtain the latest hardware/software technology at an affordable prices. These products are also, promoted to the Estate Worker Housing Co-operative Societies with free Accounts Software to streamline their operations and bring greater financial discipline.

The Plantation Human Development Trust also, distributed Rice Flour and other quality nutritious food products manufactured by the National Food Promotion Board (NFPB) under the Ministry of Agriculture, to the plantation community through the EWHCS network, with the intention of providing healthy and nutritious products at affordable prices.

PHDT facilitates distribution of LP Gas among the plantation community under a Memorandum of Understanding with Laugfs Gas PLC., as a cleaner and safer alternative to cooking by the community as opposed to the use of firewood, which is harmful to health, environment and the productivity of the estate.

Furthermore, health care, personal care and food products of the multinational conglomerate Uniliver Sri Lanka were also introduced through the EWHCS, to enhance the health, nutrition and hygiene of the community.

All these sustainable programmes were successfully operated by the Organisation during the year under review and the additional income generated was ploughed back for the community development programmes specified in the Articles of Association.



# CORPORATE SOCIAL RESPONSIBILITY

All Board Members are professionally qualified and experienced personnel holding high positions in their respective fields and respected in the Industry. They are nominated by their respective Ministries, Trade Unions and the Planters Association (PA) as the Apex body of the RPCs and elected at the Annual General Meetings held in March every year.

## Annual General Meeting

The 22nd Annual General Meeting and Annual Awards Ceremony of the PHDT was held on 27th March 2015 at the Auditorium of Sri Lanka Foundation (SLF), Colombo 07. The Chief Guest for this event was His Excellency Y.K. Sinha, High Commissioner of India in Sri Lanka. Around three hundred distinguished guests from Government Ministries, RPCs, INGOs, NGOs University Students, Diploma Holders & Award Winners were present.

After the warm welcome of all guests and traditional lighting of the oil lamp & singing the National Anthem, the Chief Guest, Chairman and the Board of Directors of PHDT occupied the head table. After the formalities of the Annual General Meeting were concluded, the Awards Ceremony commenced, before which a video as a flashback highlighting two decades of PHDT activities was screened.

Thereafter, former senior planter and member of the Panel of Judges, Mr. Peter Hooper expressed the views of the Panel on the Evaluation which was conducted in the Plantation areas in seven Regions within one month to select the Best EWHCS and Best PHDT Regional Office. Annual Awards were presented to the winners by the Chief Guest, Secretary to the Ministry of Plantation Infrastructure Development, Chairman and Board of Directors of the PHDT. After the vote of thanks was delivered by the Director of Finance - Mr. R.Y.Kulatunga, all were invited for fellowship concluding the event.



# ADMINISTRATION & HUMAN RESOURCES

## Human Resource Development and Work Culture

Believing that our staff members are our most valuable asset, we make an effort to develop the ability and productivity of our staff at all levels. We encourage a happy work culture, foster relationships with them at every level in the organisation, and make them express their views and share their ideas to bring about improvements in the organisation towards the achievement of the common goals described in our vision & mission statements.

Our staff members take pride in their work as they are given due respect and by being empathetic and sensitive to each others needs. We make every endeavour to foster a productive culture throughout the organisation.

## Divisional Vision & Mission

### Vision

"To be the leader in Human Resource Management & Development in the non-profit making organizational sector"

### Mission

"Creating a continuous value for its stakeholders through a vibrant and viable organisation, propelled by a competent, committed and contended workforce"

## Categories of staff members

Staff members of the organization are mainly categorised in to the following grades.

1. Directors - Director General, Internal Directors & Regional Directors
2. Executives - Managers, Accountants, Asst. Managers, Mobilizers, Project Implementation Officers (Engineering), Project Officers (Health) & other Officers, Accounts Executives, Computer Programmers and Secretaries.
3. Support Staff - Computer Operators, Confidential Stenographers, Project Assistants, Clerks, Data Entry Operators, Office Assistants/Aides and Drivers.

## Human Resource Procedure

The Director-Administration and Human Resource Development is assisted by the Manager-TS&P, Manager-Admin. & Operation and Senior Assistant Manager-Admin. & HRD to take the responsibility for implementing the Human Resource Development and Administration Procedures including the following, under the Director General's guidance.

- Human Resource Planning and Cadre Budget
- Job analysis including Job description and Job specification
- Recruitment, Selection, Placement and Induction
- Salary Administration
- Personnel Record Keeping including Statutory and Customary requirements in terms of Shop & Office Employees Act.
- Transfers
- Disciplinary Procedure
- Training and Development
- Grievance handling
- Industrial Relation
- Termination of Employment etc.

## Human Resource Development Strategy

- Attracting, selecting and retaining the best talent towards optimizing services to the stakeholders through the organization's workforce.
- Adopting a realistic & competitive compensation policy maintaining internal & external equity.
- Providing the benefits according to the Shop & Office Employees Act.
- Introducing a comprehensive system of carrier development, which linked to a performance management culture.
- Skills & competency development of the workforce.
- Managing & Leadership developing through introduction of a succession planning process.
- Continuous enhancement of motivation level of the workforce.
- Establishing of a consistent training policy to ensure that all employees will get an opportunity for training.
- Enforcing of discipline among staff members by developing a fair & justifiable disciplinary policy.
- Establishing of a broad communication link among staff & management towards encouraging better communication.
- Enforce participatory management approach.
- Ensure continuous dialogue between staff & management.
- Introducing of employee welfare facilities, recreating activities & sports.
- Provide guidance, formulate, develop and execute the Human Resource Policy and procedure for the Organization and compliance ensuring that legal requirements are met.



## Administration Functions

Overall direction and supervision of the Administration Function of the organization is done by the Director General with the consultation of Director-Admin. & HRD and Officials of the Admin. & HRD division.

In addition to the procedures and strategies towards Human Resource Development, the administration functions are implemented to ascertain the smooth functioning of the organisation, covering the areas of Transportation, Stores and Office premises in both main offices and seven regional offices.

- Keeping effective management of transport functions of the organisation and maintenance of the fleet of vehicles with adequate controls.
- Managing the stores function subject to the stores procedure.
- Maintenance and good house-keeping of the office premises.
- Ensuring proper management of Office Equipment.
- Ensure proper security for the assets of the Organisation.
- Establishing proper title to the lease/freehold property of the Trust and maintenance of same in an effective manner.

Beyond the HRD and Administration functions the organisation has offered the following welfare measures for all staff members of the organisation.

- Indoor & outdoor medical insurance and personal accident insurance scheme
- Death benefit welfare scheme
- Distress loans and emergency loans scheme
- Sports and recreational activities such as Cricket, badminton, carrom tournaments
- Staff annual trip
- Monthly religious programme
- Annual Celebrations and commemorations.

## Activities and Programmes Undertaken by the Division

### 22nd Annual General Meeting & Annual Award Ceremony

The 22nd Annual General Meeting and Annual Award Ceremony of PHDT was held on 27th March 2015 at the Auditorium of the Sri Lanka Foundation (SLF), Colombo

07. The Chief Guest for this event was His Excellency Y.K. Sinha, High Commissioner of India in Sri Lanka. Around three hundred distinguish guests were participated representing the Government Ministries, RPCs, GOs, NGOs and University Students, Diploma Holders & Award Winners.

After a warm welcome of all guests and traditional activities of lighting the oil lamp & singing of National Anthem the Chief Guest, Chairman and the Board of Directors of PHDT occupied the Head table. The formalities of the Annual General Meeting where the Chairman's address and Report of the Board of Directors on the affairs of the company, Independent Auditor's Report and the Audited Accounts for the year 2014 were presented. Two Board of Directors were re-elected and Auditors were re-appointed for the next year. The Annual report of PHDT, for the year 2014 was published on the same day.

Before starting the Annual Award Ceremony, a Documentary on the flashback of 21 years of the PHDT was screened to enlighten the Chief Guest and all distinguish invitees. Thereafter a member of the Panel of Judges, Mr. Peter Hooper expressed the views of the Panel on the Evaluation conducted in the plantation areas in seven regions within one month to select the Best EWHCS and Best PHDT Regional Office.

Annual Awards were presented to the winners by the Chief Guest, Special Guests, the Chairman and Board of Directors of PHDT.

## The Best EWHCS for Excellence in Social Development

The main Award is to recognise the contribution made by the Estate Worker Housing Cooperative Societies (EWHCS) available in all estates in seven PHDT Regions. Five Estates were recognized with the Gold Award for this year.

Gold Award: Talgaswella estate of Elpitiya Plantations PLS  
Neuchatel estate of Horana Plantations PLC,  
Atale estate of Kegalle Plantations Ltd.,  
Dewalakanda estate of Kelani Valley Plantations Ltd.  
Vellaioya estate of Watawala Plantations PLC

## ADMINISTRATION & HUMAN RESOURCES (CONTD.)

### The Best PHDT Regional Office

Award is to recognize the overall performance of the Regional Director and the staff for their commitment to enhance the dignity of the plantation community.

Winner	: Galle Region
1st Runnerup	: Hatton Region
2nd Runnerup	: Kandy Region
Merit	: Kegalle Region

- Seven students from the Plantations who gained best results to enter Universities in the year 2014 were recognized and awarded.
- 40 Ladies, Child Development Officers (CDOs) were awarded Diploma Certificates
- As accredited by the Ministry of Child Development and Women Affairs the PHDT conduct Diploma programmes in Child Development, Pre School Education and Management. 100 CDOs have completed the Diploma in year 2014 and out of this 40 received their Diploma Certificates.
- Staff members who depicted sportsmanship at the Carrom competition and showcased their talent in the drawing competition.

The Chairman, Mr. V. Puththirasigamoney addressed the audience mentioning the present activities and objectives of the PHDT, which helps to continuous enhancement of the quality of life of the Plantation Community.

The Chief Guest His Excellency Y.K. Sinha, appreciated PHDT for welfare work and wished every success to continue the good work in his speech.

The Director Finance, Mr. R.Y. Kulatunga proposed the Vote of thanks and finally, all distinguish guests were invited for tea.

### Career development and Rewards for staff members

Providing opportunity, the Administration and HRD division always shows the career path to the staff members enhancing their job skills and supporting to build expertise in their job positions. Accordingly staff members can go up the ladder achieving their career goals as; trainees to permanent positions, Junior positions to Senior positions and also Clerical positions to Managerial positions etc.

### Development of skills and competency of staff members

All employees were provided opportunity to participate for both in-house & out-door training programmes, workshops etc., and except for the orientation & awareness programmes for new recruits, conducted training programmes/workshops for all staff in main office & regions to develop their positive attitudes and self Motivation.

