

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 2018



National Water Supply And Drainage Board

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2018

		Budget 2018 Rs.	Actual 2018 Rs.	Restated 2017 Rs.
Revenue (Net of VAT)	7	25,175,195,348	24,806,457,684	23,859,760,119
Cost of Sales	8	(16,973,253,060)	(15,821,034,600)	(14,196,350,460)
Gross Profit		8,201,942,288	8,985,423,084	9,663,409,658
Other Operating Income and Gains	9	1,301,632,860	1,061,966,069	1,724,463,148
Administrative Expenses	10	(11,878,731,100)	(10,957,751,720)	(9,940,454,063)
Other Operating Expenses	11	(550,000,000)	(906,753,982)	(714,465,635)
Operating Profit / (Loss)		(2,925,155,952)	(1,817,116,550)	732,953,109
Finance Income	12	340,000,000	1,574,439,901	1,157,359,094
Finance Cost	13	(4,897,320)	(262,731,394)	(12,994,621)
Profit / (Loss) Before Tax		(2,590,053,272)	(505,408,042)	1,877,317,582
Income Tax (Economic Service Charges)	14	(135,000,000)	(63,287,387)	(53,881,978)
Profit / (Loss) for the Year		(2,725,053,272)	(568,695,429)	1,823,435,605

Accounting Policies & Notes from pages 8 to 27 form an integral part of these Financial Statements.



National Water Supply And Drainage Board

STATEMENT OF OTHER COMPREHENSIVE INCOME

Year ended 31 December 2018

	Budget 2018 Rs.	Actual 2018 Rs.	Restated 2017 Rs.
Profit / (Loss) for the Year	<u>(2,725,053,272)</u>	<u>(568,695,429)</u>	<u>1,823,435,605</u>
Other Comprehensive Income for the Year.			
Impairment Loss on Treasury Bond	-	-	(79,301,168)
Actuarial Gain on Defined Benefit Obligation.	-	277,616,559	-
Total Comprehensive Income for the Year	<u>(2,725,053,272)</u>	<u>(291,078,870)</u>	<u>1,744,134,437</u>

Accounting Policies & Notes from pages 8 to 27 form an integral part of these Financial Statements.



National Water Supply And Drainage Board

STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2018

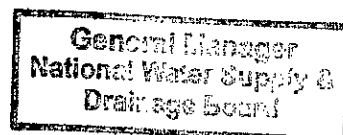
		Actual 2018 Rs	Restated 2017 Rs.
Assets			
Non- Current Assets	Notes		
Property ,Plant & Equipment	15	193,056,331,321	172,557,898,461
Intangible Assets	16	5,667,741	6,485,383
Capital Work in Progress	17	247,666,512,803	194,344,972,478
Financial assets	18	3,737,585	8,230,469
Total Non Current Assets		440,732,249,449	366,917,586,791
Current Assets			
Inventories	19	8,624,993,857	7,374,367,615
Trade & Other Receivables	20	8,595,125,398	8,708,945,991
Deposits & Advances	21	42,424,890,816	42,124,651,650
Investments	22	12,421,212,748	14,619,460,049
Cash & Cash Equivalents	23	1,588,511,391	1,398,197,000
Total Current Assets		73,654,734,210	74,225,622,304
Total Assets		514,386,983,659	441,143,209,096
Equity and Liabilities			
Equity			
Assets taken over from Government Dept.	24	185,480,387	185,480,387
Government Equity	25	81,053,316,307	75,254,960,972
Staff Welfare Fund	26	23,463,597	22,527,125
Retained Earnings		(8,437,463,522)	(8,145,448,178)
Government Grant	27	98,257,467,850	94,838,588,669
Capital Grants	28	218,168,251,014	192,631,358,038
Total Equity		389,250,515,633	354,787,467,012
Non-Current Liabilities			
Loan Payable	29	94,906,026,334	64,327,755,750
Other Deferred Liabilities	30	4,051,404,991	4,110,746,151
Total Non Current Liabilities		98,957,431,324	68,438,501,901
Current Liabilities			
Trade & Other Payables	31	17,044,660,094	13,922,360,994
Loan Capital Payable (Note 29)		5,353,649,911	2,833,921,592
Loan Interest Payable		3,780,726,696	1,160,957,598
Total Current Liabilities		26,179,036,701	17,917,240,183
Total Equity and Liabilities		514,386,983,659	441,143,209,096

R.M.A.S. Weerasena

Actg. Addl.G.M.(Finance)

