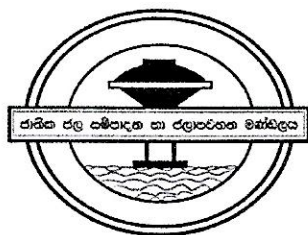


# NATIONAL WATER SUPPLY AND DRAINAGE BOARD



STATEMENT OF FINANCIAL POSITION

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CASH FLOW

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019



# National Water Supply And Drainage Board

## STATEMENT OF COMPREHENSIVE INCOME

Year Ended 31 December 2019

		Budget 2019 Rs.	Actual 2019 Rs.	Restated 2018 Rs.
Revenue (Net of VAT)	7	25,954,703,400	26,079,488,608	24,806,457,684
Cost of Sales	8	(17,303,602,703)	(16,614,378,349)	(15,821,034,600)
Gross Profit		8,651,100,697	9,465,110,259	8,985,423,084
Other Operating Income and Gains	9	1,496,778,600	1,258,512,779	1,061,966,069
Administrative Expenses	10	(12,109,926,297)	(12,059,061,307)	(10,969,381,641)
Other Operating Expenses	11	(671,000,000)	(764,590,969)	(906,753,982)
Operating Profit / (Loss)		(2,633,047,000)	(2,100,029,238)	(1,828,746,471)
Finance Income	12	375,600,000	1,454,249,803	1,574,439,901
Finance Cost	13	(4,941,000)	(465,671,785)	(262,731,394)
Profit / (Loss) Before Tax		(2,262,388,000)	(1,111,451,220)	(517,037,963)
Income Tax (Economic Service Charges)	14	(166,575,000)	(65,383,426)	(63,287,387)
Profit / (Loss) for the Year		(2,428,963,000)	(1,176,834,646)	(580,325,351)

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.



National Water Supply And Drainage Board

STATEMENT OF OTHER COMPREHENSIVE INCOME

Year Ended 31 December 2019

	Budget 2019 Rs.	Actual 2019 Rs.	Restated 2018 Rs.
Profit / (Loss) for the Year	(2,428,963,000)	(1,176,834,646)	(580,325,351)
<b>Other Comprehensive Income for the Year.</b>			
Actuarial Gain on Defined Benefit Obligation.	-	-	277,616,559
<b>Total Comprehensive Income for the Year</b>	<u>(2,428,963,000)</u>	<u>(1,176,834,646)</u>	<u>(302,708,792)</u>

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.





# National Water Supply And Drainage Board

## STATEMENT OF FINANCIAL POSITION

Year Ended 31 December 2019

		Actual 2019 Rs	Restated 2018 Rs.
<b>Assets</b>			
<b>Non- Current Assets</b>	<b>Notes</b>		
Property ,Plant & Equipment	15	246,276,731,455	193,176,543,150
Intangible Assets	16	4,176,328	5,667,741
Capital Work in Progress	17	291,525,375,599	247,867,666,528
Financial assets	18	2,050,210	3,737,585
<b>Total Non Current Assets</b>		<b>537,808,333,592</b>	<b>441,053,615,003</b>
<b>Current Assets</b>			
Inventories	19	8,732,498,024	7,324,291,091
Trade & Other Receivables	20	6,871,077,905	8,667,342,429
Deposits & Advances	21	40,706,840,162	43,824,831,314
Investments	22	27,736,376,662	12,424,124,006
Cash & Cash Equivalents	23	3,925,735,348	1,591,910,199
Non Operating Assets	34.2	149,681,812	149,681,812
<b>Total Current Assets</b>		<b>88,122,209,912</b>	<b>73,982,180,851</b>
<b>Total Assets</b>		<b>625,930,543,504</b>	<b>515,035,795,855</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Assets taken over from Government Dept.	24	185,480,387	185,480,387
Government Equity	25	85,106,439,687	81,053,316,307
Staff Welfare Fund	26	29,411,874	23,463,597
Retained Earnings		(9,408,054,417)	(8,225,271,493)
Government Grant	27	105,903,930,027	98,303,838,433
Capital Grants	28	241,308,488,604	218,460,298,409
<b>Total Equity</b>		<b>423,125,696,163</b>	<b>389,801,125,640</b>
<b>Non-Current Liabilities</b>			
Loan Payable	29	139,316,053,612	94,926,739,465
Other Deferred Liabilities	30	4,057,934,251	4,051,404,991
<b>Total Non Current Liabilities</b>		<b>143,373,987,863</b>	<b>98,978,144,456</b>
<b>Current Liabilities</b>			
Trade & Other Payables	31	39,245,156,498	17,050,007,733
Loan Capital Payable	29	12,034,922,913	5,353,649,911
Loan Interest Payable		8,078,638,649	3,780,726,696
Non Operating Liabilities	34.2	72,141,419	72,141,419
<b>Total Current Liabilities</b>		<b>59,430,859,478</b>	<b>26,256,525,759</b>
<b>Total Equity and Liabilities</b>		<b>625,930,543,504</b>	<b>515,035,795,855</b>