Arranged a workshop on Social Dialogue & Workplace Cooperation giving opportunity to staff members to build awareness on the historical back ground of industrial relations, Importance of industrial relation and benefits for the employer, employee and the Nation, Concept of Social Dialogue, Benefits of Social Dialogue etc. which are very useful to develop their positive attitudes in their work life.

Drivers were directed to a Workshop enabling them to improve their skills on rules and regulations of Road safety and basic technical skills on vehicles.

Conducted Programme on Positive Attitudes to Motivate and refresh with work culture and enabling them to understand that how they are important to the organisation and team spirit effects for customer satisfaction.

Higher Management also has been given opportunities to involve with the overseas programmes enriching overall knowledge related their job functions.

### Staff welfare

Welfare activities were conducted for all staff introduced by the Admin. & HRD division during the year.

Provided an opportunity for all staff to show their talent in the Drawing competition & the Carrom tournament and were awarded at the annual award ceremony.

### Held annual celebrations and commemorations;

Dawn of the year, National Independents day, International Women's day, Children's day, Food day, 'Dayata Sevana' etc. which were declared by the Government, and also Sinhala & Tamil New year, Religious ceremonies of Wesak, Poson, Pongal & Christmas etc., at the PHDT main office and regions.





This is the Only Award which the PHDT main office and Regions COULD ACHIEVE TOGETHER AND COULD GAIN RECOGNITION INDIVIDUALLY. Social Dialogue is the Base for Decent Work Environment of the organization.

These Awards recognize our Service and staff welfare measures, Human Resource Development activities and for maintaining good Employee-Employer Relations to provide an excellent service to the plantation community.

#### CSR programmes involved by the Admin/HRD division

- Donation for the Nepal Victims by the Earth Quake
- Donation for Sri Dalada Perahera and Esala Festival of Historic Sri Jayawardenapura Kotte Rajmaha Viharaya
- Sending staff members for a Blood donation held in the Central Environment Authority
- Provided donations for differently able children and for the Elders' home
- Conducted the annual Poson Dansala
- Donations for personnel who faced disasters and who need special attention, when required.

#### Achievements

##### SD Excellence Awards-2015

The PHDT was recognised with the following Awards at the SD Excellence Award 2015 Ceremony which the Chief Guest was the President of the Democratic Socialist Republic of Sri Lanka, H.E. Maitripala Sirisena, held on 17th December 2015 at Nelum Pokuna Theatre, conducted by the Social Dialogue and Industrial Work Cooperation Unit under the Department of Labour, Ministry of Labour & Labour Relations.

##### Main Office

Merit Award for Medium Scale Service Sector  
Gold Award for Short Video competition - Ms. Kalawathi Nadaraj

##### Nuwara Eliya Region

Bronze Award for Small Scale Service Sector

##### Kegalle Region

Merit Award for Small Scale Service Sector

# CORPORATE GOVERNANCE

## Remuneration Committee

The Remuneration Committee meeting for the year 2015 was held on 28th October 2015. A team comprising of four Board Directors headed by Mr. V. Puththirasigamoney, the Chairman of PHDT and Director General reviewed the cadre requirements, evaluated the staff performances and also, recommended the remuneration packages for year 2016 based on industry levels and also kept the optimum staff strength in order to fulfil the organisation requirements.

## Statutory Payments

The Board of Plantation Human Development Trust, confirmed that all statutory payments such as EPF, ETF, CPPS, ESPS, PAYE, Stamp Duty, Gratuity Payments and Taxes etc. have been made in time, which were reviewed by them on a quarterly basis.

## Accountability

The selection and application of accepted Accounting Standards and preparation of Financial Statements with proper disclosures in order to get clear picture on transactions occurred during the year, with continuous reviews by the Board of Directors carried out, to ensure the proper coverage of stakeholders' interest in all aspects of operations.

## Create Value of Stakeholders

Various types of projects identified in different sectors, such as Housing & Infrastructure, Water & Sanitation, Healthcare, Child care, Capacity Building, Community Building etc. were undertaken by the organisation during the year under review focusing on the co-values and objectives, which are more important and add value to improve the life styles of the community and generate more returns to stakeholders.

## Improvement of Credibility and Transparency of Financial Statements

Continuous reviews and development was undertaken in order to improve the credibility and transparency of the financial statements during the year under review. The Sri Lanka Accounting Standard for Small and Medium-Sized Entities (SLFRS for SMEs) was complied with proper disclosures. The ISO 9001:2008 achieved in 2012, which streamlined the systems and records with great clarity in communication, was re certified for a further period of three years and continues to help the organisation to obtain accurate information in time. Financial transactions relating to Donor Funded Projects are subjected to independent audits nominated by the donors who scrutinise financials and report thereon. Transactions relating to Ministry Projects are reviewed by the Audit Committee of the Ministry of Hill Country New Villages,

Infrastructure and Community Development which also have representatives of the Government Treasury Audit, Auditor General and the Internal Audit of the Ministry.

## Internal Controls

Measures have been taken to enhance the system of internal controls by evaluation of the adequacy of the controls in place and taking measures to improve its efficiency continuously.

## Annual General Meeting

The 23rd Annual General Meeting will be held at the BMICH Committee Room "B", on Friday, the 31st March 2016, at 2.30 pm.

## Going Concern

The Board of Directors of the Plantation Human Development Trust are satisfied, that the organization has adequate resources to continue its operations in the foreseeable future. The Financial Statements for the year 2015 has been prepared based on the Going Concern Concept.

## Auditors Report

The Auditors Report on the Financial Statements for the year ended 31st December 2015 is given on Page 73.

## Environmental Protection

Adequate measures were taken by the management to conduct their operations in an environmentally friendly manner. New systems and procedures were implemented through the Quality Management System, ISO 9001:2008 with less paper and more IT oriented controls and recording systems. Internal discussions and communications were made through "Skype" and e-mails to reduce hard copies and costs. The ISO Steering Committee had various internal meetings and awareness programmes on emphasising these issues to all respective parties in order to streamline the new systems and enhance operational efficiency.

PHDT Main Office and Regional Offices had also, participated various regional/national environmental programmes organized by the Government or other reputed organizations to commemorate national events and extend our support for Environmental Protection by actively participating to make these events a success.

## Applications for SLFRS for SMEs

The Financial Statements for the year ended 31st December 2015 have been prepared under the standards of SLFRS.



# RISK MANAGEMENT

## Operational Risk

The Plantation Human Development Trust was formed by the Government to co-ordinate and facilitate the social welfare programmes in estates, in 1992, as a part of the restructuring programme of the plantation sector after privatisation. The Board of Directors of the Trust meet regularly every month to discuss the status of the progress of work, future plans and work/areas to be attended urgently to minimise the operational risks. The Regional Offices are also given authority to attend to urgent matters arising at regional level, to maintain the Operational Risk at an minimum level. Our decision and success in achieving and maintaining ISO 9001:2008 Quality Management System for the Main and Regional Offices were with the intention of minimising the risk as well.

## Financial Risk

Our services were rendered in various forms in the year 2015, to uplift the lifestyles of the plantation community. All transactions were recorded in accordance with accepted accounting principles to give a clear picture to stakeholders. These contributed to reduce the financial risk and present proper financial statements, which were recognised with the "Silver Award" presented by The Institute of Chartered Accountants of Sri Lanka.

## Human Risk

Even though all employees are having contractual employment, it is renewable where there is no risk in job security. The organisation has an effective human resource policy and procedures, which applies to HR activities of an employee from the recruitment to resignations. All employees are having a work plan and performance objectives that identify the tasks/activities and expected results for the organisation goals. These are measured form Key Performance Indicators.

The organisation needs to look at the risk on staffing professionals competing with the demand of the job market since our remuneration scale is not on par with current job market rates which causes high employment turn-over. Identifying this will be a major HR risk in future, the organisation provides opportunity for existing employees to become a professional in their respective fields of speciality having enhancement and enrichment of their job functions. Also the organisation has a process for regularly reviewing staffing needs.

## Communication Risk

The Plantation Human Development Trust provides its services to the plantation community as identified in the Articles of Association, which is almost 5% of the total population in the country. These services are rendered through seven Regional Offices, covering almost all estates in the country.

Authority is delegated to Regional Offices to make positive participation in every issue in order to provide a meaningful contribution to the community. Professionals at Main Office do regular visits, discussions with relevant authorities at a higher level, conducting awareness programmes and having monthly regional review programmes with respective officers, to minimise the communication gap at both ends. Regular updates of the database and IT networking facilities between the Main and Regional Offices ensure accurate and speedy communications.

## Risk of Changes in Perception

The perception among all stakeholders and the plantation community about PHDT is mainly based on the welfare services provided for improving the lifestyles of the community by upgrading infrastructure and technologies. PHDT has actively endeavoured to provide such services in more ways through different funding institutions to cover all basic infrastructure requirements, since its inception in 1992.

The estate community needs continuous changes in keeping with the country's development and they too need to be a part of this process. There is a risk by not filling this gap effectively, which otherwise might lead to the existing workers outer-migrating. The Board of Directors with the existing Management has identified this requirement as a priority to provide these requirements with the help of Government/Non-Government funding agencies. The PHDT has obtained services of External Consultants to formulate a "Way forward" with the sole objective of empowering the plantation worker community for the betterment of their livelihood and the organisation to be a catalyst in this process.

# REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of the Plantation Human Development Trust (the "Company"), a Company limited by guarantee incorporated in Sri Lanka under the Companies Act No.17 of 1982, and have re-registered, as per the Companies Act No.7 of 2007, present their Annual Report of the Board of Directors, the Financial Statements and the Report of the Auditors thereon, for the financial year ended 31st December 2015.

The Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards as required by Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Companies Act No.7 of 2007.

The Board of Directors wish to inform the members that there has been no change during the accounting period in the nature of the business of the Company. The Company does not have subsidiaries.

## Principal Activities

The principal activities of the Company ("Trust") involves implementing and monitoring of social development activities for the workers in the estates. Social development activities involve the improvement of health and welfare, alleviation of poverty, facilitation of housing and residential quarters, advancement of education and knowledge, enhancement of the quality of life and the betterment of their living standards.

## Review of Performance for the year ended 31st December 2015 and Future Developments

A review of the Company's performance during the year with comments on financial results for the year ended 31st December 2015 and future developments is contained in the Chairman's and Director General's Review. These reports, together with the Financial Statements reflect the State of Affairs of the Company.

## Financial Statements

Section 168 (b) of the Companies Act require that the Annual Report of the Directors include Financial Statements of the Company completed and signed in accordance with Section 151 of the Act.

The requisite Financial Statements of the Company are given on pages 73 to 89 of the Annual Report.

## Auditor's Report

The Auditor's Report on the Financial Statements is given on page 73 of the Annual Report.