D.U.Sumanasekara

General Manager



The Accounting policies on pages 08 to 14 and Notes on pages 15 to 27 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

K. A. Ansaari

Chairman

Colombo

on 11 February 2018

M.H.M. Salman

M.H.M. Salman

Vice Chairman



National Water Supply And Drainage Board

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

	Note	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 2017		185,480,387	92,742,583,734	69,470,969,610	181,542,682,665	17,228,139	(9,785,684,856)	334,173,259,679
Prior Year Correction								
Assets recognised and derecognised	34.1.1	-	-	-	-	-	(16,015,155)	(16,015,155)
Depreciation adju.for assets recognised and derecognised	34.1.2	-	-	-	-	-	24,753	24,753
Rehabilitation & Construction works	34.2	-	-	-	-	-	(198,901,201)	(198,901,201)
Recognized/Derecognized trade & other receivables	34.2	-	-	-	-	-	(8,181,121)	(8,181,121)
Recognized ESC Receivable (Note 14 & 34.2)		-	-	-	-	-	117,169,365	117,169,365
Correction of trade & other payables	34.2	-	-	-	-	-	2,716,586	2,716,586
Restated Balance as at 1 January 2017		185,480,387	92,742,583,734	69,470,969,610	181,542,682,665	17,228,139	(9,888,871,629)	334,070,072,906
Net profit for the year		-	-	-	-	-	1,744,134,437	1,744,134,437
Assets recognised and derecognised	34.1.1	-	-	-	-	-	4,588,000	4,588,000
Receipts / Transfers during the year		-	2,096,004,935	-	8,831,136,779	-	-	10,927,141,714
Loan to Equity conversion (Including adj. to opening balanc	34.2	-	-	8,041,529,956	-	-	-	8,041,529,956
Correction of Classification Error		-	-	(2,257,538,594)	2,257,538,594	-	-	-
Transfers to Staff welfare fund		-	-	-	-	5,298,986	(5,298,986)	-
Restated balance as at 31 December 2017		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
Net profit for the year		-	-	-	-	-	(291,078,870)	(291,078,870)
Receipts / Transfers during the year		-	3,418,879,181	-	25,536,892,975	-	-	28,955,772,157
Loans conversion to equity		-	-	5,798,355,335	-	-	-	5,798,355,335
Transfers to staff welfare fund		-	-	-	-	936,472	(936,472)	-
Balances as at 31 December 2018		185,480,387	98,257,467,850	81,053,316,307	218,168,251,014	23,463,597	(8,437,463,521)	389,250,515,633

Accounting Policies & Notes from pages 8 to 27 form an integral part of these Financial Statements.



National Water Supply And Drainage Board

STATEMENT OF CASH FLOW

Year ended 31 December 2018

For the year ended	Notes	Actual 2018 <u>Rs.</u>	Restated 2017 <u>Rs.</u>
Cash Flows from/(used) in Operating Activities			
Net Profit/(Loss) before Tax		(505,408,042)	1,877,317,582
<i>Adjustments for</i>			
Interest Income	12	(1,574,439,901)	(1,157,359,094)
Profit on disposal of Fixed Assets		24,193,893	4,495,307
Depreciation	10.2	3,651,944,639	3,339,769,596
Retiring gratuity provision	28.1	706,912,095	488,661,467
Interest Expense	13	<u>262,731,394</u>	<u>12,994,621</u>
Operating Profit before Working Capital Changes		2,565,934,077	4,565,879,478
(Increase)/Decrease in Inventories		(1,250,626,242)	(730,895,060)
(Increase)/Decrease in Debtors, Receivables & Deposits		(186,418,573)	(17,489,300,135)
Increase/(Decrease) in Creditors, Provisions & Deposits		<u>3,135,402,377</u>	<u>4,079,753,701</u>
Cash Generated from Operations		4,264,291,639	(9,574,562,016)
Tax Paid		(63,287,387)	(53,881,978)
Gratuity Paid	29.1	<u>(501,739,973)</u>	<u>(488,661,467)</u>
Net Cash from Operating Activities		<u>3,699,264,278</u>	<u>(10,117,105,461)</u>
Cash Flows from/(used) in Investing Activities			
Investments in Fixed Assets & Work-in-Progress		(71,528,606,310)	(44,534,585,092)
Financial assets		4,492,884	2,792,594
Sale proceeds for disposal assets		12,695,977	2,001,798
Investment Income Received		1,574,439,901	1,157,359,094
(Investment) / Withdrawal of Investments	34.2	<u>2,198,247,301</u>	<u>(11,162,423,266)</u>
Net Cash Flows used in Investing Activities		<u>(67,738,730,246)</u>	<u>(54,534,854,872)</u>
Cash Flows from/(used in) Financing Activities			
Government Grant during the Period		3,418,879,181	2,096,004,935
Capital Grant during the period		26,888,700,506	12,276,641,879
New Loans & Loans Receipts for the Equity Conversion		43,262,797,713	38,538,296,016
Loan Repayments		(4,366,443,474)	(659,977,136)
Interest Paid		(4,974,153,567)	(5,130,346,746)
Sales proceeds of treasury bond		-	6,836,828,662
		<u>64,229,780,358</u>	<u>53,957,447,610</u>
Net Increase in Cash & Cash Equivalents		190,314,390	(10,694,512,722)
Cash & Cash Equivalents at the beginning of the year		1,398,197,000	12,092,709,720
Cash & Cash Equivalents at the end of the period		<u>1,588,511,391</u>	<u>1,398,197,000</u>

