

RUBBER RESEARCH BOARD

ANNUAL REPORT - 2014

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Rubber Research Institute of Sri Lanka

Dartonfield, Agalawatta

Vision,

The Institute's vision is to emerge as the centre of excellence in providing high quality scientific technologies to the rubber industry.

Mission

The Institute's mission is to revitalize the rubber sector by developing economically and environmentally sustainable innovations and transferring the latest technologies to the stakeholders through training and advisory services

Objectives

- Increase productivity to international standards
- Increase national production of NR to meet the increasing demand
- Optimal and sustainable utilization of land, labour and other resources
- Maximize domestic value addition to rubber
- Encourage individual competency and self development of RRI personnel
and in the process, improve the organizational effectiveness of the institute

Policies

- Continuation of the research and extension activities on all aspects of rubber production and processing
- Continue to promote environmentally friendly and sustainable agricultural industry
- Transfer the developed technologies through training and advisory services

Report of the Chairman

Rubber Research Board

I have pleasure in presenting the Annual Report for the financial year ended 31st December, 2014. The Rubber Research Board (RRB) continued to take part in the management of RRISL in view of enhancing the quality of research and development, administration and financial management and its services to the rubber industry stakeholders including the smallholder sector. In doing so, RRB recognized the significance of institutional image building and the gaps that might have existed between the stakeholders and the institute.

Ministry of Plantation Industries through regular consultations, review meetings and ministerial directives guided the RRB and RRISL, in achieving the goals and objectives set in the Action Plan. Directions, guidance and facilitation given by the Honorable Minister, Secretary and Ministry Staff were highly commendable.

During the year under review, eight Board Meetings were held in order to address the needs of the institute and the industry. The Rubber Research Board took necessary action for filling the vacancies of Deputy Director Research (Biology), Deputy Director Research (Technology), Accountant, two Principal Research Officers, one Senior Research Officer, one Rubber Extension Officer, two Technical Officers and seventeen Management Assistants. In addition, six Drivers, eight Lab. Attendants, one Printer/Polisher and sixty two General Workers were recruited based on the Public Admin. Circular No.25/2014.

Scientists of RRISL were able to win national level awards offered by the Sri Lanka Council for Agricultural Research Policy, (i) for the development of low frequency tapping system to address the tapping shortage and to reduce the cost of production in the rubber industry in Sri Lanka and (ii) for the expansion of rubber cultivation to the Eastern province of Sri Lanka. In addition, RRISL were able to secure the award for the best paper presentation in the 5th symposium on plantation crop research.

The collaborative research studies were continued to assist the expansion of rubber cultivation to non-traditional areas. As a solution to the tapper shortage, 398 new harvesting assistants were introduced through 20 Tapping Training Schools (TTS) and 356 semi skilled harvesting assistants were trained on tapping quality improvement under 26 skill development programmes. Meanwhile, under the “Rubber home garden” project, about 14,500 plants were distributed to Ampara, Vauniya, Trincomalee, Monaragala, Kandy, Galle, Kagalle, Kalutara and Ratnapura districts.

Further, Pilot scale ultra fast dryer developed for drying different types of rubber with the financial assistance of National Science Foundation (NSF) was completed. Optimization of newly designed small scale latex coagulating tank was further continued.

I extend my thanks to the Director and the staff of RRISL for their unstinted support and kind cooperation extended in achieving great heights expected by the rubber plantation community.

Mr. J.Y.Peiris

Chairman

Rubber Research Board

RUBBER RESEARCH BOARD OF SRI LANKA

BOARD OF MANAGEMENT

Members appointed by the Hon Minister of Plantation Industries

Mr J Y Peries, Chairman, Rubber Research Board

Ms P C Madhuwanthi, Department of Policy Planning, General Treasury

(up to June 2014)

Ms W A J C Wickramaarachchi, Department of National Planning, General Treasury

Mr S S Poholiyadda, Director Operations, Kegalle Plantations Ltd.

Mr R C Peiris, Chief Executive Officer, Kotagala Plantation Ltd.

Mr R A D S Ranatunge, Representative of Ministry of Plantation Industries

Mr M S Rahim, Representative, Colombo Rubber Traders Association

Mr Justin Seneviratne, Director, Lalan Rubbers (Pvt.) Ltd.

Mr H Chandrasiri, 90, Temple Road, Meewanapalana

Mr P W Kumara, Secretary/Director, Sri Lanka Council for Agricultural Research Policy

Mr Ranjith Athukorala, No.163 1/2, Castle Street, Colombo 8

Mr K C Fernando, Trade Union Representative, RRI (w.e.f. February 2014)

Mr S L G Ranjith, Trade Union Representative, RRI (w.e.f. February 2014)

Ex-Officio Members

Dr W M G Seneviratne, Director, Rubber Research Institute

Mr R B Premadasa, Director General, Rubber Development Department

Mr P G Rajadurai, Chairman, Planters Association of Ceylon

STANDING COMMITTEES

Estates Committee

Mr J Y Peries, Chairman, Rubber Research Board

Dr W M G Seneviratne, Director, Rubber Research Institute

Dr V H L Rodrigo, Additional Director, RRI

Dr Mrs P Seneviratne, Deputy Director (Biology)

Mr Nissanka Seneviratne, Deputy General Manager, Eladuwa estate, Matugama

Mr Jagath Hettiarachchi, Senior Manager, Delkieth estate, Baduraliya

Mr Tony Bertus, General Manager (Rubber), Agalawatta Plantations Ltd., No.10, Gnanartha Pradeep
Mawatha, Colombo 8

Mr Sanjaya Doranagama, Manager, Pallegoda estate, Dharga Town

Mr P A Lukshaman, Senior Manager - Estate, Dartonfield estate

Mr S A R Samarasekera, Manager - Estate, Kuruwita Sub-station

Mr W Kularatne, Accountant, RRI (In attendance)

Audit and Management Committee

Ms P C Madhuwanthi, Department of Policy Planning, General Treasury - Chairman (up to June 2014)

Ms W A J Wickramaarachchi, Department of National Planning, General Treasury (w.e.f. June 2014)

