

ANNUAL REPORT 2019



OUR YEAR

At PHDT we have been uplifting lives and creating chances for individuals and families ever since our inception. And while we had a moderate year, we owe it to our stakeholders and the team that tirelessly work with enthusiasm and passion to make years like this a possibility.

We travelled that extra mile to ensure that some of the most underprivileged plantation families are given a roof over their heads and the opportunity to be a part of a community that lives, works and grows together with a sound education, nutritious food, access to healthcare, clean water, and sanitation.

We have played a pivotal role as the catalyst facilitator of the plantation sector's development and take immense pride in having been bestowed with the tools to give this community the opportunity to thrive and to be instrumental in the development of the society.

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VISION

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

MISSION

- To improve
- integrated services beneficial to plantation sector and 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

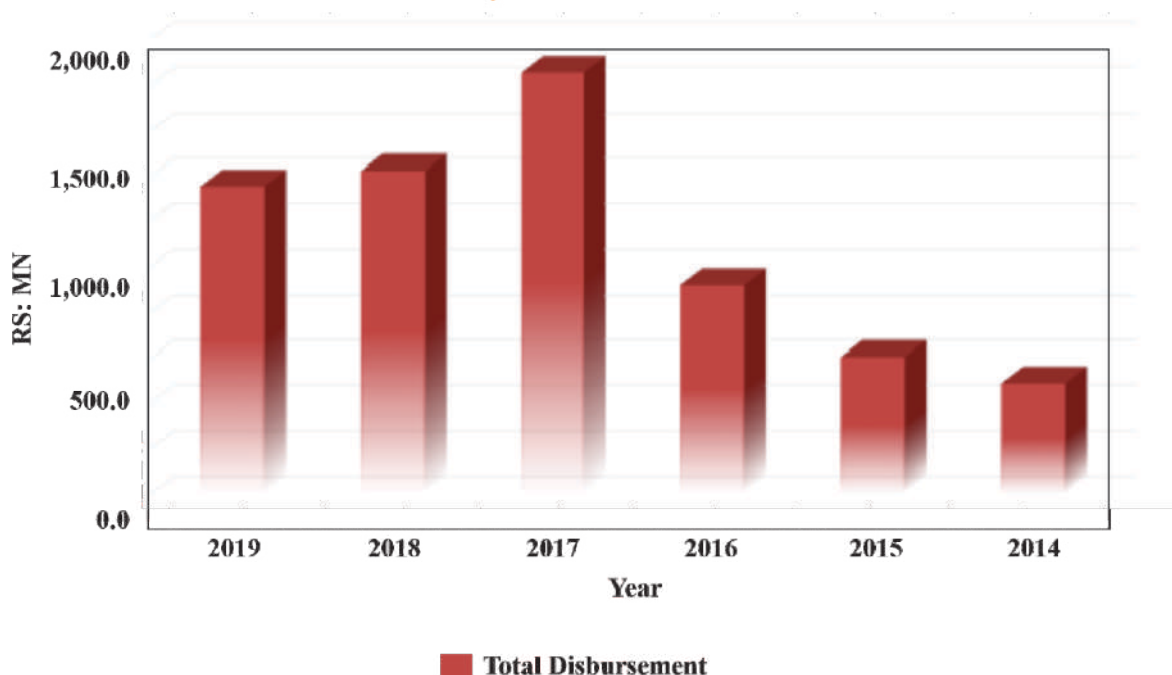
- We will adopt an open door policy
- We will ensure equity and fairness to our stakeholders
- We will make people feel valued and demonstrate integrity
- We will promote our team work through dedication and active listening
- We will work and achieve our objectives as one family
- We will ensure the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

VISION
MISSION

FINANCIAL HIGHLIGHTS

	2019 <i>Rs: Mn</i>	2018 <i>Rs: Mn</i>
Results for the year		
Levy Income	141.92	139.56
Total Recurrent Expenses	118.62	127.39
Excess from Activites	23.2	12.17
Other Income & Gains	13.57	6.22
Other Expenses	(39.62)	(59.46)
Project Administrative Income	11.77	76.13
Finance Cost	(1.28)	(1.15)
Finance Income	5.23	5.13
Excess / Deficit Before Tax	12.97	39.05
Taxation	(4.97)	(6.46)
Excess / Deficit for the year	8	32.59

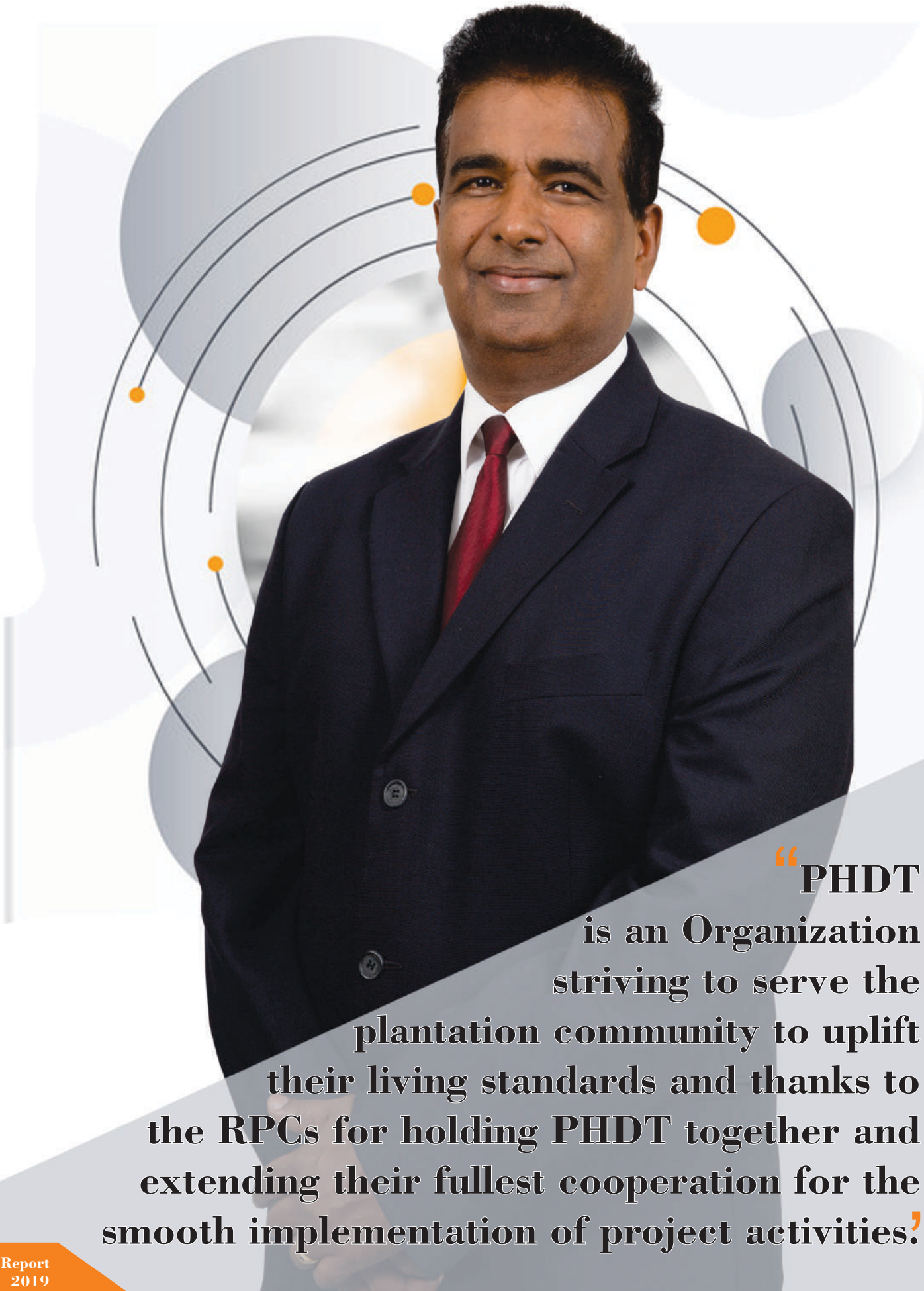
Total Project Disbursements



Rs. 1,350 Mn
Disbursement
2019

Rs. 142 Mn
Levy
2019

DIRECTOR GENERAL'S REVIEW



“PHDT is an Organization striving to serve the plantation community to uplift their living standards and thanks to the RPCs for holding PHDT together and extending their fullest cooperation for the smooth implementation of project activities.”

DIRECTOR GENERAL'S REVIEW

We are at the doorstep of the next financial year having accomplished the targets during the year 2019 in continuation of our efforts to uplift the quality and standards of life of the plantation community. I am privileged in presenting my review of the year for the third consecutive year as the Director General.

Year 2019 began with the hindrance on performance due to the political turbulence in the country in the 3rd quarter of the previous year and instability of the Government lead to the economic recession which affected the performance of the Projects as we are mostly dependent on state funds. Every time when changes occurred in the Government it took at least two to three months to stabilize with new policies and as a result the Organization faced several constraints in timely delivering the expectations of the community.

PHDT is an Organization striving to serve the plantation community to uplift their living standards and thanks to the RPCs for holding PHDT together and extending their fullest cooperation for the smooth implementation of project activities. My sincere thanks to the RPCs who are settling the levy uninterruptedly sharing a sizeable portion of our Recurrent Expenditure and look forward for their continued support.

HOUSING & INFRASTRUCTURE PROJECTS

PHDT formed under the Companies Act is an entity gazette under the Ministry of Community Empowerment & Estate Infrastructure Development and thanks to the Ministry PHDT received an allocation of Rs. 3 to 4 Billion worth of Project Activities and with the Administrative fee earned by the PHDT upon implementation of these Projects covers the Project Expenditure of the PHDT.

Due to the constraints as touched at the beginning of my review, there were few delays. However, we concentrated on recovering the Projects held up and indicate below the investment on carryover activities and Infrastructure Special Projects approved in the year 2019.

ACTIVITY	NO OF UNITS	INVESTMENT Rs. Mn
Carryover Housing 2017/18	429	429
Carryover Infrastructure for Housing	52 (Projects)	110
Carryover Infrastructure Special Projects	79	42
Infrastructure Special New Projects	47	31
Total		612

WaSSIP PROJECT:

The Ministry of Urban Development, Water Supply and Housing Facilities allocated nearly Rs. 1000 Mn under the WaSSIP Project funded by the World Bank for the first time introducing safe drinking water to the plantation community with all technical knowhow on purification etc. and the PHDT actively participated and extended the co-operation to implement these Projects successfully.

These Projects are nearing completion and PHDT has a major responsibility in facilitating the beneficiaries and the RPCs to ensure the sustainability and the maintenance of these high value Projects with features of latest technology and understanding the need on regular care & maintenance we are in the process of establishing "Plantation Water Supply Support Unit" under the PHDT.

EARLY CHILDCARE DEVELOPMENT:

With the World Bank Funds provided through the Early Childcare Development Programme 40 nos. New CDCs were constructed and 150 Nos. existing CDCs were developed investing Rs. 300 Mn.

Thanks to the Project Programme, the Building constructed over hundred & twenty years ago used as the Galle Regional office of the PHDT was upgraded with an investment of Rs. 9 Mn with facilities to utilize the premises for Training Programmes and accommodation for Resource Personnel which will be beneficial for all stakeholders.

Similarly, the Project funded a further Rs.12.76 Mn for a Resource Center with all facilities and to stay over accommodation on Strathdon Estate, Hatton.

ESTATE WORKER HOUSING CO-OPERATIVES:

Present, the Project funds are disbursed through the EWHCS of the respective Estates and at many CEOs' Forums requests were made that the EWHCSs need to be upgraded & monitored by the PHDT due to the high capacity of work handled.

In this regard, initially PHDT discussed with many Stake Holders and Donor agencies to conduct training programmes and see the possibility of forming a Federation of Cooperatives. I am pleased to inform you that the PALM foundation along with We Effect came to support PHDT in the formation of Estate Worker Housing Cooperative Federation (EWHCF) in Nuwara Eliya District, the Draft Constitution of which has already been shared with the Commissioner of the Cooperative Development and awaiting for the legalization process.

APPRECIATION:

In conclusion I express my sincere thanks to the Ministry of Hill Country New Villages, Infrastructure & Community Development, Ministry of Community Empowerment & Estate Infrastructure Development, Ministry of Plantation Industries, Ministry of Finance & Planning, Ministry of Health, Nutrition & Indigenous Medicine, Ministry of Women & Child Affairs, Indian High Commission, Regional Plantation Companies, Trade Unions, Donor Agencies, INGOs and NGOs for their valuable contribution for advancing our endeavours and look forward for their continued support.

Also my sincere thanks to the Chairmen and the Board of Directors for their consistent support and guidance in all operational matters and finally my applause to Internal Directors and Regional Directors and all the members of staff of the organization for their tireless pursuit in delivering the benefits to the plantation community and all stakeholders.

“Success isn’t always about greatness. It’s about consistency. Consistent hardwork leads to success. Greatness will come” – Dwayne Johnson

**L.R. Perera***Director General*

BOARD OF DIRECTORS



Mr. S.K.L. Obeyesekere

Mr. G.D.V. Perera

Mr. B. Bulumulla

Mr. S.P. Wijakumaran



Mr. P. Sivarajah Dr. N.P.C.R. Nugawela Mrs. P.D.H. Dabare Mr. K.G. Punchihewa Mr. J.A. Rodrigo

BOARD OF DIRECTORS

Mr. S.K.L. Obeyesekere

Was a founder member of the Plantation Housing & Social Welfare Trust (PHSWT) first established on 18th September 1992 later re-named as Plantation Human Development Trust (PHDT) on 10th October 2002.