The accounting policies and notes on Pages 8 to 27 Form an integral part of the financial statements.



NATIONAL WATER SUPPLY AND DRAINAGE BOARD

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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, Water Supply and Higher Education.

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.



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2018

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 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.

3.1.3 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.

3.1.4 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.

3.1.5 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 '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.



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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.

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 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.

5.1.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the NWS&DB and the



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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.

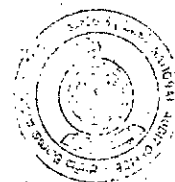
6. FINANCIAL INSTRUMENTS- INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

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.



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2018

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 2017 and 2018.

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 recognised 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.



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, 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.

The NWS&DB performed specific impairment for each debtor categories during the year 2018

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 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 2018

	Actual	Restated
	2018	2017
	Rs.	Rs.
7. REVENUE		
Metered Sales	22,365,059,366	21,348,160,939
Bulk Sales	292,627,223	258,804,307
Bowser Supply	86,201,995	85,469,891
Income from main operations	7.1 <u>2,062,569,100</u>	<u>2,167,324,981</u>
	<u>24,806,457,684</u>	<u>23,859,760,119</u>
7.1 Income from Main Operations		
Income related to New connection and other main operations	2,320,114,785	2,477,538,710
Capital Recovery Charges	610,898,296	650,943,128
Expense related to New connection	<u>(868,443,982)</u>	<u>(961,156,857)</u>
	<u>2,062,569,100</u>	<u>2,167,324,981</u>
8. COST OF SALES		
Personnel Cost	7,306,094,365	6,352,852,297
Pumping Cost	4,255,907,527	4,064,774,139
Chemicals	937,904,605	818,014,323
Repairs & Maintenance	1,501,705,207	1,358,047,056
Establishment Expenses	560,775,595	510,408,988
Rent, Rates, Taxes, Security & Other Expenses	1,156,620,923	991,127,078
Rebates	<u>102,026,377</u>	<u>101,126,579</u>
	<u>15,821,034,600</u>	<u>14,196,350,460</u>
9. OTHER OPERATING INCOME		
Other Income	9.1 <u>1,006,969,875</u>	1,709,234,921
Staff loan benefit	<u>54,996,194</u>	<u>15,228,227</u>
	<u>1,061,966,069</u>	<u>1,724,463,148</u>
9.1 Other Income		
Sewerage and ground water income	251,270,810	272,787,008
Miscellaneous Income including Surcharge, Penalties etc.	<u>755,699,065</u>	<u>1,436,447,913</u>
	<u>1,006,969,875</u>	<u>1,709,234,921</u>