Dr W M G Seneviratne, Director, Rubber Research Institute

Mr R B Premadasa, Director General, Rubber Development Department

Mr R A D S Ranatunge, Representative of Ministry of Plantation Industries

Scientific Committee

Members of RRISL

Mr J Y Peries, Chairman, RRB

Dr W M G Seneviratne, Director, RRI

Dr V H L Rodrigo, Additional Director, RRI

Dr (Mrs) G P W P P Seneviratne, Deputy Director Research (Biology), RRI

Dr S Siriwardena, Deputy Director Research (Technology), RRI

Dr D M A P Dissanayake, Head, Advisory Services, Dept., RRI
 Dr (Mrs) D G Edirisinghe, Head, Rubber Technology & Development Dept., RRI
 Dr A M W K Senevirante, Principal Research Officer, Plant Science Dept., RRI
 Dr R M U N Ratnayaka, Principal Research Officer, Raw Rubber Process Development & Chemical Engineering Dept., RRI
 Dr (Mrs) A H L R Nilmini, Principal Research Officer, Polymer Chemistry Dept., RRI
 Dr (Mrs) S P Withanage, Senior Research Officer, Genetics & Plant Breeding Dept; RRI
 Dr (Mrs) B W Wijesooriya, Principal Research Officer, Biometry Section, RRI
 Dr S M M Iqbal, Principal Research Officer, Adaptive Research Unit, RRI
 Dr N M C Nayanakantha, Principal Research Officer, Plant Science Dept., RRI
 Dr (Mrs) T H P S Fernando, Senior Research Officer, Plant Pathology & Microbiology Dept, RRI
 Dr (Mrs) E S Munasinghe, Senior Research Officer, Adaptive Research Unit, RRI
 Dr (Mrs) K V V S Kudaligama, Senior Research Officer, Biochemistry & Physiology Dept., RRI
 Mrs R P Hettiarachchi, Senior Research Officer, Soils & Plant Nutrition Dept., RRI
 Mr A H Kularathne, Advisory Officer, Advisory Services Dept., RRI
 Mr K K Liyanage, Senior Research Officer, Genetics & Plant Breeding Dept., RRI
 Mrs G D D Seneviratne, Senior Research Officer, Rubber Technology & Deve. Dept., RRI
 Dr Senerath Bandara, Senior Research Officer, Genetics & Plant Breeding Dept., RRI
 Mrs B M D C Balasuriya, Research Officer, Adaptive Research Unit, RRI
 Mrs A P Attanayake, Research Officer, Raw Rubber & Chemical Analysis Dept., RRI
 Mrs D S A Nakandala, Research Officer, Plant Science Dept., RRI
 Mr K A G B Amaratunga, Research Officer, Plant Science Dept., RRI
 Mr T U K Silva, Research Officer, Plant Science Dept., RRI
 Mrs M K R Silva, Research Officer, Plant Pathology & Microbiology Dept., RRI
 Mrs P V A Anushka, Research Officer, Genetics & Plant Breeding Dept., RRI
 Mr W D M Sampath, Research Officer, Rubber Technology & Dept., RRI
 Mr P K K S Gunaratne, Advisory Officer, Advisory Services Dept., RRI
 Mr R A D Ranawake, Advisory Officer, Advisory Services Dept., RRI
 Mr J K S Sankalpa, Research Officer, Agricultural Economics Unit, RRI
 Mr K Adikari, Research Officer, Polymer Chemistry Dept., RRI
 Mrs I H K Samarasinghe, Research Officer, Raw Rubber & Chemical Analysis Dept., RRI
 Mr P A Lukshaman, Estate Superintendent, Dartonfield, RRI
 Mr S A R Samarasekara, Estate Superintendent, Kuruwita Substation

Members representing the Industry and other Institutions

Mr Manuja Abeyssekera, Estate Manager, Kahawatte Plantations PLC, Wellandura estate, Kahawatte
 Mr C S Amarathunga, Senior Manager, Kotagala Plantations PLC, Rayigam estate, Ingiriya
 Mr A C Bertus, Agalawatta Plantations PLC, General Manager, No.10, Gnanarthapredeepa Mawatha, Colombo 8
 Mr D U H Bulugahapitiya, General Manager – Rubber, Malwatte Valley Plantations PLC, Vincit estate, Waharaka
 Mr Bathiya Bulumulla, CEO, Elpitiya Plantations PLC, Aitken Spence Tower 1, 19th Floor, No. 305 Vauxhall Street, Colombo 2
 Mr N T Dandeniya, Manager, Elpitiya Plantations PLC, Ketandola estate, Elpitiya
 Mr Yajith de Silva, General Manager - South, Watawala Plantations PLC, No.60, Dharmapala Mawatha, Colombo 3
 Mr Danushka Daswatte, Manager, Nakiyadeniya Estate, Watawala Plantations PLC, Nakiyadeniya
 Mr A M A S Dhanasekara, DGM, Pussellawa Plantations Ltd, Pambegama estate, Parakaduwa
 Mr S B Dissanayake, Superintendent, Namunukula Plantations PLC, Yatadola estate, Matugama
 Mr D D G N Dodangoda, Senior Manager, Pussellawa Plantations Ltd, Siriniwasa estate, Waga
 Mr S M Doranegama, Superintendent, Namunukula Plantations PLC, Pallegoda estate, Dharga Town
 Mr Madushanka Dunusinghe, Estate Manager, Kahawatte Plantations PLC, Pelmadulla estate, Kahawatte
 Mr S A Eriyagama, Director, Kotagala Plantations PLC, 53 1/1, Sir Baron Jayathilake Mawatha, Colombo 1
 Mr Ranil Fernando, DGM, Kelanivelly Plantations PLC, No.400, Deans Road, Colombo 10

Mr Senaka Fernando, DGM, Kelanivelly Plantations PLC, Dewalakande estate, Dehiowita
Mr Hemal Gamage, Manager, Hapugastenna Plantations PLC, Madampe estate, Rakwana
Mr A G Geeth Kumara General Manager - Low Country, Elpitiya Plantations PLC, Talgaswala estate,
Talgaswala
Mr Sujiva Godage, DGM, Kahawatte Plantations PLC, DGM Office, Godellawatte, Sannasgama,
Pelmadulla
Mr A LW Goonewardena, Executive Director, Elpitiya Plantations PLC, Aitken Spence Tower 1, 19th
Floor, No. 305, Vauxhall Street, Colombo 2
Mr Buddhi Gunasekera, DGM, Kelanivelly Plantations PLC, Panawatte estate, Yatiyantota
Mr P de S A Gunasekera, DGM, Namunukula Plantations PLC, Baddegama estate, Baddegama
Mr C M Hettiarachchi, Superintendent, Pussellawa Plantations Ltd, Bope, Padukka
Mr J N Hettiarachchi, Senior Manager, Kotagala Plantations PLC, Delkith estate, Baduraliya
Mr Vajira Hewage, Estate Manager, Kelanivelly Plantations PLC, We-Oya estate, Yatiyantota
Mr W H R K Jayakody, Manager, Kotagala Plantations PLC, Uskvalley estate, Baduraliya
Mr J A D C Jayalath, Superintendent, Pussellawa Plantations Ltd, Pussella estate, Parakaduwa
Mr T V Jayasekera, Agronomist, Kahawatte Plantations PLC, DGM Office, Godellawatte,
Sannasgama, Pelmadulla
Mr Asoka Jayasekera, Project Consultant, Wellassa Rubber Co., C/O Tissa Jinasena Group, 57, Lake
Crescent, Colombo 2
Mr Ravi Jayasinghe, General Manager, Namunukula Plantations PLC, 310, High Level Road,
Nawinna, Maharagama
Mr S A A P Jayathilake, Superintendent, Kegalle Plantations PLC, Parambe estate, Undugoda
Mr N S Jayawardena, Senior Manager, Kotagala Plantations PLC, Paiyagala estate, Paiyagala
Mr Manuja Kariapperuma, Director/CEO, Horana Plantations PLC, No. 20, R A de Mel Mawatha,
Colombo 3.
Mr U A Karunanayake, Manager, Elpitiya Plantations PLC, Lelwala estate, Wanduramba
Mr Buddika Madagama, Superintendent, Maturata Plantations Ltd, Wilpita estate, Akuressa
Mr Ravi Madawala, Estate Manager, Kelanivelly Plantations PLC, Urumiwella estate,
Bulathkohupitiya
Mr Damith Mohottige, Estate Manager, Kahawatte Plantations PLC, Hunuwella estate, Openayake
Mr B M J A Moonemalle, Group Manager, Kegalle Plantations PLC, Pallegama estate, Niyadurupola
Mr Gaya Nakandala, Consultant, 375/26, Rathnam Road, 4th Lane, Hokandara North
Mr Chamika Naranpitiya, Manager, Watawala Plantations PLC, Nakiyadeniya estate, Nakiyadeniya
Mr R S Patabendi, Deputy Manager In-charge, Elpitiya Plantations PLC, Gulugahakanda estate,
Wanduramba
Mr Ajith Peris, Manager, Hapugastenna Plantations PLC, Bibile estate, Bibile
Mr R C Peiris, CEO, Kotagala Plantations PLC, 53 1/1. Sir Baron Jayathilaka Colombo 1
Mr A D Perera, Senior Manager, Pusellawa Plantations Ltd., Penrith estate, Avissawella
Mr Anusha Perera, Chief Operating Officer – Rubber, Pussellawa Plantations Ltd., Level 11, FLC
Tower, No.19, Dudley Senanayaka Mawatha, Colombo 8
Mr D P A Perera, DGM, Balangoda Plantations PLC, P.O. Box 6, Palmgarden, Ratnapura
Mr Lakkhana Perera, Estate Manager, Kahawatta Plantations PLC, Houpe estate, Kahawatta
Mr Shamil Perera, Manager, Hapugastenna Plantations PLC, Hatherleigh estate, Rakwana
Mr D B S L Perera, Superintendent, Kumarawatta, Moneragala estate, Monaragala
Mr Albert Peries, General Manager Estates, Lalan Rubbers (Pvt.) Ltd., No.54, Kirulapana Avenue,
Colombo
Mr Sunil Poholiyadda, Kegalle Plantations PLC, Director/CEO, 310, High Level Road, Nawinna,
Maharagama
Mr B L L Premathilake, Superintendent, Balangoda Plantations PLC, Mutwagalla estate, Ratnapura
Mr Udara Premathilake, General Manager – Low Country, Kelanivally Plantations PLC, No.400,
Deans Road, Colombo 10
Mr A I B Rajasingha, Superintendent, Balangoda Plantations PLC, Palmgarden estate, Ratnapura
Mr R M D T J Ratnayake, Superintendent, Balangoda Plantations PLC, Mahawela estate, Ratnapura
Mr Clinton N M Rodrigo, Agricultural Consultant, 25/45, Kalinga Mawatha, Off Vijaya Kumaratunga
Mawatha, Colombo 5
Mr Viren Ruberu, Director/CEO, Kahawatta Plantations PLC, 52, Maligawatta Road, Colombo 10