*[Signature]*  
R.M.A.S. Weerasena

Addl.G.M.(Finance)

**R.M.A.S. WEERASENA**  
Additional General Manager (Finance)  
National Water Supply & Drainage Board

*[Signature]*  
R.H.Ruvinis  
General Manager

**General Manager**  
**National Water Supply & Drainage Board**

The Accounting policies on pages 08 to 14 and Notes on pages 15 to 26 form an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf

*[Signature]*  
Nishantha Ranatunga  
Chairman  
Colombo  
on 26 February 2020

*[Signature]*  
Nimal R. Ranawaka  
Vice Chairman

**Nishantha Ranatunga**





**National Water Supply And Drainage Board**  
**STATEMENT OF CHANGES IN EQUITY**

Year Ended 31 December 2019

Note	Government Departments Rs.	Govt Grants Rs.	Government Equity	Capital Grants Rs.	Staff Welfare Fund Rs.	Accumulated Profit/Loss Rs.	Total Rs.
<b>Balance as at 1 January 2018</b>	185,480,387	94,838,588,669	75,254,960,972	192,631,358,038	22,527,125	(8,145,448,178)	354,787,467,012
<b>Prior Year Correction</b>							
Assets recognised and derecognised	-	-	-	-	-	88,496,259	88,496,259
Depreciation adj. for assets recognised and derecognised	-	-	-	-	-	41,243,667	41,243,667
Rehabilitation & construction works	-	-	-	-	-	(1,271,130)	(1,271,130)
Deposits and other advances	-	-	-	-	-	(6,861,000)	(6,861,000)
Held to maturity	-	-	-	-	-	3,715,258	3,715,258
Trade & other receivables	-	-	-	-	-	(5,390,596)	(5,390,596)
Trade & other payables	-	-	-	-	-	2,116,860	2,116,860
<b>Restated Balance as at 1 January 2018</b>	185,480,387	94,838,588,669	75,254,960,972	192,631,358,038	22,527,125	(8,023,398,859)	354,909,516,331
<b>Net profit for the year</b>	-	-	-	-	-	(302,708,792)	(302,708,792)
Assets recognised and derecognised	-	-	-	-	-	2,132,625	2,132,625
Receipts / Transfers during the year	-	3,418,879,181	-	25,536,892,975	-	-	28,955,772,157
Loan to equity conversion (Including adj. to opening balance)	-	-	5,798,355,335	-	-	-	5,798,355,335
Deposits and other advances	-	-	-	-	-	(6,346,320)	(6,346,320)
Inventories	-	-	-	-	-	45,229,961	45,229,961
Rehabilitation & construction works	-	-	-	-	-	3,695,065	3,695,065
Foreign, local & government grants	-	46,370,583	-	292,047,395	-	57,865,299	396,283,278
Held to maturity	-	-	-	-	-	(804,000)	(804,000)
Transfers to Staff welfare fund	-	-	-	-	936,472	(936,472)	-
<b>Restated balance as at 31 December 2018</b>	185,480,387	98,303,838,433	81,053,316,307	218,460,298,409	23,463,597	(8,225,271,493)	389,801,125,640
<b>Net profit for the year</b>	-	-	-	-	-	(1,176,834,646)	(1,176,834,646)
Receipts / Transfers during the year	-	7,600,091,594	-	22,848,190,195	-	-	30,448,281,790
Loans conversion to equity	-	-	4,053,123,380	-	-	-	4,053,123,380
Transfers to staff welfare fund	-	-	-	-	5,948,277	(5,948,277)	-
<b>Balances as at 31 December 2019</b>	185,480,387	105,903,930,027	85,106,439,687	241,308,488,604	29,411,874	(9,408,054,416)	423,125,696,164

Accounting Policies & Notes from pages 8 to 26 form an integral part of these Financial Statements.