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

		Actual 2018 Rs	Restated 2017 Rs.
10. ADMINISTRATIVE EXPENSES			
Repairs & Maintenance		197,583,294	221,799,539
Establishment Expenses		721,904,016	698,631,095
Rent,Rates,Taxes, Security & Other Expenses	33.2	438,489,560	454,807,662
Staff Cost	10.1	5,937,830,211	5,222,246,171
Depriciation	10.2	3,651,944,639	3,339,769,596
Audit Fee-AGDSL including continuous audit		<u>10,000,000</u>	<u>3,200,000</u>
		<u>10,957,751,720</u>	<u>9,940,454,063</u>
10.1 Staff Cost			
Staff Cost on Loan Granted		54,996,194	15,228,227
Personnel Cost		<u>5,882,834,017</u>	<u>5,207,017,944</u>
		<u>5,937,830,211</u>	<u>5,222,246,171</u>
10.2 Depreciation			
Building and structure		1,192,150,329	1,079,876,909
Plant & Machinery		3,168,496,310	2,804,843,946
Equipments		327,741,442	322,100,055
Furniture and Fittings		38,415,037	47,597,987
Computers & Periparels		74,609,050	62,692,861
Motor Vehicles		<u>201,522,359</u>	<u>209,799,457</u>
Total Depreciation		5,002,934,527	4,526,911,215
Less: Depn. for Grant funded Assets		(1,358,041,183)	(1,195,058,205)
Less: Depn. for Rechargeable funded Assets		(9,362,975)	(8,326,397)
Add: Amortization of leased Assets		15,949,142	15,949,142
Add: Amortization of Intangible Assets		<u>465,128</u>	<u>293,841</u>
Depreciation Cost		<u>3,651,944,639</u>	<u>3,339,769,596</u>
Depreciation amounting 75,594 has been adjusted to the year 2017			
11. OTHER OPERATING EXPENSES			
Bad & Doubtful Debts		27,374,836	28,571,639
Provision for Irrecoverable Staff Loans		5,717,794	2,440,340
Provision for Obsolete Stock		32,416,706	63,131,636
Retiring Gratuity		706,912,095	488,661,467
Revenue grant		<u>134,332,552</u>	<u>131,660,553</u>
		<u>906,753,982</u>	<u>714,465,635</u>
12. FINANCE INCOME			
Investment Income		<u>1,574,439,901</u>	1,157,359,094
		<u>1,574,439,901</u>	<u>1,157,359,094</u>
13. FINANCE COST			
Interest On Loans		7,593,922,666	6,291,304,344
Less: Capitalised Interest on Construction Projects		<u>(7,331,191,272)</u>	<u>(6,278,309,723)</u>
		<u>262,731,394</u>	<u>12,994,621</u>
14. INCOME TAX			
Economic Service Charge (After Two Years)		<u>63,287,387</u>	<u>53,881,978</u>
		<u>63,287,387</u>	<u>53,881,978</u>

ESC Expenditure in 2015 & 2016 are recognised as expense in 2017 & 2018 respectively.

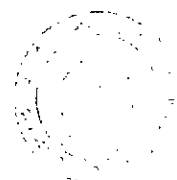


National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

15. PROPERTY, PLANT AND EQUIPMENT

15.1 Gross Carrying Amounts	Restated Balance As at 01.01.2018 Rs.	Additions after Adjustments Rs.	Transfers Rs.	Disposals Rs.	Balance As at 31.12.2018 Rs.
Freehold Assets					
Land Freehold	8,362,074,820	218,225,565	(14,347,400)	-	8,565,952,985
Land Leasehold	626,329,991	10,141,915	(9,710,723)	-	626,761,182
Infrastructure	5,876,642,824	202,149,340	(1,569,016)	-	6,077,223,147
Building - Freehold	12,112,876,855	1,100,100,991	(175,221,302)	(3,160,000)	13,034,596,545
Structures	44,671,250,123	8,409,889,301	(3,934,756,164)	-	49,146,383,260
Plant & equipment-pumping treatmen	31,283,400,371	4,972,024,067	(476,179,558)	-	35,779,244,880
Service meter	19,439,577	74,078	-	-	19,513,655
Bulk water meter	539,275,728	74,848,624	(35,036,718)	-	579,087,634
Transmission & Distribution	84,971,844,664	15,703,680,393	(1,572,331,289)	(3,400,000)	99,099,793,768
Mobile Equipments	572,030,469	136,429,296	(4,550,515)	-	703,909,250
Survey Equipments	41,833,582	4,292,243	568,300	-	46,694,125
Laboratory Equipments	644,499,621	158,302,460	(40,201,627)	-	762,600,454
Other Equipment	2,172,566,317	517,816,451	(43,088,224)	-	2,647,294,544
Furniture & fittings-computer	532,971,140	80,491,492	(19,042,367)	-	594,420,265
Computers & Periparels	493,440,966	100,020,579	(11,090,130)	-	582,371,415
Motor vehicles cars	163,609,127	850,500	(4,903,599)	(1,200,000)	158,356,028
Van busses & jeeps	543,194,697	11,950,000	(52,100,000)	(3,000,000)	500,044,697
Lorries & trucks	2,123,288,754	215,096,039	(113,938,729)	(10,250,000)	2,214,196,064
Tractors & trailers	75,630,211	-	11,060,000	(700,000)	85,990,211
Water bowsers, Heavy veh:	1,347,607,072	88,699,330	29,060,554	(50,671,000)	1,414,695,956
Motor cycles	23,474,132	1,441,684	(1,441,684)	(260,430)	23,213,702
Three Weelers	7,106,876	-	553,099	-	7,659,975
Lease hold Vehicles	23,180,000	-	-	-	23,180,000
Total Value of Depreciable Assets	197,227,567,915	32,006,524,349	(6,468,267,093)	(72,641,430)	222,693,183,741



