

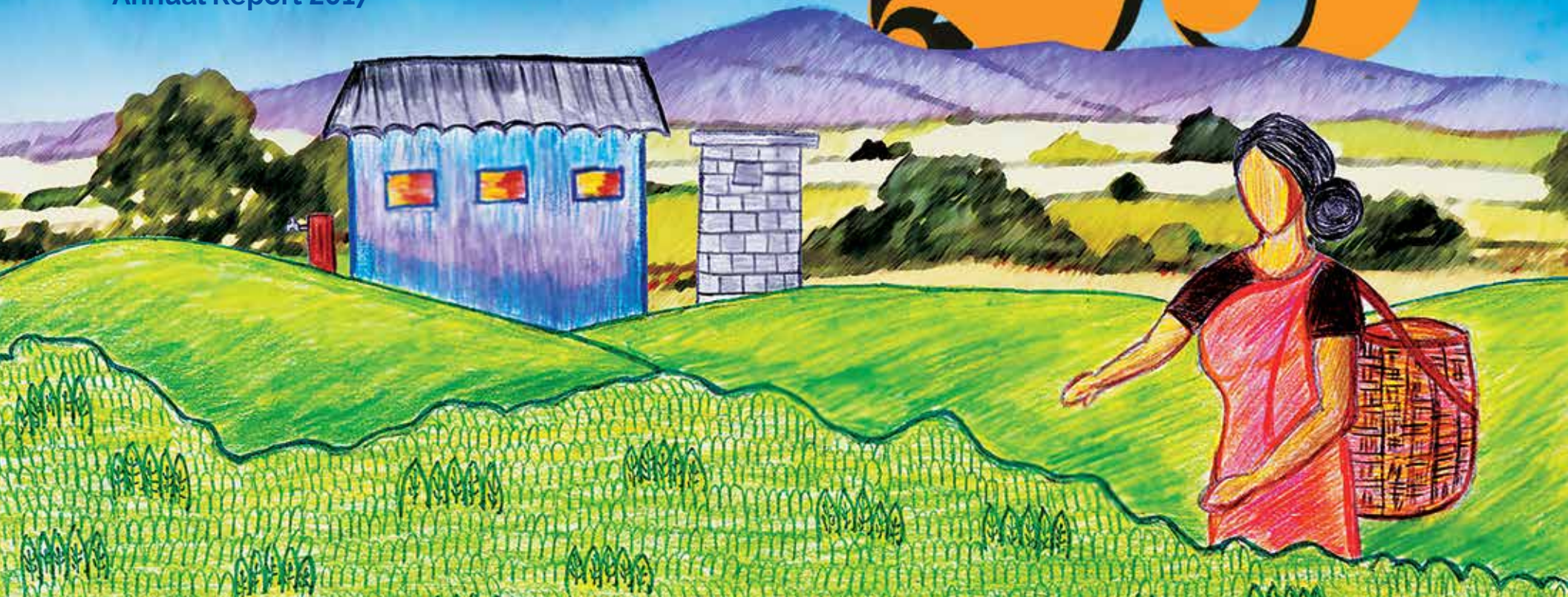
# Creating Possibilities

**25 YEARS OF PHDT  
THROUGH A CHILD'S EYES**

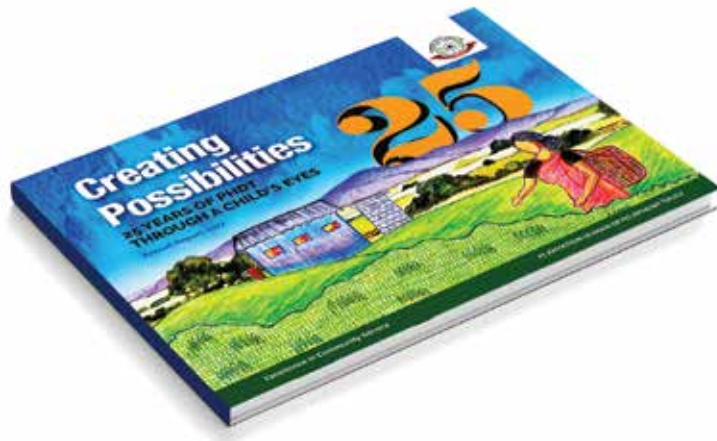
Annual Report 2017



# 25







## ABOUT THE THEME

The report you are about to read is a testament of PHDT's undying commitment to uplifting the lifestyle of the plantation community for 25 years, to date. It has been illustrated through the eyes of a child whose life began with and has since been transformed for the better by the organisation's efforts.

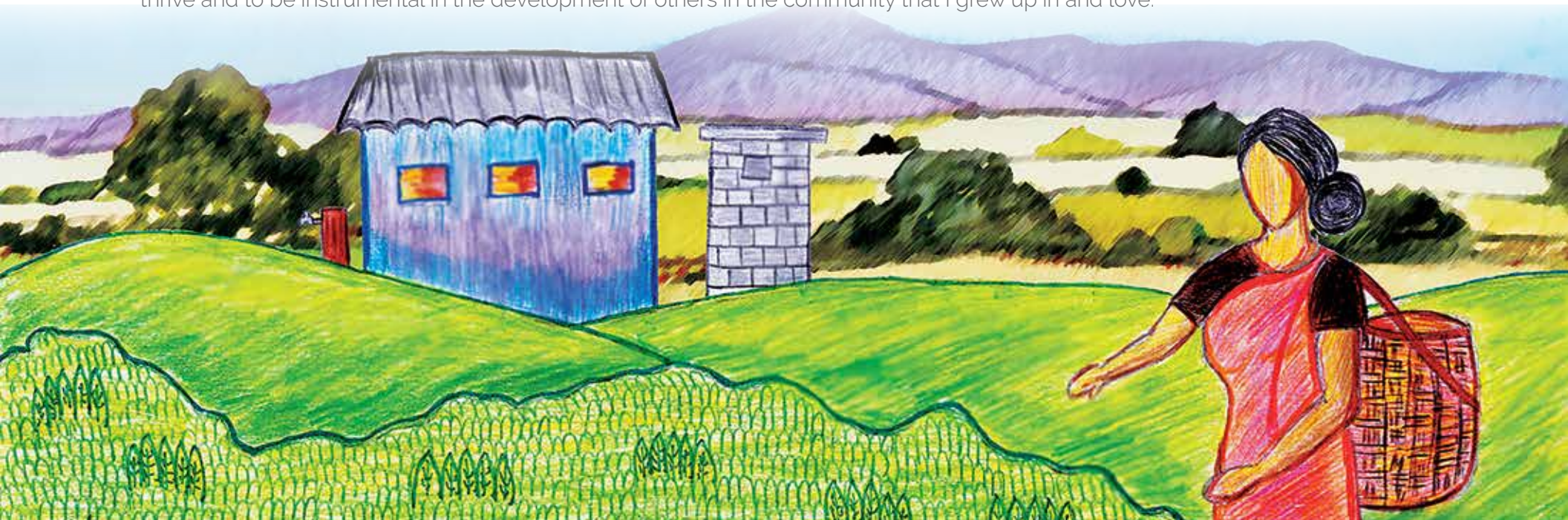
*Copyline Creative Team*

# Creating Possibilities

## 25 YEARS OF PHDT THROUGH A CHILD'S EYES

I recall myself brimming with excitement I could barely contain as I beheld them laying the first bricks to what would eventually become our family home. That was 25 years ago and only the start of a promising journey for my family. It's often said that the most fundamental need of any human being is a sense of belonging; being made to feel like you matter. I was fortunate enough to experience just this. A sound education, nutritious food, access to healthcare, clean water, and sanitation- this is the foundation every human being requires to blossom into adults that are capable of realising their true potential and, eventually, of becoming an asset to their families and communities.

I had the fortune of growing up with all this and more, giving me a childhood that I look back on fondly and have to credit for the person I am today. Reflecting on my personal growth and development, I realise that I have been empowered to play a pivotal role in guiding sustainable development and ensuring equity in the estate community hand in hand with PHDT, the facilitator of the plantation sector's development. I take immense pride in having been bestowed with the tools to give my family the opportunity to thrive and to be instrumental in the development of others in the community that I grew up in and love.



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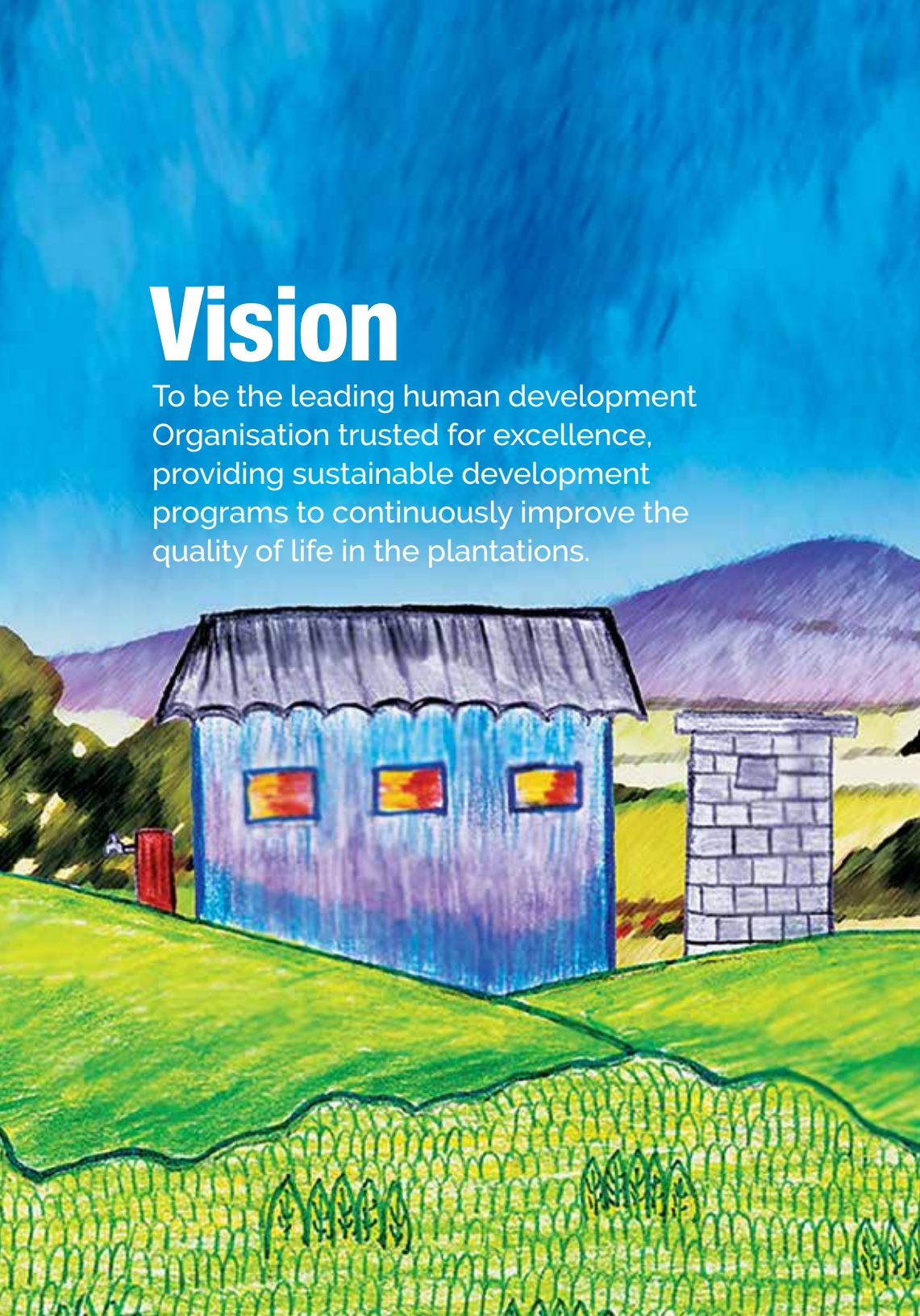
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Statement of Financial Position



# 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 it's 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

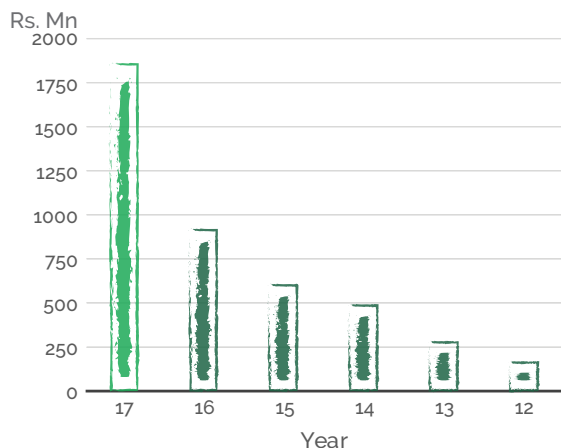
# Values

- 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
- marking against the best practices
- Productivity of the sector

# Financial Highlights

	2017 Rs: Mn	2016 Rs: Mn
Results for the year		
Levy Income	141.80	136.11
Total Recurrent Expenses	131.70	133.77
Excess from Activities	10.10	2.34
Other Income & Gains	28.60	43.66
Other Expenses	(47.30)	(80.04)
Project Administrative Income	82.07	15.90
Finance Cost	(1.80)	(2.57)
Finance Income	1.80	0.48
Excess / Deficit Before Tax	73.47	(20.23)
Taxation	(7.27)	0.03
Excess / Deficit for the year	66.20	(20.19)

Total Project Disbursements



**Rs. 1,853 Mn**

Disbursements 2017

**Rs. 142 Mn**

Levy 2017

**1,948**  
Water Supply Projects



**134,807**  
Sanitation Projects



**1,250 km**  
Estate Roads  
Development Projects



**115,913**  
Re-Roofing Projects



**938**  
Child Development  
Centers



**35,634**  
No. of Houses Built



**Work done to date...**



# Highlights of Events

## Retirement of Director General – Mr R M B Ellegala

Mr. R.M.B Ellegala - Director General retired on 31st March 2017 after a 22 year tenure with the organization out of which eight years as a Regional Director and 14 years as the Director General. A ceremony to felicitate and bid farewell was organized by the staff of PHDT in recognition of his services.



## Appointment of the New Director General – Mr L R Perera

Mr. Lal Perera assumed office as the New Director General of the PHDT. He was welcomed by Internal Directors and staff of PHDT at ceremony held at the head office.



## 24th Annual General Meeting

The PHDT held the 24th Annual General Meeting on 26th May 2017, at the Auditorium of the Coconut Cultivation Board, Battaramulla.

After warm welcome of the guests and traditional activities of lighting oil lamp & singing of the

National Anthem, 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 2016 were presented. One Board of Directors was re-elected and one other was re-appointed. Auditors were re-appointed for the next year. The Annual Report of the PHDT, for the year 2016 was published on the same day.



# Highlights of Events contd.

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 Director General Mr L R Perera proposed the Vote of thanks and finally, all distinguish guests associated for tea.

## Issue of Title deeds

A ceremony was held to issue Clear Title Deeds to the Plantation Community who was vested with housing. The Hon Prime Minister Ranil Wickremasinghe along with other Cabinet Ministers officiated in this ceremony.



## 25 years Commemoration

PHDT celebrates 25 years of yeoman service to the plantation community. Multi Religious ceremonies were held at the Head Office and Regional Offices in commemoration of this event. A new commemorative logo was launched alongside these ceremonies.





**CEO's Forum**

CEO Forum was reactivated in 2017 where all CEO's of the Regional Plantation Companies were invited for an update of the ongoing and new activities. This forum is an interactive session where the RPC's could discuss matters relating to project activities carried out in their relevant estates. There were three such meetings and the last being held at Cinnamon Grand on 12th December 2017 where the program for 2018 was presented and Directors and CEO's were felicitated for the continuous support extended to the Company. The Hon Minister P Thigambaram and Secretary of the Ministry of Hill Country, New Villages, Infrastructure and Community Development was in attendance. Mr H M Goonetilleke who retired both as the Secretary General of the Planters Association and Board Director of PHDT was also felicitated at this event



# Chairman's Message



Today we are celebrating 25 golden years of unparalleled accomplishment and looking back I am proud to say that we have come a long way despite many obstacles and a rugged path.

**Rs.1.8bn**

Disbursements 2017



It gives me great pleasure to pen a few words for the Annual Report for the year ended 31st December 2017, on behalf of the Board of Directors of the Plantation Human Development Trust (PHDT).

It is a time to analyse the past and look towards the future. As you all know the PHDT has been the beacon of light and the leading human development Organisation engaged in uplifting and enriching the economic, social, health and spiritual development of the plantation community in their endeavours to enter the mainstream of society. It was created parallel to the privatisation of the management of Plantations to look after the housing and social welfare of plantation workers as a tripartite body to foster a partnership between the employers, employees and the Government. The PHDT has been initially supported by Donors including the Governments of Netherlands and Norway through the Plantation Development Support Programmes whose excellent progress has been recorded for the Estate Community. Further, we have been ably supported by the Government Ministries, Trade Unions, Regional Plantation Companies, Donors and many other Institutions for the past 25 years to provide sustainable services to continuously enhance the quality of life of the plantation community which contributes immensely to the National economy.