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 up to 2017. He is a Fellow of the National Institute of Plantation Management in Sri Lanka and counts over 47 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 has served as an elected member of the Ceylon Rubber Traders' Association & the Ceylon Tea Traders Association and is 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, Ceylon Tea Museum, Plantation Human Development Trust and the Tea Smallholder Factories PLC of John Keells Group.

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

The formation of the Trust was approved by the Cabinet on a proposal made by HE The President, R. Premadasa in his capacity as the Minister of Plan Implementation. The Trust 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 Memorandum of Articles of Association on the Trust determine the functions of the Trust. The administrative functions is as laid down in the Shop and Office Act. The Organization was later re-named as Plantation Human Development Trust (PHDT) on 10th October 2002.

Mr. G.D.V. Perera

Mr. G.D.V. Perera 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), 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. B. Bulumulla

Mr. Bhathiya Bulumulla has 34 years of experience in the plantation sector, out of which 21 years in Elpitiya Plantations PLC. He has worked at State Plantations Corporation, Kotagala Plantations and Bogawantalawa Plantations as Asst Manager, Manager and Group General Manger before joining Elpitiya Plantations PLC in 1999.

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 and Executive Director at Elpitiya Plantations PLC in 2018.

He also hold the position of Managing Director of Elpitiya Dianhong Jin Ya Tea Co (Pvt) Ltd, a Director at EPP Hydro Power (Pvt) Ltd and Director at Escape Park Ceylon (PVT) Ltd.

He holds a Diploma in Plantation Management from National Institute of Plantation Management, B.Sc (honours) Degree in Plantation Management from Wayamba University and MSc. in Environment Science from Open University of Colombo.

He is a Fellow member of National Institute of Plantation Management, a visiting lecturer at Wayamba University, a Honorary Council Member of Plantations Services Group of Employer Federation of Ceylon and the Deputy Chairman of Planters Association Ceylon.

BOARD OF DIRECTORS

Mr. S.P. Wijakumaran

Mr. S.P. Wijekumaran, who is representing the Lanka Jathika Estate Workers Union is currently performing as the National Organizer of the Union.

He was appointed as the Assistant Secretary of LJEWU from 2003 to 2014; Regional Director of Uva Province; Assistant Secretary of National Trade Union Federation; Treasurer of The Power Foundation; President of Sri Lanka Security Services Union. He also, served as the Private Secretary to late Hon. K. Velayudam (Member of Parliament and Member of Uva Provincial Council) from 1990 to 2013.

He was appointed as the Assistant Secretary (T/U) of Ministry of Plantation Industries and NHDA Housing Programme Co-ordinator of LJEWU from 2017 to 2019.

Mr. Wijekumaran represented Sri Lanka as the worker delegate at the International Labour Conference held in Geneva in 2003 and 2016.

He holds Diplomas in Trade Union Workers Education and Curriculum Development and in Political Science and Social Mobilization.

Mr. P. Sivarajah

Mr. P. Sivarajah who represented the Ceylon Workers' Congress as the Vice President since 2007 is currently performing the role of Board Member of Annai Kothai Entrepreneur (Guarantee) Ltd. from 2009, as well as of Saumya moorthi Thondaman Memorial Foundation (STMF) from 2010.

He has involved with the plantation sector as a proprietary during the period 1960 to 1972. In the year 1977, Mr. Sivarajah has served as the P.A. to the late Hon. S. Thondaman and subsequently he had been appointed as the Co-ordinating Secretary in 1984 to 1999. He is also possessed top level working experience of the Organizations of LANLIB & NEMO as the Chairman during the period from 2000 to 2003.

In 2002, Mr. Sivarajah was appointed as the Deputy Mayor in Municipal Council, Nuwara Eliya, up to 2007 and then he became as the Senior Co-ordinator of the Ministry of Estate Infrastructure. He has also served as the Private Secretary to Hon. Senthil Thondaman (Uva Provincial Council) in 2009.

Dr. N.P.C.R. Nugawela

Dr. Charles Nugawela has started his carrier as an export documentation assistant and rose up the director level in government and private sector organizations.

He obtained his basic Degree - BDS from the University of Peradeniya and Masters in Medical Administration from the University of Colombo. He also has obtained an MBA and DBA from Anna university Chennai.

Presently, he serves as the Director, Estate and Urban Health Unit of Ministry of Health, Nutrition & Indigenous Medicine. He served also as a Deputy Director, Teaching Hospital, Kandy; Medical Superintendent of Base Hospital, Dambulla and also as a House Officer attached Oral and Maxillofacial Unit of General Hospital, Badulla. Prior to joining the movement sector, he has worked in private sector organizations such as Maersk Lanka Pvt Ltd, Alkem Pharmaceuticals, Arken Biogenics Pvt Ltd and Saylor Therapeutics Pvt Ltd, in different capacities.

Mrs. P.D.H. Dabare

Mrs. Dharshani Dabare holds a Bachelor of Commerce Degree with first class grade pass from the University of Sri Jayewardenepura and completed Masters of Arts in Economics from the University of Kelaniya. She has also obtained a Diploma in Planning and Development from the Institute of Development Administration. In addition to that, she has also admitted as a Certified Business Accountant of the Institute of Chartered Accountants of Sri Lanka.

Further to being a member of the Sri Lanka Planning Service, she is also the Deputy Director of the Department of External Resources in the Ministry of Finance, Economic and Policy Development. She is entrusted with the duties pertaining to projects carried out under financial assistance from United Nations Agencies. Her role is to facilitate, monitor and negotiate the activities related to financing agreements between the Government of Sri Lanka and United Nations Agencies and ensure the smooth implementation of such projects.

BOARD OF DIRECTORS

Mr. K.G. Punchihewa

Mr. Kamal Punchihewa started his career at M/s. B R De Silva & Co. Chartered Accountants, in 1983 and was appointed as a Partner in 1991. His first association with the Regional Plantation Companies was in 1992 when he was appointed as the Financial Controller of Kotagala Plantations Ltd. under M/s George Steuarts Management Services. In 1997 he was appointed as the Group Financial Controller of the George Steuarts Group of Companies and subsequently as a Director of George Steuarts Auto Supplies (Pvt) Ltd. He re-joined the Plantation Sector as the General Manager- Finance of Kahawatte Plantations Ltd. in 2002.

In 2005 he got first overseas posting as the Financial Controller of PT Agro Bukit Indonesia and later took up the key position of Head of Finance – Plantation Operations and Business Support for the entire Indonesian operation of Good Hope Asia Group, which consisted of six Oil Palm Plantation Companies.

Mr. Punchihewa joined Lankem Tea & Rubber Plantations (Pvt) Ltd. (LT&RP) as Director/ Deputy CEO in April, 2011 and was appointed to as the CEO of Agarapatana Plantations Ltd. in April, 2014.

He left Agarapatana Plantations in October 2016 and joined the Browns Group as the Group Chief Executive Officer - Plantation Sector in-charge of three Regional Plantation Companies and served as the Chief Executive Officer of Maturata Plantations Ltd in the same Group.

He is a Fellow of the Institute of Chartered Accountants of Sri Lanka and Associate Member of the Certified Public Accountants of Australia.

Mr. J.A. Rodrigo

Mr. Johann Rodrigo counts more than 35 years in the plantation trade. Commencing as an Assistant Manager under JEDB, he is presently the Director /CEO of Horana Plantations.

He currently serves as a Director at the Ceylon Tea Museum and the Plantation Human Development Trust and a former Director of the Chamber of Commerce in Nuwara Eliya, a committee member of the Ceylon Planters Provident Society and the Estate Staff Provident Society.

He has attended the Indian Business School of Hyderabad for management, trained in Japan under JUSTICA and by Save the Children in Thailand on Child protection in emergencies.

He was instrumental in rolling out the child policy in the plantations with Save the children Sri Lanka, and in the mother and child friendly Tea Estate concept.



Head Office

PLANTATION HUMAN DEVELOPMENT TRUST

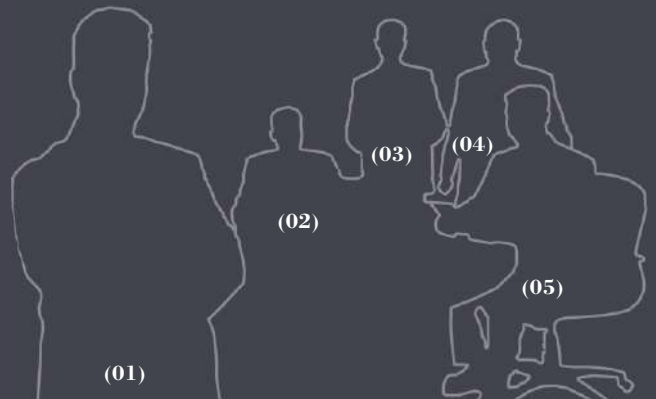
No: 427/14, Robert Gunawardene Mawatha, Battaramulla

HEAD OFFICE DIRECTORS



Left to Right

- (01) **Mr. L.R. Perera**
Director General
- (02) **Mr. R.Y. Kulatunga**
Director Finance & Administration
- (03) **Mr. B.C. Ramasundara**
Deputy Project Director (ECDP)
- (04) **Mr. C. Wanniarachchi**
Director Engineering
- (05) **Dr. C. Gunasekara**
Director Health



REGIONAL DIRECTORS



Mr. C.U.B. Ranasinghe
Kegalle Region



Mr. R.V.A.N.P. Wijeratne
Hatton Region



Mr. L.P.A.N. Senaratne
Badulla Region



Mr. A.S.B. Ekanayake
Ratnapura Region



Mr. A.H.W. Munaweera
Kandy Region



Mr. K.A.D.G. Kulanayake
Nuwara Eliya Region



Mr. C. Dewaranjan
Galle Region

HOUSING & INFRASTRUCTRE





Overview

Over the last 26 years since its establishment in the year 1992 Plantation Human Development Trust implemented series of Projects for the betterment and improvement of the standards of living of the Community in the Plantation Sector and in the year under review too housing and related infrastructure Projects and Infrastructure Special Projects were implemented utilizing the funds of the Government of Sri Lanka channeled through the Ministry of Hill Country New Villages, Infrastructure and Community Development.

With the limited number of individual Housing undertaken in the past PHDT identified the New Housing as the most demanding issue for the community who are still in occupation of the line houses with a square area of approximately 200 sq. ft. which were constructed over 150 years ago as there is a sizable stock of line houses remaining in Plantations.

However, the Company could not focus on New Programme on Housing at the commencement of the year under review due to heavy carryover activities brought forward from the previous year resulting due to the Political turbulence in the country during the fourth quarter of 2018 and followed up with the protests by the Plantation Community on the wage hike negotiations. This was an obstacle for the selection and finalization of beneficiaries

In addition to this the fear psychosis created in the minds of the Contractors led the situation to abandon or go slow in their construction sites. There were also delays in obtaining the funds through the Ministry on claims submitted after having completed the different stages of construction. Cash crunch situation faced by the contractors led to very slow progress of the construction despite PHDT intervening to assist them to move on with the work.

COMPLETION OF CARRY OVER PROJECTS

Carryover Projects consisted of Housing and related Infrastructure facilities for the relevant sites and certain Infrastructure Special Projects.

HOUSING

Regional distribution of 429 Carryover Housing units completed is indicated in the table below.

Region	HOUSING		
	No. of Projects	Units	Expenditure Rs. Mn
Galle	6	102	102
Ratnapura	4	30	30
Badulla	0	0	0
Kegalle	3	34	34
Kandy	2	35	35
Hatton	6	160	160
Nuwara Eliya	5	68	68
Total	26	429	429

INFRASTRUCTURE FOR HOUSING

Infrastructure development is essential to provide the common amenities to the Housing sites to improve life style of the community and make them comfortable, and several such Carryover Projects as listed below in the respective Regions which were finalized and handed over to the community during the year.

Region	Water		Roads		Total Expenditure Rs. (Mn)
	No. of Projects	Value Rs.(Mn)	No. of Projects	Value Rs.(Mn)	
Galle	5	8.82	5	11.2	20.02
Ratnapura	3	3.82	1	1.49	5.31
Badulla	4	6.13	9	32.32	38.45
Kegalle	0	0	2	3.45	3.45
Kandy	2	1.91	2	2.46	4.37
Hatton	7	12.83	3	6.8	19.63
N'Eliya	5	10.9	4	7.66	18.56
Total	26	44.41	26	65.38	109.79

OTHER SPECIAL INFRASTRUCTURE PROJECTS

The Infrastructure Development Special Projects carried over from the previous year and completed to the value of Rs. 42 Millions covering the estates in all Regions are listed below.