## Accounting Policies

Accounting policies adopted in preparation of financial Statements are given on pages 78 to 81 of the Annual Report. There were no material changes in the Accounting Policies adopted.

## Interest Register

The Company maintains an Interest Register and the particulars of those Directors who were directly or indirectly interested in a contract of the Company are stated therein.

## Donations

There were no donations made by the Company during the said financial year.

## Director's Interest in Contracts

General Notice of Director's interest in compliance with Section 192 of the Companies Act No.07 of 2007 have been duly given and recorded at meetings of the Board of Directors of the Trust.

## Directors Remuneration and other benefits

Directors remuneration in respect of the Company for the financial year ended 31st December 2015 is given in note 20 to the Financial Statements.

## Board of Directors

The following were the Board of Directors of the Company as at the end of the said financial year.

Vadivel Puththirasigamoney  
Shanthi Kumar Lalith Obeyesekere  
Henry Malin Goonetilleke  
Dilantha Stephen Seneviratne  
Siyambalagoda Ranaweera Rajapakse Mudiyansele  
Luxman Rajapakse  
Ganegodage Dhamitha Vaamaka Perera  
Murugiah Ravindran  
Santhanam Arullsamay  
(Ms.) Weliveriya Liyanage Manori Anurada Liyanage



Don George Marshal Vasantha Hapuarachchi  
Devapriya Manik Peiris Weerasinghe

Ms. W.L.M.A. Liyanage was appointed a Director representing the Ministry of Finance in place of Mr. T.A.D.D. Premarathne with effect from 24th April 2015.

Mr. D.G.M.V. Hapuarachchi was appointed a Director representing the Ministry of Plantation Industries in place of Mr. M.A.L.S.N.K. Manthrinayake with effect from 24th April 2015.

Mr. D.M.P. Weerasinghe was appointed a Director representing the Planters' Association of Ceylon in place of Dr. D.V. Seevaratnam with effect from 26th June 2015.

Mr. D.G.M.V. Hapuarachchi, Director representing the Ministry of Plantation Industries resigned with effect from 2nd February 2016.

The Board wishes to place on record the Company's sincere appreciation to Messrs T.A.D.D. Premarathne, M.A.L.S.N.K. Manthrinayake, Dr. D.V. Seevaratnam and Mr. D.G.M.V. Hapuarachchi for the valuable contribution extended to the Company during their tenure on the Board.

#### Nominee Director

Mr. M. Ravindran was nominated as a representative of the Lanka Jathika Estate Workers Union and completes his two year term in office during the year. The Lanka Jathika Estate Workers Union has re-nominated Mr. M. Ravindran as their nominee.

#### Retirement of Directors

1. In terms of Article 55 of the Articles of Association, Mr. G.D.V. Perera retires by rotation and the Plantation Management Committee of the Planters' Association of Ceylon has recommended his re-election to the Board of Directors.
2. In terms of Article 55 of the Articles of Association Mr. S.K.L. Obeyesekere retires by rotation and the Plantation Management Committee of the Planters' Association of Ceylon has recommended his re-election to the Board of Directors.

3. A resolution for the re-appointment of Mr. H.M. Goonetilleke, who is 70 years of age as a Director of the Company will be proposed at the Annual General Meeting, in terms of Section 211 of the Companies Act No.07 of 2007.

#### Auditors

The Financial Statements for the year ended 31st December 2015 have been audited by Messrs Ernst & Young, Chartered Accountants. In accordance with the Companies Act No.07 of 2007, a resolution relating to the appointment of auditors and authorizing the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

The Auditors Messrs Ernst & Young, Chartered Accountants were paid Rs. 880,574 (2014 – Rs.998,445/-) as audit fees by the Company.

As far as the Directors are aware, the Auditors do not have any relationship (other than that of an Auditor) with the Company other than those disclosed above. The Auditors also do not have any interest in the Company.

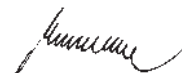
#### Annual General Meeting

The Twenty Third Annual General Meeting of the Company will be held at the Committee Room B, Bandaranaike Memorial International Conference Hall (BMICH), Bauddhaloka Mawatha, Colombo 7, on 31st March 2016, at 2.30 pm.

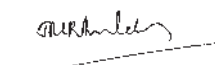
By order of the Board of the  
Plantation Human Development Trust



Director



Director



S S P Corporate Services  
(Private) Limited Secretaries

Dated on this 29th day of February 2016

# OUR MILESTONES

## ▶ 1992 – Restructuring of the Plantation Sector after Privatisation

A tripartite organisation consisting of the Government, Regional Plantation Companies and Trade Unions was formed by the Government to co-ordinate and facilitate social welfare programmes in estates.

## ▶ 1992 – Company Registration

Plantation Housing & Social Welfare Trust (PHSWT) was set up and incorporated in Sri Lanka under the Companies Act No. 17 of 1982 on 18th September 1992.

## ▶ 2001 – New Office

PHSWT moved to its newly-built Office at No. 427/14, Robert Gunawardena Mawatha, Battaramulla, on 4th January 2001.

## ▶ 2002 – Change in Name

Organisation was re-named as Plantation Human Development Trust on 20th October 2002.

## ▶ 2005 – New Line Ministry

PHDT came under the purview of the Ministry of Estate Infrastructure and Livestock Development by the Gazette Notification No. 1422/22 dated 5th December 2005.

## ▶ 2006 – New Line Ministry

PHDT came under purview of the Ministry of Youth Empowerment and Socio Economic Development by the Gazette notification No. 1460/14 dated 29th August 2006.

## ▶ 2008 – Diploma Registration

PHDT further registered as a Training Institute for Awarding Diploma Certificates on Child Development and Pre-school Education and Management.

## ▶ 2009 – ISO Facilitator

PHDT is appointed by the Sri Lanka Standard Institute (SLSI) as an Agent to facilitate the certification process to award the ISO standard for the Plantation Sector.

## ▶ 2010 – New Line Ministry

PHDT has come under the purview of the Ministry of Livestock and Rural Community Development by the Gazette Notification No. 1651/20 dated 30th April 2010.

## ▶ 2012 – ISO Certification

PHDT was awarded the ISO 9001:2008 Quality Management System Certification by the Sri Lanka Standard Institution, who is the accredited body in Sri Lanka for the International Standards Organisation.

## ▶ 2013 – Training Institute

PHDT was recognized as an approved Training Institute at Strategic Level by the Council of the Chartered Accountants of Sri Lanka, on the recommendation of the Student Training & Development Committee.

## ▶ 2015 – New Line Ministry

PHDT has come under the purview of the Ministry of Plantation Infrastructure Development by the Gazette Notification No. 1897/15 dated 18th January 2015.

PHDT has come under the purview of the Ministry of Hill Country New Villages, Infrastructure & Community Development by the Gazette Notification No. 1933/13 dated 21st September 2015.

## ▶ 2015 – ISO Re-Certification

PHDT was re-certified and awarded the ISO 9001:2008 Quality Management System for a further three year period by the Sri Lanka Standard Institution, who is the accredited body in Sri Lanka for the International Standards Organisation.



# STAKEHOLDER COMPOSITION

## Government Ministries

Ministry of Hill Country New Villages, Infrastructure & Community Development  
Ministry of Plantation Industries  
Ministry of Finance  
Ministry of Health, Nutrition & Indigenous Medicine

## State Owned Organizations

Janatha Estates Development Board  
Sri Lanka State Plantations Corporation  
Elkaduwa Plantations Ltd

## Regional Plantation Companies

- Agalawatte Plantations
- Agrapatana Plantations
- Balangoda Plantations
- Bogawantalawa Tea Estates
- Chilaw Plantations
- Elpitiya Plantations
- Hapugastenne Plantations
- Hoarna Plantations
- Kahawatte Plantations
- Kegalle Plantations
- Kelani Valley Plantations
- Kotagala Plantations
- Kurunegala Plantations
- Madulsima Plantations
- Malwatte Valley Plantations
- Maskeliya Plantations
- Maturata Plantations
- Namunukula Plantations
- Pussellawa Plantations
- Talawakelle Tea Estates
- Udapussellawa Plantations
- Watawala Plantations

## Donors

## Plantation Community

## Trade Unions

## Private Members

- Central Hills Plantations (Pvt) Ltd
- Comany Management & Investments (Pvt) Ltd
- Gartmore Group
- Green Field Bio Plantations (Pvt) Ltd.
- Stassen Bio Tea Project
- Tea Research Institute of Sri Lanka
- Lalan Rubbers (Pvt) Ltd.

# AWARDS FOR EXCELLENCE



*His Excellency the President presenting Gold Award for the all island short video competition in Social Development and Workplace Excellence Competition 2015 organised by the Ministry of Labour and Trade Union Relations to Ms. Kalawathi Nadaraj of PHDT.*



### ICASL

Winner of Gold, Silver & Merit Awards presented by the Institute of Chartered Accountants of Sri Lanka (ICASL) for disclosing proper, quality and transparent information in Annual Reports.



### NBEA

Gold Award at the National Business Excellence Award (NBEA) organised by the National Chamber of Commerce of Sri Lanka for the significant contribution to the Socio Economic Development of the country.





**SAFA**

Winner of Certificates of Merit presented by the South Asian Federation of Accountants (SAFA) for transparency, accountability and governance in the published Annual Reports.



**NPMEA**

Special Award for the "New Life Housing" project at the National Project Management Excellence Awards organized by the Project Management Institute Sri Lanka Chapter in recognition of the contribution for the Development of the plantation community.



**SD&WC**

The PHDT Main and Regional Offices have been winners of the Gold, Silver, Bronze and Merit Awards for Medium and Small scale service sector organisations in the "Social Dialogue and Workplace Cooperation Competition (SC&WC) " conducted by the Ministry of Labour and Labour Relations.





# FINANCIAL REPORTS

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# FINANCIAL CALENDAR

## Interim Reports

1st Quarter ending	31.03.2015	29.05.2015
2nd Quarter ending	30.06.2015	28.08.2015
3rd Quarter ending	30.09.2015	30.10.2015
Annual Accounts Year Ended	31.12.2015	26.02.2016

## Meetings

23rd Annual General Meeting	31st March 2016
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# INDEPENDENT AUDITOR'S REPORT



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLANTATION HUMAN DEVELOPMENT TRUST

(COMPANY LIMITED BY GUARANTEE)

### Report on the Financial Statements

We have audited the accompanying Financial Statements of Plantation Human Development Trust, ("the Organization"), which comprise the Statement of Financial Position as at 31 December 2015, and the Statement of Income and Expenditure, Statement of Changes in Reserves and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation of these Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium – sized Enterprises, and for such internal control as Board determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility,

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Financial Statements that give a true and fair view in order to

design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Organization as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium sized Entities.

### Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007 , we state the following:

- a) The basis of opinion and scope and limit at ions of the audit are as stated above.
- b) In our opinion:
  - We have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Organizaiton,
  - The Financial Statements of the Organization, comply with the requirements of section 151 of the Companies Act.

29 February 2016  
Colombo

Partners: A D B Talwatte FCA FCMA M P D Cooray FCA FCMA R N de Saram ACA FCMA Ms. N A De Silva FCA Ms. Y A De Silva FCA W R H Fernando FCA FCMA  
W K B S P Fernando FCA FCMA Ms. L K H L Fonseka FCA A P A Gunasekera FCA FCMA A Herath FCA D K Hulangamuwa FCA FCMA LLB (Lond) H M A Jayasinghe FCA FCMA  
Ms. A A Ludowyke FCA FCMA Ms. G G S Manatunga FCA N M Sulaiman ACA ACMA B E Wijesuriya FCA FCMA

A member firm of Ernst & Young Global Limited

# STATEMENT OF FINANCIAL POSITION

As at 31 December 2015	Notes	2015 Rs.	2014 Rs.
<b>ASSETS</b>			
Non-Current Assets			
Property, Plant and Equipment	3	70,966,262	83,093,485
		70,966,262	83,093,485
Current Assets			
Levy and Other Receivables	4	382,608,631	357,875,943
Investments	5	890,443	4,131,483
Cash and Cash Equivalents	10	44,711,967	72,670,275
		428,211,041	434,677,701
<b>Total Assets</b>		<b>499,177,303</b>	<b>517,771,187</b>
<b>RESERVES AND LIABILITIES</b>			
Reserves			
Project Reserves		4,469,274	4,469,274
General Reserves		1,615,251	1,615,251
Accumulated Fund		61,380,645	65,066,040
<b>Total Reserves</b>		<b>67,465,170</b>	<b>71,150,565</b>
Non-Current Liabilities and Deferred Income			
Interest Bearing Loans and Borrowings	6	20,301,557	25,575,361
Retirement Benefit Liability	7	20,285,893	18,394,060
Deferred Grants	8	164,992,517	162,039,894
		205,579,967	206,009,315
Current Liabilities			
Interest Bearing Loans and Borrowings	6	5,953,910	6,691,687
Trade and Other Payables	9	220,132,181	233,632,175
Income Tax Payable		46,075	287,446
		226,132,166	240,611,308
<b>Total Reserves and Liabilities</b>		<b>499,177,303</b>	<b>517,771,187</b>

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Director Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board by,



Director



Director

The Accounting Policies and Notes on pages 78 through 89 form an integral part of the Financial Statements.

29 February 2015  
Colombo



# STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2015		2015 Rs.	2014 Rs.
	Notes		
Receipts for Recurrent Expenses	11	138,460,664	139,026,506
Recurrent Expenses		(130,532,891)	(139,026,506)
Excess from receipts for Recurrent Expenses		7,927,773	-
Other Income	12	18,780,312	22,007,204
Other Expenses		(32,153,589)	(19,053,704)
Project Administrative Income	13	4,290,279	9,420,687
Finance Cost	14.1	(3,285,726)	(1,100,717)
Finance Income	14.2	1,124,249	4,066,522
Excess / (Deficit ) before tax		(3,316,702)	15,339,992
Income Tax Expense		(368,693)	(1,656,379)
Excess / (Deficit ) for the year		(3,685,395)	13,683,613

The Accounting Policies and Notes on pages 78 through 89 form an integral part of the Financial Statements.

# STATEMENT OF CHANGES IN RESERVES

Year ended 31 December 2015	Project Reserves Rs.	General Reserves Rs.	Accumulated Fund Rs.	Total Rs.
As at 1 January 2014	4,469,274	1,615,251	51,382,427	57,466,952
Excess for the Year	-	-	13,683,613	13,683,613
As at 1 January 2015	4,469,274	1,615,251	65,066,040	71,150,565
Deficit for the Year	-	-	(3,685,395)	(3,685,395)
As at 31 December 2015	4,469,274	1,615,251	61,380,645	67,465,170

The Accounting Policies and Notes on pages 78 through 89 form an integral part of the Financial Statements.



# CASH FLOW STATEMENT

Year ended 31 December	Note	2015 Rs.	2014 Rs.
<b>Cash Flows Used in Operating Activities</b>			
Excess / (Deficit ) before tax		(3,316,702)	15,339,992
<b>Adjustments for,</b>			
Depreciation		21,442,933	18,284,838
Profit on Disposal of Property, Plant and Equipment	12	(10,391,825)	(17,849,978)
Finance Costs	14.1	3,285,726	1,100,717
Finance Income	14.2	(1,124,249)	(4,066,522)
Provision for Bad and Doubtful Receivables		8,336,621	2,366,299
Long outstanding payable write back	12	(2,489,059)	-
Provision for Defined Benefit Plans	7	3,498,215	4,397,571
Operating Income before Working Capital Changes		19,241,660	19,572,916
Increase in Trade and Other Receivables		(33,069,309)	(115,471,886)
Increase in Payables		(11,010,935)	81,569,749
Cash Generated from Operations		(24,838,584)	(14,329,221)
Defined Benefit Plan Costs Paid	7	(1,606,383)	(3,000,375)
Finance Costs Paid	14.1	(3,285,726)	(1,100,717)
Finance Income	14.2	1,124,249	4,066,522
Income Tax Paid		(610,063)	(536,648)
Net Cash from/(Used in) Operating Activities		(29,216,507)	(14,900,438)
<b>Cash Flows From / (Used in) Investing Activities</b>			
Acquisition of Property, Plant and Equipment	3	(9,774,310)	(27,055,683)
Investments/(Withdrawal) in fixed Deposits		3,241,040	(3,324,698)
Proceeds from Disposal of Property, Plant and Equipment		10,850,425	19,138,849
Net Cash Flows Used in Investing Activities		4,317,155	(11,241,532)
<b>Cash Flows From /(Used in) Financing Activities</b>			
Grants Received	8	617,290,953	545,127,186
Grants Disbursed	8	(614,338,329)	(511,079,023)
Payments under Finance Lease Liabilities	6.1	(4,307,189)	(4,426,807)
Net Cash Flows from Financing Activities		(1,354,565)	29,621,356
		(26,253,916)	3,479,386
Cash and Cash Equivalents at the beginning of the year	10	70,965,365	67,485,979
Cash and Cash Equivalents at the end of the year	10	44,711,449	70,965,365

The Accounting Policies and Notes on pages 78 through 89 form an integral part of the Financial Statements.

# NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## 1. CORPORATE INFORMATION

### 1.1 General

Plantation Human Development Trust is a Company limited by guarantee, incorporated and domiciled in Sri Lanka. The registered office of the Organisation is located at 427/14, Robert Gunawardene Mawatha, Battaramulla.

### 1.2 Principal Activities and Nature of Operations

Project activities involve implementing and monitoring of social development activities primarily relating to Health and Welfare, Elevation of Poverty, Housing and Residential facilities and water etc., in order to empower and sustain the plantation community, future generation, strengthen the management and worker relationships, and empower themselves through an interdependency process to become self-reliant, and attain quality of their lives.

### 1.3 Parent Undertaking

The Organization does not have parent and undertaking on its' own.

### 1.4 Date of Authorisation for Issue

The Financial Statements of Plantation Human Development Trust for the year ended 31 December 2015, covering the period 01 January 2015 to 31 December 2015, were authorised for issue in accordance with a resolution of the Board of Directors on 29 February 2016.

## 2. GENERAL POLICIES

### 2.1 Basis of Preparation

These Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka.

The functional currency of the Organisation is Sri Lankan Rupees. The Financial Statements of the Organization are presented in Sri Lankan Rupees. The Financial Statements have been prepared on a historical cost basis unless otherwise indicated.

#### 2.1.1 Statement of Compliance

The Financial Statements of the Organisation, which comprise the Statement of Financial Position, Statement of Income and Expenditure, Changes in Equity and Cash Flows together with Accounting Policies and Notes to the Financial Statements have been prepared in accordance

with Sri Lanka Accounting Standards for Small and Medium-sized Entities.

The preparation and presentation of these Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.

### 2.1.2 Comparative Information

The accounting policies have been consistently applied by the Organisation and are consistent with those used in the previous year. The previous years' figures and phrases have been rearranged wherever necessary to conform to the current presentation.

### 2.1.3 Significant Accounting Judgments, Estimates and Assumptions

The preparation of Financial Statements in conformity with Sri Lanka the Sri Lanka Accounting Standards for Small and Medium-sized Entities requires management to make judgment, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could results in outcomes that require material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The key items which involve these judgments, estimates and assumptions are discussed below.

#### Depreciation of Property, Plant and Equipment

The provision for depreciation is calculated using straight line method over the useful life of the assets. The useful life of an asset is defined in terms of the asset's expected utility to the entity. The useful life of an asset may be shorter than its economic life. The estimation of the useful life of an asset is a matter of judgement based on the experience of the entity with similar assets. Estimation made over the useful life of the assets is disclosed in Note 2.2.4 to these Financial Statements.

## 2.2 SIGNIFICANT ACCOUNTING POLICIES

### 2.2.1 Revenue Recognition

#### a) Levy Income

Levy income is recognised on an accrual basis.

#### b) Interest Income

Interest income is recognised as interest accrues, taking into account the effective yield of the asset.



### c) *Project Management Fee*

Management Fee is recognised on an accrual basis.

### d) *Other Income*

Other income is recognised on an accrual basis. Net gains and losses of a revenue nature on the disposal of Property, Plant and Equipment have been accounted for in the income and expenditure statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main income generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

### 2.2.2 Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions, if any, will be complied with. When the grant relates to an expense item it is recognised as income over the periods necessary to match them to the costs to which it is intended to compensate on a systematic basis.

Grants related to assets, are deferred in the Statement of Financial Position and credited to Income Statement over the useful life of the asset.

### 2.2.3 Expenditure Recognition

Expenditure is recognised in the Income Statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the organisation and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to Income Statement.

For the purpose of presentation of the Income Statement the Directors are of the opinion that "function of expenses" method presents fairly the elements of the Organisation's performance, and hence such presentation method is adopted.

### Finance Cost and Other Cost

Interest expenses and other expenses are recognised on an accrual basis.

### 2.2.4 Property, Plant and Equipment

#### Cost

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment. 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. Where an item of Property, Plant and Equipment comprises major components having following different useful lives, they are accounted for as separate items of Property, Plant and Equipment.