In 2017, the year under review, PHDT has disbursed funds to the tune of Rs. 1Bn to continue its core activities such as housing projects, re-roofing, water, sanitation, road development, health and nutrition programmes, childcare and education programmes, capacity building and mobilisation programmes, strengthening of Estate Worker Housing Cooperative Societies (EWHCS), training & awareness programmes, etc. While the need to develop the quality of life of the plantation community has still not been met fully, the Ministry of Hillcountry New Villages, Infrastructure & Community Development moved in with resources to

meet the future challenges whilst welcoming the other supporting Ministries, Regional Plantation Companies, Trade Unions and other Institutions to help continue the work and achieve the PHDT's concept of creating a "happy family" living with dignity. It is with pride I highlight that the PHDT is accomplishing its targets to achieve its ultimate goals.

Today we are celebrating 25 golden years of unparalleled accomplishment and looking back I am proud to say that we have come a long way despite many obstacles and a rugged path. During this period programs were conducted to upgrade the existing line rooms through re-roofing, roof plus and converting them to twin cottages, double barracks, up stair houses and core houses. Thereafter we continued better housing under programs such as New Life Housing, 100 day housing, Green Gold Housing along with special projects such as field rest rooms, Child Development Centre's, Concrete roads, community centers and water and sanitation projects, with the sole idea of enhancing the life style of the plantation community.

In addition to this the PHDT was involved in the upliftment of the health and nutrition levels of the community by carrying out diverse health nutrition programs with the latest being the launch of "Tikiri Shakthi" at the first ever World Children's Day Commemorative program held in the plantations at National level. The Ministry of Hill Country New Villages, Infrastructure and Community Development readily allocated a budget of Rs40Mn to accomplish this venture.

PHDT continues to be recognized for its financial transparency and clarity at the Annual Report Awards by the Institute of Chartered Accountants of Sri Lanka and the South Asian Federation of Accountants (SAFA). We were also recognized at the Social Dialogue (SD)

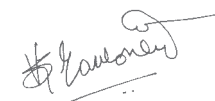
Excellence Award 2014 for small scale service sector organisations in the SD and Workplace Co-operation competition conducted by the Department of Labour and the Ministry of Labour and Labour Relations.

It is my duty to thank our Donors, Government Ministries, Regional Plantation Companies, Trade Unions and all other stakeholders for their dedication and cooperation extended to the PHDT.

On this anniversary AGM I also take this opportunity to extend my gratitude to all my colleagues on the Board and the former Chairmen and Directors who have extended their unstinted cooperation at all times for the success of PHDT. I must commend and thank all staff members, Internal and Regional Directors of PHDT under the dynamic leadership of Director General Mr. Lal Perera who have always supported and facilitated the activities of the PHDT and for the cooperation extended at all levels.

Finally I thank the Hon Palani Thigambaram M P Minister of Hill Country New Villages, Infrastructure and Community Development for the valuable guidance and directions given to steer through and promote social welfare facilities to the plantation community.

I am confident the PHDT will continue to be the leading human and social welfare development organisation, providing its services to elevate the quality of life of the plantation community thereby increase national production and uplift the economy of "Mother" Sri Lanka.



V. Puththirasigamoney  
Chairman

# Director General's Message



Life is only a journey for us, but what we do on this journey can remain significant for all travellers to follow. Continue together was the beginning. Being together was progress and working together was the success.

**Rs. 2.6bn**

Investments 2017



It is with great pleasure and pride that I begin this Annual Review with the announcement of PHDT completing 25 years of dedicated service this year to uplift the quality of life of the plantation community. The achievement of this milestone necessitates briefly to reflect on our beginning.

Tea and Rubber plantations originated from colonial times under the British rule from 1866. After the nationalization of Estates, it was difficult for the plantation sector to maintain its productivity and profitability with the inherited large population on its Estates. The working and living conditions of the workers and their families also became issues of serious concern, inducing various measures to improve their general health situation.

The Government sector plantations managed by the Sri Lanka State Plantations Corporation (SLSPC) and Janatha Estates Development Board (JEDB) were leased out to twenty-three (23) Regional Plantations Companies (RPCs) established under the Companies Act No. 17 of 1982, during the period 1992-1994. At the same time, the Government entered in to management agreements with some private sector companies managed by the Regional Plantation Companies. In 1992, Government owned large estates were privatized.

The Plantation Human Development Trust (PHDT) was first established on 18th September 1992, as the Plantation Housing & Social Welfare Trust (PHSWT) and incorporated in Sri Lanka under the Companies Act No. 17 of 1982. The Organization was later re-named as the PHDT on 10th October 2002. The PHDT is a Tripartite Organization consisting

of the Government of Sri Lanka (GOSL), Regional Plantation Companies (RPCs) and Plantation Trade Unions (TUs) formed by the GOSL to implement social development programmes to enhance the quality of life of over one million Plantation Community in the Estates managed by the RPCs.

The Plantation workers and residents have been significantly empowered by the establishment of Estate Worker Housing Cooperative Societies (EWHCS) which provided them loans and access to many goods and services within their respective estates, as well as creating job opportunities. They were first established in 1993, by the Plantation Human Development Trust (PHDT), in collaboration with the Department of Cooperative Development, mainly with the intention of disbursing funds to construct houses for estate residents. EWHCS have now been set up at all estates and constitutionally headed by the management of the Regional Plantation Companies (RPCs) at present. This has been done with the moral intention of managing funds released by the Government to develop plantation housing in a more transparent manner and make the management responsible by maintaining high financial transparency until the membership is found capable and accomplished of running the affairs of the EWHCS on their own.

Employee satisfaction is depended upon the strong relationship between employer and employee. It contributes to high performance of the business organizations. Therefore, facilities, benefits and working environment provided to employees, nature of the work assigned to them and quality of

work maintained by the employees are considered as main factors to build up the level of relationship between the two parties. By conducting regular EWHCS meetings with its membership, it is expected that this association is strengthened. Giving workers access to forums where they can address challenges around working conditions alongside estate management and empowering them contributes to a more sustainable plantation sector. This has given them more opportunities to create an open social dialogue to create a win situation and to provide means to identify improvements in community development.

The Board of Directors and our Senior Management Team working in concert with PHDT, we were able to put together a solid strategic plan for the future of our Organization over the next twenty-five years. We recognize that the face of PHDT will be changing significantly in the coming years, as we embrace new ways of meeting the needs of the people we service. We intend to be prepared and proactive. The Ministry of Hill Country New Villages, Infrastructure & Community Development, is looking at meeting more needs within a restricted budget by utilizing innovative approaches to collective housing, so that everyone is able to enjoy the comforts of their own home. They can be provided for in a safe, clean and energized community based green environment.

We have only recently successfully introduced the Farmer Driven Housing concept by creating a green environment, whilst we fully support the concept of providing more people the housing they need,

# Director General's Message contd.

we do not wish to return to that congregate setting where masses of people lived in a segregated environment.

We meet all our Stakeholders and many others to assess how effective we are in doing our job and responding to the needs of our community and the people we support. I am proud to say our collective efforts at restoring PHDT to the strong community partner it has been in the past have been successful. Our staff is pleased with our management focus and understand that our policies and procedures are fully enforced for their security and wellbeing of their families.

Our team of Directors have made a firm commitment to PHDT to stabilize our Organization, bring a sense of common purpose back to our staff, re-engage our community and put us in a position of growth for the future. We have been eminently successful in this effort and for that we appreciate and are thankful to the Board of Directors for the confidence placed in us.

The last year has been a very stimulating time for PHDT Community Services. In 2017, PHDT has invested over Rs. 2500 Mn. to develop housing and infrastructure in the plantation sector using Ministry funding.

- **Housing**

Rs. 2,000 Mn. allocated to plantations, out of which Rs. 1,500 Mn. claimed during the year, completing nearly 70% of its work.

- **Safe Drinking Water and Sanitation**

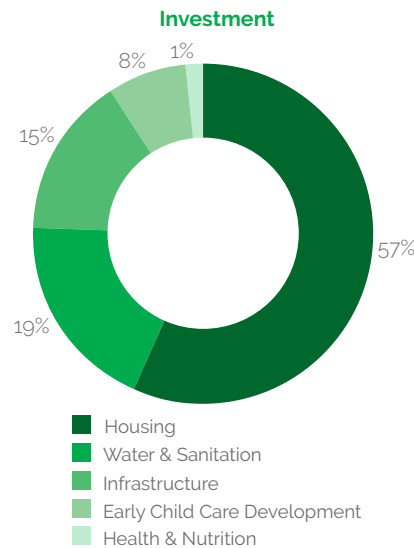
Rs. 500 Mn. Utilized and 11 projects launched during the year and it is the first time a large sum of money is allocated for safe drinking water in the plantations.

- **Infrastructure Development**

Rs. 400 Mn. invested during the year to improve the Infrastructure Development and 90% of the activities completed during the year.

- **Early Child Care Development**

Rs. 200 Mn. has been utilized during the year to develop the existing Child Development Centers and parental awareness programmes during the year under review.



Our organization will continue to work hard by increasing our visibility in the community with key initiatives, in recognition of Community, partnering with all the stakeholders such as RPCs, Ministries, Trade Unions, Provincial Authorities and the Planters Association, which recognizes and acknowledges many of the people we support, to be the most successful ever; developing a tremendous relationship with every one continuing to produce high quality output at work.

### Highlights for 2017

- 2,254 Green Gold Housing Units were allocated
- 403 Disaster relief housing Units were allocated to landslides and flood victims
- Health Programmes to uplift healthiness in the plantation community
- "Tikiri shakthi" Nutri bar for under nourished children was issued at an investment of Rs: 40Mn
- First ever Children's Day celebration was held in the plantations with a record number of participants over 8,000
- Issuing of clear title deeds for house with 7 perches land was issued to the community
- Inter plantations Volley ball Tournament was conducted in all regions
- Provision for safe drinking water under the World Bank assisted water and sanitation project
- Early Child Care Development Project under World Bank assistance.



## Accolades

We have great pleasure in placing on record that PHDT continues to be award winners for Social Dialogue & Workplace Cooperation by the Department of Labour and for its transparency and best accounting practices by the Institute of Chartered Accountants of Sri Lanka and the South Asian Federation of Accountants.

## Future Developments

Create a sense of belonging among the community and improve on the green environment by bringing in the concept of farmer driven housing in to the sector. Introducing Solar power, rain water harvesting, Garbage disposal units and Waste water management systems.

## Appreciation

It takes a well-coordinated effort and I'm delighted to share with you our 2017 Annual Report. I continue to be inspired by the enthusiasm and generosity of the Government of Sri Lanka, Ministries, RPCs, Donors and partners across the region, whom we are fortunate to work with and learn from. Together, we are supporting a thriving plantation sector that is being better equipped to meet the future challenges together with the inclusion for all with us – the PHDT house of community service.

I deeply appreciate the strong commitment and continuous support given by Hon. P. Thigambaram – Minister, Mrs. N. Ranjini - Secretary to the Ministry of HCNVI&CD and all other relevant officials. I also appreciate the coordinated effort by the Ministries of Plantations, Health, Finance, City

Planning, Women & Child Affairs, Lands, Disaster Management and Department of Cooperatives, Land Reform Commission (LRC), Ceylon Electricity Board, NBRO, Disaster Management Centre, etc. Regional Planation Companies, Trade Unions, Government and Non-Government Organisations.

I also express my gratitude to the Chairman – PHDT, Mr. V. Puththirasigamoney and the Board of Directors for their valuable guidance,

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



L.R. Perera  
*Director General*

# Board of Directors



Mr. V. Puththirasigamoney  
(Chairman)

Mr. S.K.L. Obeyesekere

Mr. D.S. Seneviratne

Mr. G.D.V. Perera

Mr. M. Ravindran



Mr. S. Arullamy

Mrs. W.L.M.A.Liyanage

Mr. J.M. Kariapperuma

Mr. B. Bulumulla

Mrs. W.M.T.D. Wickremasinghe



## Board of Directors contd.

### **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 LJEWU and Administrative Secretary and Vice President of CWC and now the Senior Advisor of NUW. In political career his is the most senior Upcountry Tamil Politician, who was elected as Deputy Mayor of Nuwara Eliya in 1983 and as Member of Provincial Council in 1988 and has held the Office of Deputy Chairman and Minister of Education(T), 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. 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 Nuwara Eliya District Cricket Association and Football League.

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 functioned as the Chief Executive Officer of two RPCs over a period of 25 years. He is a Fellow of the National Institute of Plantation Management in Sri Lanka and counts over 44 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 is a past Chairman of the Planters' Association of Ceylon and the Plantation Employers' Services Group of the Employers Federation of Ceylon. He served as an elected member of the Ceylon Rubber Traders' Association & the Ceylon Tea Traders Association and as a nominated Council Member of the Employers' Federation of Ceylon. He is a member of the National Labour Advisory Council (NLAC).

He serves in the Boards of National Institute of Plantation Management and the Tea Smallholder Factories PLC of John Keells Group.

Currently he functions as the Secretary General of the Planters' Association of Ceylon.

## 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 30 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/ Chief Executive Officer of Talawakelle Tea Estates PLC. He serves as a Committee Member of the Committee of Management of Ceylon Planters' Provident Society.

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 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 Agrapatana Plantations Limited in 2006. Director, Union Commodities(Pvt) Ltd.

He is a past Chairman of the Planters' Association of Ceylon and 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 Organizer of the LJEWU from 1993.

Apart from this, he has involved himself in the local politics, holding posts in the Ambagamuwa Pradeshiya Sabha. He was elected as 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 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.

## Mr. S. Arullsamay

Mr. S. Arullsamay who is representing the Ceylon Workers' Congress as the Vice president started his career 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 wellbeing of workers in Sri Lanka, including 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 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. Chandrasekaran.

# Board of Directors contd.

## Mrs. W.L.M.A. Liyanage

Mrs. Liyanage obtained her first degree BSc Business Administration (Special) Finance from the University of Sri Jayewardenepura and completed Masters in Financial Economics from the University of Colombo. In addition to that, she is an Associated Member of 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 and Mass Media.

## Mr. J.M. Kariapperuma

Director/Chief Executive Officer of Horana Plantations PLC since December, 2013 and serves in the Board of Directors of Vallibel Plantation Management Ltd., and Uni Dil Packaging Ltd.

He is in continuous service for 34 years in the Plantation Industry of which 25 years in the Senior Management capacity in the Corporate Sector.

He has functioned as Head of Produce/Marketing at Hapugastenne Plantations PLC and Udapussellawa Plantations PLC managed by Finlays Tea Estates Lanka Ltd., as well as the Manufacturing Advisor of Balangoda Plantations PLC.

He is commissioned as a Professional Officer in the Sri Lanka Army Volunteer Force as Lieutenant Colonel and also has successfully completed a course in General Management Programme conducted by the Business School of National University of Singapore.

## Mr. B. Bulumulla

Mr. Bhathiya Bulumulla has 32 years of experience in the plantation sector, out of which 19 years in Elpitiya Plantations PLC. He was an Asst. Manger, a Manager and a Group Manager in State Plantations Corporation, Kotagala Plantations and Bogawantalawa Plantations respectively, before joining Elpitiya Plantations PLC.

He was appointed as Deputy Chief Executive Officer of the company in 2011, and promoted to the position of Chief Executive Officer of Elpitiya Plantations PLC In 2013. He also was appointed as an Executive Director at Aitken Spence Plantations Management PLC in 2017.

He holds a Diploma in Plantation Management from National Institute of Plantation Management, B.Sc (honours) degree in Plantation Management awarded by Wayamba University and hold Msc. in Environment Science from Open University of Colombo. He is a Fellow member of National Institute of Plantation Management, a visiting lecturer at NIPM and Wayamba University, and an Honorary Board member of Estate Staff Provident Society.

## Mrs. W.M.T.D. Wickremasinghe

Mrs. W. M. D. T. Wickremasinghe, a Member of Sri Lanka Administrative Service, in possession of a B.Sc. (Special) Degree from the University of Peradeniya, is an Additional Secretary (Development) to the Ministry of Plantation Industries. She also serving on the Board of Directors of Sri Lanka Tea Board, and Export Development Board.