# National Water Supply And Drainage Board

## STATEMENT OF CASH FLOW

Year Ended 31 December 2019

For the year ended	Notes	Actual 2019 <u>Rs.</u>	Restated 2018 <u>Rs.</u>
<b>Cash Flows from/(used) in Operating Activities</b>			
Net Profit/(Loss) before Tax		(1,111,451,220)	(517,037,963)
<i>Adjustments for</i>			
Interest Income	12	(1,454,249,803)	(1,574,439,901)
Profit/Loss on disposal of Fixed Assets		8,426,050	24,193,893
Depreciation	10.2	4,614,775,009	3,663,574,560
Retiring gratuity provision	30.1	578,942,828	706,912,095
Interest Expense	13	<u>465,671,785</u>	<u>262,731,394</u>
Operating Profit before Working Capital Changes		3,102,114,649	2,565,934,078
(Increase)/Decrease in Inventories		(1,408,206,933)	50,076,524
(Increase)/Decrease in Debtors, Receivables & Deposits		4,987,732,998	(1,736,116,494)
Increase/(Decrease) in Creditors, Provisions & Deposits		<u>22,201,678,025</u>	<u>3,140,750,015</u>
Cash Generated from Operations		28,883,318,739	4,020,644,123
Tax Paid		(138,860,749)	(63,287,387)
Gratuity Paid	30.1	<u>(578,942,828)</u>	<u>(501,739,973)</u>
Net Cash from Operating Activities		<u>28,165,515,162</u>	<u>3,455,616,762</u>
<b>Cash Flows from/(used) in Investing Activities</b>			
Investments in Fixed Assets & Work-In-Progress		(93,000,764,052)	(71,637,779,836)
Financial assets		1,687,375	4,492,884
Sale proceeds for disposal assets		17,400	12,695,977
Investment Income Received		1,454,249,803	1,574,439,901
(Investment) / Withdrawal of Investments		<u>(15,312,252,655)</u>	<u>2,195,336,043</u>
Net Cash Flows used in Investing Activities		<u>(106,857,062,129)</u>	<u>(67,850,815,031)</u>
<b>Cash Flows from/(used in) Financing Activities</b>			
Government Grant during the Period		7,600,091,594	3,465,249,764
Capital Grant during the period		24,402,315,887	27,180,747,901
New Loans and Equity		61,968,254,527	43,283,510,844
Loan Repayments		(6,844,543,998)	(4,366,443,474)
Interest Paid		<u>(6,100,745,895)</u>	<u>(4,974,153,569)</u>
		81,025,372,115	64,588,911,466
Net Increase in Cash & Cash Equivalents		2,333,825,148	193,713,197
Cash & Cash Equivalents at the beginning of the year		<u>1,591,910,199</u>	<u>1,398,197,000</u>
Cash & Cash Equivalents at the end of the period		<u>3,925,735,348</u>	<u>1,591,910,199</u>

The accounting policies and notes on pages 8 to 26 form an integral part of the financial statements.



**NATIONAL WATER SUPPLY AND DRAINAGE BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2019**





## **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 Urban Development, Water Supply and Housing Facilities.

### **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 its 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.

### **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, its 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.



**11.1 Depreciation**

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

<b>Plant Property and Equipment</b>	<b>Rate</b>
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%

**11.2 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.

**11.3 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.

**11.4 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. Acquisition of computer software are recognized as intangible assets and amortized over the period of 7 years.

**11.5 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.





### 3.1.6 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 'weighted average cost' 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.

Retirement benefit obligation is measured through the service of an actuarial valuer in every three years interval and maintains such liability over the period of three years in line with the salary revision. Hence, the gratuity liability occurred for the next two consecutive years are treated as expense immediately after the actuarial liability is identified in the first year.

#### **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.

### **42 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.

### **43 Government Grants**

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

When 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 Revenue Recognition**

Revenue is recognized 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 recognized 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 recognized 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 recognized 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**

The NWSDB is having massive deductible tax losses and other deductible expenses including interest against the tax liability. Hence, it is unlikely that arising of tax liability in foreseeable future period therefore, NWSDB does not adjust differed tax in Financial Statement.

**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.

##### **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.

##### **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 amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement. The losses arising from impairment are recognized as finance cost in the income statement in finance cost.

##### **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 recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized.

##### **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.

#### 4.1.2.6 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.

#### 4.1.2.7 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, recognized 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.

## 4.2 Financial Liabilities

### Initial Recognition and Measurement

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

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

### Subsequent Measurement

Subsequent measurement of financial liabilities is at amortized cost.

### Derecognition

A financial liability is derecognized 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 2019

		Actual	Restated
		2019	2018
		Rs.	Rs.
<b>7. REVENUE</b>			
Metered Sales		23,579,412,927	22,365,059,366
Bulk Sales		319,246,904	292,627,223
Bowser Supply		96,978,817	86,201,995
Income from main operations	7.1	<u>2,083,849,960</u>	<u>2,062,569,100</u>
		<u>26,079,488,608</u>	<u>24,806,457,684</u>
<b>7.1 Income from Main Operations</b>			
Income related to New connection and other main operations		2,442,876,471	2,320,114,785
Capital Recovery Charges		580,583,247	610,898,296
Expense related to New connection		<u>(939,609,758)</u>	<u>(868,443,982)</u>
		<u>2,083,849,960</u>	<u>2,062,569,100</u>
<b>8. COST OF SALES</b>			
Personnel Cost		7,275,051,786	7,306,094,365
Pumping Cost		4,489,139,930	4,255,907,527
Chemicals		1,044,325,298	937,904,605
Repairs & Maintenance		1,669,196,579	1,501,705,207
Establishment Expenses		643,035,076	560,775,595
Rent, Rates, Taxes, Security & Other Expenses		1,379,763,584	1,156,620,923
Rebates		<u>113,866,096</u>	<u>102,026,377</u>
		<u>16,614,378,349</u>	<u>15,821,034,600</u>
<b>9. OTHER OPERATING INCOME</b>			
Other Income	9.1	1,210,780,014	1,006,969,875
Staff loan benefit		<u>47,732,765</u>	<u>54,996,194</u>
		<u>1,258,512,779</u>	<u>1,061,966,069</u>
<b>9.1 Other Income</b>			
Sewerage and ground water income		308,699,497	251,270,810
Miscellaneous Income including Surcharge, Penalties etc.		<u>902,080,516</u>	<u>755,699,065</u>
		<u>1,210,780,014</u>	<u>1,006,969,875</u>





