

NATIONAL WATER SUPPLY AND DRAINAGE BOARD

STATEMENT OF FINANCIAL POSITION

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CASH FLOW

NOTES TO THE FINANCIAL STATEMENTS


31 DECEMBER 2015

National Water Supply And Drainage Board

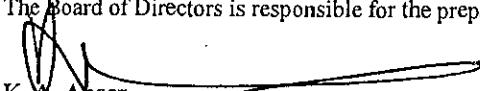
STATEMENT OF FINANCIAL POSITION

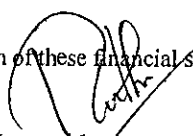
Year ended 31 December 2015

		2015 Rs.	2014 Rs. (Restated)
Assets			
Non- Current Assets			
Property ,Plant & Equipment	Notes 15	140,175,091,619	110,021,058,452
Intangible Assets	16	1,619,633	52,964,022
Capital Work in Progress	17	149,657,485,153	148,987,947,722
Other Financial assets	18	7,660,037,237	22,810,677
Total Non Current Assets		<u>297,494,233,644</u>	<u>259,084,780,873</u>
Current Assets			
Non Operating Assets	34.2	154,040,268	154,040,267
Inventories	19	6,403,839,146	5,624,531,319
Trade & Other Receivables	20	5,953,318,769	5,534,634,636
Deposits & Advances	21	13,089,002,984	9,527,444,911
Investments	22	5,194,262,510	244,262,510
Cash & Cash Equivalents	23	3,877,651,734	2,756,518,649
Total Current Assets		<u>34,672,115,411</u>	<u>23,841,432,292</u>
Total Assets		<u>332,166,349,055</u>	<u>282,926,213,166</u>
Equity and Liabilities			
Equity			
Assets taken over from Government Dept.	24	185,480,387	185,480,387
Government Equity	35	63,736,423,921	
Staff Welfare Fund	25	16,506,484	15,239,298
Retained Earnings		(11,757,090,006)	(10,806,208,171)
Government Grant	26	90,627,548,649	88,161,757,133
Capital Grants	27	165,957,115,697	151,974,122,319
Total Equity		<u>308,765,985,132</u>	<u>229,530,390,966</u>
Non-Current Liabilities			
Loan Payable	28	9,412,094,521	37,715,434,998
Other Deferred Liabilities	29	4,489,088,098	2,194,044,137
Total Non Current Liabilities		<u>13,901,182,619</u>	<u>39,909,479,134</u>
Current Liabilities			
Trade & Other Payables	30	9,427,039,885	7,061,300,745
Loan Capital Payable		-	3,440,617,294
Loan Interest Payable		-	2,912,497,278
Non Operating Liabilities		72,141,419	71,927,749
Total Current Liabilities		<u>9,499,181,304</u>	<u>13,486,343,066</u>
Total Equity and Liabilities		<u>332,166,349,055</u>	<u>282,926,213,166</u>


D. Thotawatte
Addl.G.M.(Finance)

The Board of Directors is responsible for the preparation and presentation of these financial statements.


K. A. Ansar
Chairman


G.A.Kumarathna
General Manager

Accounting Policies & Notes from pages 7 to 29 form an integral part of these Financial Statements.

Colombo

National Water Supply And Drainage Board

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

	Notes	Budget 2015 Rs.	Actual 2015 Rs.	Actual 2014 Rs.
Revenue	7	20,875,923,000	19,584,021,370	18,710,049,680
Cost of Sales	8	(13,779,185,419)	(12,314,954,106)	(11,325,829,471)
Gross Profit		7,096,737,581	7,269,067,264	7,384,220,209
Other operating income and gains	9	2,064,670,000	1,665,908,597	1,390,066,559
Administrative Expenses	10	(8,247,865,581)	(8,571,562,031)	(5,985,331,888)
Other Operating Expenses	11	(500,000,000)	(463,870,115)	(334,370,432)
Operating Profit / (Loss)		413,542,000	(100,456,285)	2,454,584,449
Finance Income	12	100,000,000	1,186,119,227	213,239,303
Finance Cost	13	(1,700,000,000)	(1,736,845)	(1,242,530,161)
Profit / (Loss) before tax		(1,186,458,000)	1,083,926,097	1,425,293,591
Provision for Income Taxation	14	(60,000,000)	(53,881,978)	(53,113,301)
Profit / (Loss) for the Year		(1,246,458,000)	1,030,044,119	1,372,180,290
Other Comprehensive Income for the Year.				
Actuarial Loss on Defined Benefit Obligation.		-	(1,979,658,769)	
Revaluation surplus		-	-	53,710,538
		-	(1,979,658,769)	-
Total Comprehensive Income for the Year		(1,246,458,000)	(949,614,650)	1,425,890,828

Accounting Policies & Notes from pages 7 to 29 form an integral part of these Financial Statements.