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

15.2 Depreciation	Restated Balance As at 01.01.2018 Rs.	Charge for the Period Rs.	Adjustments Rs.	Disposal Rs.	Balance As at 31.12.2018 Rs.
Depreciation					
Freehold Assets					
Land Freehold				-	-
Land Leasehold				-	-
Infrastructure	691,658,562	119,432,577	(128,628)	-	810,962,511
Building - Freehold	1,387,753,922	251,607,581	200,087	(758,000)	1,638,803,590
Structures	4,417,732,025	821,110,171	(71,460)	-	5,238,770,736
Plant & eq: pumping treatment	7,063,660,879	1,611,591,460	-	-	8,675,252,339
Service meter	16,233,935	1,869,143	-	-	18,103,077
Bulk water meter	195,144,221	51,091,785	-	-	246,236,007
Transmission & Dist:	7,410,826,931	1,503,943,922	-	(681,360)	8,914,089,493
Mobile Equipments	221,850,227	49,950,890	-	-	271,801,117
Survey Equipments	10,837,358	4,212,667	261,249	-	15,311,274
Laboratory Equipments	325,948,484	50,672,036	-	-	376,620,519
Other Equipment	895,719,169	222,905,849	(261,249)	-	1,118,363,769
Furniture & fittings-computer	269,337,292	38,415,037	6,880	-	307,759,210
Computers & Peripherals	397,342,791	74,609,050	(6,880)	-	471,944,960
Motor vehicles cars	152,125,255	-	-	(1,141,140)	150,984,115
Van busses & jeeps	372,864,840	26,286,038	-	(2,852,850)	396,298,028
Lorries & trucks	496,908,836	105,028,149	-	(5,842,500)	596,094,485
Tractors & trailers	65,444,897	389,300	-	(665,000)	65,169,197
Water bowsers, Heavy veh:	256,867,702	67,490,637	-	(23,563,301)	300,795,038
Motor cycles	11,377,704	732,348	-	(247,409)	11,862,644
Three Wheelers	1,374,667	756,813	-	-	2,131,481
Lease hold Vehicles	8,659,758	839,073	-	-	9,498,831
	<u>24,669,669,453</u>	<u>5,002,934,527</u>	<u>(0)</u>	<u>(35,751,560)</u>	<u>29,636,852,421</u>



National Water-Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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

15.3 Net Book Values

	2018 Rs.	2017 Rs.
At Cost		
Land Freehold	8,565,952,985	8,362,074,820
Land Leasehold	626,761,182	626,329,991
Infrastructure	5,266,260,636	5,184,984,262
Building - Freehold	11,395,792,955	10,725,122,933
Structures	43,907,612,524	40,253,518,098
Plant & equipment-pumping treatment	27,103,992,541	24,219,739,491
Service meter	1,410,578	3,205,642
Bulk water meter	332,851,627	344,131,507
Transmission & Distribution	90,185,704,275	77,561,017,733
Mobile Equipments	432,108,132	350,180,242
Survey Equipments	31,382,851	30,996,224
Laboratory Equipments	385,979,935	318,551,138
Other Equipments	1,528,930,776	1,276,847,149
Furniture & fittings-computer	286,661,055	263,633,848
Computers & Periparels	110,426,455	96,098,176
Motor vehicles cars	7,371,913	11,483,872
Van busses & jeeps	103,746,669	170,329,857
Lorries & trucks	1,618,101,577	1,626,379,918
Tractors & trailers	20,821,014	10,185,314
Water bowsers, Heavy veh:	1,113,900,919	1,090,739,370
Motor cycles	11,351,058	12,096,428
Three Wheelers	5,528,494	5,732,209
Lease hold Vehicles	13,681,169	14,520,242
Total Carrying Amount of Property, Plant & Equipment	193,056,331,321	172,557,898,461