**National Water Supply And Drainage Board**  
**NOTES TO THE FINANCIAL STATEMENTS**

Year Ended 31 December 2019

		<b>Actual</b>	<b>Restated</b>
		<b>2019</b>	<b>2018</b>
		<b>Rs</b>	<b>Rs.</b>
<b>III. ADMINISTRATIVE EXPENSES</b>			
Repairs & Maintenance		219,423,427	197,583,294
Establishment Expenses		770,622,560	721,904,016
Rent,Rates,Taxes, Security & Other Expenses		491,222,211	438,489,560
Staff Cost	10.1	5,952,018,101	5,937,830,211
Depreciation	10.2	4,614,775,009	3,663,574,560
Audit Fee-AGDSL including continuous audit		<u>11,000,000</u>	<u>10,000,000</u>
		<u>12,059,061,307</u>	<u>10,969,381,641</u>
<b>III.1 Staff Cost</b>			
Staff Cost on Loan Granted		47,732,765	54,996,194
Personnel Cost		<u>5,904,285,336</u>	<u>5,882,834,017</u>
		<u>5,952,018,101</u>	<u>5,937,830,211</u>
<b>III.2 Depreciation</b>			
Building and structure		1,369,620,687	1,192,150,149
Plant & Machinery		4,041,070,524	3,168,496,262
Equipments		375,847,498	327,741,442
Furniture and Fittings		46,370,778	38,365,731
Computers & Periparels		99,804,762	74,602,910
Motor Vehicles		<u>234,695,039</u>	<u>213,207,954</u>
Total Depreciation		6,167,409,288	5,014,564,448
Less: Depn. for Grant funded Assets		(1,559,491,087)	(1,358,041,183)
Less: Depn. for Rechargeable funded Assets		(9,557,463)	(9,362,975)
Add: Amortization of leased Assets		15,949,142	15,949,142
Add: Amortization of Intangible Assets		<u>465,128</u>	<u>465,128</u>
Depreciation Cost		<u>4,614,775,009</u>	<u>3,663,574,560</u>
Depreciation amounting 11,629,921 has been adjusted to the year 2018			
<b>III. OTHER OPERATING EXPENSES</b>			
Bad & Doubtful Debts		15,772,686	27,374,836
Provision for Irrecoverable Staff Loans		-	5,717,794
Provision for Obsolete Stock		3,983,204	32,416,706
Retiring Gratuity		578,942,828	706,912,095
Revenue grant		<u>165,892,251</u>	<u>134,332,552</u>
		<u>764,590,969</u>	<u>906,753,982</u>
<b>III. FINANCE INCOME</b>			
Investment Income		<u>1,454,249,803</u>	<u>1,574,439,901</u>
		<u>1,454,249,803</u>	<u>1,574,439,901</u>
<b>III. FINANCE COST</b>			
Interest On Loans		10,398,657,848	7,593,922,666
Less: Capitalised Interest on Construction Projects		<u>(9,932,986,062)</u>	<u>(7,331,191,272)</u>
		<u>465,671,785</u>	<u>262,731,394</u>
<b>III. INCOME TAX</b>			
Economic Service Charge (After Two Years)		<u>65,383,426</u>	<u>63,287,387</u>
		<u>65,383,426</u>	<u>63,287,387</u>

ESC Expenditure in 2016 & 2017 are recognised as expense in 2018 & 2019 respectively.