# Head Office Directors



**Mr. R.Y. Kulatunga**  
(Director Finance & Administration)

**Mr. A.P. Abeysekara**  
(Director Engineering)

**Dr. P.H.S. Ananda**  
(Director Health)

**Mr. H.M.W. Herath**  
(Deputy Project Director - ECDP)

# Regional Directors



**Mr. C.U.B. Ranasinghe**  
Senior Director  
(Kegalle Region)

**Mr. R.V.A.N.P. Wijeratne**  
Regional Director  
(Hatton Region)

**Mr. A.S. Ratwatte**  
Regional Director  
(Galle Region)



**Mr. L.P.A.N. Senaratne**  
Regional Director  
(Badulla Region)

**Mr. A.S.B. Ekanayake**  
Regional Director  
(Ratnapura Region)

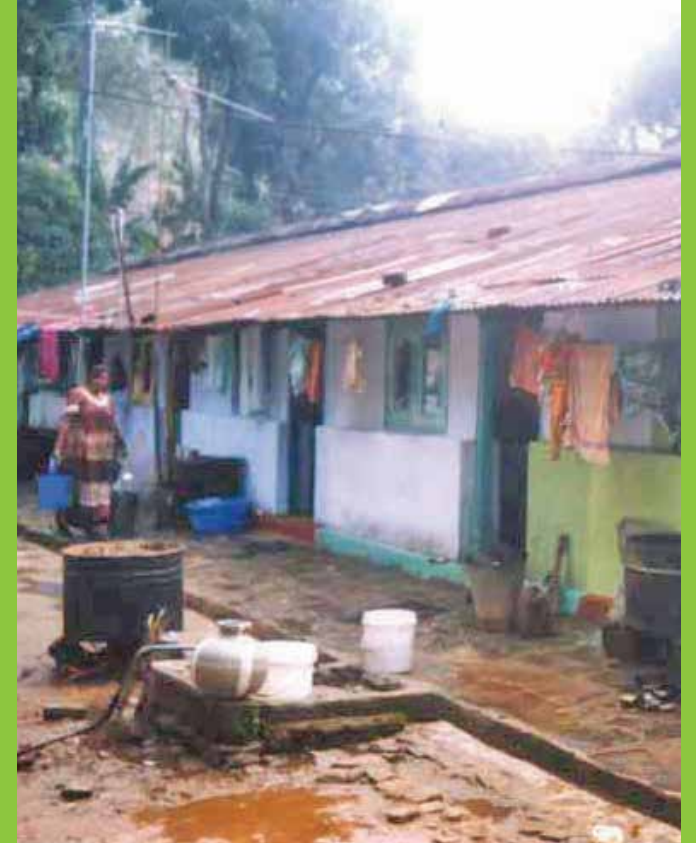
**Mr. D.H.A. Wijewardhana**  
Regional Director  
(Nuwara Eliya Region)

**Mr. A.H.W. Munaweera**  
Deputy Regional Director  
(Kandy Region)

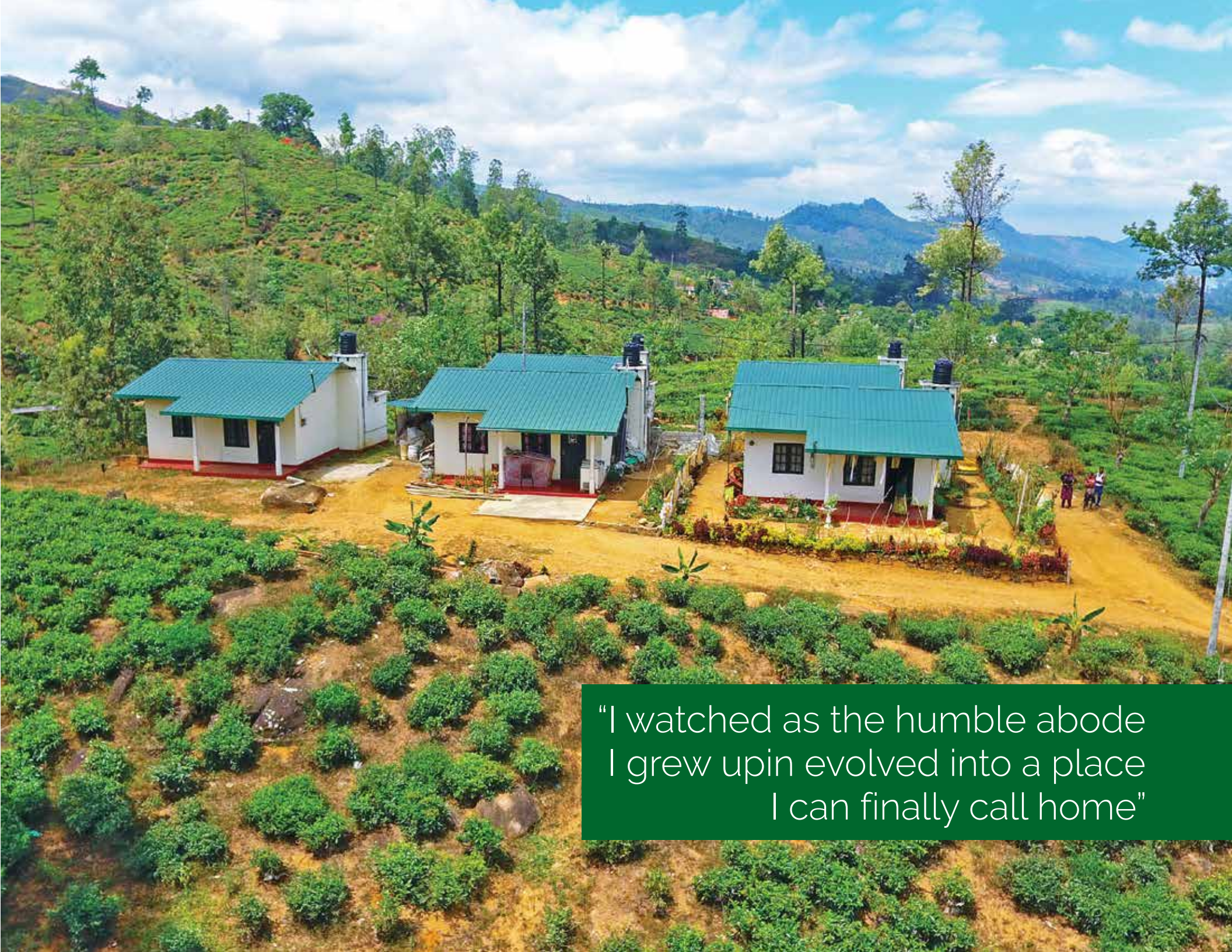




# Progress





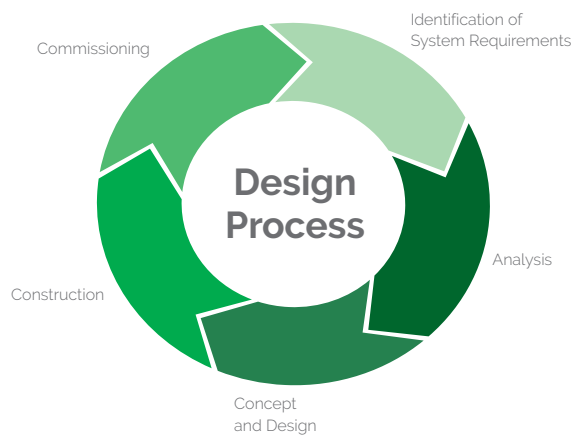


“I watched as the humble abode I grew up in evolved into a place I can finally call home”



# Housing & Infrastructure

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. Housing and infrastructure activities is the lifeline that orients itself in construction through which, the community benefits. Housing is the most pressing problem for the Estate workers since they are living in line houses which were constructed more than 150 years ago and most are now in dilapidated condition. This certainly would pave the way to address issues related to reduction in labor –outer migration and increase productivity through a healthy and efficient work force.



The construction of houses have changed throughout the years, where at the start, the houses

were plastered and the roofing of the houses were earlier done with asbestos sheets and now considering the health hazards, it has been re-designed with usage of zinc aluminum sheets. The houses are handed over with fully plastered and sanitation work, where in the past was a separate latrine behind the houses. The present houses are built with tiled floor latrines and additionally, a separate bathroom is included so that, life of the estate community can be steadily forwarded to the mainstream life style.

Efforts have been taken to improve the standards of the housing units over the years in order to improve/ dignify the life style of the community.

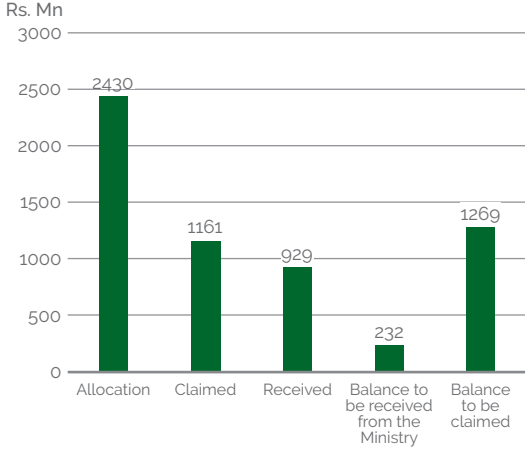
From New Life Housing to Green Gold Housing			
	New Life Housing 2014/15 (515,000/-)	Green Gold Housing 2016 (650,00/-)	Green Gold Housing 2017 (950,00/-)
Foundation	Rubble	Rubble	Coulumns, Plinth beam, Rubble
Walls	Cement, Block walls	Cement block walls	9 Nos Column & Block wall
Floor Rendering	1 Room	1 Room & Living Room	2 Rooms, Kitchen & Verandah
Plastering	1 Room	1 Room, Kitchen & Living Room	Internal & External full plastering
Plinth Plastering	-	-	Full Plinth Plastering (Surrounding)
Painting	-	-	External (Front side)



**Year 2017 Housing Programme**

Infrastructure development has become the most important need in the plantation sector. The plantation sector plays a significant role in the economy of the country. Therefore the community should be supported in the social and economic aspects. The Ministry of Hill Country New Villages Infrastructure & Community Development has taken the leadership to fulfill this requirement. In the year 2017, Ministry of Hill Country New Villages Infrastructure & Community Development has allocated 2,430 housing units which is the highest number of housing units for the plantation sector community covering all PHDT Regions totaling to a value of Rs.2, 430 M.

Region	No. of Units	Value Rs. Mn
Galle	256	256
Ratnapura	251	251
Badulla	290	290
Kegalle	95	95
Kandy	335	335
Hatton	766	766
Nuwara Eliya	437	437
Total	2,430	2,430



This included 406 Disaster Relief Housing, 136 Owner Driven Housing and 100 units undertaken at Strathdon Estate of Hatton Plantations Limited which is a pilot project on Pre-fab housing for the first time to the plantation sector.

As at end of the year under review 1,045 houses were nearing completion and the balance houses are targeted to be completed by April 2018.

Out of an allocation of Rs.2,430 M for Green Gold Housing (including Disaster Relief, Owner driven, Pre-Fab), the PHDT has manage to claim Rs.1,161 M as at 31.12.2017 and this is approximately 50% financial progress as shown in the table given below.



# Housing & Infrastructure contd.



- It was experienced that cracks appearing on walls due to poor soil conditions and we have introduced plinth beams and columns. This has prevented cracks appearing on walls and also the fixing of roofs before the walls has helped us to face the adverse weather conditions too. We were able to carry out internal work even during bad weather conditions.

## Re roofing

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 2017, the Ministry provided Rs. 76 Mn to undertake 1621 units re-roofing and the sheets have been distributed to the regions and the work is in progress.

## Re-roofing Programme

Region	No. of Sheets
Galle	2,257
Ratnapura	5,624
Badulla	10,121
Kegalle	435
Kandy	1,211
Hatton	2,617
Nuwara Eliya	2,865
Total	25,130

## Challenges and Lessons Learnt

- The selection of contractors for large projects should be done with special care and we formulated a rating system for contractor selection which immensely assisted the effective progress of the projects. A scientific evaluation was carried out as to the assessment of contractors financial and technical capabilities and those contractors who reached the minimum of 50% of the ratings were recommended.
- 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.
- Identification of substandard and poor workmanship and effecting corrective and preventive action.





The re-roofing projects undertaken in the estates through the implementation by the PHDT covers a population that have not been entitled with new housing and with decaying and rusted old roofing. Understanding the much spoken actual need is the correct path that has been taken by our Organization, as this is a very much of importance to the estate workers and their families, as during the wet season, they are affected badly by leaking of roofs and even at times, due to wind damage, destruction of the roofs.

In addition to the re-roofing, the frame work of the roof were also repaired and replaced with the contribution of the estates and its beneficiaries, which structurally certifies the quality of the roof for the years to come.

### Child Development 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.

### Upgrading Child Development Centres

Region	No. of Units
Galle	02
Ratnapura	02
Badulla	03
Kegalle	03
Kandy	03
Hatton	03
Nuwara Eliya	03
Total	21



# Housing & Infrastructure contd.

## Indian Housing Programme

Construction of 14,000 houses for the plantation community under the patronage of the Government of India is underway. As the first phase 1,134 houses are being completed and the 2nd and 3rd phases are to commence in the future.



## Special Projects

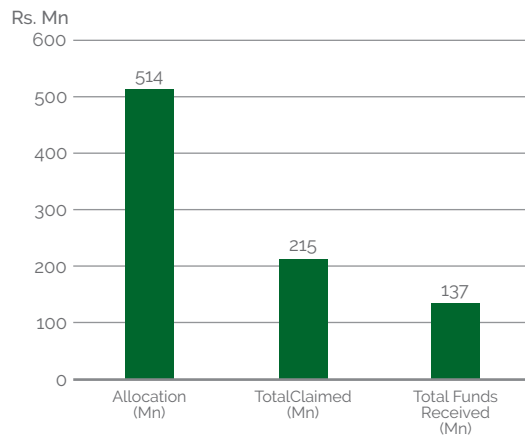
These programmes have been implemented to benefit the estate community in many ways. Either than concreting roads, those other projects were mainly done as community empowerment programmes, religious area development programmes and community society development programmes which too plays significant role in bringing these communities to the mainstream of community life styles.

The year 2017 can be named as year that PHDT has carried out most number of special projects. We were able to get so many extra works throughout the year. By end December 2017, we have managed to complete more than 50% of what we got.

The details of special project allocation along with number of units are given in the table below.

Activity	No. of Units	Allocation Rs. Mn
New Latrines	432	29.08
Re-Roofing Phase I	741	28.24
Re-Roofing Phase II	880	39.60
Community Centres & Cultural Halls	21	27.39
Concrete Roads	182	264.70
Upgrading Playgrounds	27	19.35
Water Supply Projects	67	34.31
Upgrading CDCS	24	18.15
Bosco School Latrines	01	1.00
Material Supply	81	14.35
Other Infrastructure	39	28.01
<b>Total</b>		<b>504.18</b>

Out of the total approved allocation amounting to Rs.514 Mn, we have processed claims worth of Rs.215 Mn which is 45% as against received Rs.137 Mn received from the Ministry.



In addition, the Ministry of Hill Country New Villages Infrastructure & Community Development has allocated few activities for the disaster victims which took place in Southern Province of the island and the details given below;

No.	Activity	No. of Units	Allocation Rs. Mn.
1.	New Latrines	55	3.70
2.	Water Supply Projects	04	2.35
3.	CDC Roof Repair/Line Rooms	-	3.84
4.	CDC Repairs	04	0.69
5.	Re-roofing Disaster		28.00
	<b>Total</b>		<b>38.58</b>

### Concreting Roads

The road concreting programme has seen significant division and adaptation in the near past through proper evaluations, where the quality and standards were highlighted mainly in which, thorough checking of the leveling of road, checking of materials for the standards and managing of the height, width and length to proper standards and doing quality assurance test so that, these roads

would not be broken or unusable in the years to come, as these lessons were learned mainly in the past from programmes we have implemented.

The continuation of a forward programme where every year, in stages, the respective estate roads are upgraded rather than like in the past, doing these road work all throughout the estate with no proper planning. This has now overcome through the proper planning and organization evaluation of programmes and will be moving forward in the years to come with more improvements to follow.



Before



After



**Free-flowing**





“Clean water is a human right-one that my community will never have to be deprived of again”

# Water & Sanitation

## Latrines

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. The common latrine concept has been changed and individual latrines are provided to each family.



In the past, the roofing of the toilets were done with corrugated zinc aluminum sheets and the lessons learned was that the sheets were used by the community for other purposes and removed from the latrines, where the latrines are in the situation of unusable condition and overall of the project been failure. The re-correction was done by using a concrete slab and to keep it hygienic, it is elevated above the ground level and the floor was tiled and in the future, many new adaptations will be trialed with.

## Water and Sanitation Project Funded by The World Bank(WASSIP)

World Bank Assisted Water Supply and Sanitation Improvement Project (WASSIP) is implemented by the Sri Lankan Government with the assistance of the World Bank to Increase access to safe drinking piped borne water services and improve sanitation facilities. The project is implemented in seven selected districts of Mulativu, Kilinochchi, Nuwara Eliya, Badulla, Moneragala, Kegalle, and Ratnapura. The Ministry of Hill Country New Villages, Infrastructure & Community Development along with the Plantation Human Development Trust (PHDT) assist the Ministry of City Planning & Water Supply to implement this project in the plantations of Nuwara Eliya District. The project provides access to piped borne water and improve sanitation to the Estate population as well as to rural areas, observing a demand responsive approach. The project is targeting around 15,000 families (60,000 people) to gain access to safe water through approximately 40 mega projects in selected Estates. A Tariff system will be appropriately structured and introduced to cover all operation and maintenance costs. Selection of schemes is based on agreed criteria. PHDT along with the District Supportive Unit of the Project has prepared a detailed and time-bound implementation plans.