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

	Actual 2018 Rs.	Restated 2017 Rs.
16. INTANGIBLE ASSETS		
Computer Software	<u>5,667,741</u>	<u>6,485,383</u>
	<u>5,667,741</u>	<u>6,485,383</u>
<p>Durring the year Rs 1,506,412 has been provided for amortization for above software and new software amounting to 688,770 was added .</p>		
17. CAPITAL WORK IN PROGRESS		
Construction Work	34.2 243,501,731,056	190,287,353,765
Rehabilitation	<u>4,164,781,747</u>	<u>4,057,618,713</u>
	<u>247,666,512,803</u>	<u>194,344,972,478</u>
18. FINANCIAL ASSETS		
HDFC Investment for Staff Housing Loans	2,426,217	6,968,542
Bank of Ceylon Saving - II	<u>1,311,367</u>	<u>1,261,927</u>
	<u>3,737,585</u>	<u>8,230,469</u>
19. INVENTORIES		
PVC Steel Pipe	3,995,347,403	3,596,506,695
Water Meter & Fitting & Brass Items	897,566,903	1,010,013,091
Chemical Material	185,659,879	132,869,718
Electricals	727,917,726	562,303,793
Building Material	51,147,926	34,335,045
Pump & Spare Parts	1,270,259,226	1,145,954,807
Vehicle Spare Parts	111,153,294	139,120,998
Stationary & Office Equipment	60,314,025	49,246,438
Other Items	567,238,346	786,994,194
Stock in Transit	1,345,932,727	352,151,303
Stock Adjustments	<u>(1,320,385)</u>	<u>2,505,677</u>
	9,211,217,070	7,812,001,758
Less- Major Spares		
Property Plant and Equipment at Stores	(435,811,837)	(319,639,473)
Provision for Obsolete Stock	<u>(150,411,377)</u>	<u>(117,994,671)</u>
	<u>8,624,993,857</u>	<u>7,374,367,615</u>



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

		Actual 2018 Rs.	Restated 2017 Rs.
20. TRADE AND OTHER RECEIVABLES			
Trade Debtors		4,779,721,487	4,816,900,998
Other Debtors	34.2	259,238,207	292,533,944
Less : Debtors Impairment		(1,218,931,427)	(1,197,444,350)
Debtors Collection Control		524,428,698	735,476,738
VAT Receivable	34.2	662,227,360	1,239,677,252
WHT Receivable		187,742,562	114,867,966
ESC Receivable	34.2	199,550,908	128,970,813
Advances to Staff		13,309,832	12,818,410
Loans To Employees		3,073,006,814	2,468,034,087
Receivable on Interest & Others		<u>114,830,958</u>	<u>97,110,133</u>
		<u>8,595,125,398</u>	<u>8,708,945,991</u>
To expedite the reporting process, 2018 December month main revenue has been estimated based on 2018 November actual main income.			
21. DEPOSITS AND ADVANCES			
Pre Payments		3,280,000	585,500
Mobilization and Other Advances		42,194,242,006	41,900,934,928
Deposits		<u>227,368,810</u>	<u>223,131,222</u>
		<u>42,424,890,816</u>	<u>42,124,651,650</u>
22. INVESTMENTS			
Held to Maturity (Including rechargeable funded investments 34.2)		<u>12,421,212,748</u>	<u>14,619,460,049</u>
		<u>12,421,212,748</u>	<u>14,619,460,049</u>
23. CASH AND CASH EQUIVALENTS			
Cash In Bank		1,164,143,607	994,458,651
Cash Imprest Head Office		4,799,200	1,337,464
Cash Imprests Regions		4,044,813	8,955,594
Cash In Transit		336,043,725	316,176,266
Savings Account		<u>79,480,045</u>	<u>77,269,025</u>
		<u>1,588,511,391</u>	<u>1,398,197,000</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>
25. GOVERNMENT EQUITY			
Equity loan conversion	34.2	67,153,332,381	61,354,977,046
Government contribution (bond)		<u>13,899,983,925</u>	<u>13,899,983,925</u>
		<u>81,053,316,307</u>	<u>75,254,960,972</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 2018