Region	Concrete Roads	New Latrines	Water Projects	Retaining Wall Wire Net etc.	Upgrading of CDC's	Community Centers and Cultural Halls	Total no of Projects
Galle	0	0	0	0	1	0	1
Ratnapura	0	0	1	1	0	0	2
Badulla	2	0	0	2	0	0	4
Kegalle	0	0	1	0	0	0	1
Kandy	0	0	0	0	0	0	0
Hatton	2	35	1	0	1	1	40
N'eliya	0	25	1	0	3	1	30
No of Projects	4	60	4	3	5	2	78
Total Value (Rs: Mn)	23.16	4.04	1.81	4.63	4.1	4.22	41.96

GREEN GOLD HOUSING PROGRAMME – YEAR 2019

The Ministry initially conveyed in August 2019 the Programme for the year 2019 and the final list of 103 Projects covering 2092 Housing Units approved was submitted in mid October 2019. When the proposals for 2019 Housing were being discussed, PHDT in July 2019 communicated with the Ministry & conveyed the difficulties in implementing the construction based on Rupees One Million allocation per unit and continuously negotiated and once again communicated in October 2019 for a revision in the allocation.

Whilst the enhancement of allocation was under negotiations, PHDT submitted to the Ministry the Preliminary Advance Claims on 61 Projects commencing August 2019 to October 2019. However the Ministry by their letter dated 31st December 2019 informed the PHDT the cancellation of the 2019 Programme except the Project to provide Housing to 30 Beneficiaries where the Houses were affected by the fire in Fordyce Estate coming under the purview of Hatton Region.



Housing for Logie Division of Logie Estate



Housing for Middle Division of Mount Vernon Estate



Housing for Gouravilla Division of Gouravilla Estate



Housing for Upper Division of Mount Radella Estate



Housing for Poranuwa Division of Kiribathgala Estate



Housing for Brownlow Division of Brownlow Estate



Housing for Logie Division of Logie Estate

INFRASTRUCTURE SPECIAL PROJECTS

Out of the allocations for the Projects approved in the year 2019 by the Ministry for Hatton, Nuwara Eliya & Kandy Regions, the details of the Projects completed during the year are indicated below.

Region	Concrete Road		Upgrading Play Ground		Wire Net/Material Supply		Total Expenditure Rs. Mn.
	Units	Expdt. Rs. Mn.	Units	Expdt. Rs.Mn	Units	Expdt. Rs. Mn	
Kandy	2	1.74	0	0	0	0	1.74
Hatton	9	6.84	11	9.48	8	7.7	24.02
N'Eliya	6	3.52	1	1.51	1	0.48	5.51
Total	17	12.1	12	10.99	9	8.18	31.27



HEALTH & NUTRITION



Regular Health
And
Nutrition Ensures A
Healthy &
Happy Family



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



Tikiri Shakthi

HIGH PROTEIN NUTRI BAR



The Plantation Community has been identified as a distinct group by the Census and Statistics Department. Initially, the Health and Welfare activities in Plantation were looked after by the social development wing, which was succeeded by the PHSWT in 1992. Accordingly, the one of the prime responsibility of the PHDT is looking after the Health and Social Welfare in Plantation Community .As government has accepted on principle that Health Care both Curative and Preventive should be available for Estate Community equally as rural counterpart, without any hindrance.

During the year 2019, PHDT conducted many activities both in Health and Social Welfare which lead to uplift the quality of life in Estate Community. We wish to continue the health activities with much efficiency and with improved quality and commitment to enhance the health status of the community contributing to the productivity and sustainability of industry in the future.

The PHDT ensured that the comprehensive maternal health care package, delivered to all the pregnant women in the country is delivered to Plantation sector. As nutrition is a major health problem in the plantation, exclusive breast feeding for first 06 months, IYCF (Infant Young Child Feeding) strategy were adopted in estate sector and in addition Tikiri Shakthi (Nutri Bar), Iron fortified Soya meat were introduced as nutrition

supplements. We had planned to change the food culture among plantation community which includes changing of pattern of food consumption, adding different types of foods, more towards, vegetable, protein and less carbohydrate. In order to change food culture, we have initiated to develop community kitchen concept as a model for the Plantation Community which could be practiced at home setting.

Stunting and wasting were common issue among under five years children in plantation sector, the trend is towards declining over the years. We are working tirelessly with Ministry of Health, Family Health Bureau and Plantation Ministry towards reducing key indices to acceptable level.

As comprehensive antenatal care is implemented in plantation sector and 99.9 were Institutional deliveries. Maternal Mortality is par with National standard. The Child Development Centres are equipped to provide best ECD care for the estate children with trained CDOs. Availability of IYCF providing Mid-Day meal contributed satisfactorily reduced the malnutrition among under five years children.

The Health and child care programme were assisted by NGOs, INGOs, UN Agencies, World Bank and they continued to assist PHDT in the years to come.



ELDERLY CARE

The elderly population in the Plantation Community is about 10% and they have toiled hard in the industry for which they deserved a better health and welfare service. PHDT has planned to establish an Elderly Care centre in Nuwara Eliya Region.

The commonest problem identified among elderly population is loss of vision due to Cataract. During 2019, two Eye Clinics were conducted with collaboration of HelpAge Sri Lanka at Labookelle and Concordia Estates respectively. 50 Cataract Operations were carried out successfully.



NUTRITION PROGRAMME

Tikiri Shakthi / High Protein Supplement

Since underweight is rampant among under 5 years children in plantation sector. PHDT developed and distributed Protein rich nutri bar as Tikiri Shakthi. This has shown positive impact in children nutrition considering these findings. The Tikiri Shakthi Programme was continued in 2019, due to financial constraint it has restricted only to first six months of the year.

HOME GARDENING PROJECT

As we are aiming to food culture in the estates, the people were encouraged to consume fresh vegetables and fruits. Home Gardening concept was introduced to them and they have advised and guided to grow their requirements and use for consumption.

IRON FORTIFIED SOYA

Many researches have demonstrated that iron deficiency anemia is prevalent in Plantation Sector. This is mainly due to insufficient intake of Iron containing food. In collaboration with CBL (Ceylon Biscuits Limited), PHDT Health Team and Nutritionist from MRI has developed Iron Fortified Soya meat. This product will be exclusively available for the plantation sector with nominal prices at cooperative shops.

BREAST FEEDING CORNERS IN CDCs

In plantation sector exclusive breast feeding during first six months is practised. In order to facilitate this area the plucking mothers were given a field closer to CDC and breast feeding corners were established in 50 CDCs during 2019 in collaboration with Save the Children International. The Breast Feeding Corner has a wash basin, a comfortable chair and privacy which is in conducive for breast feeding. Lactating mothers who report after maternity leave could continue their breast feeding uninterruptedly.

CLUSTER REVIEW MEETINGS

The main objective of the Cluster Review Meeting is to monitor the on-going health and social welfare activities including ECCD. These meetings were held locally with the participation of Regional Director. The Head Office provided necessary funds and monitor the programme. During 2019, 49 such Cluster Review Programmes were completed in all Plantation Regions.

SCREENING AND HEALTH PROMOTION ACTIVITIES

The plantation community is also following the disease pattern of the other parts of the country. Gradually communicable diseases had emerged as main health problem among plantation community. Considering this fact we had planned and completed 17 such screening in plantation region. In these clinics people were screened for diabetics, Hypertension and eye screening were done with the collaboration of NCD Unit of respective Regional Directors of Health Services.



Early Childhood Development Project (ECDP)



We believe in providing **Childran** with a solid **education**, early in life, as this is critical to the **future development** our country



Overview

Early Childhood Development (ECD) refers to the physical, cognitive, linguistic, and socio-emotional development of a child from the conception to age of five. These early years of life are a window of opportunity to lay a strong foundation for a child’s life. Proper health, nutrition, and early stimulation play a critical role for brain development and child well-being. Supporting early childhood development improves equity improving the health, nutrition, and education outcomes of children. Research shows that Investing in early education is a life time investment and benefits accrued are diverse. ECD targeted to the most disadvantaged are a cost-effective strategy to promote children’s success in school and life. Early childhood education is the first stage of a holistic model that creates supportive and constructive learning for children of all ages.

Recognizing the importance of early childhood care and development, the government of Sri Lanka has embark

upon the Early Childhood Development (ECD) project with the assistance of the World Bank. The five year project has been focused to complete by mid-2021. The Project contributes to the goals of the World Bank’s Country Partnership Strategy (CPS) for Sri Lanka and the Project is aligned with the third area, namely, “improving living standards and social inclusion”. The mandate to “invest early, invest smartly and invest for all” is at the heart of the World Bank’s Education Sector Strategy 2020. The Project is also in line with the strategic development goals of the Government of Sri Lanka (GoSL). GoSL recognizes the importance of human capital formation, including the role of ECD, in realizing the country’s long-term development goals. The development objective of the Project is to enhance equitable access to and improve the quality of ECD services.

ECD Project in Plantations

Early investment in human capital development is particularly effective at increasing the ability of disadvantaged children to access learning opportunities. Early Childhood Development (ECD) programs for children in the plantation sector of Sri Lanka are under-developed and require more assistance including CDC facilities to be improved at large. ECD Project in the plantation has been implemented by the Plantation Human Development Trust (PHDT) and carries out activities through an agreement with Ministry of Women & Child Affairs and Social Security. Plantation Budget is US\$ 10 Million(LKR 1700 Mn).While the Project

heading the activities in the Plantations, in the year 2020, PHDT is effectively implementing the fourth year of the ECD project it has brought the hope of better early childhood care and development opportunities for factually deprived plantation population.

ECD project is implemented in plantations under 2 main components, which consists of (i) Hardware Activities (ii) Software Activities and facilities covers all the Regional Plantation Companies in the plantation sector.

HARDWARE COMPONENT

Hardware Activity Achievement

Activity	2016-2019	
	Total Target(cumulative)	Total Achieved (Cumulative)
Construction of New CDCs	140	40 (Balance 42 work in progress)
Renovation of CDCs	175	143
Construct new play areas	175	140
Renovate existing play areas	210	164
Resource Centres	2	Work in progress



SOFTWARE COMPONENT

Software Activity Achievement

Activity	2016- 2019	
	Total target (cumulative)	Total achieved (cumulative)
CDO Diploma	12	12
Parental awareness	1120	1120
Refresher Training	15	15
Child Assessment	7	7
Estate Managers Re Orientation on ECD	7	7
Assistant Estate Managers Re orientation on ECD	7	3
Welfare & Estate Medical Assistants Orientation on ECD	7	1



CDOs Diploma Programme



Water and Sanitation





Purified Drinking Water

Improving sanitary conditions of the Plantation community has become a priority need. The pollution of natural water sources in the plantation sector due to lack of proper sanitation facilities has led to many bowel diseases affecting those living in downstream villages as well. PHDT continue to strive to fulfill the needs of the community to have piped borne safe drinking water.

Water and Sanitation Project Funded by the Word 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 Plantation Human Development Trust (PHDT) assisted by the Ministry of City Planning & Water Supply implemented 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 is designed and structured and introduced to cover all operation and maintenance costs.

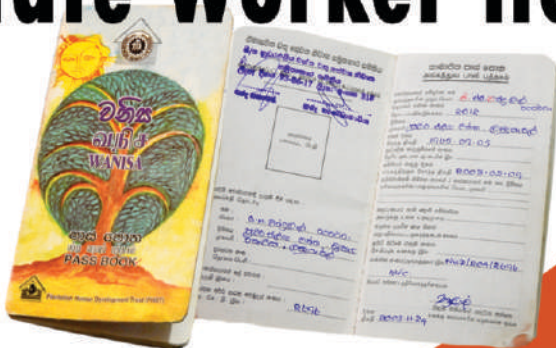






EWHCS

Estate Worker Housing Co operative Societies



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

Empower the Plantation Community

The resident Plantation workers/community continues to be significantly empowered by the Estate Worker Housing cooperative Societies (EWHCS) units which are now available in all Estates managed by RPC's by providing those 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 424 EWHCS units functioning in the country (which include units located at both Regional Plantation Company and State-managed estates) having a total deposit base of Rs: 483.2Mn as at end 2019 against which loans are granted for housing purposes, agricultural, emergency festivals and for income generation purposes.

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 2019, EWHCS units had a membership of over 174,000 – a growth of 77% 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.

Given below are the regional wise analysis with their respective ratings

Region	No of EWHCS	Grading					Total
		A+	A	B	C	D	
Galle	54	9	34	7	0	4	54
Ratnapura	59	26	25	8	0	0	59
Badulla	63	20	24	9	5	5	63
Kegalle	52	7	19	21	5	0	52
Kandy	59	6	14	17	16	6	59
Hatton	64	5	7	14	26	12	64
Nuwara Eliya	71	0	0	8	40	23	71
Total	422	73	123	84	92	50	422

The Regional Plantation Companies provide strong support to these EWHCS units in terms of capacity building, mobilisation of resources, etc. In addition to providing loans, EWHCS units now even operate retail/welfare shops, barber saloons, communication centers 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. Several projects of national significance have been carried out with the involvement and facilitation by the EWHCS.

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.

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.

Project with Palm Foundation

PHDT together with the PALM Foundation and with partnership of We Effect Sri Lanka continued to establish an appropriate cooperative federation among EWHC's in a systematic approach. During the year several programmes were held covering N'Eliya & Hatton regions. Main areas of covered were:

- Organizational Development
- Business Development & Financial inclusion
- Gender Equality Promotion.



Awareness Programmes on EWHCS

These programmes are held in collaboration with the Cooperative Department mainly focused on Accounts and book keeping, maintenance of monthly progress reports, etc. In addition, issues with regard to audits and AGMs too were discussed at these programmes.



Surveillance Audits

The Regional Accountants and Community Development Officers of PHDT visit the Estates and carryout Surveillance Audits on the EWHCS and financial transactions of ongoing projects. Manager of the Estate is briefed on the finding to effect corrective action.