Buildings	25 Years
Computer and Peripherals	3 Years
Electrical and Electronic Equipment	5 Years
Other Office Equipment	8 Years
Wooden Furniture	8 Years
Steel Furniture Office Fittings	8 Years
Office Fittings	8 Years
Motor Vehicles	4 Years

#### Subsequent Expenditure

Expenditure incurred to replace a component of an item of Property, Plant and Equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of Property, Plant and Equipment. All other expenditure is recognized in the Income Statement as an expense as incurred.

#### Depreciation

The provision for depreciation is calculated by using a straight line method on the cost of all Property, Plant Equipment.

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

The appropriateness of the useful lives, residual value and the depreciation rates are assessed annually.

#### Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income Statement in the year the asset is derecognised.

### 2.2.5 Impairment of Non Financial Assets

At each reporting date, Property, Plant and Equipment and inventory are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in Statement of Income and Expenditure.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Income and Expenditure.

### 2.2.6 Financial Assets

Financial assets within the scope of Section 11 of the Sri Lanka Accounting Standards for Small and Medium Sized Enterprises have been recorded at transaction price unless the transaction is a financing transaction. Financing transactions are recorded at present value of future cash payments discounted at the market rate for a similar debt instruments.

The financial assets include cash and short-term deposits, Levy and other Receivables.

#### *a) Cash and Cash Equivalents*

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Cash Flow Statement, cash and cash equivalents consist of cash in hand. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

#### *b) Levy and Other Receivables*

Levy and Other Receivables are stated at the amounts they are estimated to realise.

At the end of each reporting period, the carrying amounts of Levy and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in Statement of Income and Expenditure.

#### *c) Investments*

Investments include investments in Fixed Deposits and Treasury Bills and stated at amortized cost.

### 2.2.7 Financial Liabilities

Financial liabilities within the scope of Section 11 of the Sri Lanka Accounting Standards for Small and Medium Sized Enterprises have been recorded at transaction price unless the transaction is a financing transaction. Financing transactions are recorded at present value of future cash payments discounted at the market rate for a similar debt instruments

The financial liabilities include other payables and Accruals and finance leases.

#### *a) Other Payables and Accruals*

Other Payables and Accruals are stated at their cost

#### *b) Finance Leases*

Finance leases, which transfer to the Organization substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Income and Expenditure.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Organization will obtain ownership by the end of the lease term. The depreciation policy for depreciable leased assets is consistent with that for depreciable asset that are owned as described in 2.2.4 above.

## 2.2.8 Employee Benefits

### **a) *Defined Benefit Plan – Gratuity***

Defined benefit obligation of the Organization is determined through a management estimate carried out internally by the Organization. The resulting difference between brought forward provision at the beginning of the year and the carried forward provision at the end of the year is dealt within the Income Statement.

The Organization is liable to pay gratuity in terms of Gratuity Act No. 12 of 1983, the liability for the gratuity payment to an employee arises only on the completion of the 05 years of continued service with the Organization.

The gratuity liability related to recurrent employees is funded by Regional Plantation Companies.

### **b) *Defined Contribution Plans – Employees' Provident Fund and Employees' Trust Fund***

All employees are eligible for Employees' Provident Fund and Employees' Trust Fund contributions in line with the prevalent statutes and regulations. The Organization contributes 14% and 3% of gross employee emoluments to EPF and ETF respectively.

## 2.2.9 Provisions

Provisions are recognized when the Organization has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Organization expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

## 2.2.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **a) *Current Taxes***

The current tax payable is based on taxable profit for the year. The provision for income tax is based on the elements of income and expenses as reported in the financial statements and computed in accordance with the provision of the Inland Revenue Act.

The Organisation has obtained charitable status as per the Inland Revenue Act and therefore is liable to Income tax at the rate of 10% on Other Income.

### **b) *Deferred Taxation***

No provision is made in the financial statements in respect of deferred taxation, since there are no temporary differences an account of items, which are allowed for income tax purposes in a period different from that when they are recognised in the Financial Statements.



## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 3. PROPERTY, PLANT AND EQUIPMENT

#### 3.1 Gross Carrying Amounts

At Cost	Balance as at 01.01.2015 Rs.	Additions/ Transfers Rs.	Disposals/ Transfers Rs.	Balance as at 31.12.2015 Rs.
Building	62,336,200	-	-	62,336,200
Computer and Peripherals	36,759,490	514,058	-	37,273,548
Electrical and Electronic Equipment	13,683,390	409,229	-	14,092,619
Other Office Equipment	2,645,206	126,773	-	2,771,979
Wooden Furniture	4,879,728	278,378	-	5,158,106
Steel Furniture	3,334,403	-	(8,300)	3,326,103
Office Fittings	327,071	-	-	327,071
Motor Vehicles	102,956,969	8,445,873	(16,685,629)	94,717,213
	226,922,457	9,774,310	(16,693,929)	220,002,838
Assets on Finance Lease				
Motor Vehicles	54,448,160	-	-	54,448,160
	54,448,160	-	-	54,448,160
<b>Total Gross Carrying Amount</b>	<b>281,370,617</b>	<b>9,774,310</b>	<b>(16,693,929)</b>	<b>274,450,998</b>

#### 3.2 Depreciation

At Cost	Balance as at 01.01.2015 Rs.	Charge for the year / Transfers Rs.	Disposals Rs.	Balance as at 31.12.2015 Rs.
Building	37,396,713	2,611,723	-	40,008,436
Computer and Peripherals	34,058,969	1,351,664	-	35,410,633
Electrical and Electronic Equipment	13,063,131	125,970	-	13,189,101
Other Office Equipment	2,091,543	108,450	-	2,199,993
Wooden Furniture	4,800,850	50,329	-	4,851,179
Steel Furniture	3,203,352	53,217	-	3,256,569
Office Fittings	280,182	25,329	-	305,511
Motor Vehicles	98,339,473	3,482,407	(16,235,329)	85,586,551
	193,234,213	7,809,089	(16,235,329)	184,807,973
Assets on Finance Lease				
Motor Vehicles	5,042,919	13,633,844	-	18,676,763
	5,042,919	13,633,844	-	18,676,763
<b>Total Depreciation</b>	<b>198,277,132</b>	<b>21,442,933</b>	<b>(16,235,329)</b>	<b>203,484,736</b>

### 3.3 Net Book Values

At Cost	2015 Rs.	2014 Rs.
Building	22,327,764	24,939,487
Computer and Peripherals	1,862,916	2,700,521
Electrical and Electronic Equipment	903,518	620,259
Other Office Equipment	571,986	553,663
Wooden Furniture	306,927	78,878
Steel Furniture	69,534	131,051
Office Fittings	21,560	46,889
Motor Vehicles	9,130,661	4,617,496
	35,194,865	33,688,244
Assets on Finance Lease		
Motor Vehicles	35,771,39	49,405,241
	35,771,397	49,405,241
Total Carrying Amount of Property, Plant and Equipment	70,966,262	83,093,485

3.4 During the financial year, the Organization acquired Property, Plant and Equipment to the aggregate value of Rs.9,774,310/- (2014 - Rs.71,878,630/-) Cash payments amounting to Rs.9,776,990/- (2014 - Rs. 27,055,683/-) were made during the year for purchase of Property, Plant and Equipment.

### 4. LEVY AND OTHER RECEIVABLES

	2015 Rs.	2014 Rs.
Levy Receivables	232,304,998	177,680,730
Less: Allowances for Doubtful Debts	(78,966,987)	(70,630,366)
	153,338,011	107,050,364
Other Receivables	223,029,613	244,350,538
Advances and Prepayments	6,241,008	6,475,041
	382,608,631	357,875,943

### 5. INVESTMENTS

	2015 Rs.	2014 Rs.
Hatton National Bank	890,443	890,443
Bank of Ceylon	-	3,241,040
	890,443	4,131,483

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 6. INTEREST BEARING LOANS AND BORROWINGS

	2015 Amount Repayable Within 1 Year Rs.	2015 Amount Repayable After 1 Year Rs.	2015 Total Rs.	2014 Amount Repayable Within 1 Year Rs.	2014 Amount Repayable After 1 Year Rs.	2014 Total Rs.
Finance Leases (Note 6.1)	5,953,392	20,301,557	26,254,949	4,986,777	25,575,361	30,562,138
Bank Overdraft (Note 10.1)	518	-	518	1,704,910	-	1,704,910
	5,953,910	20,301,557	26,255,467	6,691,687	25,575,361	32,267,048

#### 6.1 Finance Leases

	As at 01.01.2015 Rs.	New Leases Obtained Rs.	Repayments Rs.	As at 31.12.2015 Rs.	Current as at 31.12.2015 Rs.	Non-Current as at 31.12.2015 Rs.
Gross liability	39,966,877	-	(7,697,490)	32,269,387	8,544,936	23,724,451
Finance Charges allocated to future periods	(9,404,739)	-	3,390,301	(6,014,438)	(2,591,544)	(3,422,894)
	30,562,138	-	(4,307,189)	26,254,949	5,953,392	20,301,557

### 7. RETIREMENT BENEFIT LIABILITY

	2015 Rs.	2014 Rs.
Balance as at 1 January	18,394,060	16,996,864
Provision for the year	3,498,215	4,397,571
Payments made during the year	(1,606,383)	(3,000,375)
Balance as at 31 December	20,285,893	18,394,060

### 8. DEFERRED GRANTS

	Balance as at 01.01.2015 Rs.	Additions During the year Rs.	Disposal During the year Rs.	Write off/ Transfers during the year Rs.	Balance as at 31.12.2015 Rs.
Foreign and Local As Property, Plant and Equipment					
Plantation Development Support Programme (PDSP)	48,136,030	-	(1,826,412)	-	46,309,618
United Nations Populations Fund (UNFPA)	2,896,990	-	-	(553,953)	2,343,037
Social Republic of Sri Lanka Initial Project	6,128,583	-	-	(3,613,799)	2,514,784
Programme Support Group / Technical Assistant Team	331,915	-	-	-	331,915
United Nation International Children's Emergency Fund (UNICEF)	2,653,241	-	-	(176,900)	2,476,341
Social Welfare Programme - II - Housing	8,312,496	-	-	(62,157)	8,250,339
	51,450	-	-	-	51,450



## 8. DEFERRED GRANTS Contd.

	Balance as at 01.01.2015	Additions During the year	Disposal During the year	Write off/ Transfers during the year	Balance as at 31.12.2015
Foreign and Local As Property, Plant and Equipment	Rs.	Rs.	Rs.	Rs.	Rs.
Asian Development Bank	163,474	-	-	-	163,474
Investment and Restructuring Fund	73,335,566	-	-	(2,278,794)	71,056,772
HIV /AIDS Project	85,675	-	-	-	85,675
International Labour Organization Project	62,350	-	-	-	62,350
Institutional and Housing Support Ministry of Youth Empowerment and Socio Economic Development.	16,028,323	-	-	1,415,622	17,443,945
Care International	790,040	-	-	(133,000)	657,040
Burnet Institute - Fixed Assets Grant	574,550	-	-	(316,000)	258,550
Save the Children International	125,950	3,750	-	-	129,700
	-	321,970	-	-	321,970
	159,676,632	325,720	(1,826,412)	(5,718,981)	152,456,959
Less : Accumulated Depreciation	(133,991,323)				(129,872,257)
	25,685,309				22,584,703