National Water Supply And Drainage Board

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2015

	Note	Assets from Government Departments Rs.	Govt Grants Rs.	Government Equity	Capital grants Rs.	Staff Welfare Fund Rs.	Accumulated Profit/Loss Rs.	Total Rs.
Balance as at 1 January 2014		185,480,387	81,069,995,266		129,350,331,843	15,101,490	(12,240,036,367)	198,380,872,619
<i>Prior Year correction -</i>								
Assets recognised and derecognised	34.1						141,398,285	141,398,285
Depreciation adju. for assets recognised and derecognised	34.1						14,025,000	14,025,000
Write off long outstanding balances	34.2						36,145,199	36,145,199
Rehabilitation & Construction works	34.2						(71,390,879)	(71,390,879)
Write off long outstanding trade debtors	34.2						(9,639,469)	(9,639,469)
Recognize arbitration fee	34.2						(100,108,972)	(100,108,972)
Restated balance as at 1 January 2014		185,480,387	81,069,995,266		129,350,331,843	15,101,490	(12,229,607,203)	198,391,301,783
Net profit for the year		-	-		-		1,425,890,828	1,425,890,828
Opening balance Adjustment - 9233/536/1 RCNo.-2678							25,126	25,126
Receipts / Transfers during the year		-	7,091,761,866		22,623,790,477	-	-	29,715,552,343
Transfers to Staff welfare fund		-				137,808	(137,808)	-
Write of short term deposit	34.2						(3,112,400)	(3,112,400)
Derecognize inventories	34.2						733,287	733,287
Restated balance as at 31 December 2014		185,480,387	88,161,757,133		151,974,122,319	15,239,298	(10,806,208,171)	229,530,390,966
Net profit for the year		-	-		-		(949,614,650)	(949,614,650)
Opening balance Adjustment - 9233/536/1 RCNo.-2678		-	-		-		-	-
Receipts / Transfers during the year		-	3,356,774,908		13,092,009,986			16,448,784,894
Loan to Equity conversion				49,836,439,996				49,836,439,996
Government contribution through bond				13,899,983,925				13,899,983,925
Transfers to Staff welfare fund						1,267,186	(1,267,186)	-
Balances as at 31 December 2015		185,480,387	91,518,532,041	63,736,423,921	165,066,132,305	16,506,484	(11,757,090,006)	308,765,985,132

Accounting Policies & Notes from pages 7 to 29 form an integral part of these Financial Statements.

National Water Supply And Drainage Board

STATEMENT OF CASH FLOW

Year ended 31 December 2015

For the year ended	Notes	2015 Rs.	2014 Rs.
Cash Flows from/(used) in Operating Activities			
Net Profit/(Loss) before Tax		1,083,926,097	1,425,293,591
<i>Adjustments for</i>			
Interest Income	12	(1,186,119,227)	(213,239,303)
Profit on disposal of Fixed Assets		-	(3,922,353)
Depreciation	10.2	2,237,159,613	2,031,036,338
Retiring gratuity provision	29.1	391,422,596	227,136,696
Opening balance Adjustments			25,126.00
Interest Expense	13	<u>1,736,845</u>	<u>1,242,530,161</u>
Operating Profit before Working Capital Changes		<u>2,528,125,924</u>	<u>4,708,860,256</u>
(Increase)/Decrease in Inventories		(779,307,827)	(1,747,040,583)
(Increase)/Decrease in Debtors, Rece'bles & Deposits		(3,664,857,013)	(5,402,599,585)
Increase/(Decrease) in Creditors & Provisions		<u>2,564,675,885</u>	<u>1,756,947,297</u>
Cash Generated from Operations		648,636,969	(683,832,614)
Tax Paid		(39,677,127)	(53,113,301)
Gratuity Paid	11	<u>(391,422,596)</u>	<u>(227,136,696)</u>
Net Cash from Operating Activities		<u>217,537,246</u>	<u>(964,082,611)</u>
Cash Flows from/(used) in Investing Activities			
Investments in Fixed Assets & Work-In-Progress		(33,652,546,584)	(31,619,414,419)
Withdrawal of other financial assets		6,323,440	8,197,324
Sale proceeds for disposal assets		-	7,995,275
Investment Income Received		1,186,119,227	216,449,698
(Investment) / Withdrawal of Investments		<u>(4,950,000,000)</u>	<u>96,707,679</u>
Net Cash Flows used in Investing Activities		<u>(37,410,103,917)</u>	<u>(31,290,064,442)</u>
Cash Flows from/(used in) Financing Activities			
Government Grant during the Period		2,709,730,350	7,768,323,405
Capital Grant during the period		14,518,201,341	23,177,800,979
New Loans		15,180,696,992	5,569,216,314
Loan Repayments		(498,375)	(1,030,498,375)
Interest Paid		(137,722,880)	(1,871,942,868)
VAT payments through treasury funds		(213,141,596)	(482,110,508)
Sales proceeds of treasury bond		<u>6,256,433,925</u>	<u>-</u>
		<u>38,313,699,758</u>	<u>33,130,788,947</u>
Net Increase in Cash & Cash Equivalents		1,121,133,086	876,641,893
Cash & Cash Equivalents at the begining of the year		<u>2,756,518,649</u>	<u>1,879,876,757</u>
Cash & Cash Equivalents at the end of the period		<u>3,877,651,734</u>	<u>2,756,518,649</u>

The accounting policies and notes on Pages 6 through 29 Form an integral part of the financial statements.