# National Water Supply And Drainage Board

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

### 15. PROPERTY, PLANT AND EQUIPMENT

Gross Carrying Amounts	Restated Balance As at 01.01.2019 Rs.	Additions after Adjustments Rs.	Transfers Rs.	Disposals Rs.	Balance As at 31.12.2019 Rs.
<b>Freehold Assets</b>					
Land Freehold	8,565,969,371	78,710,552	(2,411,952)	-	8,642,267,971
Land Leasehold	626,761,182	-	-	-	626,761,182
Infrastructure	6,077,210,147	3,554,065,387	(852,985,050)	-	8,778,290,484
Building - Freehold	13,114,636,569	4,539,432,663	(230,324,971)	(10,980,000)	17,412,764,260
Structures	49,147,448,265	12,249,518,279	81,277,674	-	61,478,244,218
Plant & equipment-pumping treatmen	35,782,870,495	11,854,740,214	(98,584,546)	-	47,539,026,163
Service meter	19,513,655	-	-	-	19,513,655
Bulk water meter	579,141,636	44,911,241	(36,300)	-	624,016,577
Transmission & Distribution	99,101,208,711	26,724,229,419	(257,007,475)	-	125,568,430,655
Mobile Equipments	703,909,410	517,261,301	(20,012,372)	-	1,201,158,339
Survey Equipments	46,694,125	5,152,635	(208,229)	-	51,638,530
Laboratory Equipments	763,439,569	133,146,336	1,519,674	-	898,105,578
Other Equipment	2,647,807,254	238,455,821	(4,168,773)	-	2,882,094,302
Furniture & fittings-computer	592,253,841	86,496,552	(6,982,000)	-	671,768,393
Computers & Periparels	583,640,979	115,258,428	(3,822,986)	(408,625)	694,667,797
Motor vehicles cars	158,356,028	53,072,428	(316,052)	-	211,112,404
Van busses & jeeps	500,044,697	46,536,640	(15,000,000)	-	531,581,337
Trucks & trailers	2,217,196,066	315,963,097	(10,840,042)	-	2,522,319,121
Tractors & trailers	86,930,192	(614,981)	(25,970,020)	-	60,345,191
Water bowsers, Heavy veh:	1,414,695,956	138,755,940	24,000,000	-	1,577,451,896
Motor cycles	23,213,702	2,885,716	(63,204)	(10,000)	26,026,213
Three Wheelers	7,659,975	-	(0)	-	7,659,975
Lease hold Vehicles	23,180,000	-	-	-	23,180,000
<b>Total Value of Depreciable Assets</b>	<b>222,783,781,824</b>	<b>60,697,977,668</b>	<b>(1,421,936,625)</b>	<b>(11,398,625)</b>	<b>282,048,424,242</b>



## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

Depreciation	Restated Balance As at 01.01.2019 Rs.	Charge for the Period Rs.	Adjustments Rs.	Disposal Rs.	Balance As at 31.12.2019 Rs.
<b>Depreciation</b>					
<b>Freehold Assets</b>					
Land Freehold				-	-
Land Leasehold				-	-
Infrastructure	810,961,191	150,435,123	-	-	961,396,314
Building - Freehold	1,638,803,590	310,569,157	-	(2,543,700)	1,946,829,047
Structures	5,238,770,736	908,616,408	-	-	6,147,387,144
Plant & eq: pumping treatment	8,675,250,748	2,063,039,208	-	-	10,738,289,956
Service meter	18,103,077	465,109	-	-	18,568,187
Bulk water meter	246,236,007	50,910,457	-	-	297,146,464
Transmission & Dist:	8,914,089,493	1,926,655,750	-	-	10,840,745,243
Mobile Equipments	271,801,117	84,180,236	-	-	355,981,354
Survey Equipments	15,311,274	3,409,506	-	-	18,720,780
Laboratory Equipments	376,441,969	51,774,061	-	-	428,216,030
Other Equipment	1,118,337,944	236,483,694	-	-	1,354,821,638
Furniture & fittings-computer	305,706,968	46,370,778	68,557	(408,625)	351,737,678
Computers & Peripherals	471,945,470	99,804,762	(68,557)	-	571,681,676
Motor vehicles cars	129,235,904	12,575,018	(0)	-	141,810,922
Van busses & jeeps	396,298,028	24,732,245	-	-	421,030,273
Lorries & trucks	597,519,485	115,496,231	222,854	-	713,238,570
Tractors & trailers	58,137,680	4,386,048	(7,656,604)	-	54,867,123
Water bowsers, Heavy veh:	300,795,038	75,448,255	7,433,750	-	383,677,042
Motor cycles	11,862,644	582,932	-	(2,850)	12,442,725
Three Wheelers	2,131,481	756,813	-	-	2,888,294
Lease hold Vehicles	9,498,831	717,498	-	-	10,216,329
	<u>29,607,238,674</u>	<u>6,167,409,288</u>	<u>(0)</u>	<u>(2,955,175)</u>	<u>35,771,692,788</u>





# National Water Supply And Drainage Board

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

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

#### 15.3 Net Book Values

	2019 Rs.	2018 Rs.
<b>At Cost</b>		
Land Freehold	8,642,267,971	8,565,969,371
Land Leasehold	626,761,182	626,761,182
Infrastructure	7,816,894,171	5,266,248,956
Building - Freehold	15,465,935,213	11,475,832,979
Structures	55,330,857,074	43,908,677,529
Plant & equipment-pumping treatment	36,800,736,207	27,107,619,747
Service meter	945,468	1,410,578
Bulk water meter	326,870,113	332,905,629
Transmission & Distribution	114,727,685,413	90,187,119,219
Mobile Equipments	845,176,985	432,108,292
Survey Equipments	32,917,750	31,382,851
Laboratory Equipments	469,889,548	386,997,599
Other Equipments	1,527,272,664	1,529,469,311
Furniture & fittings-computer	320,030,716	286,546,873
Computers & Periparels	122,986,121	111,695,509
Motor vehicles cars	69,301,482	29,120,124
Van busses & jeeps	110,551,064	103,746,669
Lorries & trucks	1,809,080,549	1,619,676,581
Tractors & trailers	5,478,068	28,792,512
Water bowsers, Heavy veh:	1,193,774,854	1,113,900,919
Motor cycles	13,583,488	11,351,058
Three Wheelers	4,771,681	5,528,494
Lease hold Vehicles	12,963,671	13,681,169
<b>Total Carrying Amount of Property, Plant &amp; Equipment</b>	<b>246,276,731,455</b>	<b>193,176,543,150</b>