		Actual 2018 Rs.	Restated 2017 Rs.
26. STAFF WELFARE FUND			
Opening Balance		22,527,125	17,228,139
Received during the year		<u>936,472</u>	<u>5,298,986</u>
		<u>23,463,597</u>	<u>22,527,125</u>
27. GOVERNMENT GRANT			
Tresuary Grant		<u>98,257,467,850</u>	<u>94,838,588,669</u>
		<u>98,257,467,850</u>	<u>94,838,588,669</u>
28. CAPITAL GRANTS			
Foreign Grants	34.2	217,065,024,840	191,565,288,219
Local Grants		<u>1,103,226,173</u>	<u>1,066,069,820</u>
		<u>218,168,251,014</u>	<u>192,631,358,038</u>
29. LOAN PAYABLE			
Foreign Loans		69,901,712,319	40,512,242,399
Local Loans		<u>25,004,314,014</u>	<u>23,815,513,351</u>
Long term portion of loan payable		<u>94,906,026,334</u>	<u>64,327,755,750</u>
Current portion loan payable		<u>5,353,649,911</u>	<u>2,833,921,592</u>
Loan Payable		<u>100,259,676,245</u>	<u>67,161,677,342</u>
30. OTHER DEFERRED LIABILITIES			
Provision for defined benefit plan	30.1	4,003,984,078	4,076,428,515
Customer and Employee Security Deposits		<u>47,420,912</u>	<u>34,317,636</u>
		<u>4,051,404,991</u>	<u>4,110,746,151</u>
30.1 Movement of Retiring Gratuity Provision			
Balance at the Beginning of the Period		4,076,428,515	4,076,428,515
Add Provision for the Period (Interest and Current Service Cost)		706,912,095	488,661,467
Less: Gratuity Payments during the Period and Net Actuarial Gain		<u>(779,356,532)</u>	<u>(488,661,467)</u>
		<u>4,003,984,078</u>	<u>4,076,428,515</u>
Interest Cost at the rate of 12% is Rs.485,314,522, Current Service Cost is Rs.221,597,573 & Gratuity Paid is for the year is Rs. 501,739,973 hence, net Actuarial Gain is Rs. 277,616,559.			
31. TRADE AND OTHER PAYABLES			
Rechargeable Work - Customer Advances		6,302,459,963	6,634,430,544
Contractors Retention		7,529,652,312	5,042,274,861
Lease Hold Creditors		10,848,635	18,506,495
Less: Interest in Suspense		(778,737)	(2,214,055)
Creditors Control	34.2	1,918,128,500	830,936,011
Other Creditors		94,052,159	97,725,057
Accrued expenses	34.2	896,707,898	1,034,875,560
Deposits		97,343,295	74,663,873
With Holding Tax	34.2	10,092,770	94,132
Salaries and Other Payables		<u>186,153,298</u>	<u>191,068,515</u>
		<u>17,044,660,094</u>	<u>13,922,360,994</u>



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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

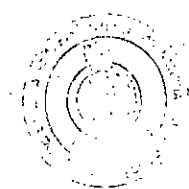
Year ended 31 December 2018

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. 21.3 million had been adjusted for carrying amount of PPE and Rs.4.8 million had been adjusted for depreciation as at 31.12.2017 as follows.

34.1.1 Gross Carrying Amounts

Cost	Balance As at 31.12.2017 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2017 Rs.
Freehold Assets			
Land Freehold	8,362,074,820		8,362,074,820
Land Leasehold	626,329,991		626,329,991
Infrastructure	5,876,642,824		5,876,642,824
Building - Freehold	12,118,079,463	(5,202,608)	12,112,876,855
Structures	44,673,962,536	(2,712,413)	44,671,250,123
Plant & eq: pumping treatment	31,278,812,371	4,588,000	31,283,400,371
Service meter	19,439,577	-	19,439,577
Bulk water meter	539,275,728	-	539,275,728
Transmission & Dist:	84,979,801,103	(7,956,439)	84,971,844,664
Mobile Equipments	572,030,469		572,030,469
Survey Equipments	41,833,582	-	41,833,582
Laboratory	644,499,621		644,499,621
Other Equipment	2,172,566,317		2,172,566,317
Furniture & fittings-computer	532,979,772	(8,632)	532,971,140
Computers & Peripherals	493,576,029	(135,062)	493,440,966
Motor vehicles cars	163,609,127	-	163,609,127
Van busses & jeeps	543,194,697	-	543,194,697
Lorries & trucks	2,123,288,754	-	2,123,288,754
Tractors & trailers	75,630,211		75,630,211
Water bowsers, Heavy veh:	1,357,504,072	(9,897,000)	1,347,607,072
Motor cycles	23,474,132	-	23,474,132
Three Wheelers	7,106,876	-	7,106,876
Lease hold Vehicles	23,180,000	-	23,180,000
Total Value of Depreciable Assets	197,248,892,069	(21,324,155)	197,227,567,915