### Loan Recoveries

	Balance as at 01.01.2015	Loan Recovered	Transferred to the Ministry	Balance as at 31.12.2015
Social Welfare Programme 11(Reroofing) - Loan Recoveries	1,872,422	283,632	-	2,156,054
Plantation Development Support Programme - Loan Recoveries	19,044,739	1,525,130	-	20,569,869
Health Motor Bike Loan Recoveries	15,768,198	5,752	-	15,773,950
New Life Housing Loan Recoveries	20,846,710	12,034,322	(2,027,912)	30,853,120
National Housing Development Authority- Loan Recoveries	3,091	7,172	-	10,263
	57,535,160	13,856,008	(2,027,912)	69,363,256

As Funds	Balance as at 01.01.2015	Fund Received During the year	Management Fee During the Disbursements year	Balance as at 31.12.2015
	Rs.	Rs.	Rs.	Rs.
Live Stock & Rural Community Development	(102,423,150)	225,701,803	(10,623,827)	(20,757,869)
Social Republic of Sri Lanka	46,157	-	-	46,157
PHDT Funds	4,891,686	-	-	4,891,686
Water Project - Ministry EI and CD	212,553	-	-	212,553
Plan Sri Lanka Project	(15,810)	-	-	(15,810)
ISRAID & Cinnamon Project	1,631,027	-	-	1,631,027
United Nations Population Fund (UNFPA)	179,624	-	-	179,624
UNICEF	2,020,908	-	(1,527,158)	493,750

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

As Funds	Balance as at 01.01.2015 Rs.	Fund Received During the year Rs.	Management Fee During the Disbursements year Rs.	Rs.	Balance as at 31.12.2015 Rs.
International Labour Organization	2,289,627	1,773,527	-	(1,352,547)	2,710,607
Regional Economic Advancement Programme (REAP)	595,903	-	-	-	595,903
Relief Fund	435,932	-	-	-	435,932
Child Development Centre	4,608	-	-	(4,800)	(192)
Family Planning Association (FPA)	218,567	80,000	-	(37,800)	260,767
Plantation Development Project Strengthening of EWHCS	874,265	-	-	-	874,265
Saumyamoorthi Thondaman Foundation	(1,246,790)	-	-	-	(1,246,790)
Information and Communication Technology Agency (ICTA)	28,666	-	-	-	28,666
Ministry of Livestock Development	48,319	-	-	-	48,319
Miriswatte Twin House Project	297,968	-	-	-	297,968
World University Services of Canada (WUSC)	9,560	-	-	-	9,560
UDR THSDA Office Building	34,733	-	-	-	34,733
Support to the Current PDP JEIC Programme	8,494,817	-	-	-	8,494,817
Ministry of NB and EID New Life Housing Project	34,751,882	49,065,910	(1,394,950)	(64,537,000)	17,885,842
Diploma Funds for CDOs	467,337	2,011,825	-	(2,057,786)	421,376
Interim Programme 2010	(589,783)	-	-	-	(589,783)
Improving of CDCs Funded by PA	76,992	-	-	-	76,992
Projects with Ceylon Workers Congress	3,667,151	852,906	-	(759,527)	3,760,530
United Nations Development Project	72,069	-	-	-	72,069
National Livestock Development Board	(583,653)	284,000	-	-	(299,653)
Ethical Tea Partnership (ETP)	60,033	-	-	-	60,033
Providing Drugs under Planters Association	357,904	-	-	-	357,904
World Health Organisation	689,526	310,549	-	(387,940)	612,135
T-Field Child Development Federation	5,000	-	-	-	5,000
Ministry of Estate Infrastructure & Community Development	7,286	-	-	-	7,286
Nutrition Project with Central Province	(440)	-	-	-	(440)
Burnet Institute	3,123,034	-	(200,318)	(1,137,486)	1,785,230
WASH Project	267,173	-	-	-	267,173
Provincial District Health Services	12,925,832	-	-	-	12,925,832
MPID - 100 Day Housing	-	247,046,724	(10,565,319)	(336,602,200)	(100,120,795)
Save the Children International	-	75,335,182	(4,184,018)	(58,479,556)	12,671,608
Uniliver Sri Lanka	-	972,520	-	(83,303)	889,217
	(26,073,489)	603,434,945	(26,968,433)	(600,379,799)	(49,986,773)
Net Balance of Grants	57,146,980				41,961,186
Current Accounts					
Live Stock & Rural Community Development	102,456,437				20,757,869
Plan Sri Lanka Project	15,810				15,810
Child Development Centre	-				192
Saumyamoorthi Thondaman Foundation	1,246,790				1,246,790
MPID - 100 Day Housing	-				100,120,795
Interim Programme 2010	589,783				589,783
Projects with NLDB	583,653				299,653
Nutrition Project with Central Province	440				440
	162,039,893				164,992,517

## 9. TRADE AND OTHER PAYABLES

	2015 Rs.	2014 Rs.
Construction Activity Payable	179,870,295	194,511,593
Other Payables	10,290,303	11,609,143
Sundry Creditors including Accrued Expenses	29,971,584	27,511,439
	220,132,181	233,632,175

## 10. CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT

Components of Cash and Cash Equivalents

### 10.1 Favorable Cash and Cash Equivalents Balances

	2015 Rs.	2014 Rs.
Cash and Bank Balances	44,711,967	27,109,851
Short Term Investments	-	45,560,424
	44,711,967	72,670,275
Unfavorable Cash and Cash Equivalents Balances		
Bank Balances	(518)	(1,704,910)
	(518)	(1,704,910)
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	44,711,449	70,965,365

## 11. RECEIPTS FOR RECURRENT EXPENDITURE

Levy income from Regional Plantation Companies	138,460,664	139,026,506
	138,460,664	139,026,506

## 12. OTHER INCOME

Levy Income from Plantation Small Holders' Companies	3,889,917	3,748,220
Profit on Disposal of Property, Plant and Equipment	10,391,825	17,849,978
Sundry Income	2,009,511	409,006
Long outstanding payable write back	2,489,059	-
	18,780,312	22,007,204

## 13. PROJECT ADMINISTRATIVE INCOME

Project Management Fee	29,214,060	30,930,614
Project Administrative Expenditure	(24,923,781)	(21,509,928)
	4,290,279	9,420,687

## 14. FINANCE COST AND INCOME

### 14.1 Finance Cost

Finance Charges on Lease Liabilities	3,285,726	1,100,717
	3,285,726	1,100,717



## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	2015 Rs.	2014 Rs.
<b>14.2 Finance Income</b>		
Income from Investments :		
-Interest on Government Securities	992,767	3,874,788
-Interest on Fixed Deposits	43,942	82,122
-Interest on Savings Deposits	87,541	109,612
	1,124,249	4,066,522
<b>15. NET INCOME / (EXPENDITURE) BEFORE TAX</b>		
Stated after Charging		
Audit Fees	880,574	1,049,836
Employees Benefits including the following	85,401,162	82,523,415
- Defined Benefit Plan Costs - Gratuity	2,810,610	5,030,696
- Defined Contribution Plan Costs - EPF & ETF	9,996,850	8,213,031
Depreciation	19,645,499	15,815,334
Legal Expenses	73,000	102,850
<b>16. INCOME TAX EXPENSE</b>		
Current Income Tax	650,819	1,656,379
Adjustments in respect of Income Tax of Previous Year	(282,126)	-
Income Tax Expense	368,693	1,656,379
<b>16.1 Reconciliation between Current Tax Expense and the product of Accounting Income</b>		
Profit from Trade Business (Note 16.2)*	9,657,583	22,185,462
Finance Income	1,124,249	4,066,522
Total Statutory Income	10,781,832	26,251,984
Less : Tax Losses	(3,773,641)	(9,188,194)
Income Liable for Income Tax	7,008,191	17,063,790
Tax Free Allowance	(500,000)	(500,000)
Taxable Income	6,508,191	16,563,790
Income Tax at 10%	650,819	1,656,379
Current Tax Expense	650,819	1,656,379
<b>16.2 Profit from Trade Business</b>		
Excess / (Deficit ) before tax*	(3,316,702)	15,339,992
Disallowed Expenses	28,763,609	34,340,435
Allowable Expenses	(15,789,324)	(27,494,965)
	9,657,583	22,185,462
<b>16.3 Reconciliation of Tax Losses</b>		
Losses brought Forward*	13,802,360	22,990,554
Adjustments made in respect of previous year	3,511,551	-
Losses utilized during the year	(3,773,641)	(9,188,194)
Losses Carried Forward	13,540,270	13,802,360

## 17. COMMITMENTS AND CONTINGENCIES

The Organization does not have significant commitments and contingencies as at the reporting date.

## 18. ASSETS PLEDGED

Leased assets having a carrying value of Rs. 35,771,397/- (2014 - 49,405,241/-) are pledged as security for the related finance lease.

## 19. EVENTS OCCURRING AFTER THE REPORTING DATE

There are no significant events occurred after the reporting date.

## 20. RELATED PARTY DISCLOSURES

Details of significant related party disclosures are as follows:

### 20.1 Transactions with related entities

The Directors of the Trust are also Directors of the following one or more companies with which the Trust had the following transactions during the year.

	Related Party Levy 2015 Rs.	Income 2014 Rs.
Agrapata Plantations PLC	9,796,922	9,630,898
Kotagala Plantations PLC	6,543,322	6,426,319
Talawakella Plantations PLC	6,199,839	6,101,932
Watawala Plantations PLC	4,201,736	8,213,684
Madulsima Plantations PLC	5,762,833	5,614,825
Balangoda Plantations PLC	7,466,012	7,296,068
Maturath Plantation PLC	7,089,160	6,923,511

### 20.2 Transactions with Key Management Personnel of the Trust

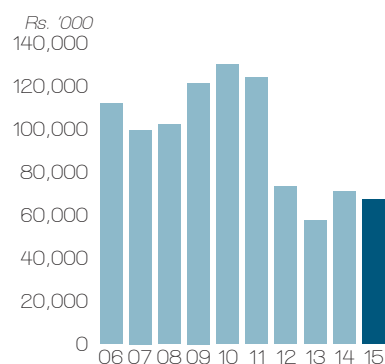
1. The Trust has paid Rs.395,000/- to the members of the Board of Directors during the year (2014 -Rs 410,000/-) as sitting allowances and no emoluments have been paid to the members of the Board of Directors.
2. During the year Organization has given following loans to the Director General as noted below.