**Salient features of the project are**

- Investment for the plantations is Rs: 1,400Mn for Water supply projects & Rs: 500Mn for 12,500 latrines.
- Provision of treated safe drinking water after due purification process
- 130 water schemes
- Construction of 20,000 individual latrines during the implementation period of 2015 to 2019.
- Installation of water meters to the community

Estate	Units	No of Division	House Hold	Allocation
Strathdon	1	5	1104	75.04 Million
Bogawana	1	3	803	86 Million
Mocha	1	4		69.31 Million
Norwood	1	7	On Progress	82 Million







High Protein Nutri Bar  
அதி ஊட்டசத்து வாய்ந்தது

50g



NOT FOR SALE  
விற்பனைக்கு அல்ல

**Sponsor:** Ministry of Hill Country, New Villages Infrastructure & Community Development  
அனுசரணை: மலைநாட்டு புதிய கிராமங்கள் உட்கட்டமைப்பு மற்றும் சமுதாய அபிவிருத்தி அமைச்சு

**Approved By:** Ministry of Health, Nutrition & Indigenous Medicine/ ITI

# Health & Nutrition

“In the early 1980's 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.”



# Health and Nutrition Activities

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 the PHDT in 1993, it has performed a supportive, coordinating and facilitating role in the promotion and delivery of health and childcare on estates. Government Health Ministries, UN Agencies, Non- Governmental Organizations, donors, etc continue to assist PHDT for the successful implementation of health and child care programmes to date.

## Maternal Care

The provision of maternal care on estates is assessed by the level and time of antenatal registration, clinics, attendance, and place of delivery and postnatal care by the qualified midwives in Estates and nutritional levels with the support of Estate health staff under the guidance of the Medical Officer of Health (MOH). In addition to clinical services, the estate midwife visits mothers at home to ensure early registration and to follow up during pregnancy, ensure safe delivery at hospitals and provide the best postnatal care. The percentage of mothers registered annually has been consistent in the high nineties. Many education programmes conducted for mothers, young females in families by the midwife and Estate Health team has contributed heavily towards high early registration.

## Free Grant of Drugs

Free grant of drugs were received from the Medical Suppliers Division of Ministry of Health to the value of Rs. 20Mn during the year under review and distributed to estates through PHDT regional offices.



## Oral Hygiene & Hand washing programme

Oral Hygiene & Hand washing programs were conducted for the overall health & wellbeing of Sri Lanka as a platform to educate Children on the importance of good Oral Hygiene with the support of multinational giant Unilever Sri Lanka







### 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 at multiple negative health outcomes. Particularly in the area of reproductive health, a majority of those directly experiencing such violence are women and the main perpetrators are men.



With the support of the World Health Organization (WHO), the PHDT organized a Gender Awareness programme to enhance the knowledge on GBV to the Managers, EMAs and Welfare Officers in Kandy Region covering 60 Estates. We intend to raise awareness on GBV among the Estate community through their enhanced sensitivity to this matter

#### 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 population.

#### 3. Training of Plantation Family Welfare Officers (PFWOs)

As part of sensitisation of 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 Plantation areas in the near future.

### Promotion of Decent Work Opportunities in the Plantation Sector with International Labour Organisation

The above Project which is sponsored by International Labour Organization (ILO) was successfully implemented in Galle and Rathnapura Regions. This Project was designed to cater the tripartite stakeholders of the plantation sector by focusing on five specific areas namely Youth skill development, Social dialogue, Occupational Safety and Health (OSH) International Labour Standards (ILS) and Labour inspection system application (LISA). This also to fulfill the objectives of improving the education and training opportunities on core work and life skills of rural plantation youth, Building capacity on social dialogue among tripartite constituents to improve the occupational safety and health in tea and rubber plantation sector, Creating awareness among plantation management and workers on international labour law standards relevant to the plantation sector, increasing awareness and practice on occupational safety and health among the plantation workers, staff and the managers the improvement of labour inspection system in the plantation sector. The strategies of awareness creation, Training of trainers, capacity building of key stakeholders, pilot

# Health and Nutrition Activities contd.

initiatives and Disseminate information through training materials and cascade trainings are used to meet the objective of the projects. The amount of Rs. 11,473,590.00 has been budgeted for this project and the activities of Youth skill development, Social dialogue, Occupational Safety and Health (OSH) have been completed successfully and the balance activities are being continued and will be completed by the end June 2018.

## Work shop on Non Formal Education



## Progress Reviews Meeting PHDT Staff with Estate Health & Welfare Staff



## Addressing Under Nourishment

Continuous research finding in the plantations it was observed that there is a prevailing under nourishment among the children. Though many organisations including the government institutions as well as private establishments have carried out numerous surveys and the researches to formulate a permanent solution to eliminate the malnourishment from the plantation sector no constructive solution is arrived at up to now. There have been many software programs on nutrition values, foods, food habits of plantation community and many solutions have been given with supplementary foods.

The PHDT being a catalyst organization addressing malnourishment and that is directly dealing with the plantation community decided to explore a fruitful permanent solution for this problem.

As a result of many efforts, we identified plantation children between 24 to 60 months as the beneficiary group and the strategy was established to actively feed all the children of this age with a suitable food rich with protein.

We introduced the protein rich Nutri bar namely "TIKIRI SHAKTHI" designed under the supervision of the Medical Research Institute and Industrial Technology Institute of Sri Lanka with nutritive value of 10-15g of protein, 200-300K.cal and 20% of vitamin and mineral for a daily requirement of a child of this age.

This high protein nutria bar was designed with 50g of weight and 10 – 12 g of protein.

The health division of the PHDT with the great assistance of the Ministry of Hill Country New Villages, Infra Structure and Community Development, to invented "TIKIRI SHAKTHI" Nutria bar to feed the above beneficiary group of the plantation children as a pilot project to supply approx. 1Mn Bars.

The Ministry of Hill Country New Villages, infra Structure and Community Development funded with Rs. 40Mn for this project and 41,000 children between 24 – 60 months who are living in 453 estates benefited.

This was launched to coincide the Worlds Children's Day celebrations held in Nuwara Eliya on 1st October 2017 under the patronage of the Hon Palani Thigambaram, Minister of Hill Country New Villages, Infra Structure and Community Development.





### Awareness programs

#### Awareness on Registration of Births and Deaths

PHDT together with Government Officials conducted awareness programs on Registration of Births & Deaths for estate Health & Welfare staff. Our network with government agencies have been a strength for these awareness program which were highly attended.



### Distribution of Wheel chairs

48 Wheel chairs were distributed among the estate community in the Kandy Region.





# Health and Nutrition Activities contd.

Awareness on Tuberculosis programs were held with the participation of regional estate staff



Cancer Control



Hearing Aids for 29 beneficiaries were distributed during the year 2017 in Kandy Region.



Breast feeding day in Kandy Region with 80 Nos of participants.



Regional Health Steering Committee has been established in collaboration with Regional Health Staff, Planters Association and Senior Plantation Managers.



### Health Return Awareness Programs

We have conducted the above programme for the 7 regions to get accurate data and timely submission to the regional office with zero errors. All regional staff members attended these programmes.



The health and nutrition is a lifeline for the needy people in a society and community in the aspect of health, where issuing of free drugs and advising and training of health staff, organizing of programmes, collecting of data of the estate community population and attending to the early childhood care are some of the areas covered by the PHDT health division. However there are avenues yet to be improved such as

- i. Working in collaboration with the Department of health and its offices in the coverage of the estates, where the estate community benefits from all projects implemented through the Organizations.
- ii. Extending the issuance of "Nutri bar" for every estate child with low birth weights and low growth rates, as this project has given positive results and will be of great assistance to the parents of the estates in the future.
- iii. Increase active workshops for healthy lifestyles, as this is of much importance to the health of the community.

- iv. Environmental hygienic of the estate and its living conditions:

This is implemented through understanding project study programmes and final evaluations on how and what should be done. As a part of this programme, gathering volunteers from the estate community and training them as TOTs and involving them through awareness programmes, environmental hygienic camps, etc., so that, they continuously practice what they learned with their communities.

- v. Organizing nutritionally valued programmes where families are encouraged to do home-gardening, organic farming, cooking nutritional food, etc. where these projects will result like many of the other projects undertaken by the health division in the coming years.

- vi. Teenagers/school children's programmes:

This is with the objective of developing a better future for the youth of this community where health camps, study programmes in relation to healthy lifestyles, sex and sexuality, etc. are covered which will result in reduced teenage pregnancies, effective family planning, reduction of sexual transmittal diseases etc, with proper post audit evaluation.

Other than the abovementioned projects, special projects such as regional health steering committee meetings, special awareness programmes should be strengthened for the overall benefit for the plantation community.









# Child Care & Development

“We believe in providing children with a solid education, early in life, as this is critical to the future development of our country.”

# Early Childhood Development Project (ECDP) in Plantations (Assisted by World Bank)

## Overview

Recognizing the importance of investing in early childhood care and development, the government has launched the Early Childhood Development (ECD) project with the assistance of the World Bank. The five-year project from 2016 - 2020 is implemented with the aim of enhancing equitable access to ECD services while improving its quality. The quality early childhood education is a mandatory factor which has a direct influence towards the development of a country. Basic learning skills and personal-social capacities are acquired at a young age, and subsequent abilities build on these foundations. Preventive and promotive interventions in the early years achieve more and cost less than remedial interventions at later ages. A good foundation in early childhood education has an impact as it is these children who will become decision makers in future and they can give a better start to the next generation.

## Vision

"To develop a child caring home, which is accessible and centrally located in a secured environment, well supported by the Estate Management in the care of a well- trained care giver, facilitating total child development, which is linked to the formal educational system"

## Mission

"To encourage and foster total childhood development by creating an environment which provides learning opportunities; stimulates language and thinking skills; develops independence; teaches self-control, co-operation, helping and sharing; so that children will be set on the right path to become well-rounded individuals, who will be able to make a positive contribution to the Plantation Community and society as a whole"

## Plantations Component

The Plantation sector, with its distinct, historically marginalized, resident worker population needs special support to enhance the quality of ECD services. ECD project has been implemented by the Plantation Human Development Trust (PHDT), through an agreement with Ministry of Women and Child Affairs and a tripartite organization consisting of GoSL, Regional Plantation Companies and Plantation Trade Unions. PHDT is successfully implementing the 3rd year of the project in the plantation sector under 2 Main components and covers all the Regional Plantation Companies, which are;

- I. Hardware Activities(Construction)
- II. Software Activities

Activity No	Activity	No of Units	Allocation per Unit Rs: Mn	Total Allocation Rs: Mn
1	Construction of New CDC's	140	6.50	910.00
2	Renovation of ECCD	175	1.30	227.50
3	Construction of New Play Area	175	0.35	60.27
4	Renovating Existing Play Area	210	0.25	52.50
	<b>Total Hardware Activities</b>			<b>1,250.27</b>
5	Diploma Programmed	13	3.2	41.60
6	Advance Refresher Training	51	0.5	25.50
7	Awareness Programs for Parents	350	0.05	17.50
	<b>Total Software Activities</b>			<b>84.60</b>
	<b>Total Project Investment</b>			<b>1,334.00</b>

## I. Hardware Programmes

### ECD Project in Plantations (2016 – 2020)

#### Hardware Activities

Activity No	Activity	Total no of Units	2016-2020 Allocation per Unit (Rs/ Mn)	Total Allocation (Rs / Mn)
1	Construction of New CDCs	140	6.5	910
2	Renovation of CDC's	175	1.3	227.5
3	Construct new play areas	175	0.35	61.25
4	Renovate existing play areas	210	0.25	52.5
	<b>Total</b>			<b>1,251.25</b>

#### Hardware Activities - Achievement

No	Region	Replacing CDC's	Renovation CDC's	New Play Area's	Renovation Play Area's
1	Galle	4	5	5	6
2	Ratnapura	1	5	5	6
3	Hatton	4	5	5	6
4	N'Eliya	3	5	5	6
5	Badulla	-	5	5	6
6	Kandy	4	5	5	6
7	Kegalle	4	5	5	6
	<b>Total</b>	<b>20</b>	<b>35</b>	<b>35</b>	<b>42</b>

### New CDC Construction



Anhettigama Estate-kegalle Region



Great Western Estate-Nuwara Eliya Region



# Early Childhood Development Project (ECDP) in Plantations contd.

## New CDC Construction Contd.



Delta Estate -Kandy Region

## Renovation of CDC



Elston Estate-Ratnapura Region

## New Play Area



Bentota Estate-Galle Region



Mount Vernon Estate-Hatton Region



Rothschild Estate -Kandy Region



Glentilt Estate-Hatton Region

### Renovation of Play Area



Delmar Estate-Nuwara Eliya



Melfort Estate-Kandy Region

### New CDC Opening Ceremony-Galle Region-Bentota Estate



# Early Childhood Development Project (ECDP) in Plantations contd.

## Hardware activities (2017) - Site Nominations

No	Region	Replacing CDC's	Renovation CDC's	New Play Area's	Renovation Play Area's
1	Galle	2	5	5	6
2	Ratnapura	5	5	5	6
3	Hatton	6	5	5	6
4	N'Eliya	7	5	5	6
5	Badulla	8	5	5	6
6	Kandy	4	5	5	6
7	Kegalle	4	5	5	6
	Total units	36	35	35	42

\*Construction work is in progress

## II. Software Programmes

### ECD Project in Plantations (2016 – 2020)

#### Software Activities

No	Activity	No. of Programs	Allocation per Unit (Rs /Mn.)	Total Allocation (Rs/ Mn.)
1	Diploma Programmes for CDOs	15	3.2	41.6
2	Refresher Training for CDOs	51	0.5	25.5
3	Awareness Program for Parents	350	0.05	17.5
	Total			8,4.60

#### Software Programme 2017 achievements

No	Activity	Target	Achieved	Regions							
				N'Eliya	Galle	Hatton	K'galle	B'dulla	R'pura	Kandy	Total
1	Diploma Programmes for CDOs	200	219	33	5	67	20	57	14	23	219
2	Parental Awareness Programme	350	152 (as at 28.02.18)	07	15	32	15	16	29	46	160

\*Awarding Ceremony for the CDO Diploma holders (2016 & 2017) is to be planned to conduct on May 2018.



### CDO Diploma Programme - 2017



### Parental Awareness Programme - 2017



Kandy Region



Badulla Region

Parental Awareness programs were conducted under the World Bank ECCD Project in estates in a very successful manner. The objective of the program is to educate on Early Child Care Development





## Estate Worker Housing Cooperative Societies (EWHCS)

Through the EWHCS, we have empowered plantation workers by providing them with loan facilities, career opportunities and access to a plethora of essential goods and services.

# Estate Worker Housing Cooperative Societies (EWHCS)

## Empower the Plantation Community

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 was first established in 1993, by the Plantation Human Development Trust (PHDT) in collaboration with the Department of Cooperative Development mainly with the intention of disbursing funds to construct houses for estate residents. The 425 EWHCS units functioning in the country (which include units located at both Regional Plantation Company and State-managed estates) having a deposit base of over 475Mn. Nearly 80% of the loans have been provided for housing purposes, while agricultural, emergency festivals and for income generation purposes have also been granted. EWHCS now has its own bank - the "Vathusevaka Nivasa Samupakara Samithiya (Vanisa) Bank" - which among others provides agricultural and small business loans including other interest-free loans to its members.

The plantation workers as members form the EWHCS, and have demonstrated that they now have substantial capacity to fulfil their financial and other needs. In 2017, EWHCS units had a membership of over 188,000 - a 91% growth from the 98,000 members at the inception in 1993. The EWHCS has emerged as a leading community-based organisation (CBO) in the country and many units, located at Regional Plantation Company estates (RPCs) who receive strong support from the RPCs, have improved their rankings in recent years based on criteria determined by the Plantation Human Development Trust (PHDT) and monitored by their Regional Offices.