NATIONAL WATER SUPPLY AND DRAINAGE BOARD
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

CORPORATE INFORMATION

1.1 General

National Water Supply & Drainage Board is a statutory board enacted by the Parliament under the National Water Supply & Drainage Board Law No. 2 of 1974. The registered office of the Board is located at Galle Road, Ratmalana, and the principal place of business is situated at the same location.

National Water Supply & Drainage Board (NWS&DB) is an institution under the purview of Ministry of City Planning and Water Supply.

1.2 Principal activities

The principal activity of the Board is to produce and sell treated drinking water to the community.

The objectives of the National Water Supply & Drainage Board are to develop treated drinking water throughout the country and it's accessibility among the people of Sri Lanka.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by The Institute of Chartered Accountants of Sri Lanka.

For all periods up to and including the year ended 31st December 2011, the NWS&DB prepared its Financial Statements in accordance with Sri Lanka Accounting Standards (SLAS). From the financial year ending 31st December 2012 onward Financial Statements are being prepared in accordance with the new Sri Lanka Accounting Standards (SLFRS/LKAS).

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for financial instruments and other financial assets and liabilities held for trading that have been measured at fair value and liabilities for defined benefit obligation is recognized as at the present value of the defined benefit obligation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, NWS&DB recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, it's cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

3.1.1 Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Plant Property and Equipment	Rate
Building & Structures	1.67% - 2%
Plant & equipment pumping treatment	5%
Service & Bulk water meter	10%
Transmission & Distribution:	1.67%
Equipments	10%
Furniture & fittings	10%
Computers Peripherals & Mobile Phones	20% - 33.3%
Motor Vehicles	10% - 20%
Lease hold Vehicles	14.3%

3.1.2 Investment Property

When the use of a property changes from owner-occupied to another party is classified as Investment Property and the Investment Property is measured at cost less accumulated depreciation.

3.1.3 Capital Work In Progress

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

3.1.4 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

3.1.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

3.1.6 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when NWS&DB can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is completed and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

3.1.7 Impairment of Non-Financial Assets

The NWS&DB assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the NWS&DB estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.2.1 Inventories

Inventories are valued at cost or net realizable value whichever is lower after making due allowance for obsolete and slow moving items which are valued at 'First In First Out' basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Measurement of inventories

3.2.2 Cost of Inventories

Raw Materials

Cost of purchases together with any incidental expenses.

Other Stocks

Cost is arrived at weighted average basis.

3.3. Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and bank balances and short term investment, net of outstanding bank overdrafts if any

4. LIABILITIES, PROVISIONS AND EQUITY

4.1. Retirement Benefit Obligation

4.1.1 Retirement Benefit Obligations (LKAS 19)

a) Defined Benefit Plan – Gratuity

Provision has been made for retiring gratuity from the first year of service for all employees, in conformity with Sri Lanka Accounting Standard No. 19 (LKAS 19).

b) Retirement Benefit Cost

NWSDB operates a defined benefit pension plan. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in retained earnings and are not reclassified to profit or loss in subsequent periods.

Unvested past service costs are recognized as an expense on a straight line basis over the average period until the benefits become vested. Past service costs are recognized immediately if the benefits have already vested immediately following the introduction of, or changes to, a pension plan.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less unrecognized past service costs and less the fair value of plan assets out of which the obligations are to be settled.

Defined Contribution Plans- EPF & ETF

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective Statutes and Regulations. The Board contributes 12% and 3% of gross emoluments of employees to EPF and ETF respectively.

4.2 Provisions

General

Provisions are recognized when NWS&DB has a present obligation (legal or constructive) as a result of a past event, 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 NWS&DB expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

4.3 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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

5. INCOME STATEMENT

For the purpose of presentation of the Income Statement, the function of expenses method is adopted, as it represents fairly the elements of NWS&DB performance.

5.1.1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the NWS&DB and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment.

The following specific recognition criteria must also be met before revenue is recognized.

Sale of goods

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

Sale of Water

Revenue from sale of water is recognised according to the number of consumed unit within 30 days of time by the consumer, when the meters are read and when bills are processed within the system.

Other Income

Other income is recognised on an accrual basis.

Interest income

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Rechargeable Works

Revenue from fixed price construction contracts is recognized on the percentage of completion method, measured by the work done of the contract.

5.1.2 Expenses

All expenditures incurred in the running of the business have been charged to income in arriving at the profit for the year. Repairs and renewals are charged to profit and loss in the year in which the expenditure is incurred.

5.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

6. FINANCIAL INSTRUMENTS- INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

6.1 Financial asset

6.1.1 Initial recognition and measurement

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

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

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

6.1.2 Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows

6.1.2.1 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. NWS&DB did not have any financial assets at fair value through profit or loss during the years ended 31 December 2015 and 2014.

6.1.2.2 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement. The losses arising from impairment are recognized in the income statement in finance cost.

6.1.2.3 Held-to-maturity investments

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

6.1.2.4 Available-for-sale financial investments

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

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognised as other comprehensive income in the available-for-sale reserve until the investment is derecognized. NWS&DB did not have any available for –sale financial investments during the years ended 31 December 2015 and 2014.