SUSTAINABILITY

The Plantation Human Development Trust (PHDT) is a tripartite Organization incorporated in 1992, with the intention to facilitate improving the life styles of the plantation community through social 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. This Tri partite arrangement is the foremost strength the organization possess, as all sectors of stakeholders namely the Government, Employer & Employee jointly agree on the projects carried out for benefit of the community.

The Articles of Association enables the PHDT to provide a wide spectrum of services to the plantation worker community with improvements to Housing & Infrastructure, Water & Sanitation, Health & Childcare, Social Mobilization and Community Development etc.

The Government represented by the Ministries of Estate Infrastructure & Community Empowerment – the line Ministry of the Organization gazetted, Ministry of Health, Nutrition & Indigenous Medicine, 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 & Reroofing – addressing the basic shelter requirement, providing the free medicine and conducting medical clinics to address their health & nutrition factors, constructing latrines and water and sanitation facilities at their door step to overcome diseases, establishing and development of 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 Women’s Affairs & Child Care Development 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.

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

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

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 2019 some of the Company's key community projects are highlighted below.

Dengue Prevention

PHDT staff join hand in hand with other Government Agencies in the vicinity to work jointly in carrying out programs to educate Dengue eradication under the patronage of the Central Environmental Authority.



PHDT Disaster Resilient Unit

With the objective of assisting the plantation sector through consultation during natural disasters, the Disaster Resilient Unit (DRU) was declared opened on 14th of November 2019 at PHDT Kandy Office premises with the participation of the Director General, PHDT Head Office Officials and the Regional Directors. A demonstration on providing services and available resources such as tents, roofing materials, etc. was done at the ceremonial opening of DRU, while a website too has been created to provide information at any emergencies during unfavourable weather conditions.



World Children's Day

A collaborative event to mark the World Children's Day was held in Hatton. This was attended by Children in the estates situated in the Hatton region which included fanfare, entertainment and cultural activities and was a day of interaction and enlightenment.



Tree Planting Program

A Tree Planting Day to mark the National Environment Week, was conducted in the catchment areas of Dickoya and Green Gold Housing Projects implemented in Chrystlers Farm and Mocha Estates with a participation of over 100 beneficiaries.

Head office staff also participated in this campaign by planting trees in the office premises with participation of the Chairman, Director General & Staff.

ADMINISTRATION AND HUMAN RESOURCES DEVELOPMENT

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

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

Human Resource Process

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 Employee Act.
- Transfers
- Disciplinary Procedure
- Training and Development
- Grievance handling
- Industrial Relations
- Termination of Employment, etc.

In addition to the procedures and strategies towards to Human Resource Development, the Administration functions are implemented as given below for the smooth functioning of the organisation covering the areas of Transportation, Stores and Office premises in both Main and Seven Regional offices.

- Effective management of transport functions of the organisation and maintenance of the fleet of vehicles with adequate controls.
- Managing the stores function adhering to the stores procedure.
- Maintenance and good house-keeping of the office premises.
- Ensuring proper management of Office Equipment and Furniture.
- Ensure proper security for the assets of the organisation.
- Establishing proper title to the lease/freehold property of the Company and maintenance of same in

Beyond the HRD and administration functions the organization has offered welfare measures for all employees as follows:

- Indoor and outdoor medical insurance and personal accident insurance scheme
- Death benefit welfare scheme
- Distress loans and emergency loans scheme
- Sports and recreational activities such as cricket, badminton, carrom tournaments
- Staff annual get together
- Religious programmes
- Annual Celebrations and commemorations.

Employee Career Development and Rewards

All employees are provided opportunity to enhance their job skills and expertise in their positions. The Administration and HRD division shows the career path to go up the ladder achieving their goals

Development of skills and competency of employees

All employees were provided the opportunity to participate for both in-house and out-door training programmes, workshops etc. in addition to the orientation and awareness programmes for new recruits, PHDT conducted training programmes/workshops for all staff in the Main Office and Regions to develop positive attitudes and self-motivation.



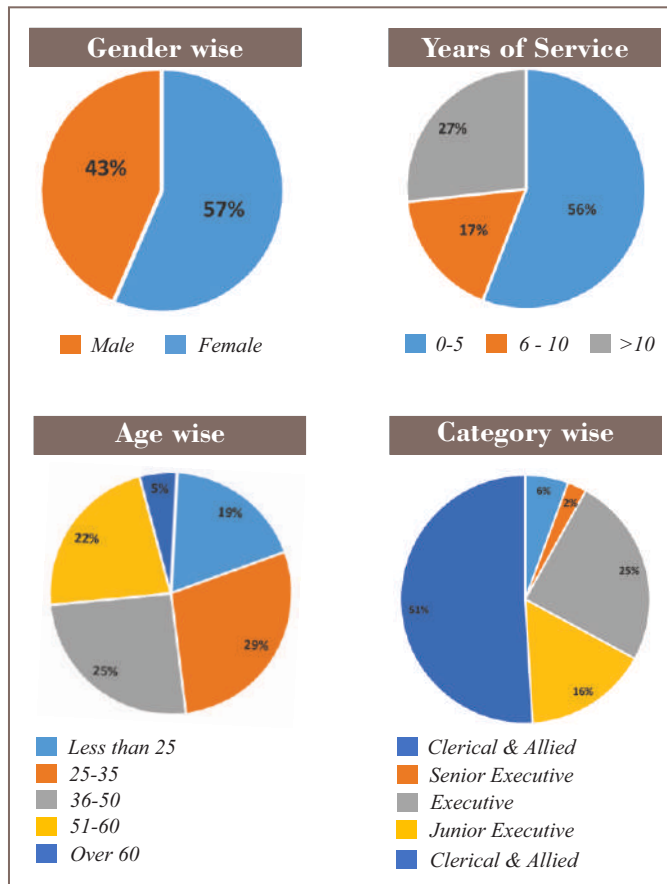
ADMINISTRATION AND HUMAN RESOURCES DEVELOPMENT

Key Performance Indicators (KPI)

In order to assess the performance of employees PHDT has developed Key Performance Indicators (KPI) to assess the employees. This exercise is carried out on monthly basis and submitted to the Board. Based on this evaluation employee performance is identified and those who have excelled are awarded with appreciations.

Employee Statistics

An analysis of employee statistics in graphical forms is given below



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.



Staff Annual Get-together

The Annual staff Get together was held in December where all Head Office & Regional Staff participated.



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. 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.

The Directors acknowledge their responsibility for the Company's corporate governance with and is committed to act with integrity, transparency, and fairness in all its dealings while emphasis is placed on development of systems and procedures.

Directors are provided with monthly performance reports and Board Minutes in advance. There is a clear distinction on the responsibilities between the Chairman and the Management to ensure that there is a balance of power and authority. The Chairman is responsible to ensure Board effectiveness while the Management headed by the Director General who is responsible for the operations and organisational effectiveness and implementation of Board policies.

A minimum of twelve meetings are planned throughout the calendar year to consider, the strategy of the 2019 Company and discuss strategic, transactional and governance matters that arise. Meetings of the Boards may be held in the PHDT main 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 2019 the Board met physically in January, February, March April, May, June, July, September, and October, 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 was held on 18th October 2019. 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 2020 based on industry levels and also, keep the optimum staff strength in order to fulfil the organization requirements.

External Audit

The Company has engaged the services of Ms Ernst & Young as the independent external auditors to conduct an audit to obtain reasonable assurance on whether the financial statements and relevant disclosures are free from material misstatements. Ms Ernst & Young in addition to the audit services also provides non audit services but would not compromise with the independence of the auditor. There were no disagreements with the Company's External Auditors on any matter of accounting principles or practices, financial statement disclosures or auditing scope or procedures in the period under review.

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, Nutrition, Child care, Capacity Building, Community mobilisation 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.

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 2019 has been prepared based on the Going Concern Concept.

Applications for SLFRS for SMEs

The Financial Statements for the year ended 31st December 2018 has been prepared under the standards of SLFRS.

Auditors Report

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

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.

Internal Audit

Internal Audit was carried out covering regional activities by Ms B R De Silva & Company – Chartered Accountants. Internal Audit Reports were tabled at the Board for review and action was effected accordingly.

Manual of Procedures

The Company has its own rules and procedures laid down in its Manual of Operations which is reviewed from time to time the latest being in the year 2018.

Annual General Meeting

Due to the COVID - 19 pandemic the 27th Annual General Meeting was held by circulation to appoint Auditors on 26th June 2020 in complying with the statutory requirement.

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

RISK MANAGEMENT IN ADDRESSING UNCERTAINTIES

Effective risk management is very critical for the going concern and the sustainability of the organisation. In order to mitigate risk factors we have identified areas of risks for proactive action.

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 of the organisation 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 and maintaining ISO 9001:2008 Quality Management System for the Main & Regional Offices were with the intention of minimizing the risk as well.

The Project Management Information System continues to strengthen the monitoring of project implementation on a real time basis with advanced statistical methodology.

A system of Contractor screening is implemented to ensure that the most suitable contractors are selected to carry out construction and infrastructure projects. This methodology minimises risk of contractors abandoning projects and ensure continuity.

Financial Risk

Our services were rendered in various forms, to uplift the lifestyles of the plantation community. All transactions were recorded in accordance with accepted accounting principles to give a clear picture to stakeholders. These contributed to reduce the financial risk and present proper financial statements, which were recognized by the Institute of Chartered Accountants of Sri Lanka and the South Asian Federation of Accountants (SAFA)

Cash flows and forecasts are monitored on a weekly basis and analysed for any variances for corrective action.

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 a work plan and performance objectives that identify the tasks/activities and expected results for the Organization goals. These are measured form Key Performance Indicators.

The organization looks at the risk on staffing competent professionals competing with the demand of job market to prevent high employment turn-over. This risk has been identified the Organization provides opportunity for existing employees to become a professionals in their respective fields of speciality having enhancement and enrichment of their job functions. Also the Organization has a process for regularly reviewing staffing needs and have established a clear grievance procedures.

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 Main 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 Main & Regional Offices ensure accurate and speedy communications.

Information Technology risk

PHDT implement an IT policy to maintain confidentiality and integrity of data. System backups, virus protection and day today monitoring of the organisation's network and databases ensure loss of data / data corruption. All service level agreements with the system providers are duly signed up and maintained.

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 institutions to cover all basic infrastructure requirements, since its inception in 1992.

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 2019.

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.

Principle Activities

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

Review of Performance for the year ended 31st December 2019 and Future Developments

A review of the Company’s performance during the year with comments on financial results for the year ended 31st December 2019 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 of the Annual Report.

Auditor’s Report

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

Accounting Policies

Accounting policies adopted in preparation of financial Statements are given on pages to 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 2019 is given in **note** 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) Shanthi Kumar Lalith Obeyesekere
- (2) Dilantha Stephen Seneviratne
- (3) Ganegodage Dhamitha Vaamaka Perera
- (4) (Ms.) Weliweriya Liyanage Manori Anurada Liyanage
- (5) Janak Manuja Kariyapperuma
- (6) Bhathiya Bulumulla
- (7) (Ms) Wickremasinghe Mudiyansele Dhammika Tharangani Wickremasinghe
- (8) Sinnathamby Petchimuthu Vijekumaran
- (9) Nugawela Pathirannehelage Charles Roshan Nugawela
- (10) Ponniah Sivarajah

Dr. N. P. C. R. Nugawela was appointed a Director of the Company representing the Ministry of Health, Nutrition and Indigenous Medicine in place of Dr. (Ms) Saseela Subaskaran with effect from 18th September 2019.

Mr. Vadivel Puththirasigamoney representing the Ministry of Hill Country New Villages, Infrastructure & Community Development resigned from the Board and as Chairman with effect from 25th November 2019.

The Ministry of Community Empowerment and Estate Infrastructure Development nominated Mr. B. S. Arullamy as their Nominee to the Board in place of Mr. V. Puththirasigamoney with effect from 31st January 2020.

Pursuant to Article 69 of the Articles of Association of the Company Dr. Ramesh Pathirana (M.P.) Minister of Plantation Industries and Export Agriculture appointed Mr. B. S. Arullamy as Chairman of the Board.

Ms. P.D.H. Dabare, was appointed a Director of the Company representing the Ministry of Finance, Economy and Policy Development in place of Mrs. W.L.M.A. Liyanage with effect from 31st January 2020.

Messrs D.S. Seneviratne and M. Kariyapperuma nominated by the Plantation Management Committee resigned from the Board with effect from 31st January 2020 and 31st March 2020 respectively.

Mr. B.S. Arullamy representing the Ministry of Hill Country New Villages, Infrastructure and Community Development resigned from the Board and as Chairman with effect from 02nd March 2020.

Messrs K.G. Punchihewa and J. Rodrigo nominated by the Plantation Management Committee were appointed to the Board with effect from 28th February 2020 and 26th June 2020 respectively.

The Board wishes to place on record the Company's sincere appreciation to Mr. Vadivel Puththirasigamoney, Mr. B.S. Arullamy, Dr. (Ms) Saseela Subaskaran, Ms. W.M.L.A. Liyanage, Mr. D.S. Seneviratne and Mr. J.M. Kariyapperuma for their valuable contribution extended to the Board during their tenure in office.