Region	No of EWHCS	No of Ewhcs in Each Category					Not Received	Total
		A+	A	B	C	D		
Galle	57	9	32	14	2	-	-	57
Rathnapura	59	17	24	12	4	-	-	57
Badulla	63	20	23	10	5	5	-	63
Kegalla	52	8	18	18	8	-	-	52
Kandy	58	9	8	12	15	14	-	58
Hatton	64	7	17	21	17	1	-	64
Nuwara Eliya	72	-	-	7	36	27	-	61
<b>Total</b>	<b>425</b>	<b>70</b>	<b>122</b>	<b>94</b>	<b>85</b>	<b>47</b>	<b>-</b>	<b>412</b>





# Estate Worker Housing Corporative Societies (EWHCS) contd.



Of the total 412 EWHCS units 223, or approximately 54%, are ranked A+ (the highest ranking), A and B, reflecting the benefits from the strong support given to these EWHCS units by their RPCs in terms of capacity building, mobilisation of resources, etc. In addition to providing loans, EWHCS units now even operate welfare shops, barber saloons, Communication Centre's etc. within the respective estates, thus creating employment opportunities and also providing convenient access to many services to the estate residents. The PHDT has also entered into partnerships with multinationals and other



leading private sector organisations to provide estate residents easy access to products and services with the appointment of EWHCS as sub dealers, to improve their quality of life and their health, nutrition, sanitation, hygiene, etc. The EWHCS units have also been recently active in female empowerment with the establishment of women's groups to facilitate training on household cash management, livelihood development, childcare, etc leading to the creation of a happy family.

The significant strengthening of the Estate Worker Housing Cooperative Society over the years reflects how the estate community has been gradually empowered and are now capable of fulfilling many of their own needs.

The Regional Plantation Companies have always supported the EWHCS units in any possible capacity and will continue to do so. It is important that all stakeholders contribute to these efforts to improve the self-sufficiency of the estate community.

The Estate Manager serves ex-office as the President of the Estate's EWHCS and committee which comprises estate workers, providing the necessary guidance and direction. The RPCs continue to assist 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.

**475mn**

Deposit Base



**425**

Total Co-operatives



“The significant strengthening of the Estate Worker Housing Cooperative Society over the years reflects how the estate community has been gradually empowered and are now capable of fulfilling many of their own needs.”

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

Several measures are currently underway to further improve the operations of EWHCS units in the country, including automation 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 as beyond its initial mandate with regard to housing and have been developed over the years to make a significant contribution to uplift the quality life of the community. Some have even been recognized for their excellence by winning Presidential Awards presented on International Cooperative Days after competing with other Co-operative Societies in the country.

Region	No of EWHCS	Co-op Dept Approval Obtained	Co-op Dept not Approved	Approved at EWHCS General Body
Galle	57	14	43	21
Rathnapura	59	51	8	57
Badulla	63	63	-	19
Kegalla	52	33	13	6
Kandy	58	43	12	3
Hatton	64	10	54	13
Nuwara Eliya	72	17	47	8
<b>Total</b>	<b>425</b>	<b>231</b>	<b>177</b>	<b>127</b>



The EWHCS units have also been recently active in female empowerment with the establishment of women's groups to facilitate training on household cash management, livelihood development, childcare, etc leading to the creation of a happy family.

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









# Sports & Recreation

We have provided the plantation community with the opportunity to engage in a variety of sports-related activities, including volleyball, and thus, improve and showcase their skills.

# Sports & Recreation

The plantation community specially the youth have the talent but not the opportunity and facilities to improve and show case their sporting skills. The PHDT has introduced many sports activities particularly Volleyball which is popular among the youth.

19th November 2017 at Norwood Grounds with Nakiyadeniya Estate of Watawala Plantations emerging winners in Men's tournament while Dambetenna Estate of Agarapatana Plantations clinching the Women's Finals.

## Issue of Sports Items

Sports items such as volleyball, cricket, badminton, Netball and indoor sports items were given to the community while funds were allocated for Musical Instruments, Band Equipment for schools in the plantations.



Inter Plantation Volleyball Championship for Men and Women was conducted by the PHDT Regions in collaboration with the Regional Plantation Companies & the Estate Management. The finals were held on



# Sustainability

The Plantation Human Development Trust (PHDT) is a tripartite Organization incorporated in 1992, with the intention of improving the life styles 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 the PHDT to provide a wide spectrum of services to the plantation worker community with improvements to Housing and Infrastructure, Water and Sanitation, Health and Childcare, Social Mobilization and Community Development etc.

The Government represented by the Ministries of Plantation Infrastructure Development – the line Ministry of the Organization gazetted, Health, Plantation 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 consists of Housing and Re-roofing – addressing the basic shelter requirement, providing the free medicine and conducting medical clinics to address their health and nutrition factors, constructing latrines and water facilities at 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.

The PHDT as the main service provider to the plantation worker community has also, expanded its services through various specialized 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.
- Recognized by the Government of Sri Lanka and registered under the Ministry of Child Development and Women Empowerment, to conduct National Diploma Courses in Child Development, Pre-school Education and Management for Child Development Officers.
- Accorded recognition as an approved Training Organization to Intermediate Students to gain experience and knowledge for examinations conducted by the Institute of Chartered Accountants of Sri Lanka.

The Plantation Human Development Trust also, distribute quality nutritious food products to the plantation community through the EWHCS network, with the intention of providing healthy and nutritious products at affordable prices.

We have promote Gas as a cleaner and safer alternative to cooking by the community as opposed to use of firewood, which is harmful to health, environment and productivity of the estate.

Furthermore, health care, personal care and food products of multinational companies are also being introduced through the EWHCS, to enhance the health, nutrition and hygiene of the community.

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

# Corporate Social Responsibility

At PHDT, we have always endeavored to conduct our activities responsibly and ethically. Sustainability development, the adoption of best practices and processes that ensures long-term economic, social and environmental sustainability is considered a key business goal of the Company.

We are of the view that integrating Corporate Social Responsibility in to our organisation takes more than stating objectives and building business processes alone. For Corporate Social Responsibility to take root and thrive, we realise that we must develop the necessary capabilities and culture. Continued training of employees and changing mindsets is a key component of a successful Corporate Social Responsibility programme.

Developing a comprehensive Corporate Social Responsibility framework is a dynamic and ongoing process; and we regularly engages and consults with stakeholders and other interested parties on environmental and social issues, especially those concerning the plantations work force.

During the year 2017 some of the Company's key community projects are highlighted below.

## Helping Hand for Flood Affected People

Discussions with RPC's were held to assess and provide assistance to displaced persons due to floods in the plantations in May 2017.

PHDT facilitated distribution of food and other relief items with the assistance of the ministry of Hill Country, New villages, Infrastructure and Community development in the plantations where the community was displaced.

With the generous contribution of PHDT Head Office staff members, drinking water bottles were distributed for displaced personnel affected due to the natural disaster in the country.





### World Children's Day

A collaborative event to mark the World Children's Day was held in Nuwara Eliya under the patronage of the Hon Palani Thigamabaram MP, Minister of Hill Country, New Villages Infrastructure and Community Development. This was a great success and was the first ever Children's Day commemorative event in the plantations. 8,000 children participated from plantations all over the country which included fanfare, entertainment and cultural activities and was a day of interaction and enlightenment.



The historical launch of "Tikiri Shakthi" the nutri bar by Nutri Plus (Pvt) Limited - another First by the PHDT was the main event.



# Administration & Human Resources Development

During the year under review the Administration & Human Resources which was a separate division was restructured and brought under the re-designated Director- Finance & Administration who is assisted by a team of professional Managers with other supporting staff to take the responsibility for implementing the Human Resource Development and Administration Procedures.

## Human Resource Development and Work Culture

The most valuable asset of the organization is, our staff members and we always give our effort to enhance the capability and productivity of our staff at all levels. We encourage a good & happy work culture, foster relationship with them at every level in the organization and make them express their views and share their ideas to bring about improvements in the organization towards the achievement of the common goals described in our vision & mission statements.

All 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 endeavor to foster a productive culture throughout the organization.

In order to meet new challenges several and to be geared for the next decade the PHDT's organization structure is being re structured to improve processes. Re designations of existing staff was effected in keeping with current market trends.

## Categories of staff members

Staff members of the organization are mainly categorized in to the following broad categories.

1. Directors - Director General, Directors (Internal & Regional)
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, Stenographers, Project Assistants, Clerks, Data Entry Operators, Office Assistants/Aides and Drivers.
4. Project Specialist & Consultants

Human Resource functions includes the following

- 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 fair & justifiable disciplinary policy.



- Establishing of a broad communication link among staff & management towards encouraging upwards 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

The administration functions are implemented to ensure functioning of organization covering the areas of Transportation, Stores and Office premises in both Head Office and seven regional offices.

- Keeping effective management of transport functions of the organization 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 Organization.

- Establishing proper title to the lease/freehold property of the Trust and maintenance of same in an effective manner.

We are very much concerned on the welfare aspect of our staff with the main view to retaining and attracting new blood with new thinking. We have provided the following welfare measures to fulfill this requirement.

- Indoor & outdoor medical insurance and personal accident insurance scheme
- Death benefit welfare scheme
- Distress loans and emergency loans scheme
- Sports and recreational activities
- Staff Get together
- Religious programs
- Annual Celebrations and commemorations.

### Development of skills and competency of staff members

As a practice, employees were provided opportunity to participate for both in-house & outdoor training programmes, workshops etc., and except for the orientation & awareness programmes for new recruits, conducted training programmes/ workshops for all staff in Head Office and regions to develop their positive attitudes and self-Motivation.

According to the Annual Training & Development Plan-2017, several Programmes were carried out targeting all categories of staff.



These programmes include on the job and off the job training, field visits, IT and presentation skills. Staff also could gain opportunity to learn and improve their Communication Channels & Systems and work procedures and it was very useful for their personal lives as well.

# Administration & Human Resources Development Contd.

Programs for Drivers and Office Assistants were also held covering the areas of technical and driving skills, road safety, awareness of first aid, personal attitude development, general knowledge for personal and work life, loyalty to the organization etc., which was very useful to carry out their job functions more effectively and efficiently.



Staff meetings and Periodical review meetings are conducted where staff is encouraged to come up with new and innovative ideas. We at PHDT practices a participatory management process where employees are involved in decision making.



## Technical Training

Training and awareness programmes for technical staff to enhance the knowledge in engineering and project management was carried out which included, networking, and construction techniques, land selection, blocking out and setting out for housing projects including on-site training.



Senior Officials also have been given opportunities to involve with the overseas programmes enriching overall knowledge related their job functions.

By providing opportunities, we always shows the career path to the staff members enhancing their job skills and supporting to expertise with their job positions. Accordingly, staff members can go up ladder achieving their work life goals as; trainees to permanent positions, Junior positions to senior positions and also Clerical positions to Managerial positions etc.

### Staff Welfare

During the year we conducted the following activities for our staff members.

#### Sinhala and Hindu New Year Celebrations

All staff of PHDT celebrated the dawn of "Sinhala & Hindu New Year in April according to the office culture. Head office staff was joined with the regional staff via skype at these celebrations.



### Year-end Annual Get together





# Corporate Governance

## Board Effectiveness

The Board of PHDT have ultimate responsibility for the management, general affairs, direction, performance and long-term success of our operations as a whole and the responsibility of the Directors is collective, taking into account their respective roles as Executive Chairman and Non-Executive Directors. The Directors are Non-Executive Directors who essentially have a supervisory role. A list of our current Directors, their profiles are set out on page 16-18.

A minimum of twelve meetings are planned throughout the calendar year to consider, the strategy of the Company and discuss strategic, transactional and governance matters that arise. Meetings of the Boards may be held in the PHDT Head Office at Battaramulla. The Chairman sets the Boards' agenda, ensures the Directors receive accurate, timely and clear information, and promotes effective relationships and open communication between the Directors. In 2017 the Board met physically in January, February, April, May, June, July, August, September, October, November and December and considered important corporate events and actions,

such as:

- developing and approval of the budgets,
- oversight of the performance of the business;
- review of risks and internal risk management and control systems;
- authorisation of major transactions;
- nominations for Board appointments,
- review of corporate responsibility and sustainability.

## Remuneration Committee

The Remuneration Committee meeting for the year 2017 was held on 30th November 2017. The Committee comprised four Board Directors headed by Mr. V. Puththirasigamoney, the Chairman of PHDT. The Committee together with the Director General reviewed the cadre requirements, evaluated the staff performances and also, recommended the remuneration packages for year 2017 based on industry levels and also, keep the optimum staff strength in order to fulfil the organization 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 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 were carried out, to ensure the proper coverage of stakeholders' interest in all aspects of operations.

## Create Value of Stakeholders

Diversified projects identified in different sectors, such as Housing & Infrastructure, Water & Sanitation, Healthcare, Child care, Capacity Building, Community Building etc. were undertaken

by the organization 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 derive more returns to stakeholders.

## Improvement of Credibility and Transparency of Financial Statements

Continuous reviews and developments were undertaken in order to improve the credibility and transparency of the financial statements during the year under review complying with The Sri Lanka Accounting Standard for Small and Medium-Sized Entities (SLFRS for SMEs)

The ISO 9001:2008 achieved in 2012, which streamlined the systems and records with great clarity in communication, continues to help the organization to obtain accurate information in time.

## Internal Controls

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

## Environmental Practices

The organisation applies environmental friendly best practices in carrying out its activities through its projects in keeping with universally accepted principles.

### Manual of operations

The Company has its own rules and procedures laid down in its Manual of Operations which is reviewed from time to time.

### Annual General Meeting

The 25th Annual General Meeting will be held at the Auditorium of Coconut Cultivation Board, No. 9/428, Denzil Kobbekaduwa Mawatha, Battaramulla, on Friday, the 23rd March 2017, at 2:30 pm.

### Going Concern

The Board of Directors of 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 2017 has been prepared based on the Going Concern Concept.

### Auditors Report

The Auditors Report on the Financial Statements for the year ended 31st December 2017 is given on Page 77.

### Environmental Protection

Adequate measures were taken by the management to conduct their operations in an environmental 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 are made through "Skype" and e-mails to reduce stationery and related costs.

ISO Steering Committee had various internal meetings and awareness programmes on emphasizing these issues to all respective parties in order to streamline the new systems and enhance operational efficiency.

PHDT Head 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 2017 has been prepared under the standards of SLFRS.

# Risk Management in Addressing Uncertainties

The PHDT is well aware the importance of risk assessment in order to mitigate and inherent risks involved in its processes.

## Operational Risk

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 Plantation Sector after privatization. The Board of Directors 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 minimum level. Our decision and success in achieving ISO 9001:2008 Quality Management System for the Head and Regional Offices were with the intention of minimizing the risk as well.

## Financial Risk

Our services were rendered in various forms in the year 2017, to uplift the lifestyles of plantation community towards empowerment.

All transactions were recorded in accordance with accepted accounting principles to give a transparent picture to stakeholders. These contributed to reduce the financial risk and present proper financial statements, which were recognized with the "Awards" presented by The Institute of Chartered Accountants of Sri Lanka and the South Asian Federation of Accountants.

## Liquidity Risk

Liquidity risk of PHDT is identified, managed and monitored through professional financial management with stringent controls in place. To mitigate this risk the following measures are adopted.

- Cash flows are monitored on a weekly, monthly, bi annually and annually and reported to the board with variances in liquidity position.
- Adopted best practices on Treasury Management.
- Networking with funding partners

## Human Risk

Even though all employees are having contractual employment, it is renewable where there is no risk in job security. The Organization 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 work plan and performance objectives that identify the tasks/ activities and expected results for the Organization goals.

The organization needs to look at the risk on staffing professionals competing with the demand of job market since our remuneration scale is not par with current job market rate which causes high employment turn-over. To minimise this risk the organisation has identified and provides opportunity for existing employees to become a professionals having enhancement and enrichment of their job functions. While regularly reviewing staffing needs.

## Communication Risk

Plantation Human Development Trust provides its services to 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 Head Office do regular visits, discussions with relevant authorities at higher level, conducting awareness programmes and having monthly regional review programmes with respective officers, to minimise the communication gap at both ends. Regular update of database and IT networking facilities between the Head Office and Regional Offices ensure accurate and speedy communications.

## Risk of Changes in Perception

The perception among all stakeholders and 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 / Donor 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-migrate. The Board of Directors with the existing Management has identified this requirement as priority to provide these requirements with the help of Government/Non-Government funding agencies.



# 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 2017.

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 (PHDT) 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 2017 and Future Developments

A review of the Company's performance during the year with comments on financial results for the year ended 31st December 2017 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 78-95 of the Annual Report.

## Auditor's Report

The Auditor's Report on the Financial Statements is given on page 77 of the Annual Report.

## Accounting Policies

Accounting policies adopted in preparation of financial Statements are given on pages 82 to 85 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 2017 is given in note 20.2 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.

- (1) Vadivel Puththirasigamoney
- (2) Shanthi Kumar Lalith Obeyesekere
- (3) Henry Malin Goonetilleke
- (4) Dilantha Stephen Seneviratne
- (5) Ganegodage Dhamitha Vaamaka Perera
- (6) Murugiah Ravindran
- (7) Santhanam Arullsamay
- (8) (Ms.) Weliveriya Liyanage Manori Anurada Liyanage
- (9) Bulugoda Liyana Arachchige Janaka Dharmakeerthi
- (10) Janak Manuja Kariyapperuma
- (11) Dr. Chulanee Gunasekera

# Report of the Board of Directors on the Affairs of the Company contd.

Mr. D. M. P. Weerasinghe resigned as a Director of the Company with effect from 1st June 2017

Dr. Chulanee Gunasekera was appointed as a Director representing the Ministry of Health, Nutrition & Indigenous Medicine with effect from 29th September 2017 in place of Dr. S. R.R.M.L Rajapakse.