National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

34.1.2 Depreciation	Balance As at 31.12.2017 Rs.	Prior Year Adjustments Rs.	Restated Balance As at 31.12.2017 Rs.
Freehold Assets			
Land Freehold	-		-
Land Leasehold	-		-
Infrastructure	691,529,934	128,628	691,658,562
Building - Freehold Structures	1,387,753,922 4,417,732,025		1,387,753,922 4,417,732,025
Plant & eq: pumping treatment	7,063,622,646	38,233	7,063,660,879
Service meter	16,233,935	-	16,233,935
Bulk water meter	195,144,221	-	195,144,221
Transmission & Dist:	7,410,826,931	-	7,410,826,931
Mobile Equipments	221,850,227	-	221,850,227
Survey Equipments	10,837,358	-	10,837,358
Laboratory	325,948,484		325,948,484
Other Equipment	895,719,169		895,719,169
Furniture & fittings-computer	269,344,172	(6,880)	269,337,292
Computers & Periparels	397,446,415	(103,625)	397,342,791
Motor vehicles cars	152,125,255	-	152,125,255
Van busses & jeeps	372,864,840	-	372,864,840
Lorries & trucks	496,908,836	-	496,908,836
Tractors & trailers	65,444,897	-	65,444,897
Water bowsers, Heavy veh:	261,707,572	(4,839,870)	256,867,702
Motor cycles	11,377,704	-	11,377,704
Three Wheelers	1,374,667	-	1,374,667
Lease hold Vehicles	8,659,758	-	8,659,758
Total Value of Depreciation	<u>24,674,452,967</u>	<u>(4,783,514)</u>	<u>24,669,669,453</u>



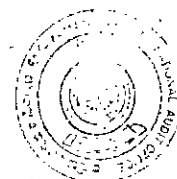
National Water Supply And Drainage Board

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

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

	Balance As at 31.12.2017 Rs.	Prior Year Adjustments Rs.	Adjustment For 2017 Rs.	Restated Balance As at 31.12.2017 Rs.
Capital Work In Progress (Note 17)				
Construction Work	190,486,254,966	(198,901,201)	-	190,287,353,765
Trade And Other Receivable (Note 20)				
Other Debtors	300,715,065	(8,181,121)	-	292,533,944
VAT Receivable	1,239,703,052		(25,800)	1,239,677,252
ESC Receivable	-	63,287,387	65,683,426	128,970,813
Investment (Note 22)				
Held to Maturity	12,240,208,742	2,379,251,307	-	14,619,460,049
Cash and Cash Equivalents (Note 23)				
Call Deposits	2,379,251,307	(2,379,251,307)	-	-
Government Equity (Note 24)				
Government Equity	63,612,515,640	(2,257,538,594)	-	61,354,977,046
Capital Grant (Note 28)				
Foreign Grants	189,307,749,625	2,257,538,594	-	191,565,288,219
Trade And Other Payable (Note 31)				
Creditors Control	833,652,597	(2,716,586)	-	830,936,011
VAT Payable	65,265	-	(65,265)	-
With Holding Tax	54,667	-	39,465	94,132
Audit fee AGDSL	3,200,000	-	(3,200,000)	-
Accrued expenses	1,031,675,560	-	3,200,000	1,034,875,560
Others				
Rent, Rates, Taxes, Security & Other Expe	449,593,829	5,213,833	-	454,807,662



National Water Supply And Drainage Board
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

35. NWSDB Loan Commitments

	2018 Rs.	2017 Rs.
35.1 As at 31.12.2017 Board Has Committed Following Loans .		
Local Bank Funded Project Loans	54,947,573,117	54,434,291,379
Foreign Funded Project Loans	<u>198,073,792,465</u>	<u>123,202,731,614</u>
Total	<u>253,021,365,581</u>	<u>177,637,022,993</u>
35.2 Loan Exposure Durring The Period	Foreign Loans	Local Loans
Opening Balance as at 31.12.2017	40,512,242,399	26,649,434,943
Receipts	29,536,502,865	7,927,939,512
Payments	<u>(147,032,945)</u>	<u>(4,219,410,529)</u>
Closing Balance as at 31.12.2018	<u>69,901,712,319</u>	<u>30,357,963,925</u>
35.3 Interest Expenses	2018 Rs.	2017 Rs.
Interest Expenses	7,593,922,666	6,291,304,344