A resolution for the appointment of Mr. Ponniah Sivarajah, Nominee of the Ceylon Workers Congress, who is 75 years of age, will be proposed at the Annual General Meeting in terms of Section 211 of the Companies Act No. 07 of 2007. Mr. Ponniah Sivarajah's appointment is recommended by the Directors

Nominee Director

Mr. S. P. Vijekumaran nominated as representative of the Lanka Jathika Estate Workers Union completes his two year term in office during the year. The Lanka Jathika Estate Workers Union has re-nominated Mr. S. P. Vijekumaran as their nominee.

Retirement of Directors

1. In terms of Article 55 of the Articles of Association, Mr. B. Bulumulla retires by rotation and the Plantation Management Committee of the Planters' Association of Ceylon has recommended his re-election to the Board of Directors.

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

Auditors

The Financial Statements for the year ended 31st December 2019 have been audited by Messrs Ernst & Young, Chartered Accountants. In accordance with the Companies Act No.07 of 2007, a resolution relating to the re-appointment of auditors and authorizing the Directors to determine their remuneration will be passed at the Annual General Meeting to be adopted by circulation on 30th June 2020.

The Auditors Messrs Ernst & Young, Chartered Accountants were paid Rs1,230,000/- (2018 – Rs1,009,260/-) 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.

By order of the Board of
Plantation Human Development Trust

Director

Director

SSP Corporate Services
(private) Limited Secretaries
Dated on this 26th day of June 2020

Our Milestones

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

1993

- Development of Creches -Ideal Creches Programme.

1997

- Introducing Self Help latrines Programme & Safe Drinking Water Project.
- Mahila Shakthi Programme to empower women and improve their social and economic status.

1999

New Office

- PHSWT moved to its newly office at No.427/14, Robert Gunawardana 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

2001

- Launching of Vanisa Savings scheme.

2003

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.

1992

- 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.

1996

- 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.

1998

- Promoting Community Based Organisation (CBOs) Micro Finance
- Providing basic and essential drugs to estates with the assistance of Health Ministry and UNICEF.
- Providing 8 Nos. fully equipped Ambulances to Estates.

2000

Change in Name

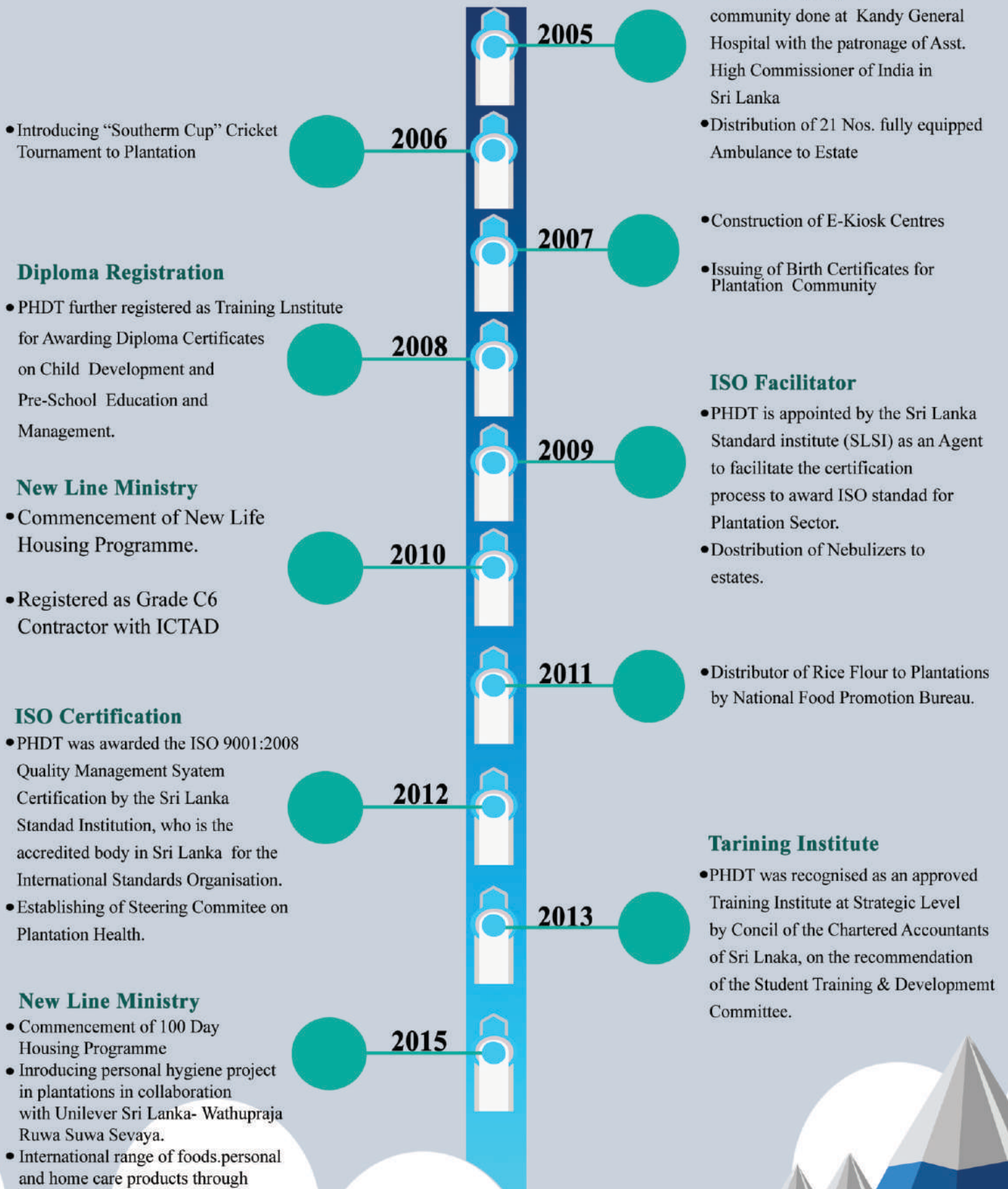
- Organisation was re-named as Plantation Human Development Trust on 20th October 2002.
- Recruitment of Trainee Midwives

2002

- Introduction "Vanisa" Saving Account
- Inter Plantation Volley Ball Tournaments
- Construction of Elders Homes.

2004

Our Milestones



Our Milestones

- Commencement of Green Gold Housing Programme and Township Housing Programme.
- Commencement of Indian Housing Programme
- Training of Apprentice Pharmacists.

2016



2017

- Introducing “Tikiri Shakthi” Nutri Bar- Elimination of malnutrition birth weigh in Plantation sector.



2018

- Introducing Farmer Driven Housing Programme
- Awarding Diplomas to Child Development Officers



2019

- Establishment of a Plantation Disaster Resilient Unit



STAKEHOLDER COMPOSITION

Government Ministries

- Ministry of Plantation Industries
- Ministry of Finance
- Ministry of Health, Nutrition & Indigenous Medicine
- State Ministry of Estate Housing and Community Development

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
- Hatton 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



55th Annual Report Awards

2019

PHDT was awarded with “Bronze” Award for the Annual Report 2018 at the 55th Annual Report Awards Competition organized by the Institute of Chartered Accountants of Sri Lanka and “Certificate of Merit” at the Best Presented Accounts Awards 2018 organized by the South Asian Federation of Accountants(SAFA).

Social Dialogue & Workplace Corporation Awards

2019

PHDT Nuwara Eliya Region was awarded with “Gold Award” in the small scale of the service sector organized by Social Dialogue and Workplace Cooperation Unit Human Resource Development Division Department of Labour, Ministry of Labour, Foreign Employment and Petroleum Resources Development.

FINANCIAL REPORT

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Financial Calendar

Interim Reports

1 st Quarter ending	31.03.2019	31.05.2019
2 nd Quarter ending	30.06.2019	25.07.2019
3 rd Quarter ending	30.09.2019	25.10.2019
Annual Accounts Year Ended	31.12.2019	31.07.2020

Meetings

Extraordinary General Meeting 26th September 2020



INDEPENDENT AUDITORS' REPORT



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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Plantation Human Development Trust, which comprise the statement of financial position as at 31 December 2019, and the statement of income and expenditure, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, 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).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

(Contd...2/)



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working world

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, 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 Company.

31 July 2020
Colombo

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019	Notes	2019 Rs.	2018 Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	44,967,275	23,413,228
Levy and Other Receivables	4	2,482,396	3,019,133
		47,449,671	26,432,361
Current Assets			
Levy and Other Receivables	4	1,010,911,328	961,144,525
Investments	5	1,363,137	1,261,756
Cash and Cash Equivalents	10	71,170,166	194,854,110
		1,083,444,631	1,157,260,391
Total Assets		1,130,894,303	1,183,692,752
RESERVES AND LIABILITIES			
Reserves and Funds			
Project Reserves		4,469,274	4,469,274
General Reserves		1,615,251	1,615,251
Accumulated Fund		147,923,002	139,920,908
Revolving Funds	11	43,955,823	42,906,833
Total Reserves		197,963,350	188,912,267
Non-Current Liabilities and Deferred Income			
Interest Bearing Loans and Borrowings	6	815,813	1,640,220
Retirement Benefit Liability	7	25,332,569	24,297,078
Deferred Grants	8	65,584,925	71,229,020
		91,733,307	97,166,318
Current Liabilities			
Interest Bearing Loans and Borrowings	6	786,665	6,430,593
Trade and Other Payables	9	837,414,316	888,160,317
Income Tax Payable		2,996,665	3,023,257
		841,197,646	897,614,167
Total Reserves and Liabilities		1,130,894,303	1,183,692,752

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

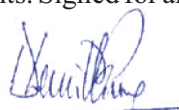


Director Finance

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



Director



Director

The Accounting Policies and Notes on pages 52 through 81 form an integral part of the Financial Statements.

31 July 2020
Colombo

STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2019	Notes	2019 Rs.	2018 Rs.
Income for Recurrent Expenses	12	141,923,953	139,567,581
Total Recurrent Expenses		(118,626,713)	(127,392,298)
Excess from Activities		23,297,240	12,175,283
Other Income and Gains	13	13,575,523	6,221,565
Other Expenses		(39,623,448)	(59,463,881)
Project Administrative Income	14	11,772,821	76,137,235
Finance Cost	15.1	(1,287,085)	(1,150,929)
Finance Income	15.2	5,237,720	5,136,875
Excess Before Tax		12,972,770	39,056,148
Income Tax Expense	17	(4,970,676)	(6,462,242)
Excess for the Year		8,002,094	32,593,906

The Accounting Policies and Notes on pages 52 through 81 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN RESERVES

Year ended 31 December 2019	Project Reserves Rs.	General Reserves Rs.	Accumulated Fund Rs.	Revolving Funds Rs.	Total Rs.
As at 1 January 2018	4,469,274	1,615,251	107,327,002	41,501,957	154,913,484
Loan Recovered	-	-	-	1,404,877	1,404,877
Excess for the Year	-	-	32,593,906	-	32,593,906
As at 1 January 2019	4,469,274	1,615,251	139,920,908	42,906,834	188,912,267
Loan Recovered	-	-	-	1,048,989	1,048,989
Excess for the Year	-	-	8,002,094	-	8,002,094
As at 31 December 2019	4,469,274	1,615,251	147,923,002	43,955,823	197,963,350

The Accounting Policies and Notes on pages 52 through 81 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

Year ended 31 December 2019	Note	2019 Rs.	2018 Rs.
Cash Flows From / (Used in) Operating Activities			
Excess Before Tax		12,972,770	39,056,148
Adjustments for,			
Depreciation		12,443,319	16,466,627
Profit on Disposal of Property, Plant and Equipment	13	(8,888,000)	-
Finance Costs	15.1	1,287,085	1,150,929
Finance Income	15.2	(5,237,720)	(5,136,875)
Provision for Bad and Doubtful Receivables		29,222,328	44,213,358
Amortization of Lease Rental		536,735	536,735
Payable Write Back		(329,690)	-
Bad Debt Write Off		351,581	-
Provision for Defined Benefit Plans	7	4,710,714	2,108,987
Operating Income before Working Capital Changes		47,069,123	98,395,909
Increase in Trade and Other Receivables		(79,133,711)	(80,756,386)
Decrease in Trade and Other Payables		(50,746,000)	(27,314,647)
Decrease in Deferred Grant	8	(5,644,095)	(4,518,833)
Cash Generated from Operations		(88,454,684)	(14,193,957)
Defined Benefit Plan Costs Paid	7	(3,471,773)	(2,214,654)
Finance Costs Paid	15.1	(1,287,085)	(1,150,929)
Income Tax Paid		(5,437,455)	(10,087,707)
Net Cash Used in Operating Activities		(98,650,998)	(27,647,247)
Cash Flows From / (Used in) Investing Activities			
Acquisition of Property, Plant and Equipment	3	(33,994,686)	(3,348,207)
Investments in Investments	5	(101,381)	(81,147)
Proceeds from Disposal of Property, Plant and Equipment		8,888,000	-
Finance Income	15.2	5,162,800	5,136,875
Net Cash Flows From / (Used in) Investing Activities		(20,045,267)	1,707,521
Cash Flows From / (Used in) Financing Activities			
Payments under Finance Lease Liabilities	6.1	(6,036,668)	(7,537,523)
Receipts from Revolving funds		1,048,990	-
Net Cash Used in Financing Activities		(4,987,678)	(7,537,523)
		(123,683,944)	(33,477,249)
Cash and Cash Equivalents at the Beginning of the Year	10	194,854,110	228,331,359
Cash and Cash Equivalents at the End of the Year	10	71,170,166	194,854,110

The Accounting Policies and Notes on pages 52 through 81 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 Company 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, Alleviation 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 Company 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 2019, covering the period 01 January 2019 to 31 December 2019, were authorized for issue in accordance with a resolution of the Board of Directors on 31 July 2020.