Mr Indrajith Rukmal, Estate Manager, Kahawatta Plantations PLC, Ekkerella estate, Openayake
Mr N V Samarasekera, Superintendent, Maturata Plantations Ltd., Andapana estate, Kamburupitiya
Mr D Samarasinghe, Manager, Kotagala Plantations PLC, Sorana estate, Horana
Mr Jeewantha Senaratne, Senior Manager, Kahawatta Plantations PLC, Rilhena estate, Pelmadulla
Mr Nishantha Seneviratne, Group General Manager, Lalan Rubbers (Pvt.) Ltd., Sapumalkanda Group,
No.54, Kirulapana Avenue, Colombo 6
Mr N B Seneviratne, DGM, Namunukula Plantations PLC, Eladuwa estate, Matugama
Mr R Seneviratne, DGM, Pussellawa Plantations Ltd., Halpe estate, Tummodera
Mr Sarath Seneviratne, Manager, Hapugastenna Plantations PLC, Hapugastenna Rubber Estate,
Lellopitiya
Mr R Tennakoon, Senior Manager, Kotagala Plantations PLC, Padukka estate, Padukka
Mr M P K Udugampola, DGM, Pusellawa Plantations Ltd., Elston estate, Puwakpitiya

Provident Fund Committee

Dr W M G Seneviratne, Director, Rubber Research Institute
Mr W D Wimaladasa, Elected Committee Member
Mr H H Jayasinghe, Elected Committee Member
Mr W Kularatne Accountant, RRI (In-attendance)

Chairman's Office & Board Secretariat

Chairman	- Mr J Y Peiris
Acting Secretary to the Board (Personal Assistant to the Chairman)	- Mrs B H P Balasooriya
Management Assistants	- Harith Kalutharawithana, BSc (SL) - Mrs K Y G M P Kumari, BA (SL), (from 2014.10.24)

Lawyers

Attorney General
Attorney General's Department
(Government Institutions)
P O Box 502
Colombo 12

Auditors

Auditor General
Auditor General's Department
Independence Square
Colombo 7

Bankers

Bank of Ceylon
Corporate Branch
75, Janadhipathi Mawatha
Colombo 1

Bank of Ceylon
Agalawatta

Head Office and Laboratories

Dartonfield, Agalawatta

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Additional Director 034 - 2248458

Deputy Director Research (Biology) 034 - 3346118
General 034 - 2247426
034 - 2247383
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034 - 2248459
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e-mail dirri@sltnet.lk
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Board Office and Rubber Chemistry & Technology Laboratories
Telewela Road, Ratmalana

Telephones:
Chairman 011 - 2635019
Board Office 011 - 2635142
Director 011 - 2633351
Deputy Director Research (Technology) 011 - 2633352
General 011 - 2635851
011 - 2635852
Fax: 011 - 2605171
e-mail dirrub@sltnet.lk

Sub stations

Nivitigalakele - Substation, Matugama
Genetics and Plant Breeding Department
Telephone: 034 - 2247368, 034 - 2247199
e-mail: rrigpb@sltnet.lk

Kuruwita - Substation, Ratnapura
Telephone: 045 - 2262115, 045 - 3460537
e-mail: rrikuruwita@sltnet.lk

Polgahawela - Substation, Polgahawela
Telephone: 037 - 3378191

Monaragala - Substation, Monaragala
Telephone: 055 - 3600707

Website www.rrisl.lk

RUBBER RESEARCH INSTITUTE OF SRI LANKA

STAFF

DIRECTORATE

<i>Director</i>	W M G Seneviratne, BSc (SL), PhD (Essex)
<i>Additional Director</i>	V H L Rodrigo, BSc Agric (SL), MSc (Essex) PhD (Wales)
<i>Deputy Director – Research (Bio.)</i>	G P W P P Seneviratne, BSc (SL), PhD (Bath) (from 02.07. 2014)
<i>Deputy Director – Research (Tech.)</i>	S Siriwardene, BSc (SL), MSc (Australia) PhD (Malaysia) (from 02.07. 2014)

RESEARCH DEPARTMENTS

Genetics and Plant Breeding	<i>(at Nivithigalakele Substation, Matugama)</i>
<i>Principal Research Officer</i>	Mrs S P Withanage, BSc Agric (SL), MSc (India), PhD (Malaysia)
<i>Senior Research Officers</i>	K K Liyanage, BSc Agric (SL) MPhil (SL) P K S G Senarath Bandara, BSc (SL), PhD (Japan) (from 18.08.2014)
<i>Research Officer</i>	Miss P V A Anushka, BSc Agric (SL)
<i>Experimental Officers</i>	I D M J Sarath Kumara L S Kariyawasam T M S K Gunasekera H P Peries, Dip. Agric (Kundasale) Mrs A K Gamage, BSc (SL) B W A N Baddewithana, BSc Agric. (SL)
<i>Technical Officer</i> <i>(Research & Development)</i> <i>Management Assistants (Clerical)</i>	Mrs S D P K L Peiris Miss K D Piyumi Hasara (from 24.10.2014)
Plant Science	<i>(at Dartonfield, Agalawatta)</i>
<i>Head of Department</i>	Mrs G P W P P Seneviratne, BSc (SL), PhD (Bath)
<i>Principal Research Officers</i>	A M W K Senevirathna, BSc (SL), MSc (SL), PhD (Wales) N M C Nayanakantha, BSc (SL), MSc (India), PhD (India)
<i>Research Officers</i>	Mrs D S A Nakandala, BSc Agric (SL) K A G B Amaratunga T U K Silva, BSc Agric (SL), MPhil (SL)
<i>Experimental Officers</i>	Mrs G A S Wijesekera Mrs R K Samarasekera M K P Perera, BSc (SL) W D M N de Alwis, BSc (SL) D L N de Zoysa P D Pathirana, BSc (SL) P K W Karunathilake, Dip. Agric (Ratnapura) R Handapangoda, BSc Agric (SL) Mrs U Dissanayake, Dip. in Agric. (Naiwala) (from 18.11.2014)
<i>Technical Officers</i> <i>(Research & Development)</i>	