# National Water Supply And Drainage Board

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

		Actual 2019 Rs.	Restated 2018 Rs.
<b>16. INTANGIBLE ASSETS</b>			
Computer Software		<u>4,176,328</u>	<u>5,667,741</u>
		<u>4,176,328</u>	<u>5,667,741</u>
During the year Rs 1,508,912.42 has been provided for amortization for above software and new software amounting to 17,500 was added .			
<b>17. CAPITAL WORK IN PROGRESS</b>			
Construction Work	34.2	285,674,800,823	243,541,687,821
Rehabilitation	34.2	<u>5,850,574,775</u>	<u>4,325,978,707</u>
		<u>291,525,375,599</u>	<u>247,867,666,528</u>
<b>18. FINANCIAL ASSETS</b>			
HDFC Investment for Staff Housing Loans		688,527	2,426,217
Bank of Ceylon Saving - II		<u>1,361,683</u>	<u>1,311,367</u>
		<u>2,050,210</u>	<u>3,737,585</u>
<b>19. INVENTORIES</b>			
PVC Steel Pipe	34.2	5,328,992,075	4,034,614,070
Water Meter & Fitting & Brass Items	34.2	815,140,804	897,693,420
Chemical Material		191,847,637	185,659,879
Electricals		720,232,246	727,917,726
Building Material		32,798,463	51,147,926
Pump & Spare Parts		1,219,549,844	1,270,259,226
Vehicle Spare Parts		334,782,918	111,153,294
Stationary & Office Equipment		83,875,792	60,314,025
Other Items	34.2	470,729,900	573,075,124
Stock Adjustments		<u>131,870,865</u>	<u>(1,320,385)</u>
		9,329,820,543	7,910,514,304
<b>Less- Major Spares</b>			
Property Plant and Equipment at Stores		(442,927,939)	(435,811,837)
Provision for Obsolete Stock		<u>(154,394,581)</u>	<u>(150,411,377)</u>
		<u>8,732,498,024</u>	<u>7,324,291,091</u>





National Water Supply And Drainage Board  
NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

		Actual 2019 Rs.	Restated 2018 Rs.
<b>20. TRADE AND OTHER RECEIVABLES</b>			
Trade Debtors	34.2	4,707,186,657	4,774,330,891
Other Debtors	34.2	377,412,918	342,720,505
Less : Debtors Impairment		(1,233,945,273)	(1,218,931,427)
Debtors Collection Control	34.2	(722,383,592)	500,027,515
VAT Receivable		6,117,059	662,227,360
WHT Receivable		244,221,362	187,742,562
ESC Receivable		273,028,231	199,550,908
Advances to Staff	34.2	13,099,604	31,836,342
Loans To Employees		3,068,896,781	3,073,006,814
Receivable on Interest & Others		137,444,157	114,830,958
		<u>6,871,077,905</u>	<u>8,667,342,429</u>
To expedite the reporting process, 2019 December month main revenue has been estimated based on 2019 November actual main income.			
<b>21. DEPOSITS AND ADVANCES</b>			
Pre Payments		8,096,500	3,280,000
Mobilization and Other Advances		40,406,847,644	43,568,476,223
Deposits	34.2	<u>291,896,019</u>	<u>253,075,091</u>
		<u>40,706,840,162</u>	<u>43,824,831,314</u>
<b>22. INVESTMENTS</b>			
Held to Maturity (Including rechargeable funded investments)	34.2	<u>27,736,376,662</u>	<u>12,424,124,006</u>
		<u>27,736,376,662</u>	<u>12,424,124,006</u>
<b>23. CASH AND CASH EQUIVALENTS</b>			
Cash In Bank		3,581,786,632	1,164,143,607
Cash Imprest Head Office		2,629,300	4,799,200
Cash Imprests Regions		6,243,980	4,044,813
Cash In Transit	34.2	251,931,795	339,442,534
Savings Account		83,143,640	79,480,045
		<u>3,925,735,348</u>	<u>1,591,910,199</u>
<b>24. ASSETS TAKEN OVER FROM GOVERNMENT</b>			
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>
<b>25. GOVERNMENT EQUITY</b>			
Equity loan conversion	34.2	71,206,455,762	67,153,332,381
Government contribution (bond)		<u>13,899,983,925</u>	<u>13,899,983,925</u>
		<u>85,106,439,687</u>	<u>81,053,316,307</u>

Policy decision has been taken by government of Sri Lanka to convert foreign funded loans and interest payable thereon as at 31.12.2014 to government equity. Further, the debt service done by the treasury for the certain foreign funded projects were also recognized as government contribution during the year.