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 Company is Sri Lankan Rupees. The Financial Statements of the Company 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 Company, 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 Company and are consistent with those used in the previous year except disclosed in Note 21 to these Financial Statements.

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 2.1.8 to these Financial Statements.

Impairment

The impairment of Property Plant and Equipment is disclosed in Note 2.1.9 to these Financial Statements.

Taxes

Refer Note 2.1.14 to these Financial Statements.

2.1.4 Going Concern

The Directors have made an assessment of the Company's ability to continue as a concern and is satisfied that it has the recourses to continue in operations for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Organisation's ability to continue as going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

SIGNIFICANT ACCOUNTING POLICIES

2.1.5 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.

2.1.6 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.

2.1.7 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 Company 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 Company'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.

2.1.8 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Where an item of property, plant and equipment comprises major components having following different useful lives, they are accounted for as separate items of property, plant and equipment.

Buildings	25 Years
Computer and Peripherals	3 Years
Electrical and Electronic Equipment	5 Years
Other Office Equipment	8 Years
Wooden Furniture	8 Years
Steel Furniture	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 and 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.

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.

2.1.9 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.

2.1.10 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 instrument.

The financial assets include Cash and Cash Equivalents, Investments, 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 stated at amortized cost.

2.1.11 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 instrument.

The financial liabilities include Interest Bearing Loan and Borrowing and Trade and Other Payable.

a) Finance Leases

Finance leases, which transfer to the Company 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 Company 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 2.1.8 above.

2.1.12 Employee Benefits

a) Defined Benefit Plan – Gratuity

Defined benefit obligation of the Company is determined through a management estimate carried out internally by the Company. 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 Company 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 Company.

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 Company contributes 12% and 3% of gross employee emoluments to EPF and ETF respectively.

2.1.13 Provisions

Provisions are recognized when the Company 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 Company 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.

2.1.14 Taxation

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

a) Current Taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed accordance with the provisions of the relevant tax legislations.

b) Indirect Taxes

Plantation Human Development is gazetted under the Gazette No-2153/12 of the Domestic Socialist Republic of Sri Lanka (Extra ordinary) published on 10th December 2019. The Management believes that the Company is a government institution and the inflows received is considered as donations. Therefore, the Company doesn't carry out a business activity as such the inflows are not liable for indirect taxes.

c) Deferred Taxation

Deferred Tax is not recognised in the financial statement since the temporary differences are not material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

3. PROPERTY, PLANT AND EQUIPMENT

3.1 Gross Carrying Amounts

At Cost	Balance as at 01.01.2019 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.12.2019 Rs.
Building	62,338,880	-	-	62,338,880
Computer and Peripherals	39,562,662	2,056,860	(86,415)	41,533,107
Electrical and Electronic Equipment	13,911,830	341,584	(150,412)	14,103,003
Other Office Equipment	3,729,937	660,270	-	4,390,207
Wooden Furniture	5,316,603	-	-	5,316,603
Steel Furniture	3,326,936	35,972	(9,280)	3,353,628
Office Fittings	515,311	-	-	515,311
Motor Vehicles	62,581,519	85,348,160	(19,494,546)	128,435,134
	191,280,998	88,442,846	(19,740,653)	259,985,872
Assets on Finance Lease				
Motor Vehicles	57,802,060		(54,448,160)	3,353,900
	57,802,060	-	(54,448,160)	3,353,900
Total Gross Carrying Amount	249,083,058	88,442,846	(74,188,813)	263,339,772

3.2 Depreciation

At Cost	Balance as at 01.01.2019 Rs.	Charge for the Year Rs.	Disposals Rs.	Balance as at 31.12.2019 Rs.
Building	46,260,979	2,476,882	-	48,737,861
Computer and Peripherals	38,210,433	1,296,855	(86,415)	39,420,873
Electrical and Electronic Equipment	13,320,042	267,023	(150,412)	13,436,653
Other Office Equipment	2,498,731	170,755	-	2,669,486
Wooden Furniture	5,070,290	62,818	-	5,133,108
Steel Furniture	3,284,367	18,290	(9,280)	3,293,377
Office Fittings	366,461	23,530	-	389,991
Motor Vehicles	60,674,122	63,273,096	(19,494,546)	104,452,672
	169,685,425	67,589,249	(19,740,653)	217,534,022
Assets on Finance Lease				
Motor Vehicles	55,984,405	838,475	(55,984,405)	838,475
	55,984,405	838,475	(55,984,405)	838,475
Total Depreciation	225,669,830	68,427,724	(75,725,058)	218,372,497

3.3 Net Book Values

At Cost	2019 Rs.	2018 Rs.
Building	13,601,019	16,075,221
Computer and Peripherals	2,112,234	1,352,230
Electrical and Electronic Equipment	666,349	591,788
Other Office Equipment	1,720,720	1,231,206
Wooden Furniture	183,495	246,313
Steel Furniture	60,251	42,569
Office Fittings	125,320	148,850
Motor Vehicles	23,982,462	1,907,397
	42,451,850	21,595,573
Assets on Finance Lease		
Motor Vehicles	2,515,425	1,817,655
	2,515,425	1,817,655
Total Carrying Amount of Property, Plant and Equipment	44,967,275	23,413,228

- 3.4 During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs.33,994,686/- (2018 -Rs.5,695,937/-) Cash payments amounting to Rs.33,994,686/- (2018 - Rs.3,348,207/-) were made during the year for purchase of Property, Plant and Equipment.

4. LEVY AND OTHER RECEIVABLES

	2019 Amount Receivable Within 1 Year Rs.	2019 Amount Receivable After 1 Year Rs.	2019 Total As at 31.12.2019 Rs.	2018 Amount Receivable Within 1 Year Rs.	2018 Amount Receivable After 1 Year Rs.	2018 Total As at 31.12.2018 Rs.
Levy Receivables	379,162,489	-	379,162,489	345,319,456	-	345,319,456
Less: Allowances for Doubtful Debts	(224,436,392)	-	(224,436,392)	(195,214,064)	-	(195,214,064)
	154,726,097	-	154,726,097	150,105,392	-	150,105,392
Other Receivables	852,341,642	-	852,341,642	809,817,447	-	809,817,447
Advances and Prepayments	3,843,589	2,482,396	6,325,985	1,221,686	3,019,133	4,240,819
	1,010,911,328	2,482,396	1,013,393,724	961,144,525	3,019,133	964,163,658

5. INVESTMENTS

	2019 Rs.	2018 Rs.
Fixed Deposits	1,363,137	1,261,756
	1,363,137	1,261,756

6. INTEREST BEARING LOANS AND BORROWINGS

	2019 Amount Repayable Within 1 Year Rs.	2019 Amount Repayable After 1 Year Rs.	2019 Total As at 31.12.2019 Rs.	2018 Amount Repayable Within 1 Year Rs.	2018 Amount Repayable After 1 Year Rs.	2018 Total As at 31.12.2018 Rs.
Finance Leases (Note 6.1)	786,665	815,813	1,602,477	6,430,593	1,640,220	8,070,813
	786,665	815,813	1,602,477	6,430,593	1,640,220	8,070,813

6.1 Finance Leases

	As at 01.01.2019 Rs.	New Leases Obtained Rs.	Repayments Rs.	As at 31.12.2019 Rs.	Current as at 31.12.2019 Rs.	Non-Current as at 31.12.2019 Rs.
Gross liability	9,257,418	-	(7,439,107)	1,818,311	948,684	869,627
Finance Charges allocated to future periods	(1,186,605)	-	970,772	(215,833)	(162,019)	(53,814)
	8,070,813	-	(6,036,668)	1,602,478	786,665	815,813

7. RETIREMENT BENEFIT LIABILITY

Retirement Benefits Obligation - Gratuity	2019 Rs.	2018 Rs.
Balance as at 1 January	24,297,078	24,901,243
Provision for the Year	4,710,714	2,108,987
Transferred to Current Liability	(203,450)	(498,498)
Payments made During the Year	(3,471,773)	(2,214,654)
Balance as at 31 December	25,332,569	24,297,078

8. DEFERRED GRANTS

Foreign and Local As Property, Plant and Equipment At Cost	Balance as at 01.01.2019 Rs.	Additions During the Year Rs.	Disposal During the Year Rs.	Balance as at 31.12.2019 Rs.
Gross Carrying value	128,034,227	2,211,891	-	130,246,118
Less : Accumulated Depreciation	(114,795,999)	(2,927,837)	-	(117,723,836)
Net Carrying value	13,238,228	(715,946)	-	12,522,282

Recoveries	Balance as at 01.01.2019 Rs.	Loan Recovered Rs.	Settlements Rs.	Balance as at 31.12.2019 Rs.
Estate Infrastructure Development Programme	31,020,696	-	(5,769,691)	25,251,005
National Housing Development Authority	39,799	-	-	39,800
	31,060,496	1,048,989	(5,769,691)	25,290,806

As Funds

	Balance as at 01.01.2019 Rs.	Adjustments During the year Rs.	Fund Received During the year Rs.	Management Fee Rs.	Disbursements Rs.	Balance as at 31.12.2019 Rs.
Projects	26,930,297	10,153,100	336,965,879	-	(345,972,733)	27,771,837
Net	71,229,020					65,584,925
	71,229,020					65,584,925

9. TRADE AND OTHER PAYABLES

	2019 Rs.	2018 Rs.
Construction Activity Payable	818,677,040	868,137,026
Other Payables	9,909,199	9,462,676
Sundry Creditors including Accrued Expenses	8,828,077	10,560,615
	837,414,316	888,160,317

10. CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT

Components of Cash and Cash Equivalents

	2019 Rs.	2018 Rs.
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10.1 Favorable Cash and Cash Equivalents Balances

Cash and Bank Balances	40,820,166	163,935,846
Investment in REPO	30,349,999	30,918,264
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	71,170,166	194,854,110

11. REVOLVING FUNDS

	Balance as at 01.01.2019 Rs.	Loan Recovered Rs.	Balance as at 31.12.2019 Rs.
Social Welfare Programme 11(Reroofing)	2,667,302	29,935	2,697,238
Plantation Development Support Programme	24,435,606	1,019,054	25,454,660
Health Motor Bike - PDSP	15,803,925	-	15,803,925
	42,906,833	1,048,989	43,955,823

	2019 Rs.	2018 Rs.
12. INCOME FOR RECURRENT EXPENDITURE		
Levy Income from Regional Plantation Companies	141,923,953	139,567,581
	141,923,953	139,567,581
13. OTHER INCOME AND GAINS		
Levy Income from Plantation Small Holders' Companies	3,026,794	2,975,076
Profit on Disposal of Property, Plant and Equipment	8,888,000	-
Sundry Income	1,331,039	3,246,489
Long Outstanding Payable Write Back	329,690	-
	13,575,523	6,221,565
14. PROJECT ADMINISTRATIVE INCOME/ (EXPENDITURE)		
Project Management Fee	75,029,663	127,893,167
Project Administrative Expenditure	(63,256,843)	(51,755,932)
	11,772,821	76,137,235
15. FINANCE COST AND INCOME		
15.1 Finance Cost		
Finance Charges on Lease Liabilities	1,287,085	1,150,929
	1,287,085	1,150,929
15.2 Finance Income		
Income from Investments :		
-Interest on Government Securities	-	2,678,151
-Interest on REPO	5,083,933	2,283,141
-Interest on Fixed Deposits	114,741	94,207
-Interest on Savings Deposits	39,046	81,376
	5,237,720	5,136,875
16. NET INCOME / (EXPENDITURE) BEFORE TAX		
Stated after Charging		
Audit Fees	1,441,314	1,009,260
Employees Benefits including the following	79,133,896	83,209,394
- Defined Benefit Plan Costs - Gratuity	3,065,403	1,182,700
- Defined Contribution Plan Costs - EPF & ETF	8,711,768	9,109,584
Depreciation	9,512,804	14,713,788
Legal Expenses	603,536	229,410

	2019 Rs.	2018 Rs.
17. INCOME TAX EXPENSE		
Current Income Tax (Note 17.1)	4,976,687	7,128,100
Adjustments in Respect of Current Income Tax of Previous Year	(6,011)	(665,858)
Income Tax Expense Reported in the Income Statement	4,970,676	6,462,242

17.1 Reconciliation Between Current Tax Expense and the Product of Accounting Income

Profit from Trade Business (Note 17.2)	30,310,047	48,991,010
Finance Income (Note 15.2)	5,237,720	5,136,875
Total Statutory Income	35,547,767	54,127,885
Less : Tax Losses	-	-
Income Liabile for Income Tax	35,547,767	54,127,885
Tax Free Allowance	-	-
Taxable Income / (Tax Loss)	35,547,767	54,127,885
Income Tax at 10%	-	1,124,510
Income Tax at 14%	4,976,687	6,003,590
Current Tax Expense	4,976,687	7,128,100

17.2 Profit from Trade Business

Excess / (Deficit) Before tax	12,972,770	39,056,144
Disallowed Expenses	48,348,300	20,337,065
Allowable Expenses	(31,011,023)	(10,402,199)
	30,310,047	48,991,010

18. COMMITMENTS AND CONTINGENCIES

The Company does not have significant commitments and contingences as at reporting date.