6.1.2.5 Derecognition

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

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

6.1.2.6 Impairment of financial assets

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

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

6.1.2.7 Financial assets carried at amortized cost

For financial assets carried at amortized cost, the NWS&DB first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the NWS&DB determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The NWS&DB performed specific impairment for each debtor categories during the year 2015

6.2 Financial Liabilities

Initial recognition and measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss, at amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. NWS&DB determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs. NWS&DB's financial liabilities include trade and other payables.

Subsequent measurement

Subsequent measurement of financial liabilities is at amortised cost.

Derecognition

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

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

	2015	2014
	Rs.	Rs.
7. REVENUE		
Metered Sales	18,102,363,486	17,190,548,690
Bulk Sales	204,211,966	186,952,902
Bowser Supply	66,967,315	69,515,149
Income from main operations	7.1 <u>1,210,478,603</u>	<u>1,263,032,939</u>
	<u>19,584,021,370</u>	<u>18,710,049,680</u>
7.1 Income from main operations		
Income related to New connection	1,430,997,587	1,261,020,050
Expense related to New connection	(975,190,105)	(895,759,712)
Income related to other main operations	<u>754,671,121</u>	<u>897,772,600</u>
	<u>1,210,478,603</u>	<u>1,263,032,939</u>
8. COST OF SALES		
Personnel Cost	5,824,762,465	4,631,740,022
Pumping Cost	3,511,913,535	3,801,834,059
Chemicals	601,539,437	630,582,551
Repairs & Maintenance	1,046,395,799	955,992,424
Establishment Expenses	432,157,560	430,648,961
Rent, Rates, Taxes, Security & Other Expenses	782,394,641	734,500,154
Rebates	<u>115,790,669</u>	<u>140,531,301</u>
	<u>12,314,954,106</u>	<u>11,325,829,471</u>
9. OTHER OPERATING INCOME		
Capital Recovery Charges	668,431,101	616,231,430
Other Income	9.1 960,860,177	726,471,076
Staff loan benefit	<u>36,617,319</u>	<u>47,364,054</u>
	<u>1,665,908,597</u>	<u>1,390,066,559</u>
9.1 Other Income		
Income related to other operations	1,037,111,108	784,443,122
Expenses related to other operations	<u>(76,250,931)</u>	<u>(57,972,046)</u>
	<u>960,860,177</u>	<u>726,471,076</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

		2015 Rs.	2014 Rs.
10. ADMINISTRATIVE EXPENSES			
Repairs & Maintenance		179,200,602	153,728,144
Establishment Expenses		586,981,952	524,384,794
Rent,Rates,Taxes, Security & Other Expenses		257,943,106	241,181,755
Staff Cost	10.1	5,310,276,758	3,035,000,857
Depriciation	10.2	<u>2,237,159,613</u>	<u>2,031,036,338</u>
		<u>8,571,562,031</u>	<u>5,985,331,888</u>
10.1 Staff cost			
Staff Cost		36,617,319	47,364,054
Personnel Cost		<u>5,273,659,439</u>	<u>2,987,636,803</u>
		<u>5,310,276,758</u>	<u>3,035,000,857</u>
10.2 Depreciation			
Building and structure		757,296,729	677,626,798
Plant & Machinery		868,713,608	776,691,309
Equipments		1,113,242,306	1,030,041,202
Furniture and Fittings		32,019,269	27,845,827
Computers & Periparels		69,851,973	56,320,228
Motor Vehicles		<u>123,838,138</u>	<u>161,910,646</u>
		2,964,962,022	2,730,436,009
Less: Depn. for Grant funded Assets		(773,396,579)	(699,105,182)
Less: Depn. for Rechargeable funded Assets		(2,547,097)	(588,330)
Add: Amortization of leased Assets		47,847,426	-
Add: Amortization of Intangible Assets		<u>293,841</u>	<u>293,841</u>
		<u>2,237,159,613</u>	<u>2,031,036,338</u>
11. OTHER OPERATING EXPENSES			
Bad & Doubtful Debts		90,254,064	83,294,669
Provision for Irrecoverable Staff Loans		2,537,470	3,616,235
Provision for Obsolete Stock		(20,344,015)	20,322,832
Retiring Gratuity		<u>391,422,596</u>	<u>227,136,696</u>
		<u>463,870,115</u>	<u>334,370,432</u>
12. FINANCE INCOME			
Investment Income		<u>1,186,119,227</u>	213,239,303
		<u>1,186,119,227</u>	<u>213,239,303</u>
13. FINANCE COST			
Interest On Loans		137,722,880	2,352,782,069
Less: Capitalised Interest on Construction Projects		<u>(135,986,035)</u>	<u>(1,110,251,908)</u>
		<u>1,736,845</u>	<u>1,242,530,161</u>
14. TAXATION			
Economic Service Charge		<u>53,881,978</u>	53,113,301
		<u>53,881,978</u>	<u>53,113,301</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