	2015 Rs.	2014 Rs.
Balance as at 1 January	-	-
Granted during the year	2,370,000	-
Recovered during the year	(1,163,000)	-
Balance as at 31 December	1,207,000	-

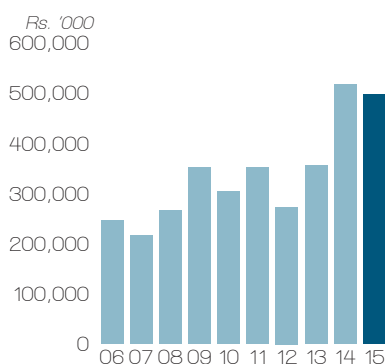
# TEN YEAR SUMMARY

Year ended 31st March 2013	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Operational Results</b>											
Recurrent Expenditure & Levy	138,460	139,026	126,861	119,202	111,157	103,430	98,603	94,623	85,725	78,656	74,552
Gain / (Loss) on Project Activities	4,290	9,420	(4,227)	(26,682)	(1,368)	6,617	16,388	1,964	(8,628)	(9,544)	5,797
Income / (Loss) Before Tax	(3,317)	15,339	(15,364)	(50,728)	(5,351)	(1,935)	20,550	1,694	(10,841)	(6,170)	10,478
Income Tax Expenses	(368)	(1,656)	(352)	(276)	432	964	1,247	1,469	1,125	102	(638)
Income / (Loss) After Tax	(3,685)	13,683	(15,716)	(51,004)	(5,783)	(2,899)	19,303	225	(11,967)	(6,273)	11,116
<b>Reserves</b>											
Project Reserves	4,469	4,469	4,469	4,469	4,469	4,469	4,469	4,469	2,250	2,250	4,306
General Reserves	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615
Accumulated Fund	61,380	65,066	51,382	67,099	118,103	123,887	115,363	96,060	95,835	107,802	114,075
	67,465	71,150	57,466	73,183	124,187	129,971	121,447	102,145	99,700	111,667	119,996
<b>Liabilities</b>											
Non Current Liabilities	205,579	206,009	146,311	155,435	125,314	144,462	193,459	127,903	81,347	107,689	112,399
Current Liabilities	226,132	240,611	153,413	43,706	101,305	28,817	36,208	36,159	37,591	28,900	126,422
	431,711	446,620	299,724	199,141	226,619	173,279	229,667	164,062	118,938	136,589	238,821
<b>Assets</b>											
Non Current Assets	70,966	83,093	43,295	78,704	100,525	96,847	95,121	60,125	64,642	73,242	82,581
Current Assets	428,211	434,677	313,895	193,620	250,283	206,402	255,993	206,082	153,997	175,014	276,236
	499,177	517,770	357,190	272,324	350,808	303,249	351,114	266,207	218,639	248,256	358,817

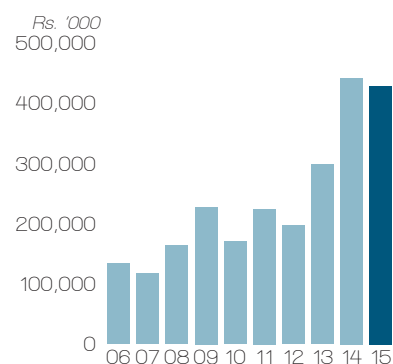
Reserves



Assets



Liabilities

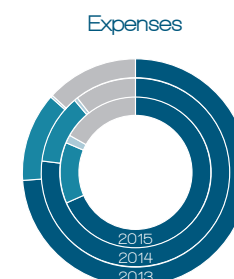
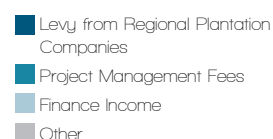
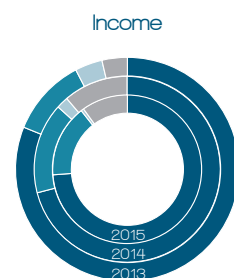




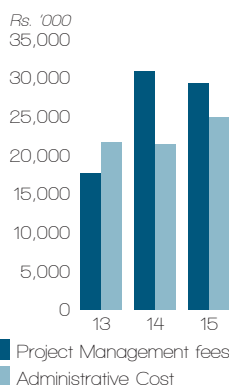
# GRAPHICAL REVIEW OF FINANCIAL STATEMENTS

## Statement of Comprehensive Income

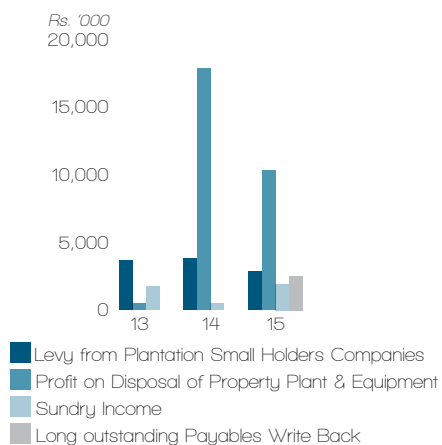
	2015 Rs.'000	2014 Rs.'000	2013 Rs.'000
<b>Income</b>			
Levy from Regional Plantation Companies	138,460	139,026	126,861
Project Management Fees	29,214	30,930	17,581
Finance Income	1,124	4,066	6,197
Other	18,780	22,007	5,721
	187,578	196,029	156,360
<b>Expenses</b>			
Recurrent Expenditure	130,523	139,026	126,861
Project Administrative Cost	24,923	21,509	21,808
Finance Expenses	3,285	1,100	540
Other	32,153	19,054	22,515
	190,884	180,689	171,724
<b>Income Before Tax</b>	(3,317)	15,340	(15,364)
<b>Income Statement</b>			
Project Administrative Income			
Project Management fees	29,214	30,930	17,581
Administrative Cost	24,923	21,509	21,808
	4,291	9,421	(4,227)
<b>Other Income</b>			
Levy from Plantation			
Small Holders Companies	3,889	3,748	3,621
Profit on Disposal of			
Property Plant & Equipment	10,392	17,850	420
Sundry Income	2,010	409	1,680
Long outstanding Payables Write Back	2,489	-	-
	18,780	22,007	5,721
<b>Finance Income</b>			
Interest on Government Securities	993	3,874	6,061
Interest on Fixed Deposits	44	82	90
Interest on Savings Deposits	88	110	46
	1,125	4,066	6,197



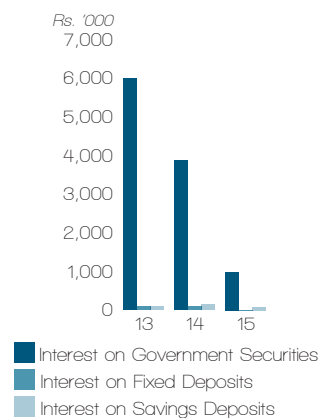
### Project Administrative Income



### Other Income



### Finance Income

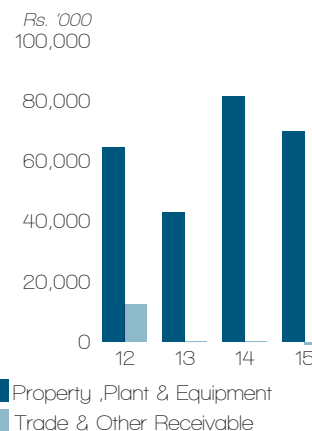


# GRAPHICAL REVIEW OF FINANCIAL STATEMENTS (CONTD.)

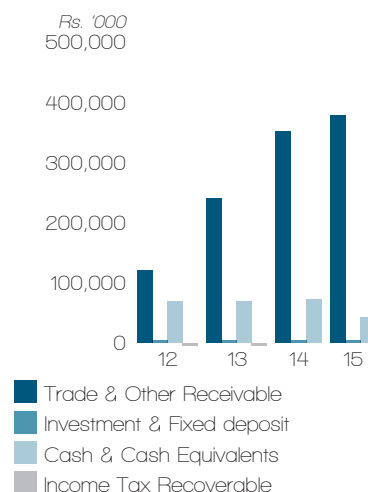
## Balance Sheet

	2015 Rs.'000	2014 Rs.'000	2013 Rs.'000	2012 Rs.'000
<b>Non Current Assets</b>				
Property ,Plant & Qupiment	70,966	83,093	43,295	65,343
Trade & Other Receivable	-	-	-	12,738
	70,966	83,093	43,295	78,081
<b>Current Assets</b>				
Trade & Other Receivable	382,609	357,875	244,770	121,933
Investment & Fixed deposit	890	4,131	807	623
Cash & Cash Equivalents	44,712	72,670	67,486	71,114
Income Tax Recovareble	-	-	832	573
	428,211	434,676	313,895	194,243
<b>TOTAL</b>	<b>499,177</b>	<b>517,769</b>	<b>357,190</b>	<b>272,324</b>
<b>Funds and Reserves</b>				
Project Reserves	4,469	4,469	4,469	4,469
General Reserves	1,615	1,615	1,615	1,615
Accumulated Fund	61,381	65,066	51,382	67,099
	67,465	71,150	57,466	73,183
<b>Non-Current Liabilities and</b>				
<b>Deferred Income</b>				
Interest bearing Loans & Borrowings	20,302	25,575	1,322	2,673
Retirement Benefit Liability	20,286	18,394	16,997	18,217
Deferred Liability	164,992	162,039	127,992	134,545
	205,580	206,008	146,311	155,435
<b>Current Liabilities</b>				
Interest bearing Loans & Borrowings	5,954	6,691	1,351	1,214
Other Payables	220,132	233,632	152,062	42,392
Income Tax Liability	46	287	-	-
	226,132	240,610	153,413	43,606
<b>TOTAL</b>	<b>499,177</b>	<b>517,768</b>	<b>357,190</b>	<b>272,224</b>