<i>Management Assistants (Clerical)</i>	Mrs H D D E Jayawardena Mrs Aruni de Almeida Mrs B V Hasangi Madushani, BSc (SL)
Plant Pathology and Microbiology <i>Senior Research Officer</i>	(at Dartonfield, Agalawatta) Mrs T H P S Fernando, BSc (SL), MPhil (SL), PhD (SL)
<i>Research Officer</i> <i>Experimental Officers</i>	Mrs M K R Silva, BSc Agric (SL), MSc (SL) E B Fernando Mrs B I Tennakoon, Dip. Agric (Kundasale) Mrs E A D D Siriwardene, BSc (SL) S C P Wijyaratne, NDT Agric (Hardy) S R D P C Peiris, BSc (SL) E A D N Nishantha, Dip. Agric. (Ratnapura), BIS (Agric) (SL)
<i>Management Assistant (Clerical)</i>	Mrs K A D Y Madushani Lanka
Soils and Plant Nutrition <i>Principal Research Officer</i>	(at Dartonfield, Agalawatta) R S Dharmakeerthi, BSc Agric (SL), MSc (SL) PhD (Canada) (upto 14.03.2014)
<i>Senior Research Officer</i> <i>Experimental Officers</i>	Mrs R P Hettiarachchi, BSc (SL), MPhil (SL) Mrs S D C K Maheepala S N Silva A H U Mitrasena T B Dissanayake Miss V U Edirimanne, BSc (SL) Miss A P Thewarapperuma P D T C Gunatilleke, NDT (Agric) J A Sarath Chandrasiri
<i>Technical Officers</i> <i>(Research & Development)</i>	Mrs Eranga de Silva, NDT C G Mallawaarachchi, Dip. in Agric. (Hardy) (from 18.11.2014)
<i>Management Assistant</i> <i>(Stenography)</i>	Mrs K A D L Rupasinghe Perera
Biochemistry and Physiology <i>Senior Research Officer</i>	(at Dartonfield, Agalawatta) Mrs K V V S Kudaligama, BSc (SL), MPhil (SL)
<i>Experimental Officer</i> <i>Technical Officer (Research & Development)</i>	P D J Rodrigo (upto 26.04.2014) R P S Randunu, BSc (SL)
<i>Management Assistant (Clerical)</i>	Mrs H A Manoji Erandika
Advisory Services <i>Head of Department</i>	(at Telewela Road, Ratmalana) D M A P Dissanayake, BSc Agric (SL) PhD (Aberdeen)
<i>Advisory Officers</i>	A H Kularatne, BSc Agric (SL), MSc (Reading) MSc (SL) P K K S Gunaratne, BSc Agric (SL) R A D Ranawaka
<i>Assistant Training Officer</i> <i>Divisional Rubber Extension Officer</i>	Miss K G P Manahari, BSc (SL) M G N Gunaratne

Rubber Extension Officers

D Weerasekera
W D T C Muniratne, Dip. Plant Ex. Mangt.
D R A M G Abeydissanayake
R M S Ratnayake, NDT Agric (Hardy)
D E P M Nanayakkara, Dip. Agric. (Aquinas)
W D Chandrasiri
M Dharmadasa, BSc (SL), MSc (SL)
J A J Perera
E G U Dhanawardena
Nihal Gamage, Dip. Agric. (Angunakolapelessa)
U N Jayasuriya
G D N Seneviratne
W C Siriwardena, Dip. Plant Ex. Mangt.
S G G Wijesinghe
N G Yasaratne
I P L Kithsiri
W M A S L Wanigasuriya, Dip. Agric (Aquinas)
N L Dharmasena
W P G D C P K Senanayake, NDT Agric
(Hardy)
T L Ramanayake, BSc (SL) (from 18.11.2014)
S M A Samarakoon, Dip. Agric. (Kundasale)
Mrs M K Wijetilleke
Miss SV Shirani Madurika
Mrs C Gunatilleke
Mrs J N R Jayasinghe
Mrs S M Kaluarachchi
T R C Silva
Miss P Sachini Ishara (from 24.10.2014)

*Experimental Officer
Management Assistants (Clerical)*

Polymer Chemistry Department

Principal Research Officer

Research Officer

Experimental Officers

*Technical Officer (Research &
Development)*

*Management Assistant
(Clerical)*

(at Telewela Road, Ratmalana)
Mrs A H L R Nilmini, BSc (SL), PhD (Cardiff)
A M K S P Adikari, BSc (SL), MPhil (SL)
Mrs D I R Denawaka, Dip. Rubber Tech. (PRI)
(up to 09.12.2014)
Mrs N Jayawardane, Dip. Agric. (Bibile)
Mrs H M H Dhanukamalee, BSc (SL)

M A W K Tillekeratne

Raw Rubber and Chemical Analysis (at Telewela Road, Ratmalana)

Research Officers

Experimental Officers

*Technical Officers (Research &
Development)*

Mrs A P Attanayake, BSc (SL)
Mrs I H K Samarasinghe, BSc (SL)
Mrs L Wanigatunga
Mrs H V K Gamage
Mrs C S Lokuge
Miss D M S Wijesekera, Dip. Rubber Tech.
(PRI)
L P P Vitharana
B Gunasiri (upto 08.03.2014)
Miss S P Wijewardena, BSc (SL)
Miss W M I Nuwangi, Dip. in Chem.

<i>Management Assistants (Clerical)</i>	Miss W D D Samanmali G N K Gunasena
Rubber Technology and Development <i>(at Telewela Road, Ratmalana)</i>	
<i>Acting Head of Department</i>	Mrs D G Edirisinghe, BSc (SL), MSc (SL) MPhil (UK), PhD (SL)
<i>Senior Research Officers</i>	*Mrs G D D Seneviratne, BSc (SL), MSc (Malaysia)
<i>Research Officer</i>	W D M Sampath, BSc (SL)
<i>Experimental Officers</i>	Mrs M K Mahanama, Dip. Rubber Tech. (PRI) Mrs S I Yapa, Dip. Rubber Tech. (PRI) Mrs P C Wettasinghe, Dip. in Science S L G Ranjith, Dip. Rubber Tech. (PRI) P L Perera Mrs G M Priyanthi Perera, BSc (SL), MSc (SL) V G M J Abeywardena, NDT
<i>Technical Officer (Research & Development)</i>	
<i>Management Assistant (Clerical)</i>	Miss S M D S R de A Wijeratne (from 18.11.2014)
Raw Rubber Process Development and Chemical Engineering <i>(at Telewela Road, Ratmalana)</i>	
<i>Head of Department</i>	S Siriwardene, BSc (SL), MSc (Australia), PhD (Malaysia)
<i>Principal Research Officer</i>	R M U N Ratnayake, BSc (SL), PhD (Loughborough)
<i>Experimental Officers</i>	Mrs W K C Nalinie, Dip. Rubber Tech. (PRI) Mrs U M S Priyanka, BSc (SL), MSc (SL) Mrs V C Rohanadeepa A K D W Prasad
<i>Technical Officer (Research & Development)</i>	Miss K G P M Dharmatilleke, BSc (SL)
<i>Management Assistants (Clerical)</i>	Miss H A Janani Lakshika, BA (SL) Mrs U K Akila Tharinduni Miss A R M de Alwis Mrs K K Geetha BA, (from 24.10.2014) Miss P D S Dilhani (from 18.11.2014)
Biometry Section	<i>(at Dartonfield, Agalawatta)</i>
<i>Principal Research Officer</i>	Mrs B W Wijesuriya, BSc Agric (SL), MPhil (SL), PhD (SL)
<i>Experimental Officers</i>	Mrs H K D C S Munasinghe, NCT Polymer (Moratuwa), Dip. Rubber Tech. (PRI), Dip. Computer Science (IDM) O V Abeyawardene, Dip. Agric. (Kundasale)
Adaptive Research Unit	<i>(at Dartonfield, Agalawatta)</i>
<i>Principal Research Officer</i>	S M M Iqbal, BSc Agric. (SL), MPhil (SL) PhD (Essex)
<i>Senior Research Officer</i>	Mrs E S Munasinghe, BSc Agric (SL), PhD (SL)
<i>Research Officer</i>	Mrs B M D C Balasooriya, BSc Agric (SL)
<i>Technical Officer (Research & Development)</i>	P M M Jayatilleke, NDT (Agric.)