15. PROPERTY, PLANT AND EQUIPMENT

15.1 Gross Carrying Amounts	Restated Balance As at 01.01.2015 Rs.	Additions after Adjustments Rs.	Transfers Rs.	Balance As at 31.12.2015 Rs.
Cost				
Freehold Assets				
Land Freehold	7,515,738,064	856,135,914	47,006,600	8,324,867,378
Land Leasehold	587,058,964	154,435,137	151,503,750	589,990,351
Infrastructure	3,874,089,439	1,481,307,175	7,961,115	5,347,435,498
Building - Freehold Structures	7,710,219,053	2,098,627,830	43,315,725	9,765,531,157
Plant & eq: pumping treatment	28,397,282,289	9,784,687,867	35,002,893	38,146,967,263
Service meter	15,931,502,627	7,892,745,110	35,953,197	23,788,294,540
Bulk water meter	5,421,254	13,303,000	-	18,724,254
Transmission & Dist:	183,087,670	272,241,325	568,903	454,760,093
Mobile Eq:	53,844,138,461	9,868,061,994	13,801,957	63,698,398,498
Survey Eq:	326,423,458	54,205,284	6,057,875	374,570,868
Laboratory	21,006,232	4,406,700	-	25,412,931
Other Equipment	344,555,328	162,142,746	8,462,789	498,235,285
Furniture & fittings-computer	1,167,645,710	294,555,664	23,620,042	1,438,581,332
Computers & Periparels	321,603,481	76,806,516	7,640,535	390,769,462
Motor vehicles cars	326,050,455	85,711,057	3,717,663	408,043,848
Van busses & jeeps	124,093,940	27,325,732	(6,188,894)	157,608,566
Lorries & trucks	356,783,163	29,034,053	14,541,200	371,276,016
Tractors & trailers	1,258,135,852	202,326,281	55,603,376	1,404,858,756
Water bowsers, Heavy veh:	59,403,460	25,291,286	1,643,000	83,051,746
Motor cycles	729,526,679	187,435,369	11,720,000	905,242,049
Three Weelers	16,129,607	3,099,500	225,000	19,004,107
Lease hold Vehicles	1,338,240	449,380	-	1,787,620
Total Value of Depreciable Assets	<u>22,671,376</u>	<u>23,180,000</u>	<u>16,876,376</u>	<u>28,975,000</u>
	<u>123,123,904,802</u>	<u>33,597,514,918</u>	<u>479,033,102</u>	<u>156,242,386,618</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

15.2 Depreciation	Restated Balance As at 01.01.2015 Rs.	Charge for the Period Rs.	Adjustments Rs.	Balance As at 31.12.2015 Rs.
Depreciation				
Freehold Assets				
Land Freehold	-	-	-	-
Land Leasehold	-	-	-	-
Infrastructure	377,631,290	84,765,846	-	462,397,136
Building - Freehold	791,454,475	163,132,851	-	954,587,326
Structures	2,342,256,378	509,398,032	-	2,851,654,410
Plant & eq: pumping treatment	3,522,626,954	844,890,746	-	4,367,517,700
Service meter	1,771,618	756,204	-	2,527,821
Bulk water meter	73,996,461	23,066,658	-	97,063,120
Transmission & Dist:	4,010,101,694	918,171,917	-	4,928,273,611
Mobile Eq:	105,905,257	31,842,025	-	137,747,282
Survey Eq:	2,264,072	2,310,367	-	4,574,440
Laboratory	162,541,995	38,162,464	-	200,704,459
Other Equipment	398,794,127	122,755,532	-	521,549,659
Furniture & fittings-computer	156,214,675	32,019,269	-	188,233,944
Computers & Periparels	209,548,698	69,851,973	-	279,400,671
Motor vehicles cars	111,975,393	6,944,565	(760,760)	118,159,199
Van busses & jeeps	337,619,756	5,364,287	(59,375)	342,924,667
Lorries & trucks	276,640,606	61,952,627	415,551	339,008,784
Tractors & trailers	43,627,030	6,523,753	-	50,150,782
Water bowsers, Heavy veh:	152,959,643	37,185,360	(108,789)	190,036,214
Motor cycles	6,743,304	1,524,396	-	8,267,700
Three Wheelers	463,462	147,972	-	611,434
Lease hold Vehicles	17,709,462	4,195,178	-	21,904,640
	<u>13,102,846,351</u>	<u>2,964,962,022</u>	<u>(513,373)</u>	<u>16,067,294,999</u>

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

15. PROPERTY, PLANT AND EQUIPMENT (Contd...)

15.3 Net Book Values	2015 Rs.	2014 Rs.
At Cost		
Land Freehold	8,324,867,378	7,515,738,064
Land Leasehold	589,990,351	587,058,964
Infrastructure	4,885,038,362	3,496,458,149
Building - Freehold	8,810,943,831	6,918,764,577
Structures	35,295,312,853	26,055,025,911
Plant & Eq: pumping treatment	19,420,776,840	12,408,875,672
Service meter	16,196,433	3,649,636
Bulk water meter	357,696,973	109,091,209
Transmission & Dist:	58,770,124,887	49,834,036,767
Mobile Eq:	236,823,586	220,518,201
Survey Eq:	20,838,492	18,742,160
Laboratory	297,530,826	182,013,333
Other Equipment	917,031,673	768,851,584
Furniture & fittings-computer	202,535,518	165,388,805
Computers & Periparels	128,643,177	116,501,756
Motor vehicles cars	39,449,368	12,118,547
Van busses & jeeps	28,351,348	19,163,407
Lorries & trucks	1,065,849,972	981,495,246
Tractors & trailers	32,900,964	15,776,430
Water bowsers, Heavy veh:	715,205,835	576,567,037
Motor cycles	10,736,407	9,386,303
Three Wheelers	1,176,186	874,778
Lease hold Vehicles	7,070,360	4,961,914
Total Carrying Amount of Property, Plant & Equipment	140,175,091,619	110,021,058,452