19. ASSETS PLEDGED

Leased assets having a carrying value of Rs.2,515,425/- (2018 - Rs.1,817,655/-) are pledged as security for the related finance lease.

NOTES TO THE FINANCIAL STATEMENTS

20. EVENTS OCCURRING AFTER THE REPORTING DATE

There are no significant events occurred after the reporting date.

21. RELATED PARTY DISCLOSURES

Details of significant related party disclosures are as follows:

21.1 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 Receivable	
	2019 Rs.	2018 Rs.
Agrapata Plantations PLC	54,034,262	43,952,740
Kotagala Plantations PLC	38,057,262	31,401,481
Talawakelle Tea Estate PLC	541,140	554,215
Horana Plantation PLC	1,271,751	2,945,914

21.2 Transactions with Key Management Personnel of the Trust

The Trust has paid Rs.1,890,000/- to the members of the Board of Directors during the year (2018 -Rs.2,024,500/-) as sitting allowances and no emoluments have been paid to the members of the Board of Directors.

22. COMPARATIVE INFORMATION

The presentation and classification of the financial statements of the previous year have been amended as follows for better presentation and to be comparable with those of the current year.

	As reported in 31.12.2018 Rs.	Adjustments Rs.	Amended for 31.12.2018 Rs.
Reserves and Funds			
Revolving funds	-	42,906,833	42,906,833
Non-Current Assets			
Deferred Grants	114,135,853	(42,906,833)	71,229,020
	114,135,853	-	114,135,853

The above reclassification do not have an impact on equity and the statements of profit or loss.

Recoveries included under Deferred Grants was reclassified as Revolving Funds for a better presentation.

DETAILED STATEMENT OF DEFERRED GRANTS

Year ended 31 December 2019

DEFERRED GRANTS

Foreign and Local As Property, Plant and Equipment At Cost	Balance as at 01.01.2019 Rs.	Additions During the Year Rs.	Disposal During the Year Rs.	Balance as at 31.12.2019 Rs.
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	-	-	1,575,424
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	-	-	16,709,944
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	1,842,426	-	2,583,976
Water Supply & Sanitation Improvement Project (WASSIP)	822,800	369,465	-	1,192,265
Gross Carrying value	128,034,227	2,211,891	-	130,246,118
Less : Accumulated Depreciation	(114,795,999)	(2,927,837)	-	(117,723,836)
Net Carrying value	13,238,228	(715,946)	-	12,522,282
Recoveries	Balance as at 01.01.2019 Rs.	Loan Recovered Rs.	Settlements Rs.	Balance as at 31.12.2019 Rs.
Estate Infrastructure Development Programme	31,020,696	-	(5,769,691)	25,251,005
National Housing Development Authority	39,799	-	-	39,800
	31,060,496	1,048,989	(5,769,691)	25,290,806

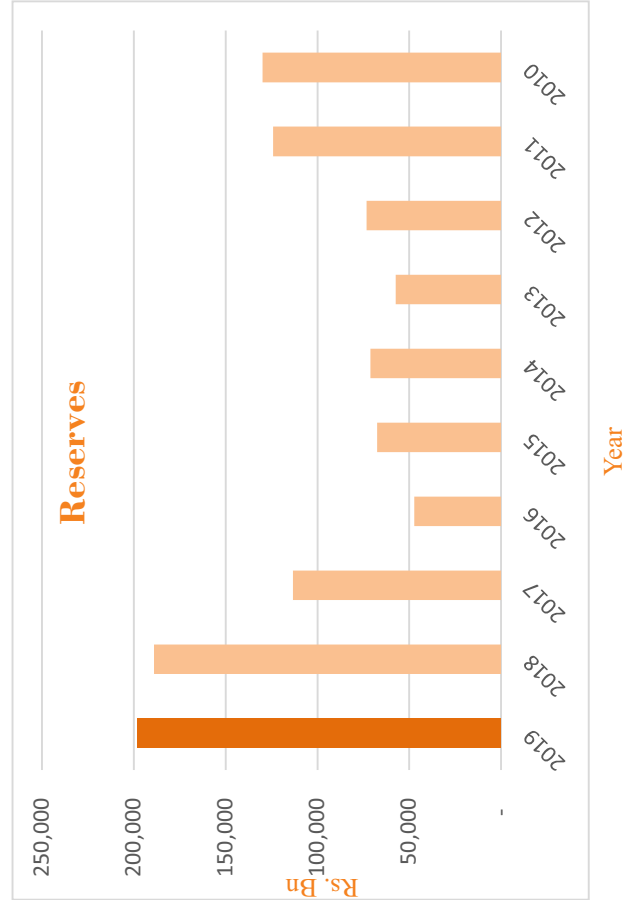
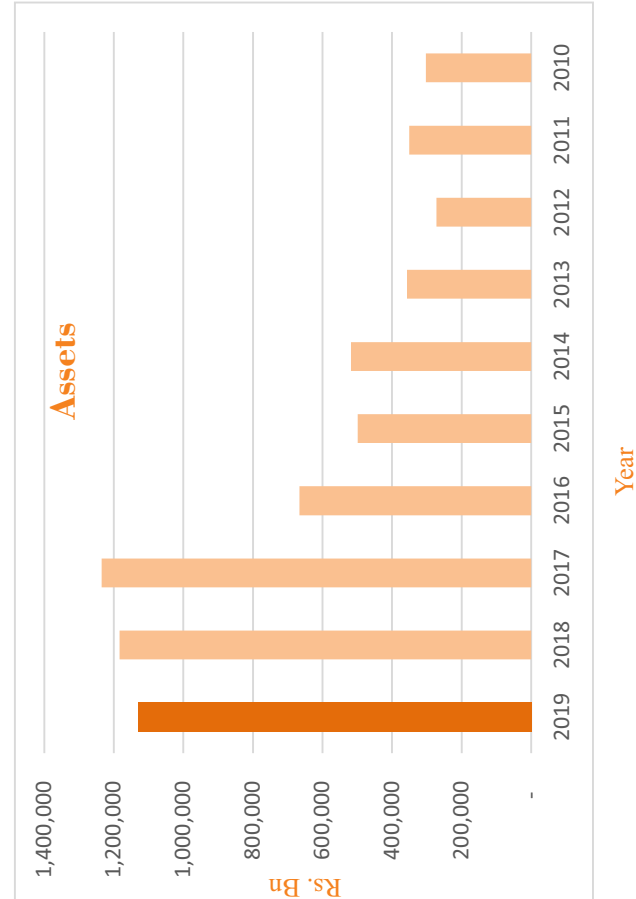
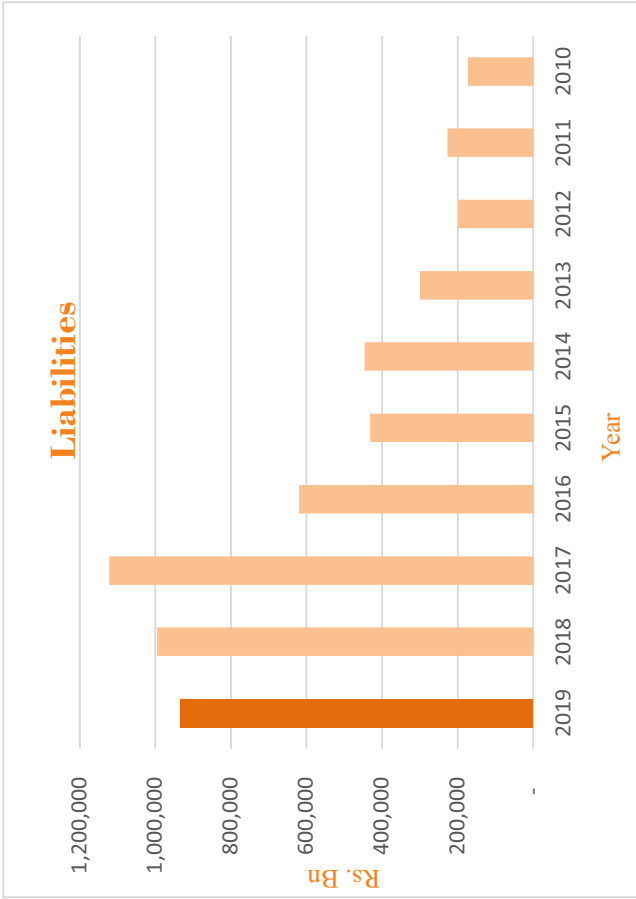
DETAILED STATEMENT OF DEFERRED GRANTS

Year ended 31 December 2019

As Funds	Balance as at 01.01.2019	Adjustments During the year	Fund Received During the year	Management Fee	Disbursements	Balance as at 31.12.2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Ministry of Hill Country New Villages Infrastructure & Community Development						
Infrastructure Projects	(92,090,496)	3,846,305	87,682,651	(3,765,257)	(100,532,540)	(104,859,337)
New Life Housing Project	304,708	4,319,161	6,364,642	(696,718)	(16,027,635)	(5,735,842)
100 Day Housing Project	(73,082,005)	-	580,455	-	-	(72,501,550)
Township Project	(9,484,528)	-	-	-	-	(9,484,528)
Green Gold Housing Project	(597,472,577)	135,735,633	744,392,090	(45,506,759)	(855,563,724)	(618,415,337)
Indian Housing Project	(15,531,020)	(517,367)	30,773,546	(2,846,209)	(31,776,067)	(19,897,117)
	(787,355,916)	143,383,732	869,793,384	(52,814,943)	(1,003,899,966)	(830,893,709)
Other Projects						
Palm Foundation Project	144,380	-	750,000	-	(38,156)	856,224
Wash Project	191,820	-	152,480	-	(3,002)	341,298
PHDT Funds	4,891,686	-	-	-	-	4,891,686
Early Child Development Project	25,369	10,276,504	333,574,159	-	(343,548,411)	327,621
UNICEF Grant	284,277	-	-	-	-	284,277
International Labour Organization Project	1,734,144	96,317	-	-	-	1,830,461
Diploma Funds for CDOs	136,281	3,500	-	-	(3,500)	136,281
Projects with Ceylon Workers Congress	4,009,539	(208,943)	-	-	-	3,800,596
World Health Organization	772,383	-	-	-	-	772,383
Burnet Institute	1,327,697	-	-	-	-	1,327,697
SCI Project	3,745,009	(14,278)	2,489,241	-	(2,379,663)	3,840,309
Uniliver	826,578	-	-	-	-	826,578
Provincial District Health Services	8,536,426	-	-	-	-	8,536,426
	26,625,590	10,153,100	336,965,879	-	(345,972,733)	27,771,837
Net Balance of Grants	(716,431,604)					(765,308,784)
Reclassified to Receivables						
Infrastructure Projects	92,090,496					104,859,339
New Life Housing Project	-					5,735,842
100 Day Housing Project	73,082,005					72,501,550
Township Project	9,484,528					9,484,528
Green Gold Housing Project	597,472,577					618,415,335
Indian Housing Project	15,531,020					19,897,117
	787,660,625					830,893,709

Ten Year Summary

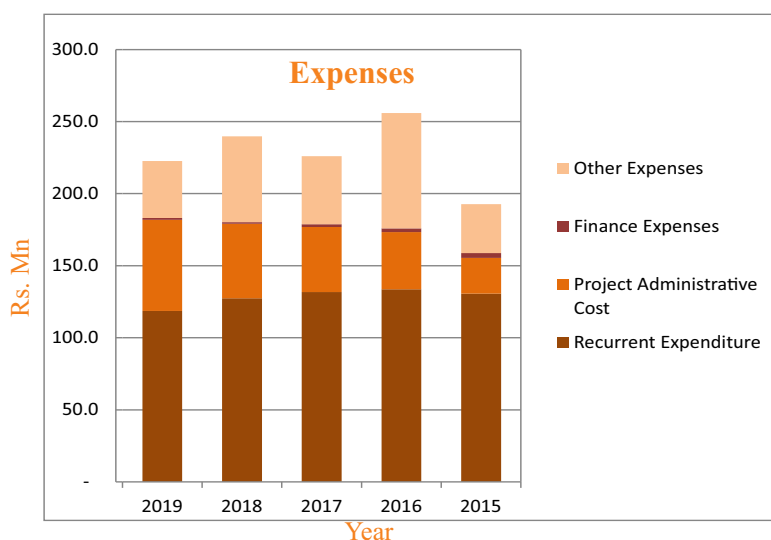
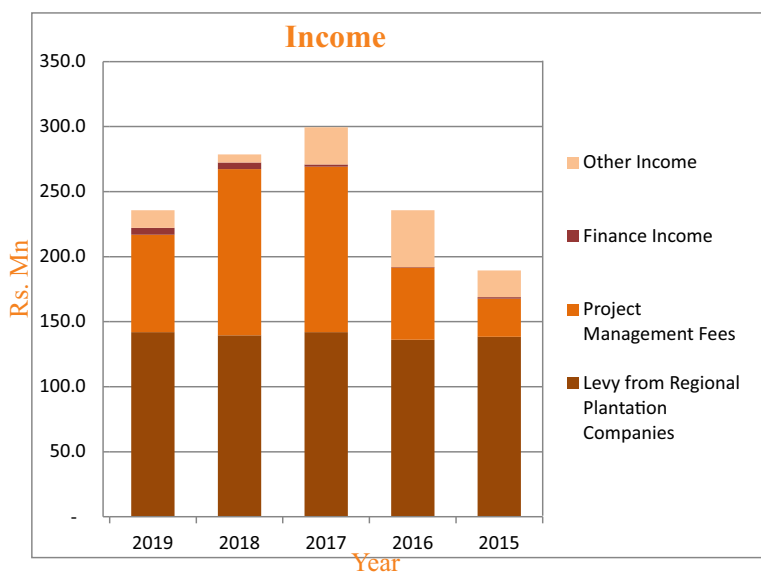
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Operational Results										
Recurrent Expenditure & Levy	141,924	139,567	141,896	136,116	138,461	139,026	126,861	119,202	111,157	103,430
Gain / (Loss) on Project Activities	11,773	76,137	82,078	15,903	4,290	9,420	(4,227)	(26,682)	(1,368)	6,617
Income / (Loss) Before Tax	12,973	39,056	73,412	(20,230)	(3,317)	15,339	(15,364)	(50,728)	(5,351)	(1,935)
Income Tax Expenses	4,970	6,462	7,270	35	(369)	(1,656)	(352)	(276)	432	964
Income / (Loss) After Tax	8,002	32,594	66,142	(20,195)	(3,686)	13,683	(15,716)	(51,004)	(5,783)	(2,899)
Reserves										
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	147,923	139,921	107,327	41,185	61,381	65,066	51,382	67,099	118,103	123,887
Revolving Funds	43,955	42,907								
	197,963	188,912	113,411	47,269	67,465	71,150	57,466	73,183	124,187	129,971
Liabilities										
Non Current Liabilities	91,733	97,166	149,404	177,728	205,580	206,009	146,311	155,435	125,314	144,462
Current Liabilities	841,198	897,614	972,401	441,511	226,132	240,611	153,413	43,706	101,305	28,817
	932,931	994,780	1,121,805	619,239	431,712	446,620	299,724	199,141	226,619	173,279
Assets										
Non Current Assets	47,449	26,432	34,183	53,114	70,966	83,093	43,295	78,704	100,525	96,847
Current Assets	1,083,445	1,157,260	1,201,033	613,394	428,211	434,677	313,895	193,620	250,283	206,402
	1,130,894	1,183,692	1,235,216	666,508	499,177	517,770	357,190	272,324	350,808	303,249