<i>Management Assistants (Clerical)</i>	Mrs M A Randima Srimalee P K K N Nissanka (from 18.11.2014)
Agricultural Economics Unit <i>Research Officer</i>	(at Dartonfield, Agalawatta) J K S Sankalpa, BSc (SL), MSc (SL)
Library and Publications Unit <i>Librarian</i> <i>Library Assistant & Assistant</i> <i>Publications Officer</i> <i>Management Assistants (Clerical)</i>	(at Dartonfield, Agalawatta) S U Amarasinghe, BSc (SL), MA (SL), ASLLA Mrs R M Amararatunga, Intermediate; Lib. Sci. Doc. & Info. (SLLA) P M P Jayantha N W E C Maduranga Miss S R Sinhabahu (from 24.10.2014)
Administration Department <i>Administrative Officer</i> <i>Management Assistants (Clerical)</i>	(at Dartonfield, Agalawatta) L P K W Weliwatta, BA (SL), Dip. in HRM Mrs P W Neelamanie Mrs S K Handunge Mrs J A D Wijayanthi Mrs B D Niranjala Mrs O W D Namali Udayanthi Mrs P C Athukorala Mrs Thamosha Munasinghe Mrs O W D Nilusha Udayanthi Miss H N Kanchana Miss R P Thilini K A Dilan Sampath Mrs Erandi Kanchana Jayasinghe, BA (SL) Miss W L Sunali Shashikala, BA (SL) (from 24.10.2014) Mrs B Chandralatha, BA (SL) (from 24.10.2014) Miss M G L Niroshani (from 24.10.2014) Mrs W V A S Ariyawansa (from 18.11.2014) Mrs J A H S Kumarie
<i>Management Assistant</i> <i>(Stenography)</i> <i>Translator</i>	Mrs D N Senevirathna, Dip. Agric. (Kundasale), BSc (SL),
<i>Telephone Operator</i>	Mrs J A D C Preethika
Medical Center <i>Assistant Medical Practitioner</i> <i>Pharmacist</i>	M Subasinghe S Lankeshwara
Administration Unit (Ratmalana) <i>Administrative Officer</i> <i>Management Assistant (Clerical)</i>	(at Telewela Road, Ratmalana) Mrs P Mandalawatta, (Dip. in HRM) D P N P Dissanayke
Internal Audit Unit <i>Internal Auditor</i> <i>Internal Audit Officer</i> <i>Management Assistants (Clerical)</i>	(at Dartonfield, Agalawatta) Mrs M S I Senadeera, AFA, IIPF, IRCA, LICA K C Fernando Mrs S N Munasinghe R G A S Dharmaratne Udaya Samantha Munindradasa, BA (SL)
Works Section <i>Technological Officer (Civil)</i>	(at Dartonfield, Agalawatta) M A D K Jayasumana, NCT

<i>Transport Officer</i>	U L D R L Gunasinghe
<i>Technological Officer (Mech.)</i>	H J P Fernando, HNDE
<i>Management Assistants (Clerical)</i>	Mrs K C S Wickremasinghe Mrs J A S Dharshanie (Dip. in Management) Mrs K K D K P Ranaweera Mrs M N D Perera Mrs Mrs M S W H Kumari, BSc (SL) (from 24.10.2014)
<i>Work Supervisor (Electrical)</i>	T M R P Tennakoon
Accounts Section	<i>(at Telewela Road, Ratmalana)</i>
<i>Accountant</i>	W Kularatne (up to 30.11.2014) Mrs A M Lasanthi, BSc - Buss. Admin (SL) (from 28.11.2014)
<i>Accounting Assistant</i>	D D R Lankatilaka, BCom (SL)
<i>Management Assistants (Accounting)</i>	Mrs Irene Perera Mrs M Gunawardene Mrs R Handungoda Mrs G P Kukulewithana
<i>Management Assistants (Clerical)</i>	A V Nandasena Mrs K J M C R Fernando Mrs C Dissanayake A K D A Wickremasinghe Mrs S I K Pathirage Miss K T D Jayawathi Mrs S A Niluka Harshani Mrs K K D Y L Ranaweera Miss K K T L Jayasekera J A J R Lakmal, BA (SL)
<i>Cashier</i>	Mrs G A D D Jayawardena

DARTONFIELD GROUP

<i>Senior Manager - Estate</i>	P A Lakshman, BSc (SL)
<i>Experimental Officer</i>	S S Warnapura
<i>Management Assistants</i>	K K P Gunawardena H D D Achinda M A N Sachith Pawinda T D Harsha
<i>Field Officer (Nivitigalakele)</i>	B M Siriwardena
<i>Field Officer (Gallewatta)</i>	A B Nakandala
Kuruwita Sub-Station	<i>(at Kuruwita)</i>
<i>Assistant Estate Superintendent</i>	S A R Samarasekera
<i>Management Assistants (Clerical)</i>	D S Jayasinghe K D P Senaratne
Polgahawela Sub-Station	<i>(at Narampola Estate, Nungamuwa, Yatigaloluwa)</i>
<i>Management Assistant (Accounting)</i>	Mrs W A C Weeramanthree
Moneragala Sub-Station	<i>(at Kumbukkana, Monaragala)</i>
<i>Research Officer</i>	H D S P Perera, BSc (SL), MSc (SL)
<i>Field Officers</i>	V G D Nishantha Gunaseela

Management Assistant (Clerical)

N V U S Vijitha Kumara
Mrs D M P Sandun Kumari (from 24.10.2014)
M M Chamath Kumara (from 24.10.2014)

* On study leave overseas

RUBBER RESEARCH INSTITUTE OF SRI LANKA

DIRECTOR'S REPORT

This review consist of the research and development activities conducted by six agronomy departments and four units at Head Office, Dartonfield, Agalawatta and four technology departments at Ratmalana along with progress review of Library and Publication unit and the two estates, Dartonfield Group and Kuruwita Substation.

Research and development activities of each division of RRISL are given separately under the title of "Activities of Research departments – 2014".

Rubber industry of Sri Lanka

Rubber production

The natural rubber production in the country in the year 2014 has been decreased by 24.4% from the previous year from 130,420 Metric tons (MT) to mere 98,573 MT one of the largest decreases seen in recent years. Heavy rainfall and the low price would have attributed to this. Continuous price decline of rubber price since 2011 too have resulted in reduction of tapping days.

Two largest contributors to the total rubber production in the country, RSS and crepe rubber reduced from 62.8 Mnkg to 48.5 Mnkg, a 22.7% reduction and from 20.2 Mnkg to 15.2 Mnkg a 24.7% reduction respectively. Concentrated latex production in the country was estimated to be 27.1 Mnkg in the year 2014. Average price of RSS1 was around Rs.376.78 at the end of 2013 reduced dramatically and it was around 285.76 at the end of 2014, a 24% decrease. Concentrated latex price was down from 397.33 in 2013 to 309.90 in 2014, a decrease by 22%. Average rubber productivity of the estate sector has dropped, to 620 kg/ha/y from 936 kg/ha/y in the year 2013, a significant decrease from the previous year and smallholder sector productivity was down from 1,019 to 1,219 kg/ha/y in 2013.