National Water Supply And Drainage Board
 NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

15. PROPERTY, PLANT AND EQUIPMENT

15.4 Investment Property

The Building constructed by the Board at Sunil Mawatha, Battaramulla currently occupied by the Ministry of City Planning and Water Supply is recognized as Investment Property according to the LKAS 40 - Investment Property.

This Investment Property is included under the Property, Plant & Equipment

	Land	Building	Total
Cost			
Balance as at 01.01.2015	138,500,000	238,053,034	376,553,034
Additions	-	-	
Balance as at 31.12.2015	<u>138,500,000</u>	<u>238,053,034</u>	<u>376,553,034</u>
Depreciation			
Balance as at 01.01.2015	-	14,965,989	14,965,989
Charge for the Period	-	4,761,061	4,761,061
Balance as at 31.12.2015	<u>-</u>	<u>19,727,050</u>	<u>19,727,050</u>
Net Book Value	<u><u>138,500,000</u></u>	<u><u>218,325,984</u></u>	<u><u>356,825,984</u></u>

Additions related to previous years amounting Rs 26,447,089.00 and depreciation thereon Rs 506,249.00 has been adjusted to respective opening balances

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

	2015	2014
	Rs.	Rs.
16. INTANGIBLE ASSETS		
Indian IT Solution Software	51,012,942	102,025,883
Soft Ware SAP 7000	188,036	263,250
Soft Ware - Sewerage	1,763,045	2,056,886
Amortisation	<u>(51,344,390)</u>	<u>(51,381,997)</u>
	<u>1,619,633</u>	<u>52,964,022</u>
17. CAPITAL WORK IN PROGRESS		
Construction Work	34.2 144,446,281,802	127,784,179,727
Rehabilitation	34.2 <u>5,211,203,351</u>	<u>21,203,767,995</u>
	<u>149,657,485,153</u>	<u>148,987,947,722</u>
18. OTHER FINANCIAL ASSETS		
HDFC Investment for Staff Housing Loans	15,322,302	21,691,344
Bank of Ceylon Saving - II	1,164,935	1,119,333
Treasury Bond	<u>7,643,550,000</u>	<u>-</u>
	<u>7,660,037,237</u>	<u>22,810,677</u>
19. INVENTORIES		
PVC Steel Pipe	3,392,095,366	2,669,416,046
Water Meter & Fitting & Brass Items	743,331,981	700,971,396
Chemical Material	117,617,218	106,028,250
Electricals	382,799,033	399,525,157
Building Material	49,937,381	31,748,687
Pump & Spare Parts	903,040,106	781,103,254
Vehicle Spare Parts	83,096,233	83,172,286
Stationary & Office Equipment	44,692,449	41,252,984
Other Items	34.2 420,441,774	483,304,271
Stock in Transit	34.2 557,590,430	650,194,705
Stock Adjustments	<u>2,651,389</u>	<u>3,994,431</u>
	6,697,293,361	5,950,711,468
Less- Major spares		
Property Plant and Equipment at Stores	(261,050,602)	(273,432,521)
Provision for Obsolete Stock	<u>(32,403,613)</u>	<u>(52,747,628)</u>
	<u>6,403,839,146</u>	<u>5,624,531,319</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

		2015 Rs.	2014 Rs.
20. TRADE AND OTHER RECEIVABLES			
Trade Debtors	34.2	3,813,272,977	4,004,182,148
Other Debtors		345,086,098	282,195,544
Less : Debtors Impairment		(1,197,441,625)	(1,117,560,450)
Debtors Collection Control		453,509,342	414,324,843
VAT Receivable		378,901,522	6,652,511
WHT Receivable		34,144,822	28,452,205
Advances to Staff		33,203,391	24,376,293
Loans To Employees		1,788,580,352	1,878,673,515
Receivable on Interest & Others		<u>304,061,890</u>	<u>13,338,027</u>
		<u>5,953,318,769</u>	<u>5,534,634,636</u>
21. DEPOSITS AND ADVANCES			
Rechargeable Project Work		90,578	37,525,499
Pre Payments		1,253,500	25,000
Advances (Including Mobilizations)		13,005,670,673	9,417,218,575
Deposits	34.2	<u>81,988,233</u>	<u>72,675,838</u>
		<u>13,089,002,984</u>	<u>9,527,444,911</u>
22. INVESTMENTS			
Held to Maturity		<u>5,194,262,510</u>	<u>244,262,510</u>
		<u>5,194,262,510</u>	<u>244,262,510</u>
23. CASH AND CASH EQUIVALENTS			
Cash In Bank		2,317,564,300	612,293,709
Cash Imprest Head Office		1,290,751	3,189,348
Cash Imprests Regions		3,473,591	4,246,706
Cash In Transit		294,470,231	336,341,611
Call Deposits		968,700,192	1,628,058,432
Savings Account		<u>292,152,669</u>	<u>172,388,843</u>
		<u>3,877,651,734</u>	<u>2,756,518,649</u>
24. ASSETS TAKEN OVER FROM GOVERNMENT			
Assets taken over from Government Dept.		<u>185,480,387</u>	<u>185,480,387</u>
		<u>185,480,387</u>	<u>185,480,387</u>