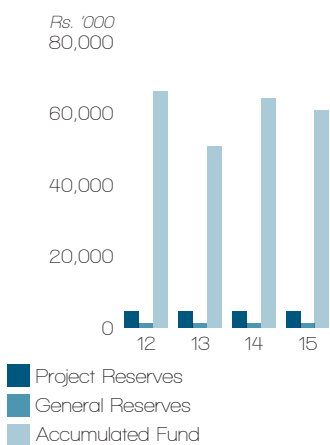
## Non Current Assets



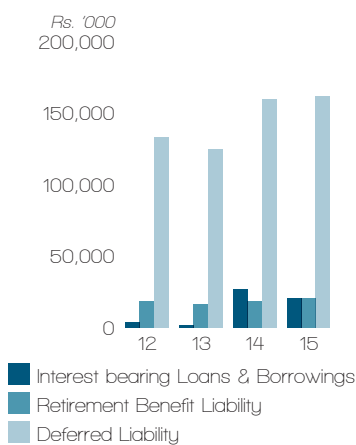
## Current Assets



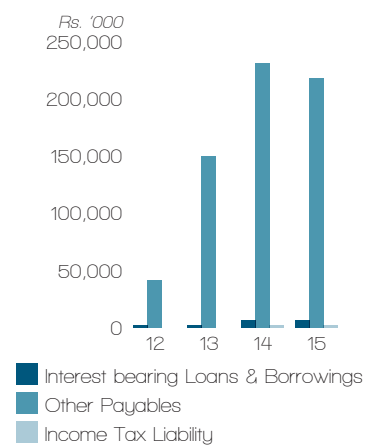
## Funds and Reserves



## Non-Current Liabilities and Deferred Income



## Current Liabilities



# NOTICE OF MEETING

Notice is hereby given that the Twenty Third Annual General Meeting of the members of the Plantation Human Development Trust will be held at Committee Room B, Bandaranaike Memorial International Hall (BMICH), Bauddhaloka Mawatha, Colombo 7, on Thursday, 31st March 2016 at 2.00 p.m. for the following purposes

## AGENDA

1. Call meeting to order and read the notice convening the meeting.
2. Chairman's Address (Pls. Ref pg. 06 of the Annual Report).
3. To receive and consider the Report of the Board of Directors on the Affairs of the Company, Independent Auditor's Report and the Audited Accounts for the year ended 31st December 2015.
4. Re-elect Mr. G.D.V. Perera who retires by rotation in terms of Article No.55 of the Articles of Association as a Director.
5. Re-elect Mr. S.K.L. Obeyesekere who retires by rotation in terms of Article No.55 of the Articles of Association as a Director.
6. To consider and if thought fit to pass the following Ordinary Resolution pertaining to the re-appointment of Mr. H.M. Goonetilleke as a Director of the Company:

THAT age limit of seventy years stipulated in section 210 of the Companies Act No.7 of 2007 shall not be applicable to Mr. H.M. Goonetilleke who, as at the date of this resolution, is 70 years of age (having reached 70 years of age on 3rd February 2016), and accordingly that Mr. H.M. Goonetilleke be and is hereby re-appointed as a Director of the Plantation Human Development Trust in terms of Section 211 of the Companies Act No.7 of 2007.

7. Re-appoint the Auditors and authorise the Directors to determine their remuneration.

By Order of the Board of Directors of the  
PLANTATION HUMAN DEVELOPMENT TRUST  
S S P CORPORATE SERVICES (PRIVATE) LIMITED  
SECRETARIES

26th February 2016

Note:

1. If you are unable to be present at the meeting, please complete the Form of Proxy or Appointment of Corporate Representative format enclosed and return same to the Company's Secretaries, S S P Corporate Services (Private) Limited, No.101, Inner Flower Road, Colombo 3, not less than 48 hours before the scheduled time of meeting.
2. In terms of Article No.39 "A proxy need not be a member of the Company"



# CORPORATION/TRADE UNION/COMPANY ACTING BY REPRESENTATIVE

Article 43 of the Articles of Association of the Plantation Human Development Trust provides for Corporations acting by Representatives at Meetings.

"Any Corporation, Trade Union or Body Corporate which is a member of the Company may, by resolution of its Directors or other Governing Body authorise such person as it thinks fit to act, as its representative at any General meeting of this Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation, etc. which he represents as if he were an individual member of the Company."

At any meeting of the Company the production of a copy of such resolution certified by the Chairman or by one Director or the Secretary of such corporation, etc. as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of the representative's appointment and his right to vote. A representative so appointed shall not be deemed to be a proxy.

Specimen Resolution :

Name of Body Corporate : .....

(hereinafter referred to as "us") resolved "That (insert full name of person acting as Representative).....

.....  
failing whom .....

failing whom .....

be and is hereby authorised to represent us at the Annual General Meeting of the Plantation Human Development Trust to be held on .....2016 at 2.30 p.m. and at any adjournment thereof.

Certified true copy

.....  
NAME OF BODY CORPORATE  
Signature and Designation  
(Use rubber stamp)

Note: If you wish to appoint your Representative, please issue a certified copy of the relevant resolution to such Representative, who should produce same at the Annual General Meeting.

# FORM OF PROXY

I/We ..... of ..... being a member/members of the Plantation Human Development Trust, hereby appoint:

Mr. Vadivel Puththirasigamoney	or failing him
Mr. Shanthi Kumar Lalith Obeyesekere	or failing him
Mr. Henry Malin Goonetilleke	or failing him
Mr. Dilantha Stephen Seneviratne	or failing him
Dr. Sijambalagoda Ranaweera Rajapakse	
Mudiyanselage Laxman Rajapakse	or failing him
Mr. Ganegodage Dhamitha Vaamaka Perera	or failing him
Mr. Murugaiah Ravindran	or failing him
Mr. Santhanam Arullsamy	or failing him
Ms. Weliveriya Liyanage Manori Anurada Liyanage	or failing her
Mr. Devapriya Manik Peiris Weerasinghe	or failing him

Mr/Ms.....of ..... as my /our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 31st March 2016 at 2.30 p.m. and at any adjournment thereof and every poll which may be taken in consequence thereof.

## ITEM

Please mark X in appropriate cages below  
FOR                  AGAINST

- |  |                          |                          |
|--|--------------------------|--------------------------|
| 1. To receive and consider the Report of the Board of Directors on the Affairs of the Company, Independent Auditor's Report and the Audited Accounts for the year ended 31st December 2015 | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. To re-elect Mr. G.D.V. Perera as a Director who retires by rotation in terms of Article 55 of the Articles of Association.  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To re-elect Mr. S.K.L. Obeyesekere as a Director who retires by rotation in terms of Article 55 of the Articles of Association.   | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. To re-appoint Mr. H.M. Goonetilleke who retires having reached 70 years on 3rd February 2016, as a Director by passing the Ordinary Resolution set out in the notice                    | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. To re-appoint Auditors and to authorize the Directors to determine their remuneration.  | <input type="checkbox"/> | <input type="checkbox"/> |

As witness my/our hand/s this ..... day of ..... Two Thousand and Sixteen.

Signature of Member .....

Note: Instructions as to completion are given overleaf.

## FORM OF PROXY (CONTD.)

### INSTRUCTIONS AS TO COMPLETION OF PROXY

1. Kindly complete the form of proxy by filling in legibly your full name and address, signing in the space provided and filling in the date of signature.
2. If the proxy form is signed by an Attorney, the relative power of attorney should also accompany the proxy form for registration, if such power of attorney has not already been registered with the Company.
3. In the case of a Company/Corporation, the proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association/Statute.
4. The completed form of proxy should be deposited at the office of the Company's Secretaries, S S P Corporate Services (Private) Limited No. 101, Inner Flower Road, Colombo 3, not less than 48 hours before the time appointed for the holding of the meeting.

Article 43 of the Articles of Association of the Plantation Human Development Trust provides for Corporations acting by Representatives at Meetings.

"Any Corporation, Trade Union or Body Corporate which is a member of the Company may, by resolution of its Directors or other Governing Body authorise such person as it thinks fit to act, as its representative at any general meeting of this Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation, etc. which he represents as if he were an individual member of the Company."

At any meeting of the Company the production of a copy of such resolution certified by the Chairman or by one Director or the Secretary of such corporation, etc., as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of the representative's appointment and his right to vote. A representative so appointed shall not be deemed to be a proxy.

A FORMAT for appointment of a Representative is also enclosed.

Appointment of a Representative



# CORPORATE INFORMATION

## Name of the Company

Plantation Human Development Trust

## Legal Form

A Company limited by guarantee incorporated in Sri Lanka under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 7 of 2007.

## Registration No.

GA 78

## Registered/Head Office

No. 427/14, Robert Gunawardena Mawatha,  
Battaramulla, Sri Lanka.  
Tel. 011-2887497-9, 2887500, 5234300-2  
Fax 011-2888619, 2887476  
Web Site: [www.phdt.org](http://www.phdt.org)

## Board of Directors

Mr. V. Puththirasigamoney  
Ministry of Hill Country New Villages, Infrastructure &  
Community Development

Mr. M. Ravindran  
Lanka Jathika Estates Workers Union

Mr. S.K.L. Obeyesekere  
Balangoda/Madulsima Plantations PLC

Mr. S. Arullsamay  
Ceylon Workers' Congress

Mr. H.M. Goonetilleke  
Planters' Association of Ceylon

Mr. M. Weerasinghe  
Maturata Plantations PLC

Mr. D.S. Seneviratne  
Talawakelle Tea Estates PLC

Ms. W.L.M.A. Liyanage  
Ministry of Finance

Dr. R.R.M.L.R. Sijambalagoda  
Ministry of Health, Nutrition & Indigenous Medicine

Mr. G.D.V. Perera  
Agrapatana/Kotagala Plantations PLC

## Auditors

M/s. Ernst & Young  
Chartered Accountants  
No. 201, De Saram Place  
Colombo 10

## Secretaries

SSP Corporate Services (Pvt) Ltd.  
No. 101, Inner Flower Road  
Colombo 3

## Bankers

Bank of Ceylon  
Hatton National Bank PLC

## Regional Offices

Galle (Regional Director – Mr. A.S.B. Ekanayake)  
C/o Walahanduwa Estate, Walahanduwa, Galle.  
Tel. 091-2245754/22224245635810-3

Ratnapura (Regional Director – Mr. H.N. de Silva)  
Paradise, Kuruwita, Ratnapura.  
Tel. 045-2262497/2262102, 5624820-3

Badulla (Regional Director – Mr. R.V.A.N.P. Wijeratne)  
Hingurugama Complex, Badulla.  
Tel. 055-2226205/2226248, 5635830-3

Kegalle (Regional Director – G.B. Dissanayake )  
Sir Francis Molamure Mawatha, Ranwala, Kegalle.  
Tel. 035-2222485/2222486, 56244840-3

Kandy (Regional Director – Mr A.S. Ratwatte)  
No.1, Balakotuwa Camp Road, Pallekelle, Kundasale,  
Kandy.  
Tel. 081-2421679/2422284, 5635850-3

Hatton (Regional Director – Mr. L.P.A.N. Senaratne)  
No. 243/1, Main Street, Dickoya.  
Tel. 051-2222988/2222792, 5678860-3

Nuwara Eliya (Regional Director – Mr. L.R. Perera)  
No. 56, St. Andrew's Drive, Nuwara Eliya.  
Tel. 052-2222681/2223757, 5678870-3



**Plantation Human Development Trust**

Enriching the Quality of Life of the Plantation Community



An ISO Certified Company