Mr. H.M. Goonetilleke, retired from service with effect from 31st December 2017 and Mr. B. Bulumulla was appointed to the Board by the Plantation Management Committee of the Planters Association of Ceylon with effect from 1st January 2018.

Dr. Chulanee Gunasekera Director representing the Ministry of Health, Nutrition & Indigenous Medicine retired from service with effect from 4th January 2018.

Ms. W. M. D. T. Wickramasinghe, was appointed a Director of the Company, representing the Ministry of Plantation Industries in place of Mr. B. L. A. J. Dharmakeerthi, with effect from 23rd February 2018.

The Board wishes to place on record the company's sincere appreciation to Mr. D. M. P. Weerasinghe, Dr. S. R. R. M. L. Rajapakse, Mr. H.M. Goonetilleke, Dr. Chulanee Gunasekera and Mr. B. L. A. J. Dharmakeerthi for their valuable contribution extended to the Company, during their tenure on Board.

## Nominee Director

Mr. M. Ravindran nominated as representative of the Lanka Jathika Estate Workers Union completes his two year term in office during the year. 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. Obeysekere retires by rotation and the Plantation Management Committee of the Planters' Association of Ceylon has recommended his re-election to the Board of Directors.

## Auditors

The Financial Statements for the year ended 31st December 2017 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.

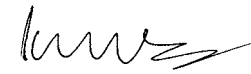
The Auditors Messrs Ernst & Young, Chartered Accountants were paid Rs. 1,237,599.38 (2016 – Rs.1,395,396.00) as audit fees by the Company.

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.

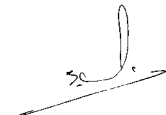
## Annual General Meeting

The Twenty Fifth Annual General Meeting of the Company will be held at the Auditorium of Coconut Cultivation Board, No. 9/428, Denzil Kobbekaduwa Mawatha, Battaramulla on Friday, 23rd March 2018 at 2.30 pm.

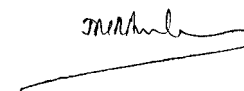
By order of the Board of  
Plantation Human Development Trust



Director



Director



S S P Corporate Services  
(Private) Limited Secretaries

Dated on this day of 23rd February 2018

# Our Milestones

**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.

**1997** **Development of Creches - "Ideal Creches" Programme**

**2000** **Promoting Community Based Organizations(CBOs)/ Micro Financing.**  
 Providing basic and essential drugs to estates with the assistance of Health Ministry and UNICEF.  
 Providing 8 Nos. fully equipped Ambulances to estates .

**1993** **Commencement of Social Welfare Programme II funded by Governments of Netherlands and Norway for Roof Plus Housing.**  
 Establishment of Estate Worker Co-operative Housing Societies (EWHCS)

**1998** **Commencement of Plantation Development Support Programme (PDSP) funded by Governments of Netherlands & Norway for Self Help Housing - Single Housing.**  
 Participatory Nutrition Improvement Project (PNIP) with UNICEF

Development of Creches under UNICEF Phase II & EIDP - "Pullemadu" to Creche.

**2001** **New Office**  
 PHSWT moved to its newly built Office at No. 427/14, Robert Gunawardena Mawatha, Battaramulla, on 4th January 2001.  
 Introducing motorcycle loan scheme for estate health and welfare staff.  
 Training of Estate Medical Practitioners (EMAs) on Early Child Care Development Programme of UNICEF.

**1996** **Credit & Savings Project for estate worker community.**  
 Self Help Housing Projects - Twin Cottages with the assistance of NHDA, SMIB & IRDP  
 Initiated Family Planning Service in the plantation sector funded by UNFPA

**1999** **Introducing Self Help Latrines Programme & Safe Drinking Water Project.**  
 "Mahila Shakthi" Programme to empower women and improve their social and economic status.

**2002** **Change in Name**  
 Organization was re-named as Plantation Human Development Trust on 20th October 2002.  
 Recruitment of Trainee Midwives.



## Milestones contd.

**2003** Launching of Vanisa Savings scheme

**2004** Introducing "Vanisa" Savings Account  
Inter Plantation Volley Ball Tournaments  
Construction of Elders Homes

**2005** 650 Cataract eye operations for estate community done at Kandy General Hospital with the patronage of Asst. High Commissioner of India in Sri Lanka.  
Distribution of 21 Nos. fully equipped Ambulances to Estates.

**2006** Introducing "Southern Cup" Cricket Tournament to Plantations

**2007** Construction of E-kiosk Centres  
Issuing of Birth Certificates for plantation community

**2008** **Diploma Registration**  
PHDT further registered as Training Institute for Awarding Diploma Certificates on Child Development and Pre-school Education and Management.

Construction of 320 units of Field Rest Rooms; 35 units of Factory Rest Rooms, upgrading of 284 units of staff quarters, minor upgrading of 124 tea factories under the Plantation Development Programme of Ministry of Plantations Industries (with the assistance of ADB/JBIC)

**2009** **ISO Facilitator**  
PHDT is appointed by the Sri Lanka Standard Institute(SLSI) as an Agent to facilitate the certification process to award ISO standard for Plantation Sector.

**2010** Commencement of New Life Housing Programme.  
Registered as Grade C6 Contractor with ICTAD

**2011** Distributor of Rice Flour to plantations by National Food Promotion Bureau.

Distribution of Nebulizers to estates

**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.

Establishing of Steering Committee on plantation health

**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**

Commencement of 100 Day Housing Programme

Introducing personal hygiene project in plantations in collaboration with Unilever Sri Lanka - "Wathupraja Ruwa Suwa Sevaya".

Introducing of Gas Cylinders, cookers and accessories on easy payment scheme to estate community through "Wathupraja Dewi Neguma" Plantations Project in collaboration with Laugfs Gas PLC.

**2016**

Commencement of Green Gold Housing Programme and Township Housing Programmes.

Commencement of Indian Housing Programme

Training of Apprentice Pharmacists.

**2017**

Introducing "Tikiri Shakthi" Nutri Bar - Elimination of malnutrition birth weight in plantation sector"

**2018**

Introducing Farmer Driven Housing Programme

# Stakeholder Composition

## Government Ministries

- Ministry of Hill Country New Villages, Infrastructure & Community Development
- Ministry of Plantation Industries
- Ministry of Finance and Mass Media
- 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

## Social Dialog Excellence Awards-2016

The PHDT was recognized with following Awards during the year under review.



SD Excellence Award for Decent Work Environment, conducted by the Social Dialogue and Industrial Work Cooperation Unit under the Department of Labour, Ministry of Labour and Labour Relations.

## Award for Best Accounting Practices



Award for Transparency and Best Accounting Practices by the Institute of Chartered Accountants of Sri Lanka and South Asian federation of Accountants.

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



# Financial Reports



Financial Calendar **76** / Independent Auditor's Report **77** / Statement of Financial Position **78** / Statement of Income and Expenditure **79**  
Statement of Changes in Reserves **80** / Cash Flow Statement **81** / Notes to the Financial Statements **82** / Ten Year Summary **96**  
Graphical View of Financial Statements **97**



# Financial Calendar

## Interim Reports

1st Quarter ending	31.03.2017	26.05.2017
2nd Quarter ending	30.06.2017	28.07.2017
3rd Quarter ending	30.09.2017	24.11.2017
Annual Accounts Year Ended	31.12.2017	23.02.2018

## Meetings

25th Annual General Meeting 23rd March 2018

# Independent Auditor's Report



Ernst & Young  
Chartered Accountants  
201 De Saram Place  
P.O. Box 101  
Colombo 10  
Sri Lanka

Tel : +94 11 2463500  
Fax Gen : +94 11 2697369  
Tax : +94 11 5578180  
eysl@lk.ey.com  
ey.com

## 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 2017, 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 Entities (SLFRS for SMEs), 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 2017, 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 (SLFRS for SMEs).

### 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:

- The basis of opinion, scope and limitations of the audit are as stated above;
- 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 Organization,
  - the Financial Statements of the Company, comply with the requirements of section 151 of the Companies Act.

26 February 2018  
Colombo

Partners: W R H Fernando 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 K B S P Fernando FCA FCMA  
Ms. K R M Fernando FCA ACMA 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 Ms. P V K N Sajeewani FCA N M Sulaiman ACA ACMA B E Wijesuriya FCA FCMA  
Principal T P M Ruberu FCMA FCCA

A member firm of Ernst & Young Global Limited

# Statement of Financial Position

As at 31 December 2017	Notes	2017 Rs.	2016 Rs.
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	34,183,918	53,114,276
		34,183,918	53,114,276
<b>Current Assets</b>			
Levy and Other Receivables	4	971,520,771	586,192,271
Income Tax Recoverable	-	315,663	
Investments	5	51,302,735	1,039,705
Cash and Cash Equivalents	10	178,209,233	25,846,529
		1,201,032,739	613,394,169
<b>Total Assets</b>		<b>1,235,216,657</b>	<b>666,508,445</b>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>			
Project Reserves		4,469,274	4,469,274
General Reserves		1,615,251	1,615,251
Accumulated Fund		107,327,002	41,184,934
<b>Total Reserves</b>		<b>113,411,527</b>	<b>47,269,459</b>
<b>Non-Current Liabilities and Deferred Income</b>			
Interest Bearing Loans and Borrowings	6	5,848,243	13,665,141
Retirement Benefit Liability	7	24,901,243	21,821,065
Deferred Grants	8	118,654,687	142,241,943
		149,404,173	177,728,148
<b>Current Liabilities</b>			
Interest Bearing Loans and Borrowings	6	7,412,362	12,666,177
Trade and Other Payables	9	958,339,873	428,844,661
Income Tax Payable		6,648,722	-
		972,400,957	441,510,837
<b>Total Reserves and Liabilities</b>		<b>1,235,216,657</b>	<b>666,508,445</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 82 through 95 form an integral part of the Financial Statements.

26 February 2018  
Colombo



# Statement of Income and Expenditure

Year ended 31 December 2017	Notes	2017 Rs.	2016 Rs.
Receipts for Recurrent Expenses	11	141,896,024	136,116,261
Total Recurrent Expenses		(131,707,010)	(133,776,184)
Excess from Activities		10,189,014	2,340,077
Other Income and Gains	12	28,603,707	43,663,405
Other Expenses		(47,379,653)	(80,045,052)
Project Administrative Income	13	82,078,978	15,902,869
Finance Cost	14.1	(1,887,919)	(2,571,401)
Finance Income	14.2	1,808,262	479,504
Excess / (Deficit ) Before Tax		73,412,389	(20,230,599)
Income Tax Expense	16	(7,270,321)	34,888
Excess / (Deficit ) for the Year		66,142,068	(20,195,711)

The Accounting Policies and Notes on pages 82 through 95 form an integral part of the Financial Statements.

# Statement of Changes in Reserves

Year ended 31 December 2017	Project Rs.	General Reserves Rs.	Accumulated Reserves Rs.	Total Fund Rs.
As at 1 January 2016	4,469,274	1,615,251	61,380,645	67,465,170
Deficit for the Year	-	-	(20,195,711)	(20,195,711)
As at 1 January 2017	4,469,274	1,615,251	41,184,934	47,269,459
Excess for the Year	-	-	66,142,068	66,142,068
As at 31 December 2017	4,469,274	1,615,251	107,327,002	113,411,527

The Accounting Policies and Notes on pages 82 through 95 form an integral part of the Financial Statements.

# Cash Flow Statement

Year ended 31 December 2017	Note	2017 Rs.	2016 Rs.
Cash Flows From / (Used in) Operating Activities			
Excess / (Deficit ) Before Tax		73,412,389	(20,230,599)
Adjustments for,			
Depreciation	3	19,972,606	20,743,705
Profit on Disposal of Property, Plant and Equipment	12	(1,400,000)	(19,299,498)
Finance Costs	14.1	1,887,919	2,571,401
Finance Income	14.2	(1,808,262)	(479,504)
Provision for Bad and Doubtful Receivables		24,486,724	50,327,311
Long Outstanding Debtor Write-off		3,669,695	3,921,014
Transfer from Grant		(14,942,681)	(8,200,287)
Payable Write Back	12	(6,870,915)	(10,693,917)
Bad Debt Write Off		1,061,118	3,370,716
Provision for Defined Benefit Plans	7	6,952,909	4,495,372
Operating Income before Working Capital Changes		106,421,502	26,525,715
(Increase) in Trade and Other Receivables		(414,546,037)	(261,202,681)
Increase in Payables		536,366,126	219,406,397
Cash Generated from Operations		228,241,591	(15,270,569)
Defined Benefit Plan Costs Paid	7	(3,872,730)	(2,960,200)
Finance Costs Paid	14.1	(1,887,919)	(2,571,401)
Finance Income	14.2	1,808,262	479,504
Income Tax Paid		(305,936)	(361,735)
Net Cash from/(Used in) Operating Activities		223,983,268	(20,684,400)
Cash Flows From / (Used in) Investing Activities			
Acquisition of Property, Plant and Equipment	3	(1,042,248)	(2,891,722)
(Investments)/Withdrawal in Fixed Deposits		(50,263,029)	(149,262)
Proceeds from Disposal of Property, Plant and Equipment		1,400,000	19,299,498
Net Cash Flows From / (Used in) Investing Activities		(49,905,277)	16,258,514
Cash Flows From / (Used in) Financing Activities			
Grants Received	8	(1,561,004,533)	711,699,469
Grants Disbursed	8	1,552,359,957	(726,249,757)
Payments under Finance Lease Liabilities	6.1	(8,402,932)	(4,591,412)
Net Cash Flows (Used in) Financing Activities		(17,047,508)	(19,141,700)
		157,030,483	(23,567,586)
Cash and Cash Equivalents at the Beginning of the Year	10	21,178,750	44,711,449
Cash and Cash Equivalents at the End of the Year	10	178,209,233	21,178,750

The Accounting Policies and Notes on pages 82 through 95 form an integral part of the Financial Statements.



# Notes to the Financial Statements

## 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 Organization 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 including mainly, 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 Authorization for Issue

The Financial Statements of Plantation Human Development Trust for the year ended 31 December 2017, covering the period 01 January 2017 to 31 December 2017, were authorized for issue in accordance with a resolution of the Board of Directors on 16 February 2018.

## 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 (SLFRS for SMEs) issued by the Institute of Chartered Accountants of Sri Lanka.

The functional currency of the Organization 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 Organization, which comprise the Statement of Financial Position, Statement of Income and Expenditure, Changes in Reserves 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 (SLFRS for SMEs).

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 Organization and are consistent with those used in the previous year.

### 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 (SLFRS for SMEs) 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 recognized 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 Statement of Income and Expenditure over the useful life of the asset.

### 2.2.3 Expenditure Recognition

Expenditure are recognized in the Statement of Income and Expenditure 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 organization and in maintaining the property, plant and equipment in a state of efficiency has been charged to Statement of Income and Expenditure.

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

#### *Finance Cost and Other Cost*

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

### 2.2.4 Property, Plant and Equipment Cost

Property, plant and equipment are stated at cost less accumulated de-preciation 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	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 capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of Property, Plant and Equipment. All other expenditure is recognized in the Statement of Income and Expenditure 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-recognized.

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

# Notes to the Financial Statements contd.

## 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 difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Income and Expenditure 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 recognized 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 Entities (SLFRS for SMEs) 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 Entities (SLFRS for SMEs) 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 Statement of Income and Expenditure.

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 is not externally funded.

#### 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. But effective from November 2017 the employer contributes 12% of salary emoluments to EPF Department.