National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2015

	2015 Rs.	2014 Rs.
25. STAFF WELFARE FUND		
Opening Balance	15,239,298	15,101,490
Received during the year	<u>1,267,186</u>	<u>137,808</u>
	<u>16,506,484</u>	<u>15,239,298</u>
26. GOVERNMENT GRANT		
Treasury Grant	<u>90,627,548,649</u>	<u>88,161,757,133</u>
	<u>90,627,548,649</u>	<u>88,161,757,133</u>
27. CAPITAL GRANTS		
Foreign Grants	165,066,132,305	151,416,090,457
Local Grants	<u>890,983,392</u>	<u>558,031,863</u>
	<u>165,957,115,697</u>	<u>151,974,122,319</u>
28. LOAN PAYABLE		
Foreign Loans through Treasury	-	36,397,895,995
Local Loans	<u>9,412,094,521</u>	<u>1,317,539,003</u>
	<u>9,412,094,521</u>	<u>37,715,434,998</u>
29. OTHER DEFERRED LIABILITIES		
Provision for defined benefit plan	29.1 4,076,428,515	2,096,769,746
Customer and Employee Security Deposits	118,930,258	97,274,390
Treasury Bond discount received in advance	<u>293,729,325</u>	
	<u>4,489,088,098</u>	<u>2,194,044,137</u>
29.1. Movement of Retiring Gratuity Provision		
Balance at the Beginning of the Period	2,096,769,746	2,096,769,746
Add Provision for the Period	2,371,081,365	227,136,696
Less: Gratuity Payments during the Period	<u>(391,422,596)</u>	<u>(227,136,696)</u>
	<u>4,076,428,515</u>	<u>2,096,769,746</u>
30. TRADE AND OTHER PAYABLES		
Rechargeable Work - Customer Advances	3,013,472,388	2,386,334,108
Arbitration fee	34.2 -	100,108,972
Contractors Retention	3,497,975,058	2,525,408,496
Lease Hold Creditors	33,822,215	164,547
Less: Interest in Suspense	(8,413,409)	(2,297)
Creditors Control	1,418,387,592	1,158,282,524
Other Creditors	94,752,654	71,026,920
Accrued expenses	861,687,410	294,900,920
Deposits	101,391,187	106,405,671
VAT Payable	227,329,734	282,340,601
With Holding Tax	2,972,264	205,867
Salaries and Other Payables	<u>183,662,792</u>	<u>136,124,416</u>
	<u>9,427,039,885</u>	<u>7,061,300,745</u>

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

31. DEFERRED TAXATION

Deferred Tax Assets, Liabilities and Income Tax relates to the followings

	Balance Sheet		Income Statement	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Liability				
Capital Allowances	10,232,612,468	8,129,594,181	2,103,018,287	1,424,739,938
Intangible assets	453,497	14,829,925	(14,376,428)	(13,737,322)
	<u>10,233,065,965</u>	<u>8,144,424,106</u>	<u>2,088,641,859</u>	<u>1,411,002,615</u>
Deferred Tax Assets				
Debtors Impairment	298,860,427	278,911,735	19,948,692	89,724,996
	<u>298,860,427</u>	<u>278,911,735</u>		
Deferred income tax charge/(reversal)			<u>2,108,590,551</u>	<u>1,500,727,612</u>
Net Deferred Tax Liability/ (Asset)	<u>9,934,205,538</u>	<u>7,865,512,371</u>		

The existence of unused tax losses is strong evidence that future taxable profit may not be available. NWSDB has a cumulative tax loss of Rs.64,136,657,455 as at 31/12/2015. Therefore paying Income Tax by NWSDB is very unlikely, resulting in not recognising a net deferred tax asset /liability.

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

32. RELATED PARTY TRANSACTIONS

Transactions with State and State Controlled Entities

In the normal course of its operations, the Board enters into transactions with related parties. Related parties include the Government of Sri Lanka (State: as the ultimate owner of the Board), various government departments, and State controlled entities. Particulars of transactions, and arrangements entered into by the Board with the State and State controlled entities which are individually significant and for other transactions that are collectively, but not individually significant are as follows:

33. EVENTS AFTER THE BALANCE SHEET DATE

All the material events after the balance sheet date have been considered and appropriate adjustment and disclosures have been made in to the financial statement, where necessary.

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

34. PRIOR YEAR ADJUSTMENTS

34.1 Board assets were revalued as at 31.12.2007 by obtaining the service of Department of Valuation. Revalued amount of assets were taken to the books during the year 2010 and those values are continuing as deemed cost of PPE at present. There were some duplications and omissions occurred in 2010 due to the immensity of the assets base and have been rectified as prior year adjustments with retrospective effect. Accordingly net effect of Rs. 141.4 million had been adjusted for carrying amount of PPE and Rs.14 million had been adjusted for depreciation as at 31.12.2014 as follows.