Rubber extent

Total rubber extent in the country in the end of 2014 was around 133.4 thousand ha. The increase in rubber extent is by the smallholders amounting to cultivating 1,400 ha during the year mostly in nontraditional areas in Ampara and Moneragala which was around 2,017 ha in the year 2013. Replanting was only seen among the estate sector but a very moderate amount of 130 ha during the whole year of 2014 as against 2,483 ha in 2013. No replanting was recorded among the smallholder sector farmers in 2014.

NR consumption exports and imports

NR consumption in the country in 2014 was reported to be lower than that of 2013. It was reduced to 85,600 MT from 107,258 MT in 2013. Dry rubber industries accounted for 48,800 MT while latex based industries accounted for 36,800 MT in 2014. However, in 2014 around 29,235 MT of NR (latex and dry forms) has been imported to the country presumably used by NR industries in Sri Lanka. Imports of synthetic rubber into the country increased significantly amounting to 42,359 MT would have also been used by the NR product manufacturing companies.

Rubber manufacturing sector

Total rubber product export has risen slightly compared to previous year; in 2013 it was around Rs.Mn 110,050 and in 2014 Rs.Mn 112,264 income is reported as per the custom figures. As in previous years Sri Lankan rubber industry was dominated by the tyre and tube industry which accounts for Rs.Mn 74,102.9 which is 66% of the total income from the rubber product industries. Among the tyre industries, total highest account for solid tyre sales amounts to Rs.Mn 46,565.

Various types of gloves including surgical gloves earned around Rs.Mn 22,970 as the 4th largest glove manufacturer in the world.

Exports of raw rubber

Total exports of raw rubber reduced drastically which amounts to only 16,306 MT earning Rs.Mn 5,916.00.

Global rubber industry scenario

Natural rubber supply

Total world NR production decreased in 2014 by around 3.3% from the previous year which was around 12,217 '000 tons as against 11,809 '000 tons in 2014 according to the IRSG statistics.

Provisional data received from member countries of the ANRPC have shown a reduction of 10.5% for the month of January year-on-year (y-o-y). Lower production levels could be attributed to the seasonality factor particularly in Indonesia, Thailand and China, coupled with prolonged low NR prices in international markets which had become a disincentive for tapping turnout. Farmers will probably harvest 11.175 million metric tonnes of rubber this year, based from initial projections by member countries and a median estimate by the Secretariat.

Average yield declined in Thailand, China (marginally), India, Sri Lanka and Vietnam would have been due to low prices and adverse weather conditions prevailed during the year 2014. Average yield figures also reflect achievements in clone improvements, crop management and harvesting technology *etc.*

Dr W.M.G. Seneviratne
Director
Rubber Research Institute of Sri Lanka

Major Achievements during 2014

- Received following awards for Scientific achievements
 1. National awards for excellence in agricultural research 2014 offered by Sri Lanka Council for Agricultural Research Policy for the development low frequency tapping systems to address the tapper shortage and to reduce the cost of production in the rubber industry in Sri Lanka
 2. National awards for excellence in agricultural research 2014 offered by Sri Lanka Council for Agricultural Research Policy for the expansion of rubber cultivation to the Eastern Province of Sri Lanka



Award winners of RRISL in some events of the national awards for excellence in agricultural research - 2014

3. Award for the “Best Paper and Best Presentation” at the 5th Symposium on Plantation Crop Research 2014 for the effect of nitric oxide-donor sodium nitroprusside on root architecture and growth of young budding polybagged plants of rubber (*Hevea brasiliensis*)
4. Best Oral Presenter under the category of Plant Biotechnology at the 2nd International Conference on Frontiers to Molecular Life Sciences 2014 Differential expression of defense-related genes in moderately-resistant *Sinapis alba* and susceptible *Brassica juncea* upon *Alternaria brassicae* challenge or defense inducer treatments



Dr N.M.C. Nayanakantha with the certificates for the best paper presentations in the 5th Symposium on Plantation Crop Research – 2014 and the best oral presenter at the 2nd International Conference on Frontiers to Molecular Life Science - 2014

- Development of a rubber based adhesive to cater the glove industry which had some problems with the locally available adhesives for more than two years.

- Production of natural rubber/styrene butadiene rubber/palmyra fibre composites suitable for tyre treads were produced.
- Development of nano reinforced nitrile rubber based adhesive to bond nylon fabric onto the vulcanized rubber surface. Technology was transferred to the relevant industry.
- Polyurethane was used as a coating material for coir pith and silicone soap used as the medium which enhance the water absorption capacity of coir pith. Both polyurethane and silicone oil were imported from Germany at a higher cost. Both materials were successfully replaced by a cheap, readily available binder and soap
- Preservative system consisting of a readily available, non toxic, low cost chemical was developed to produce low ammonia centrifuged latex with low VFA and high MST values for latex based products manufacture.
- Priming of rubber seeds and seedlings with an antioxidant/anti-stress chemical (nitric oxide) gave promising results in terms of improved root system, growth and tolerance to heat stress of nursery plants.



Effect of nitric oxide on growth and rooting of rubber seedlings

- Securing government funded special project on Multiplication, Maintenance and Evaluation of the Germplasm collection of *Hevea* obtained from 1981 IRRDB expedition from Amazon
- An initiative was taken to build up collaborative project with the private sector for finding a nitrosoamine free preservative for natural rubber latex. A project proposal of this scope was submitted to a leading chemical company which has shown interest to work together with RRISL
- Identification of smallholder constraints to adopt rubber based farming systems in dry zone.



Cattle farming with rubber in Northern Province

- Expansion of rubber nursery in Monaragala Sub Station with modern irrigation system



Irrigation systems for rubber nurseries

- Popularization of Intercropping for increased land use efficiency



Fruit crops testing under rubber

Cinnamon along the rubber fence

- 50 peer reviewed research articles were published in reputed scientific journals
- Development of high yielding clones and introduction of less labour demanding agronomic practices to overcome the problems being faced by growers such as decrease in rubber prices, increase in COP and lack of skilled workers.
- Identification of suitable lands and popularization of rubber planting in drier areas through Adaptive Research trials
- Land productivity drive in rubber cultivation through training programmes on key agronomic practices
- Promotion of SMEs in rubber product manufacture by conducting workshops
- Promotion of rubber cultivation as a means of mitigating climate change
- Popularization of rubber through home gardens
- Inspection of government, private and RPC nurseries for plant certification.
- Training and advisory (more than 1000 programs) to stakeholders on demand
- Testing fertilizer samples from rubber growers and issue fertilizer analytical reports to assure the application of good quality fertilizers for their rubber lands
- Introduction of rubber to marginal areas of Uva Province



Cultivation in marginal areas - Badulla rubber planting

- Soil and foliar survey for site specific fertilizer recommendation programme and provide fertilizer recommendation reports
- Promotion of integrated plant nutrient management system to reduce inorganic fertilizer application .
- Initial identification of a suitable stimulation protocol for weekend harvesting system with two consecutive tappings per week.

Activities of Research Departments - 2014

Genetics and Plant Breeding Department

New genotypes were raised from the annual hand pollination program carried out at Aboyne division, Paiyagala estate.

The analysis of yield - yield correlation of 102 new genotypes in three different hand pollination progenies revealed that there is a strong possibility to select genotypes in advance by evaluation of early years data to shorten the clone selection process. Thirty five new genotypes selected from 2005 hand pollination progeny were established for small scale clone evaluation.

Five clones were established at Eastern, and Uva provinces under the project “Evaluation of new clones for sub optimal conditions”. Under the smallholder management. The trials already established at Eastern province are performing well but not up to the expected level. Existing smallholder RRI collaborative trials in traditional rubber growing areas gave satisfactory results and the clone RRISL 201 performed well under Kegalle and Matara districts. Multiplication, establishment and scientific evaluation of the *Hevea* germplasm collection was started with the aim of enhancement of productivity through genetic improvement and management of genetic resources of *Hevea*. Thousand five hundred and one accessions were pollarded and bud wood were generated for multiplication.