### 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 asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Income and Expenditure 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 Organization 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 recognized 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 01.01.2017 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.12.2017 Rs.
Building	62,336,200	-	-	62,336,200
Computer and Peripherals	38,801,262	679,065	-	39,480,327
Electrical and Electronic Equipment	14,342,306	188,510	-	14,530,816
Other Office Equipment	2,893,386	86,650	-	2,980,036
Wooden Furniture	5,275,053	65,723	-	5,340,776
Steel Furniture	3,319,643	22,300	-	3,341,943
Office Fittings	400,111	-	-	400,111
Motor Vehicles	66,076,519	-	(3,495,000)	62,581,519
	193,444,480	1,042,248	(3,495,000)	190,991,728
Assets on Finance Lease				
Motor Vehicles	54,448,160	-	-	54,448,160
	54,448,160	-	-	54,448,160
Total Gross Carrying Amount	247,892,640	1,042,248	(3,495,000)	245,439,888

### 3.2 Depreciation

	Balance as at 01.01.2017 Rs.	Charge for the Year Rs.	Disposals Rs.	Balance as at 31.12.2017 Rs.
At Cost				
Building	42,499,880	2,502,792	-	45,002,672
Computer and Peripherals	36,511,225	1,692,925	-	38,204,150
Electrical and Electronic Equipment	13,525,974	297,268	-	13,823,242
Other Office Equipment	2,273,262	102,963	-	2,376,225
Wooden Furniture	4,961,883	58,705	-	5,020,588
Steel Furniture	3,242,667	34,208	-	3,276,875
Office Fittings	336,200	9,130	-	345,330
Motor Vehicles	58,900,510	2,975,000	(3,495,000)	58,380,510
	162,251,601	7,672,991	(3,495,000)	166,429,592
Assets on Finance Lease				
Motor Vehicles	32,526,763	12,299,615	-	44,826,378
	32,526,763	12,299,615	-	44,826,378
Total Depreciation	194,778,364	19,972,606	(3,495,000)	211,255,970



# Notes to the Financial Statements contd.

## 3.3 Net Book Values

	2017 Rs.	2016 Rs.
At Cost		
Building	17,333,528	19,836,320
Computer and Peripherals	1,276,177	2,290,037
Electrical and Electronic Equipment	707,574	816,332
Other Office Equipment	603,811	620,124
Wooden Furniture	320,188	313,171
Steel Furniture	65,068	76,976
Office Fittings	54,781	63,911
Motor Vehicles	4,201,009	7,176,008
	24,562,136	31,192,879
Assets on Finance Lease		
Motor Vehicles	9,621,782	21,921,397
	9,621,782	21,921,397
<b>Total Carrying Amount of Property, Plant and Equipment</b>	<b>34,183,918</b>	<b>53,114,276</b>

**3.4** During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs.1,042,248/- (2016 - Rs.2,891,722/-) Cash payments amounting to Rs.1,042,248/- (2016 - Rs.2,891,722/-) were made during the year for purchase of Property, Plant and Equipment.

## 4. Levy and Other Receivables

	2017 Rs.	2016 Rs.
Levy Receivables	323,575,791	292,706,907
Less: Allowances for Doubtful Debts	(154,842,140)	(129,294,298)
	168,733,651	163,412,609
Other Receivables	795,677,078	417,664,507
Advances and Prepayments	7,110,042	5,115,155
	971,520,771	586,192,271

## 5. Investments

	2017 Rs.	2016 Rs.
Fixed Deposits	1,180,609	1,039,705
Treasury Bond	50,122,126	-
	51,302,735	1,039,705

**6. Interest Bearing Loans and Borrowings**

	2017 Amount Repayable Within 1 Year Rs.	2017 Amount Repayable After 1 Year Rs.	2017 Total Rs.	2016 Amount Repayable Within 1 Year Rs.	2016 Amount Repayable After 1 Year Rs.	2016 Total Rs.
Finance Leases (Note 6.1)	7,412,362	5,848,243	13,260,605	7,998,397	13,665,141	21,663,538
Bank Overdraft (Note 10.1)	-	-	-	4,667,779	-	4,667,779
	7,412,362	5,848,243	13,260,605	12,666,177	13,665,141	26,331,317

**6.1 Finance Leases**

	As at 01.01.2017 Rs.	New Leases Obtained Rs.	Repayments Rs.	As at 31.12.2017 Rs.	Current as at 31.12.2017 Rs.	Non-Current as at 31.12.2017 Rs.
Gross liability	25,334,475	-	(10,234,668)	15,099,807	8,544,936	6,554,871
Finance Charges allocated to future periods	(3,670,938)	-	1,831,736	(1,839,202)	(1,132,574)	(706,628)
	21,663,537	-	(8,402,932)	13,260,605	7,412,362	5,848,243

**7. Retirement Benefit Liability****Retirement Benefits Obligation - Gratuity**

	2017 Rs.	2016 Rs.
Balance as at 1 January	21,821,064	20,285,892
Provision for the Year	6,952,909	4,495,372
Payments made During the Year	(3,872,730)	(2,960,200)
Balance as at 31 December	24,901,243	21,821,064

# Notes to the Financial Statements contd.

## 8. Deferred Grants

	Balance as at 01.01.2017 Rs.	Additions During the Year Rs.	Disposal During the Year Rs.	Balance as at 31.12.2017 Rs.
Foreign and Local				
As Property, Plant and Equipment				
Plantation Development Support Programme (PDSP)	24,319,972	-	-	24,319,972
United Nations Populations Fund (UNFPA)	327,790	-	-	327,790
Social Republic of Sri Lanka	1,575,425	-	-	1,575,425
Initial Project	331,915	-	-	331,915
Programme Support Group / Technical Assistant Team	2,299,441	-	-	2,299,441
United Nation International Children's Emergency Fund (UNICEF)	8,090,204	-	-	8,090,204
Social Welfare Programme - II - Housing	30,950	-	-	30,950
Asian Development Bank	163,474	-	-	163,474
Investment and Restructuring Fund	70,008,220	-	-	70,008,220
HIV /AIDS Project	85,675	-	-	85,675
International Labour Organization Project	134,050	-	-	134,050
Institutional and Housing Support	16,709,943	-	-	16,709,943
Ministry of Youth Empowerment and Socio Economic Development.	657,040	-	-	657,040
Care International	574,550	-	-	574,550
Bernet Institute - Fixed Assets Grant	125,750	-	-	125,750
Save the Children International	1,035,478	-	-	1,035,478
Early Child Development (ECDP)	741,550	-	-	741,550
Water Supply & Sanitation Improvement Project (WASSIP)	822,800	-	-	822,800
	128,034,227	-	-	128,034,227
Less : Accumulated Depreciation	(109,977,376)	(3,065,784)	-	(113,043,160)
	18,056,851			14,991,067

## Recoveries

	Balance as at 01.01.2017	Loan Recovered	Settlements	Balance as at 31.12.2017
Social Welfare Programme 11 (Re-roofing)	2,307,986	296,124	-	2,604,110
Plantation Development Support Programme	21,806,847	1,313,531	-	23,120,378
Health Motor Bike - PDSP	15,777,468	-	-	15,777,468
Estate Infrastructure Development Programme	37,747,493	10,354,063	(14,850,423)	33,251,133
National Housing Development Authority	10,263	29,537	-	39,800
	77,650,057	11,993,255	(14,850,423)	74,792,889



**8. Deferred Grants (Contd...)**

As Funds	Balance as at 01.01.2017 Rs.	Adjustments During the year Rs.	Fund Received During the year Rs.	Fee Rs.	Management Disbursements Rs.	Balance as at 31.12.2017 Rs.
<b>Ministry of Hill Country New Villages Infrastructure &amp; Community Development</b>						
Infrastructure Projects	(62,509,892)	790,148	202,546,252	(5,529,041)	(262,315,589)	(127,018,122)
New Life Housing Project	(5,662,465)	219,430	24,855,143	(1,688,151)	(18,073,126)	(349,169)
100 Day Housing Project	(78,468,853)	-	9,908,932	(63,419)	(4,569,068)	(73,192,408)
Township Project	(389,232)	577,069	12,884,606	(905,304)	(21,432,091)	(9,264,952)
Green Gold Housing Project	(199,057,409)	24,149,179	1,178,092,724	(85,074,462)	(1,430,438,146)	(512,328,114)
Indian Housing Project	-	-	15,533,530	(8,595,467)	(9,738,362)	(2,800,299)
	(346,087,851)	25,735,826	1,443,821,187	(101,855,844)	(1,746,566,382)	(724,953,064)
<b>PHDT Funds</b>						
Early Child Development Project	4,891,686	-	-	-	-	4,891,686
UNICEF Grant	2,429,532	-	99,060,958	-	(101,563,340)	(72,850)
International Labour Organization Project	284,277	-	-	-	-	284,277
Diploma Funds for CDOs	1,511,935	-	5,610,945	-	(3,054,130)	4,068,750
Projects with Ceylon Workers Congress	263,898	-	-	-	(127,617)	136,281
World Health Organization	3,971,851	-	37,688	-	-	4,009,539
Burnet Institute	789,859	-	-	-	(17,476)	772,383
SCI Project	1,506,897	-	-	-	(179,200)	1,327,697
Uniliver	4,827,929	-	-	-	(821,090)	4,006,839
Provincial District Health Services	741,491	-	480,500	-	(385,138)	836,853
Support to the Current PDP JEIC Programme	12,925,832	(4,389,406)	-	-	-	8,536,426
ISRAID & Cinnamon Project	8,494,817	(8,494,817)	-	-	-	-
Plantation Development Project Strengthening of EWHCS	1,631,027	(1,631,027)	-	-	-	-
Regional Economic Advancement Programme (REAP)	874,265	(874,265)	-	-	-	-
Relief Fund	595,903	(595,903)	-	-	-	-
Providing Drugs under Planters Association	435,932	(435,932)	-	-	-	-
Saumyamoorthi Thondaman Foundation	357,904	(357,904)	-	-	-	-
Interim Programme 2010	(1,246,790)	1,246,790	-	-	-	-
	(589,783)	589,783	-	-	-	-
	(301,389,390)	10,793,145	1,549,011,278	(101,855,844)	(1,852,714,373)	(696,155,183)
<b>Net Balance of Grants</b>	<b>(205,682,482)</b>					<b>(606,371,227)</b>
<b>Current Accounts</b>						
Infrastructure Projects	62,509,892	-	-	-	-	127,018,122
New Life Housing Project	5,662,465	-	-	-	-	349,169
100 Day Housing Project	78,468,854	-	-	-	-	73,192,408
Township Project	389,232	-	-	-	-	9,264,952
Green Gold Housing Project	199,057,409	-	-	-	-	512,328,114
Saumyamoorthi Thondaman Foundation	1,246,790	(1,246,790)	-	-	-	-
Interim Programme 2010	589,783	(589,783)	-	-	-	-
Indian Housing Project	-	-	-	-	-	2,800,299
Early Child Development Project	-	-	-	-	-	72,850
	142,241,943	(1,836,573)	-	-	-	118,654,687

# Notes to the Financial Statements contd.

	2017 Rs.	2016 Rs.
<b>9. Trade And Other Payables</b>		
Construction Activity Payable	937,908,410	379,258,468
Other Payables	6,932,960	23,211,756
Sundry Creditors including Accrued Expenses	13,498,503	26,374,437
	<b>958,339,873</b>	<b>428,844,661</b>
<b>10. Cash and Cash Equivalents in the Cash Flow Statement</b>		
<b>Components of Cash and Cash Equivalents</b>		
<b>10.1 Favorable Cash and Cash Equivalents Balances</b>		
Cash and Bank Balances	178,209,233	25,846,529
	178,209,233	25,846,529
Unfavorable Cash and Cash Equivalents Balances		
Bank Over Draft	-	(4,667,780)
	-	(4,667,780)
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	<b>178,209,233</b>	<b>21,178,750</b>
<b>11. Receipts for Recurrent Expenditure</b>		
Levy Income from Regional Plantation Companies	141,896,024	136,116,261
	<b>141,896,024</b>	<b>136,116,261</b>
<b>12. Other Income And Gains</b>		
Levy Income from Plantation Small Holders' Companies	2,863,780	3,062,358
Profit on Disposal of Property, Plant and Equipment	1,400,000	19,299,498
Sundry Income	2,526,331	2,407,345
Transferred from Grant	14,942,681	8,200,287
Long Outstanding Payable Write Back	6,870,915	10,693,917
	<b>28,603,707</b>	<b>43,663,405</b>

	2017 Rs.	2016 Rs.
<b>13. Project Administrative Income/ (Expenditure)</b>		
Project Management Fee	127,283,627	55,568,590
Project Administrative Expenditure	Statement IV (45,204,649)	(39,665,722)
	<b>82,078,978</b>	<b>15,902,869</b>
<b>14. Finance Cost and Income</b>		
<b>14.1 Finance Cost</b>		
Finance Charges on Lease Liabilities	1,887,919	2,571,401
	<b>1,887,919</b>	<b>2,571,401</b>
<b>14.2 Finance Income</b>		
Income from Investments :		
- Interest on Government Securities	1,445,790	216,349
- Interest on Fixed Deposits	156,450	121,338
- Interest on Savings Deposits	206,022	141,817
	<b>1,808,262</b>	<b>479,504</b>
<b>15. Net Income / (Expenditure) Before Tax</b>		
Stated after Charging		
Audit Fees	947,359	1,395,396
Employees Benefits including the following	84,614,870	84,430,726
- Defined Benefit Plan Costs - Gratuity	4,951,829	3,292,012
- Defined Contribution Plan Costs - EPF & ETF	9,903,756	10,202,650
Depreciation	16,906,822	20,743,705
Legal Expenses	215,700	147,000



# Notes to the Financial Statements contd.

	2017 Rs.	2016 Rs.
<b>16. Income Tax Expense</b>		
Current Income Tax	7,270,321	-
Adjustments in Respect of Current Income Tax of Previous Year	-	(34,888)
<b>Income Tax Expense Reported in the Income Statement</b>	<b>7,270,321</b>	<b>(34,888)</b>
<b>16.1 Reconciliation Between Current Tax Expense and the Product of Accounting Income</b>		
Profit from Trade Business (Note 16.2)	101,064,703	-
Finance Income (Note 14.2)	1,808,262	479,504
Total Statutory Income	102,872,965	479,504
Less : Tax Losses	(29,669,750)	(167,830)
Income Liabile for Income Tax	73,203,215	311,674
Tax Free Allowance	(500,000)	(500,000)
Taxable Income / (Tax Loss)	72,703,215	(188,326)
Income Tax at 10%	7,270,321	-
<b>Current Tax Expense</b>	<b>7,270,321</b>	<b>-</b>
<b>16.2 Profit from Trade Business</b>		
Excess / (Deficit ) Before tax	73,412,389	(20,230,599)
Disallowed Expenses	37,420,192	29,659,710
Allowable Expenses	(9,767,878)	(25,538,564)
	<b>101,064,703</b>	<b>(16,109,453)</b>
<b>16.3 Reconciliation of Tax Losses</b>		
Losses Brought Forward	29,669,750	13,540,270
Adjustments made in Respect of Previous Year	-	187,858
Losses Incurred During the Year	-	16,109,453
Losses Utilized During the Year	(29,669,750)	(167,830)
Losses Carried Forward	-	29,669,750
<b>17. Commitments and Contingencies</b>		
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. 9,621,782/- (2016 - Rs. 21,921,397/-) 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 Income	
	2017 Rs.	2016 Rs.
Agrapata Plantations PLC	9,420,315	9,420,780
Kotagala Plantations PLC	6,486,663	6,273,288
Talawakelle Tea Estate PLC	6,199,608	5,976,396
Watawala Plantations PLC	-	8,023,264
Madulsima Plantations PLC	4,211,448	5,494,480
Balangoda Plantations PLC	5,394,894	7,127,748
Maturata Plantation PLC	3,433,250	6,872,788
Horana Plantation PLC	2,487,954	-

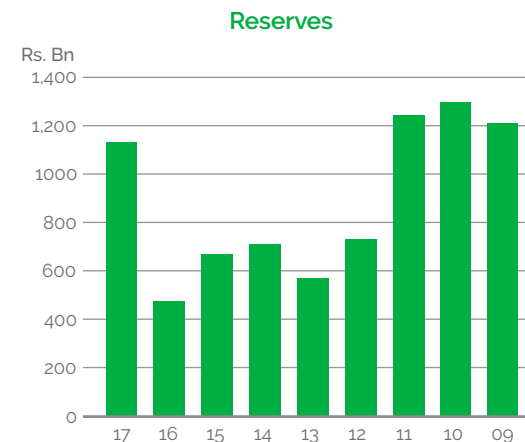
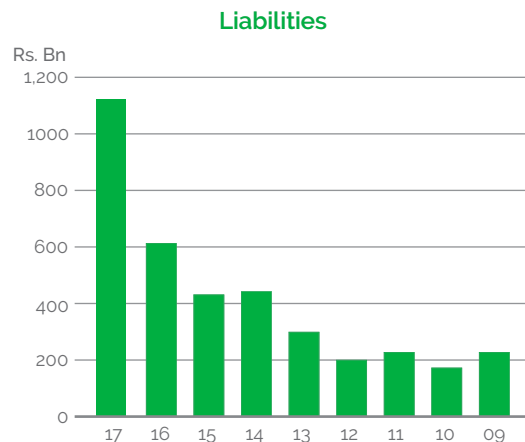
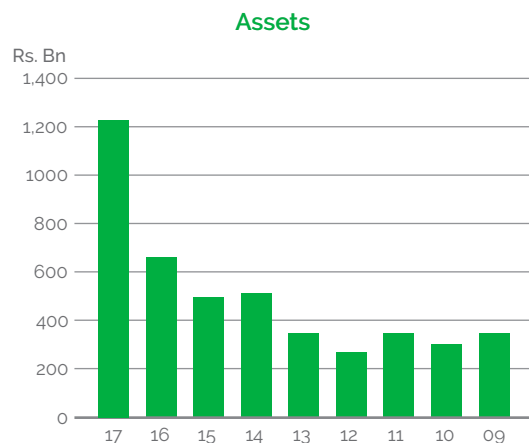
**20.2 Transactions with Key Management Personnel of the Trust**

- The Trust has paid Rs.645,000/- to the members of the Board of Directors during the year (2016 -Rs 450,000/-) as sitting allowances and no emoluments have been paid to the members of the Board of Directors.
- During the year Organization has given following loans to the Director General as noted below.