National Water Supply And Drainage Board  
NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

		Actual 2019 Rs.	Restated 2018 Rs.
<b>26. STAFF WELFARE FUND</b>			
Opening Balance		23,463,597	22,527,125
Received during the year		<u>5,948,277</u>	<u>936,472</u>
		<u>29,411,874</u>	<u>23,463,597</u>
<b>27. GOVERNMENT GRANT</b>			
Tresuary Grant	34.2	<u>105,903,930,027</u>	<u>98,303,838,433</u>
		<u>105,903,930,027</u>	<u>98,303,838,433</u>
<b>28. CAPITAL GRANTS</b>			
Foreign Grants	34.2	239,719,094,394	217,324,206,609
Local Grants		<u>1,589,394,210</u>	<u>1,136,091,800</u>
		<u>241,308,488,604</u>	<u>218,460,298,409</u>
<b>29. LOAN PAYABLE</b>			
Foreign Loans		115,484,776,594	69,901,712,319
Local Loans	34.2	<u>23,831,277,018</u>	<u>25,025,027,146</u>
Long term portion of loan payable		<u>139,316,053,612</u>	<u>94,926,739,465</u>
Current portion loan payable		<u>12,034,922,913</u>	<u>5,353,649,911</u>
<b>Loan Payable</b>		<u>151,350,976,525</u>	<u>100,280,389,376</u>
<b>30. OTHER DEFERRED LIABILITIES</b>			
Provision for defined benefit plan	30.1	4,003,984,078	4,003,984,078
Customer and Employee Security Deposits		<u>53,950,172</u>	<u>47,420,912</u>
		<u>4,057,934,251</u>	<u>4,051,404,991</u>
<b>30.1 Movement of Retiring Gratuity Provision</b>			
Balance at the Beginning of the Period		4,003,984,078	4,076,428,515
Add Provision for the Period		578,942,828	706,912,095
Less: Gratuity Payments during the Period and Net Actuarial Gain		<u>(578,942,828)</u>	<u>(779,356,532)</u>
Provision for defined benefit plan		<u>4,003,984,078</u>	<u>4,003,984,078</u>
<b>31. TRADE AND OTHER PAYABLES</b>			
Rechargeable Work - Customer Advances		11,061,757,655	6,302,459,963
Contractors Retention	34.2	13,256,692,526	7,532,843,621
Lease Hold Creditors		3,190,775	10,848,635
Less: Interest in Suspense		<u>(76,347)</u>	<u>(778,737)</u>
Creditors Control	34.2	1,680,514,246	1,918,563,592
Other Creditors		338,462,216	94,052,159
Accrued expenses		12,308,133,852	896,707,898
Deposits		248,578,020	97,343,295
VAT Payable		156,097,480	-
With Holding Tax		7,459,405	10,092,770
Salaries and Other Payables	34.2	<u>184,346,670</u>	<u>187,874,535</u>
		<u>39,245,156,498</u>	<u>17,050,007,733</u>





# National Water Supply And Drainage Board

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

### 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.

### 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 2019

### 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 deem 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. 120.21 million had been adjusted for carrying amount of PPE and Rs.11.62 million had been adjusted for depreciation as at 31.12.2018 as follows.

#### 34.1.1 Gross Carrying Amounts

Cost	Balance As at 31.12.2018 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2018 Rs.
<b>Freehold Assets</b>			
Land Freehold	8,565,952,985	16,386	8,565,969,371
Land Leasehold	626,761,182	-	626,761,182
Infrastructure	6,077,223,147	(13,000)	6,077,210,147
Building - Freehold	13,034,596,545	80,040,024	13,114,636,569
Structures	49,146,383,260	1,065,005	49,147,448,265
Plant & eq: pumping treatment	35,779,244,880	3,625,615	35,782,870,495
Service meter	19,513,655	-	19,513,655
Bulk water meter	579,087,634	54,002	579,141,636
Transmission & Dist:	99,099,793,768	1,414,943	99,101,208,711
Mobile Equipments	703,909,250	160	703,909,410
Survey Equipments	46,694,125	-	46,694,125
Laboratory	762,600,454	839,115	763,439,569
Other Equipment	2,647,294,544	512,710	2,647,807,254
Furniture & fittings-computer	594,420,265	(2,166,423)	592,253,841
Computers & Periparels	582,371,415	1,269,564	583,640,979
Motor vehicles cars	158,356,028	-	158,356,028
Van busses & jeeps	500,044,697	-	500,044,697
Lorries & trucks	2,214,196,064	3,000,002	2,217,196,066
Tractors & trailers	85,990,211	939,981	86,930,192
Water bowsers, Heavy veh:	1,414,695,956	-	1,414,695,956
Motor cycles	23,213,702	-	23,213,702
Three Weelers	7,659,975	-	7,659,975
Lease hold Vehicles	23,180,000	-	23,180,000
<b>Total Value of Depreciable Assets</b>	<b>222,693,183,741</b>	<b>90,598,084</b>	<b>222,783,781,824</b>