Preparation of bud wood of selected accessions for multiplication at Neuchatle estate

Plant Science Department

Rubber seeds treated with potassium nitrate and sodium nitroprusside at gave promising results. Further, rubber seedlings treated with sodium nitroprusside and under open nursery conditions resulted enhanced growth and root characteristics.

Propagation of elite trees was continued with newly identified individuals. Yield data collected indicated promising genotypes of very high potential yields.

Further expansion of sprinkler irrigation system was done at Moneragala Substation and irrigation trials with the application of salicylic acid were carried out in the intermediate zone.

Yield measurements of crop estimation experiment at Sapumalkanda showed high g/t/t in highest cm girth class. Around 40% yield increase could be seen in the experiment at Pussella with S/4 when compared with S/5. Yield recovery on S/4 d/3 is around 85% over S/2 d/3 with less bark. Consumption Panel application of stimulant seems better than other methods.

High and low density of planting indicated that growth of trees is better when planted at low densities. Intercropping of short term crops like water mellon and maize in Monanragala gave considerable yield. Fruit set of Rumbutan as perennial intercrop performed well.

Six acres of smallholdings planted in Meegahakivula and Kandaketiya of Badulla district during the North East monsoon in 2013 were monitored.

Under the “Rubber home garden” project, plants were distributed to beneficiaries about 14,500 Ampara, Vauniya, Trincomalee, Polonnaruwa, Monaragala, Kandy, Galle, Kegalle, Kautara, and Ratnapura districts.

All rubber nurseries were inspected for plant quality improvement and reports were submitted to RDD and also to nursery owners. Authentic budwood and budded plants of new clones were issued to stakeholders on request. Improved tapping knives and marking plates were issued to stakeholders throughout the year through the training programmes conducted by RSD and ASD.

Awareness programmes on rubber home gardens sponsored by NIPM, and Advanced Technology Glove Company (ATG), specially in non traditional areas.

Managers, Assistant Managers and Field Officers of RPC’s and all RDO’s were addressed on effect of tapping quality on productivity and sustainability through awareness programmes under the capital project on “Productivity improvement through improvement of tapping quality”. About 10 training programmes were conducted on correct harvesting systems for smallholders.

Polythene samples were tested mainly for the RDD nurseries for quality assurance of polythene bags.

Advisory work was attended by the department staff mainly on growth and yield related issues.



Intercropping agarwood with rubber



Carrying out a survey on tapping panel dryness, bark auditing and ethereal stimulation

Plant Pathology and Microbiology Department

Incidence of Oidium leaf disease was mild to moderate during the refoliation period except for a few disease vulnerable sites. Chemical applications (sulphur spraying and dusting) were successfully carried out against the secondary leaf fall disease. The incidence of abnormal leaf fall caused by *Phytophthora* spp. and *Corynespora* leaf fall disease was reported to be mild except in several disease susceptible clones. *Corynespora* leaf fall disease was reported on the field plants of RRIC 121 from the non-traditional rubber growing areas. A series of experiments on the management of White Root Disease was in progress focusing the biology of fungal populations from rubber and other alternative hosts. Projects on the new application technology; tree injection, rehabilitation of WRD patches, effect of antagonistic plants to control the disease are also being carried out. Reports on the WRD surveys are

being prepared the efficacy of several commercial products of tebuconazole and hexaconazole due to the high price variations. root disease was regularly reported from the non-traditional rubber growing areas of the country and the studies on the biology, epidemiology and management strategies are in progress. Different materials as excluders are tested against mammalian pests. Possibilities to improve the adhesive properties of the repellent were also sought. Three alternative chemicals for mancozeb are being tested for the management of Patch canker, Four new chemicals are being tested against cockchafer grub attack under field conditions. The clonal screening programmes against the economically important foliar diseases for the year 2014 was partially completed due to the lack of transport. The experiments on the nursery disease management were initiated using new fungicides and resistance inducers. A nematode infestation reported from the seed beds of the government nursery – Gurugoda was successfully controlled using a nematicide Studies were continued to isolate and identify the beneficial micro-flora from the main rubber growing areas and also under the two main cover crops. as bio control agents for White Root Disease was undertaken. Economical medium was identified to skeletonize rubber leaves to prepare different handicrafts. Dr. (Mrs.) T.H.P.S. Fernando received the “GRC Post Graduate Award 2013” for her PhD by the Sri Lanka Association for the Advancement of Science (SLASS).

Soils and Plant Nutrition Department

Twelve research and development activities were planned, promoted, implemented and monitored in relation to improvement of soil fertility, increasing fertilizer use efficiency, soil, water and nutrient conservation and weed control. Trials were conducted to isolate efficient microbes associated with rubber root rhizosphere. Microbial strains had an ability to solubilize sparingly soluble phosphates (CaHPO₄ & ERP), N₂ fixation and Indoleacetic acid production were selected for the formation of efficient biofilm biofertilizers (BFBFs). They were found to enhance root growth pattern of nursery plants compared to chemical fertilizer alone treatments. Also they have an ability to reduce leaching loss of organic carbon and some nutrients compared to inorganic fertilizer alone treatment. Therefore, co-inoculation of BFBFs at nursery stage could be effective biofertilization strategy for rubber seedling production. It was found that application of micronutrient fertilizer could improve plant growth parameters of nursery plants when applied together with macronutrients in correct proportions. Data indicated that the application of new weedicide Gluphosinate ammonium had more weed suppression ability than Pelargonic acid under immature clearings. Site specific fertilizer recommendations for 6340 hectares of mature rubber were issued and approximately 3750 ha were surveyed for suitability of planting rubber under land selection programme. The department also analyzed approximately 1000 samples (4000 parameters) for outside organizations including 100 fertilizer samples for rubber growers to assure application of good quality fertilizers to their rubber lands.



Production of cost effective environmental friendly biofertilizer by using rubber rhizosphere microbes

Use of slow release fertilizer for rubber nursery plants

Foliar testing for site specific fertilizer recommendations of mature rubber



Land suitability evaluation for rubber cultivation



Advisory Services Department

The extension strategy focused on farmer participatory development of selected rubber units in each REO divisions was continued with the upgrading of 230 rubber lands as Model rubber holdings. One farmer participatory model rubber village was successfully established in Botale village in the Kegalle district. Status of 238 immature substandard rubber holdings and 208 mature substandard rubber holdings were rehabilitated successfully. Sixty rubber processing centers were developed as Models and 47 new RSS processing centers were constructed under supervision of REO. Seventeen substandard RSS processing centers were rehabilitated and 39 training programmes were conducted on quality improvement of RSS for the benefit of 591 smallholders.

Over fifty six and thirty six model holdings were set up to demonstrate the value of using rain guards and intercropping systems respectively

As a solution to the tapper shortage, 398 new harvesting assistants were introduced through 20 Tapping Training Schools (TTS) and 356 semi skilled harvesting assistants were trained on tapping quality improvement, under 26 skill development programmes. Under “Nipunatha Saviya”, 67 training programmes were conducted in collaboration with NIPM for the benefit of 3140 rubber harvesting assistants. Forty four farmer training programmes were conducted to educate nearly 1221 rubber growers on general cultivation and processing aspects of rubber. Thirty six educational programmes on the adoption of control measures of the white root disease were conducted for the benefit of 769 rubber farmers.

The collaborative research study funded by National Research Council (NRC) was continued to assess the feasibility of expanding rubber cultivation into non-traditional areas. Eight on farm trials set up in Uva, Eastern, North-central and Northern provinces were successfully maintained.