	2017 Rs.	2016 Rs.
Balance as at 1 January	-	1,207,000
Granted During the Year	-	-
Recovered During the Year	-	(1,207,000)
Balance as at 31 December	-	-

# Ten Year Summary

	2017 Rs. '000	2016 Rs. '000	2015 Rs. '000	2014 Rs. '000	2013 Rs. '000	2012 Rs. '000	2011 Rs. '000	2010 Rs. '000	2009 Rs. '000	2008 Rs. '000
<b>Operational Results</b>										
Recurrent Expenditure & Levy	141,896	136,116	138,461	139,026	126,861	119,202	111,157	103,430	98,603	94,623
Gain / (Loss) on Project Activities	82,078	15,903	4,290	9,420	(4,227)	(26,682)	(1,368)	6,617	16,388	1,964
Income / (Loss) Before Tax	73,412	(20,230)	(3,317)	15,339	(15,364)	(50,728)	(5,351)	(1,935)	20,550	1,694
Income Tax Expenses	(7,270)	35	(369)	(1,656)	(352)	(276)	432	964	1,247	1,469
Income / (Loss) After Tax	66,142	(20,195)	(3,686)	13,683	(15,716)	(51,004)	(5,783)	(2,899)	19,303	225
<b>Reserves</b>										
Project Reserves	4,469	4,469	4,469	4,469	4,469	4,469	4,469	4,469	4,469	4,469
General Reserves	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615
Accumulated Fund	107,327	41,185	61,381	65,066	51,382	67,099	118,103	123,887	115,363	96,060
	<b>113,411</b>	<b>47,269</b>	<b>67,465</b>	<b>71,150</b>	<b>57,466</b>	<b>73,183</b>	<b>124,187</b>	<b>129,971</b>	<b>121,447</b>	<b>102,145</b>
<b>Liabilities</b>										
Non Current Liabilities	149,404	177,728	205,580	206,009	146,311	155,435	125,314	144,462	193,459	127,903
Current Liabilities	972,401	441,511	226,132	240,611	153,413	43,706	101,305	28,817	36,208	36,159
	<b>1,121,805</b>	<b>619,239</b>	<b>431,712</b>	<b>446,620</b>	<b>299,724</b>	<b>199,141</b>	<b>226,619</b>	<b>173,279</b>	<b>229,667</b>	<b>164,062</b>
<b>Assets</b>										
Non Current Assets	34,183	53,114	70,966	83,093	43,295	78,704	100,525	96,847	95,121	60,125
Current Assets	1,201,033	613,394	428,211	434,677	313,895	193,620	250,283	206,402	255,993	206,082
	<b>1,235,216</b>	<b>666,508</b>	<b>499,177</b>	<b>517,770</b>	<b>357,190</b>	<b>272,324</b>	<b>350,808</b>	<b>303,249</b>	<b>351,114</b>	<b>266,207</b>

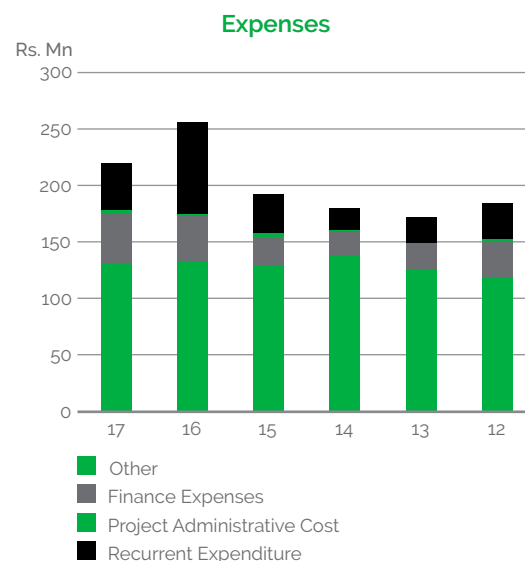
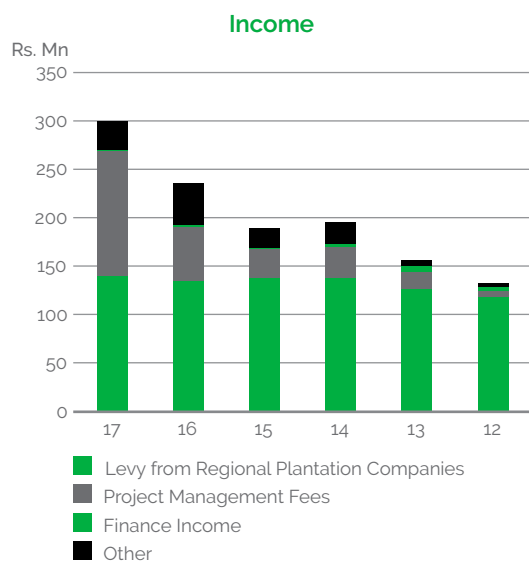




# Graphical View of Financial Statements

## Income Statement

	2017 Rs: Mn	2016 Rs: Mn	2015 Rs: Mn	2014 Rs: Mn	2013 Rs: Mn	2012 Rs: Mn
<b>Income</b>						
Levy from Regional Plantation Companies	141.9	136.1	138.5	139.0	127.0	119.2
Project Management Fees	127.2	55.5	29.2	30.9	17.6	5.7
Finance Income	1.8	0.5	1.1	4.1	6.2	5.0
Other	28.6	43.7	20.6	22.0	5.3	3.5
	<b>299.5</b>	<b>236</b>	<b>189</b>	<b>196</b>	<b>156</b>	<b>133</b>
<b>Expenses</b>						
Recurrent Expenditure	131.7	133.7	130.5	139.0	127.0	119.2
Project Administrative Cost	45.2	39.6	24.9	21.5	21.8	32.4
Finance Expenses	1.8	2.6	3.3	1.1	0.5	1.1
Other	47.3	80.0	34.0	19.0	22.5	31.5
	<b>299.5</b>	<b>256</b>	<b>193</b>	<b>181</b>	<b>172</b>	<b>184</b>
<b>Income Before Tax</b>	<b>73.5</b>	<b>(20.2)</b>	<b>(3.3)</b>	<b>15.4</b>	<b>(15.8)</b>	<b>(50.7)</b>

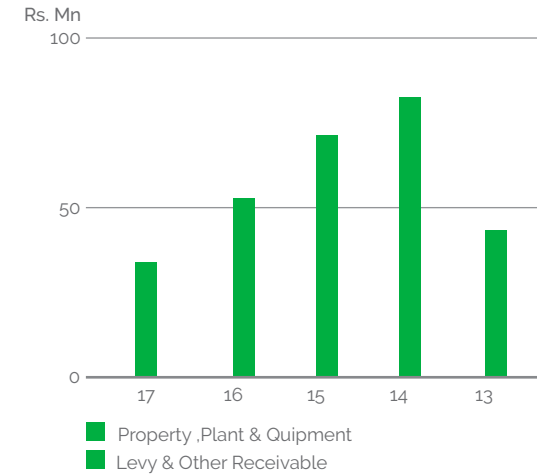


# Graphical View of Financial Statements contd.

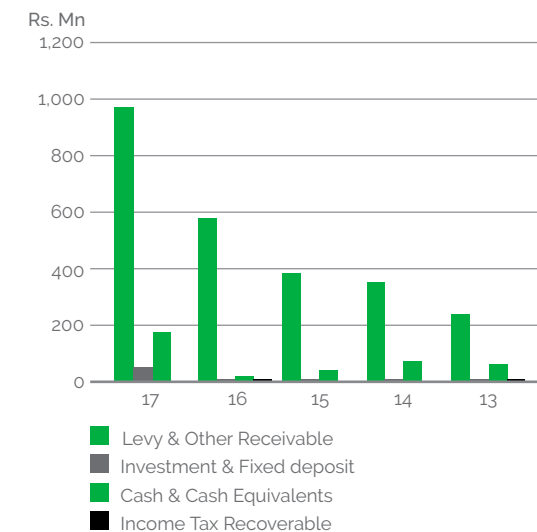
## Balance Sheet

	2017 Rs: Mn	2016 Rs: Mn	2015 Rs: Mn	2014 Rs: Mn	2013 Rs: Mn
<b>Non Current Assets</b>					
Property, Plant & Equipment	34.10	53.10	70.90	83.00	43.20
Levy & Other Receivable	-	-	-	-	-
<b>Total</b>	<b>34.10</b>	<b>53.10</b>	<b>70.90</b>	<b>83.00</b>	<b>43.20</b>
<b>Current Assets</b>					
Levy & Other Receivable	971.5	586.1	382.6	357.8	244.7
Investment & Fixed deposit	51.3	1.0	0.9	4.1	0.8
Cash & Cash Equivalents	178.2	25.8	44.7	72.6	67.4
Income Tax Recoverable	-	0.3	-	-	0.8
<b>Total</b>	<b>1,201.0</b>	<b>613.3</b>	<b>428.2</b>	<b>434.5</b>	<b>313.7</b>
<b>Total</b>					
<b>Total</b>	<b>1,235.1</b>	<b>666.4</b>	<b>499.1</b>	<b>517.5</b>	<b>356.9</b>
<b>Funds and Reserves</b>					
Project Reserves	44	45	45	45	45
General Reserves	16	16	16	16	16
Accumulated Fund	107.3	41.2	61.4	65.1	51.4
<b>Total</b>	<b>113.3</b>	<b>47.3</b>	<b>67.5</b>	<b>71.1</b>	<b>57.5</b>
<b>Non-Current Liabilities and Deferred Income</b>					
Interest bearing Loans & Borrowings	5.85	13.60	20.30	25.57	1.32
Retirement Benefit Liability	24.90	21.80	20.28	18.39	16.99
Deferred Grants	118.65	142.24	16.99	162.03	127.99
<b>Total</b>	<b>149.41</b>	<b>177.64</b>	<b>57.57</b>	<b>205.99</b>	<b>146.30</b>
<b>Current Liabilities</b>					
Interest bearing Loans & Borrowings	7.41	12.67	5.96	6.69	1.35
Other Payables	958.34	428.84	220.13	233.60	152.00
Income Tax Liability	6.65	-	0.05	0.29	-
<b>Total</b>	<b>972.40</b>	<b>441.51</b>	<b>226.14</b>	<b>240.58</b>	<b>153.35</b>
<b>Total</b>	<b>1,235.11</b>	<b>666.40</b>	<b>351.16</b>	<b>517.70</b>	<b>357.10</b>

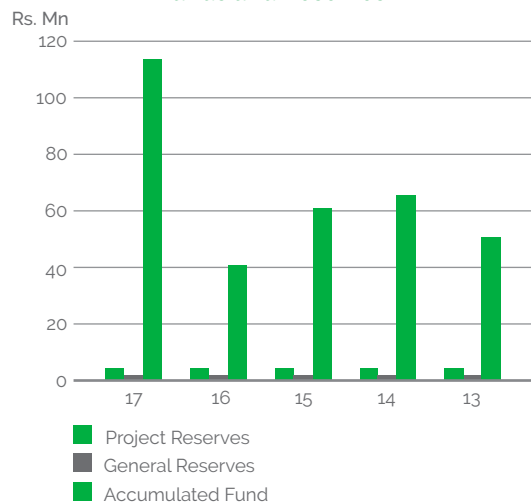
## Non Current Assets



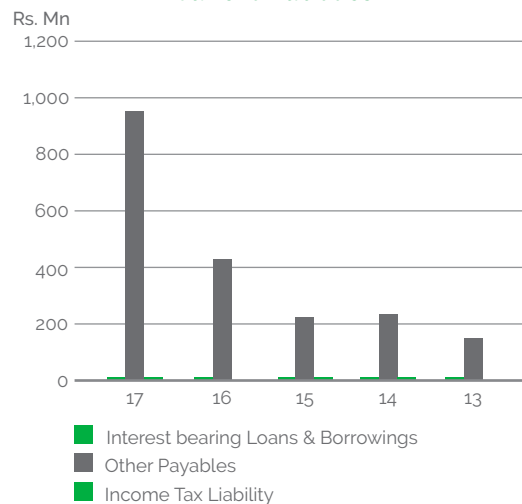
## Current Assets



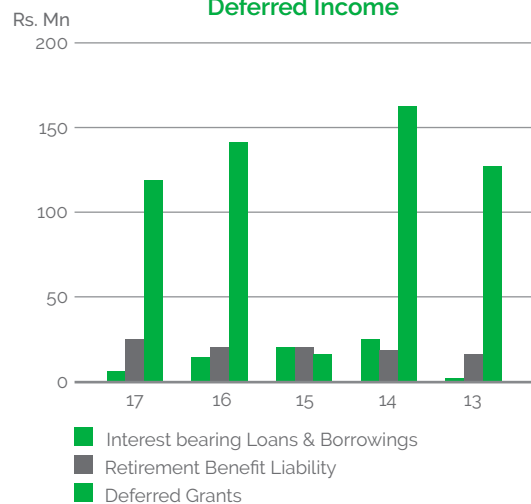
### Funds and Reserves



### Current Liabilities



### Non-Current Liabilities and Deferred Income





# Notice of Meeting

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of the Plantation Human Development Trust will be held at the Auditorium of Coconut Cultivation Board, No. 9/428, Denzil Kobbekaduwa Mawatha, Battaramulla on Friday, 23rd March 2017 at 2.30 p.m. for the following purposes

## AGENDA

1. Call meeting to order and read the notice convening the meeting.
2. Chairman's Address (Please Ref pg. 08 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 2017.
4. To re-elect Mr. G. D. V. Perera who retires by rotation in terms of Article 55 of the Articles of Association as a Director.
5. To re-elect and Mr. S. K. L. Obeyesekere who retires by rotation in terms of Article 55 of the Articles of Associations as a Director.
6. 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 2018

## 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" (i.e. the Trust)

# 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. Dilantha Stephen Seneviratne                                  | or failing him |
| Mr. Ganegodage Dhamitha Vaamaka Perera                            | or failing him |
| Mr. Murugaiah Ravindran   | or failing him |
| Mr. Santhanam Arullsamay  | or failing him |
| Ms. Weliveriya Liyanage Manori Anurada Liyanage                   | or failing her |
| Mr. Janak Manuja Kariyapperuma                                    | or failing him |
| Mr. Bathiya Bulumulla   | or failing him |
| Ms. Wickremasinghe Mudiyansele Dhammika Tharangani Wickramasinghe | or failing her |

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 23rd March 2018 at 2.30 p.m. and at any adjournment thereof and every poll which may be taken in consequence thereof.

Please mark X in appropriate cages below

Item	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 2017	<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 Associations.	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-appoint Auditors and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

Signature of Member .....

Note : Instructions as to completion are given overleaf.

### 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.

# 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 23rd March 2018 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.





# 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

## Board of Directors

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

Mr. S.K.L. Obeyesekere  
Planters' Association of Ceylon

Mr. D.S. Seneviratne  
Talawakelle Tea Estates PLC

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

Mr. M. Ravindran  
Lanka Jathika Estates Workers Union

Mr. S. Arullsamay  
Ceylon Workers' Congress

Mrs. W.L.M.A. Liyanage  
Ministry of Finance and Mass Media

Mr. J.M. Kariyapperuma  
Horana Plantations PLC

Mr. B. Bulumulla  
Elpitiya Plantations PLC

Mrs. W.M.T.D. Wickremasinghe  
Ministry of Plantation Industries

## 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

C/o Walahanduwa Estate, Walahanduwa.  
Tel: 091-2245754/2222424, 5635810-3

### Ratnapura

Paradise, Kuruwita.  
Tel: 045-2262497/2262102, 5624820-3

### Badulla

Hingurugama Complex, Badulla.  
Tel: 055-2226205/2226248, 5635830-3

### Kegalle

Sir Francis Molamure Mawatha, Ranwala, Kegalle.  
Tel: 035-2222485/2222486, 56244840-3

### Kandy

No.1, Balakotuwa Camp Road,  
Pallekelle, Kundasale.  
Tel: 081-2421679/2422284, 5635850-3

### Hatton

No. 243/1, Main Street, Dickoya.  
Tel: 051-2222988/2222792, 5678860-3

### Nuwara Eliya

No. 56, St. Andrew's Drive, Nuwara Eliya.  
Tel: 052-2222681/2223757, 5678870-3



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