34.1.1 Gross Carrying Amounts

Cost	Balance As at 31.12.2014 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2014 Rs.
Freehold Assets			
Land Freehold	7,515,738,064		7,515,738,064
Land Leasehold	587,058,964		587,058,964
Infrastructure	3,874,089,439		3,874,089,439
Building - Freehold	7,710,219,053		7,710,219,053
Structures	28,355,282,289	42,000,000	28,397,282,289
Plant & eq: pumping treatment	15,816,032,627	115,470,000	15,931,502,627
Service meter	5,421,254		5,421,254
Bulk water meter	183,087,670		183,087,670
Transmission & Dist:	53,834,138,461	10,000,000	53,844,138,461
Mobile Eq:	325,993,458	430,000	326,423,458
Survey Eq:	21,006,232		21,006,232
Laboratory	344,555,328		344,555,328
Other Equipment	1,167,645,710		1,167,645,710
Furniture & fittings-computer	321,598,481	5,000	321,603,481
Computers & Peripherals	326,050,455		326,050,455
Motor vehicles cars	124,093,940		124,093,940
Van busses & jeeps	364,483,163	(7,700,000) ✓	356,783,163
Lorries & trucks	1,275,865,852	(17,730,000) ✓	1,258,135,852
Tractors & trailers	59,403,460		59,403,460
Water bowsers, Heavy veh:	730,321,679	(795,000)	729,526,679
Motor cycles	16,411,322	(281,715) ✓	16,129,607
Three Wheelers	1,338,240		1,338,240
Lease hold Vehicles	22,671,376		22,671,376
Total Value of Depreciable Asset	122,982,506,517	141,398,285	123,123,904,802

National Water Supply And Drainage Board
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Year ended 31 December 2015

34.1.2 Depreciation	Balance As at 31.12.2014 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2014 Rs.
Freehold Assets			
Land Freehold	-	-	-
Land Leasehold	-	-	-
Infrastructure	377,631,290		377,631,290
Building - Freehold	791,618,737	(164,262)	791,454,475
Structures	2,344,690,771	(2,434,393)	2,342,256,378
Plant & eq: pumping treatment	3,528,439,982	(5,813,028)	3,522,626,954
Service meter	1,771,618		1,771,618
Bulk water meter	73,996,461		73,996,461
Transmission & Dist:	4,010,101,694		4,010,101,694
Mobile Eq:	105,905,257		105,905,257
Survey Eq:	2,264,072		2,264,072
Laboratory	162,829,393	(287,398)	162,541,995
Other Equipment	398,794,127		398,794,127
Furniture & fittings-computer	156,214,675		156,214,675
Computers & Periparels	209,548,698		209,548,698
Motor vehicles cars	111,975,393		111,975,393
Van busses & jeeps	336,413,867	1,205,888	337,619,756
Lorries & trucks	283,506,225	(6,865,619)	276,640,606
Tractors & trailers	43,624,536	2,494	43,627,030
Water bowsers, Heavy veh:	152,540,735	418,908	152,959,643
Motor cycles	6,830,895	(87,591)	6,743,304
Three Wheelers	463,462		463,462
Lease hold Vehicles	17,709,462		17,709,462
Total Value of Depreciation	<u>13,116,871,351</u>	<u>(14,025,000)</u>	<u>13,102,846,351</u>

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34.2 In addition to the prior year adjustments for Property Plant & Equipments, the following items also have been adjusted retrospectively.

	Balance As at 31.12.2014 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2014 Rs.
Capital Work In Progress (Note 17)			
Construction Work	127,855,775,365	(71,595,638)	127,784,179,727
Rehabilitation	<u>21,203,563,236</u>	<u>204,759</u>	<u>21,203,767,995</u>
	<u>149,059,338,602</u>	<u>(71,390,879)</u>	<u>148,987,947,722</u>
Deposit and advance (Note 21)			
Deposits	75,788,238	(3,112,400)	72,675,838
Trade and other payable (Note 30)			
Arbitration settlement	-	100,108,972	100,108,972
Inventories (Note 19)			
Stock in transit	645,606,587	4,588,118	650,194,705
Other items	<u>487,159,103</u>	<u>(3,854,831)</u>	<u>483,304,271</u>
	<u>1,132,765,690</u>	<u>733,287</u>	<u>1,133,498,976</u>
Non operating assets	117,895,068	36,145,199	154,040,267
Trade and other receivable (Note 20)			
Trade debtors	4,013,821,617	(9,639,469)	4,004,182,148

National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2015

	2015 Rs.	2014 Rs.
35. Government Equity		
Equity loan conversion	49,836,439,996	-
Government contribution (bond)	<u>13,899,983,925</u>	<u>-</u>
	<u>63,736,423,921</u>	<u>-</u>

During the year government has decided to convert Rs 49,836,439,996 worth loans to the equity and bond with a value of 13,899,983,925 has been given to Board for raise funds.