Graphical View of Financial Statements

Income Statement

	2019	2018	2017	2016	2015
	Rs: Mn	Rs: Mn	Rs: Mn	Rs: Mn	Rs: Mn
Income					
Levy from Regional Plantation Companies	141.9	139.6	141.9	136.1	138.5
Project Management Fees	75.0	127.8	127.2	55.5	29.2
Finance Income	5.2	5.1	1.8	0.5	1.1
Other Income	13.5	6.2	28.6	43.7	20.6
	235.6	278.7	299.5	235.7	189.4
Expenses					
Recurrent Expenditure	118.6	127.4	131.7	133.7	130.5
Project Administrative Cost	63.3	51.8	45.2	39.6	24.9
Finance Expenses	1.2	1.1	1.8	2.6	3.3
Other Expenses	39.6	59.5	47.3	80.0	34.0
	222.7	239.7	226.0	255.9	192.7
Income Before Tax	13.0	39.0	73.5	(20.2)	(3.3)

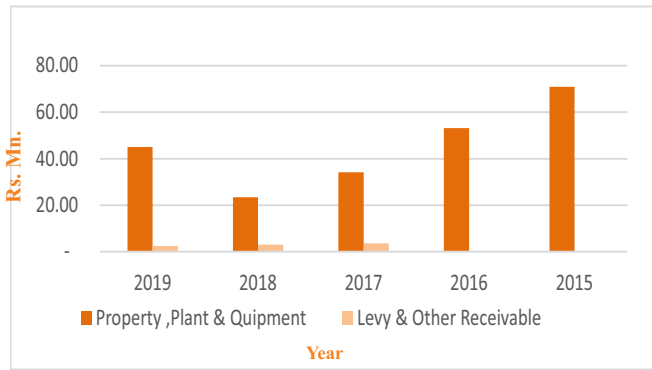


Balance Sheet

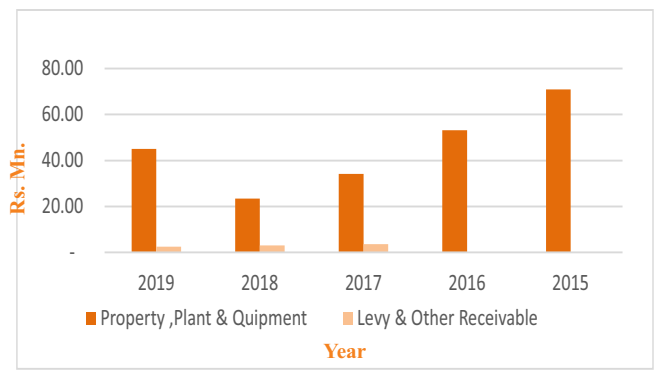
	2019	2018	2017	2016	2015
	Rs: Mn	Rs: Mn	Rs: Mn	Rs: Mn	Rs: Mn
Non Current Assets					
Property ,Plant & Qipment	44.96	23.41	34.10	53.10	70.90
Levy & Other Receivable	2.48	3.02	3.56	-	-
	47.44	26.43	37.66	53.10	70.90
Current Assets					
Levy & Other Receivable	1,010.9	961.1	924.6	586.1	382.6
Investment & Fixed deposit	1.3	1.3	1.2	1.0	0.9
Cash & Cash Equivalents	71.1	194.8	228.3	25.8	44.7
Income Tax Recovareble	-	-	-	0.3	-
	1,083.4	1,157.2	1,154.1	613.3	428.2
TOTAL	1,130.8	1,183.6	1,191.7	666.4	499.1
Funds and Reserves					
Project Reserves	4.4	4.4	4.4	4.5	4.5
General Reserves	1.6	1.6	1.6	1.6	1.6
Accumulated Fund	147.9	139.9	107.3	41.2	61.4
Revolving Funds	43.9	42.9	-	-	-
	197.8	188.8	113.3	47.3	67.5
Non-Current Liabilities and Deferred Income					
Interest bearing Loans & Borrowings	0.8	1.6	5.9	13.6	20.3
Retirement Benefit Liability	25.3	24.3	24.9	21.8	20.3
Deferred Grants	65.7	71.2	118.7	142.2	17.0
	91.9	97.2	149.4	177.6	57.6
Current Liabilities					
Interest bearing Loans & Borrowings	0.8	6.4	7.4	12.7	6.0
Other Payables	837.4	888.2	958.3	428.8	220.1
Income Tax Liability	3.0	3.0	6.7	-	0.0
	841.2	897.6	972.4	441.5	226.1
TOTAL	1,130.8	1,183.5	1,235.1	666.4	351.2

Graphical View of Financial Statements

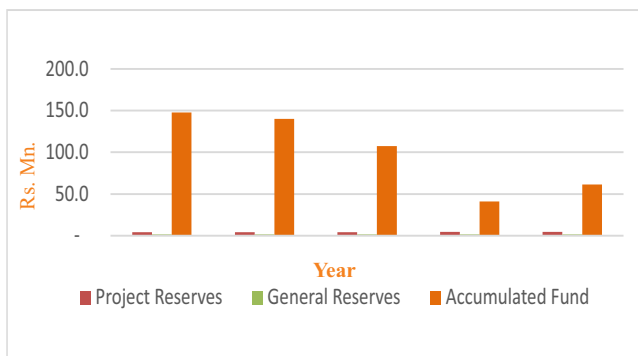
Non Current Assets



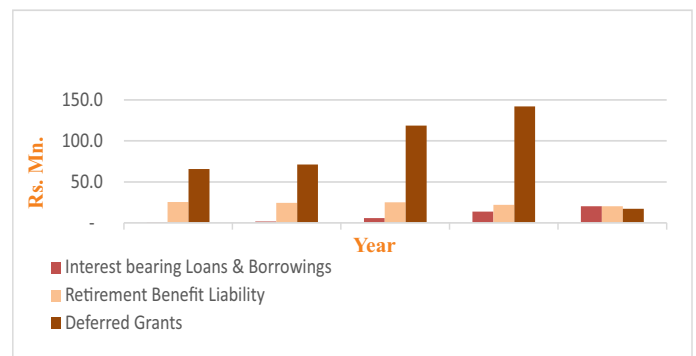
Current Assets



Funds and Reserves



Non-Current Liabilities and Deferred Income



Current Liabilities



NOTICE OF THE MEETING

Notice is hereby given that an Extraordinary General Meeting of the members of the Plantation Human Development Trust will be held at the “Royal Ballroom”, Grand Monarch, Thalawathugoda on Friday, 26th September 2020 at 9.15 a.m. for the following purposes

AGENDA

1. Call meeting to order and read the notice convening the meeting.
2. 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 2019.
3. To re-elect Mr. B. Bulumulla who retires by rotation in terms of Article 55 of the Articles of Association as a Director.
4. To re-elect and Mr. S.K.L. Obeyesekere who retires by rotation in terms of Article 55 of the Articles of Association as a Director.
5. To consider and if thought fit to pass the following Ordinary Resolution pertaining to the appointment of Mr. Ponniah Sivarajah, as a Director who is over 70 years of age, in compliance with Section 211 of the Companies Act No. 07 of 2007 and whose appointment has been recommended by the Board.

Ordinary resolution

“That the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to Mr. Ponniah Sivarajah, Director, who is 76 years of age. (having reached 70 years of age on 10th April 2014) and accordingly that Mr. Ponniah Sivarajah be and is hereby appointed a Director of the Company in terms of Section 211 of the **Companies** Act No. 07 of 2007”

By Order of the Board of Directors of the
Plantation Human Development Trust
S S P Corporate Services (Private) Limited
Secretaries

27th August 2020

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)

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 Extraordinary General Meeting of the Plantation Human Development Trust to be held on 26th September 2020 at 9.15 a.m. and at any adjournment thereof.

Certified true copy

.....

NAME OF BODY CORPORATE

Signature and Designation

(Use rubber stamp)

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

FORM OF PROXY

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

Mr. Shanthi Kumar Lalith Obeyesekere	or failing him
Mr. Ganegodage Dhamitha Vaamaka Perera	or failing him
Mr. Bathiya Bulumulla	or failing him
Mr. Sinnathamby Petchimuthu Vijekumaran	or failing him
Mr. Ponniah Sivarajah	or failing him
Dr. Nugawela Pathirannehelage Charles Roshan Nugawela	or failing him
Ms. Prangige Dharshani Hemanthy Dabare	or failing her
Mr. Kamal Gardiye Punchihewa	or failing him
Mr. Johann Arjuna Rodrigo	or failing him

Mr / Ms of
.....

as my/our Proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held on 26th September 2020 at 9.15 a.m. and at any adjournment thereof and every poll which may be taken in consequence thereof.

Please mark **X** in
appropriate cages below

	For	Against
1. To receive and consider the Report of the Board of Directors on the Affairs of the Company, Independent Auditor's Report and the Audited Accounts for the year ended 31 st December 2019	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr. B. Bulumulla 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 appoint Mr. Ponniah Sivarajah who is over 70 years of age as a Director of the Company by passing the Ordinary Resolution set out in the Notice of Meeting	<input type="checkbox"/>	<input type="checkbox"/>

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

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.

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, 3888800

Fax: 011-2888619, 2887476

Web Site: www.phdt.org

Board of Directors

Mr. S.K.L. Obeyesekere

Planters' Association of Ceylon

Mr. G.D.V. Perera

Agrapatana/Kotagala Plantations PLC

Mr. B. Bulumulla

Elpitiya Plantations PLC

Mr. S.P. Wijakumaran

Lanka Jathika Estates Workers Union

Mr. P. Sivarajah

Ceylon Workers' Congress

Dr. N.P.C.R. Nugawela

Ministry of Health, Nutrition & Indigenous
Medicine

Mrs. P.D.H. Dabare

Ministry of Finance, Economic and Policy
Development

Mr. K.G. Punchihewa

Maturata Plantations PLC

Mr. J.A. Rodrigo

Horana Plantations PLC

Auditors

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

Secretaries

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

Bankers

Bank of Ceylon
Hatton National Bank PLC

Regional Offices

Galle

C/o Walahanduwa Estate, Walahanduwa.
Tel: 091-2245754/2222424, 0113-888810-4

Ratnapura

Paradise, Kuruwita.
Tel: 045-2262497/2262102, 0113-888820-4

Badulla

Hingurugama Complex, Badulla.
Tel: 055-2226205/2226248, 0113-888830-4

Kegalle

Sir Francis Molamure Mawatha, Ranwala,
Kegalle.
Tel: 035-2222485/2222486, 0113-888840-4

Kandy

No. 1, Balakotuwa Camp Road,
Pallekelle, Kundasale.
Tel: 081-2421679/2422284, 0113-888840-4

Hatton

No. 243/1, Main Street, Dickoya.
Tel: 051-2222988/2222792, 0113-888860-7

Nuwara Eliya

No. 56, St. Andrew's Drive, Nuwara Eliya.
Tel: 052-2222681/2223757, 0113-888870-7



PLANTATION HUMAN DEVELOPMENT TRUST

No: 427/14, Robert Gunawardene Mawatha, Battaramulla.
www.phdt.org | dg@phdt.lk | T.P. +94 112 887 497 - 500