# National Water Supply And Drainage Board

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2019

<b>34.1.2 Depreciation</b>	<b>Balance</b>	<b>Prior Year</b>	<b>Restated Balance</b>
	<b>As at</b>	<b>Adjustments</b>	<b>As at</b>
<b>Freehold Assets</b>	<b>31.12.2018</b>		<b>31.12.2018</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Land Freehold	-	-	-
Land Leasehold	-	-	-
Infrastructure	810,962,511	(1,320)	810,961,191
Building - Freehold	1,638,803,590	-	1,638,803,590
Structures	5,238,770,736	-	5,238,770,736
Plant & eq: pumping treatment	8,675,252,339	(1,591)	8,675,250,748
Service meter	18,103,077	-	18,103,077
Bulk water meter	246,236,007	-	246,236,007
Transmission & Dist:	8,914,089,493	-	8,914,089,493
Mobile Equipments	271,801,117	-	271,801,117
Survey Equipments	15,311,274	-	15,311,274
Laboratory	376,620,519	(178,550)	376,441,969
Other Equipment	1,118,363,769	(25,825)	1,118,337,944
Furniture & fittings-computer	307,759,210	(2,052,242)	305,706,968
Computers & Periparels	471,944,960	510	471,945,470
Motor vehicles cars	150,984,115	(21,748,211)	129,235,904
Van busses & jeeps	396,298,028	-	396,298,028
Lorries & trucks	596,094,485	1,425,000	597,519,485
Tractors & trailers	65,169,197	(7,031,517)	58,137,680
Water bowsers, Heavy veh:	300,795,038	-	300,795,038
Motor cycles	11,862,644	-	11,862,644
Three Wheelers	2,131,481	-	2,131,481
Lease hold Vehicles	9,498,831	-	9,498,831
<b>Total Value of Depreciation</b>	<b>29,636,852,421</b>	<b>(29,613,746)</b>	<b>29,607,238,674</b>



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

	Balance As at 31.12.2018 Rs.	Prior Year Adjustments Rs.	Adjustment For 2018 Rs.	Balances Transfer Rs.	Restated Balance As at 31.12.2018 Rs.
<b>Capital Work In Progress (Note 17)</b>					
Rehabilitation	4,164,781,747	(1,271,130)	3,695,065	158,773,026	4,325,978,707
Construction Work	243,501,731,056	-	-	39,956,765	243,541,687,821
<b>Inventories (Note 19)</b>					
Stock in Transit	1,345,932,727	(1,345,932,727)	-	-	-
Other Items	567,238,346	-	5,836,777	-	573,075,124
PVC Steel Pipe	3,995,347,403	-	39,266,667	-	4,034,614,070
Water Meter & Fitting & Brass Items	897,566,903	-	126,517	-	897,693,420
<b>Trade And Other Receivable (Note 20)</b>					
Trade Debtors	4,779,721,487	(5,390,596)	-	-	4,774,330,891
Debtors Collection Control	524,428,698	-	-	(24,401,183)	500,027,515
Other Debtors	259,238,207	-	-	83,482,299	342,720,505
Advances to Staff	13,309,832	-	-	18,526,510	31,836,342
<b>Deposit and advances (Note 21)</b>					
Mobilization and Other Advances	42,194,242,006	1,339,071,727	(6,346,320)	41,508,810	43,568,476,223
Deposits	227,368,810	-	-	25,706,281	253,075,091
<b>Investment (Note 22)</b>					
Held to Maturity	12,421,212,748	3,715,258	(804,000)	-	12,424,124,006
<b>Cash and Cash Equivalents (Note 23)</b>					
Cash In Transit	336,043,725	-	-	3,398,809	339,442,534
<b>Government Grant (Note 27)</b>					
Treasury Grant	98,257,467,850	-	(8,152,221)	54,522,804	98,303,838,433
<b>Capital Grant (Note 28)</b>					
Foreign Grants	217,065,024,840	-	(49,713,078)	308,894,847	217,324,206,609
Local Grants	1,103,226,173	-	-	32,865,627	1,136,091,800
<b>Loan Payable (Note 29)</b>					
Local Loans	25,004,314,014	-	-	20,713,132	25,025,027,146
<b>Trade And Other Payable (Note 31)</b>					
Creditors Control	1,918,128,500	(2,116,860)	-	2,551,952	1,918,563,592
Contractors Retention	7,529,652,312	-	-	3,191,309	7,532,843,621
Salaries and Other Payables	186,153,298	-	-	1,721,237	187,874,535
<b>Others</b>					
Non Operating Assets	-	-	-	149,681,812	149,681,812
Non Operating Liabilities	-	-	-	72,141,419	72,141,419