Sixty five Group extension programmes called “Vihidum Sathkara” were effectively conducted providing advisory and extension services for 1557 rubber smallholders and 135 medium scale rubber estate owners. In total, 4634 advisory visits were carried out to solve problems in technology adoption in the rubber smallholder sector.

Biochemistry and Physiology Department

Commercial scale testing of S/2 d4 and S/4 d3 systems in the Wet Zone was continued in Kuruwita Substation of RRISL. In the same time, testing of S/2 d4 harvesting system in the Intermediate Zone was continued with smallholdings in Padiyathalawa and RRISL Substation, Polgahawela. Investigations on different commercial ethephon mixtures on latex physiology of trees harvested with different harvesting systems have been continued. Testing of biochemical composition of RRIC 102 and RRIC 121 genotypes was done. Experiments were conducted to investigate the changes in biochemical and physiological parameters in rubber plants of three *Hevea* genotypes under drier climatic conditions in Northern and Eastern Provinces.

Agricultural Economics Unit

Agricultural Economics Unit provided assistance to other research departments through various economic analyses during the year. The main research focus during this year was a questionnaire survey on cost of production of Natural Rubber (NR) in the Estate sector of Sri Lanka. The analyses pertaining to the above survey were done during the year under review. Databases on local and international rubber prices, NR and Rubber finished products growth performance indicators were updated. Further, Agricultural Economics Unit conducted a research on multi criteria decision approach on land suitability evaluation in Ampara district using GIS. A variety of outreach activities were carried out during this year by the Agricultural Economics Unit in collaboration with the Biometry Section and gave the support to Geo mapping of extension programmes conducted by the Advisory Services Department throughout the year.

Biometry Section

Biometry section conducts research and development activities based on three aspects; viz. statistical methods, research support and meteorology and climatology. On statistical methods, the Biometry section was involved in research, focusing on Biometrical aspects especially on development, modification and application of statistical methodologies to suit the needs of the rubber sector. During the year under review, research support provided to other departments included data analysis, interpretation of results and database management. The research studies carried on climatology were mainly focused on drought analysis in non-traditional rubber growing areas.

A new meteorological station was established at the Kuruwita sub-station during this year. Database on meteorological data collected in the stations at Dartonfield, Moneragala and Kuruwita and rainfall data collected in stations at Nivitigalakele, Galewatta, Polgahawela, and Kuruwita were updated and provided the data for scientific purposes on request.

Adaptive Research Unit

Socioeconomic assessments on the rubber based cash crop intercropping system were done and cowpea, maize, pumpkin and mung bean were identified as the major cash crops intercropped during the immature phase of the rubber in East. Carbon foot print of rubber/sugarcane intercropping system was estimated. National Award for the Excellence in Agricultural Research 2014 was offered for the research activities conducted to introduce rubber to Eastern Province. Dr. S.M.M. Iqbal coordinated the activities of Polgahawela substation of RRISL as the officer in charge retired from in December 2013.



Rubber/Sugarcane intercropping system to sequester more atmospheric CO₂



Growing short-term traditional crops during immature phase of rubber for additional income

Polymer Chemistry Department

Coir pith use for horticulture in extensively as planting medium. Bricks made out of coir pith are exported to European countries by SMEs. Polyurethane was used as a coating material for coir pith and silicone soap used as the medium which enhance the water absorption capacity of coir pith. Polyurethane and silicone oil import from Germany at a higher cost. Both materials were successfully replaced by a cheap, readily available binder and soap. Process for manufacturing colorless adhesive by grafting MMA on to polychloroprene rubber was achieved during this year. Incorporation of nano-fillers for the same was achieved improving peel strength of the adhesive. Technology was transferred to the industry. A project on development of nitrosoamine free preservative system for natural rubber latex was continued throughout the year. Improvement of compatibility of blend of EPDM and Nitrile rubber was investigated using two compatibilizing agents. Both mechanical and thermal properties were analysed of the blend and two papers published. More than thousand samples of polymer materials and compounding ingredients were tested to analysis of their constituents using FTIR. Analysis of thermal properties of polymers/compounds using DSC and DMA was carried out for more than 50 samples.

Raw Rubber Process Development and Chemical Engineering Department

Pilot scale Ultra fast dryer developed for drying different types of rubber with the financial assistance of National Science Foundation (NSF) was completed. Trials carried out showed that drying time of crepe rubber, skim rubber and brown crepe could be reduced by approximately 33%, 80% and 60% against the conventional drying periods respectively. Optimization of newly designed small scale latex coagulating tank was further continued.

Sludge generated as a by-product form latex centrifuging factories was converted to functional filler and performance of filled composites was studied. A product oriented Natural rubber compound was designed and developed. A novel process was developed to make value addition to waste Nitrile rubber (NBR) generated from NBR glove industry through application of nanotechnology. High performance lighter weight prosthetic foot based on hybrid non material filled natural rubber nanocomposite was developed with the financial assistance of NSF. The NR compound based on hybrid nanomaterial was developed to reduce the weight while maintaining the strength, stiffness and wear and tear properties. The project titled "Rubber nanocomposites: Effects of hybrid nanomaterial systems on mechanical and flame retardant properties" leading to a PHD carried out under a research grant of National Research Council (NRC) was continued during the year.

Three new short term projects were also completed during the year. Studies carried out on the manufacture of sheet rubber using ammoniated latex revealed that latex preserved with 0.15 % on latex could be kept for next day processing without pre-coagulation problems. It was also revealed that there is a delaying trend of sheets made out of ammoniated latex. Palm oil sludge generated from their effluent treatment plants was converted into filler form. NR compounds filled with the oil palm sludge show that filled derived from the sludge could only be used as diluents in NR composites. Waste oil collected and processed from coconut oil producing mills used as a natural processing aid in NR

compounds. An experiment was commenced to improve the abrasion resistance of sole crepe in an attempt to introduce value added grade of sole crepe.

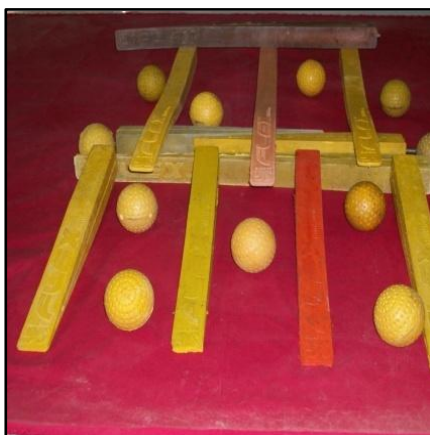
The staff of the department continued to provide routine technical assistance, analytical services and training to large scale raw rubber producers, small and medium scale sheet rubber producers and various government institutions and non-government organizations.

Rubber Technology and Development Department

Natural rubber latex based cast films were prepared with linseed oil, soya bean oil and a blend of the two oils and properties were evaluated. A novel centrifuged latex was developed with the aim of producing a non-toxic latex compound to manufacture infant items, toys, etc. Twenty rubberized-coir sheets were prepared to produce fenders suitable to prevent animal attack on immature rubber plants. NR latex foam composites were produced using four non-reinforcing, particulate, white fillers including local dolomite and properties were tested. A natural rubber and polybutadiene rubber based composite was developed with a mix of carbon black, silica and coir for middle layer of solid tyres. Filled NR/LDPE blends were prepared with different coupling agents and properties were tested. A series of NR based composites was prepared by replacing part of the carbon black with rubber wood pyrogenic carbon to evaluate suitability of the latter as a filler. A natural rubber and styrene-butadiene rubber based composite was developed with a blend of carbon black and palmyra fibre for middle layer of solid tyres. A novel mechano-chemical modification process for ground rubber tyre (GRT) was developed using an environmental friendly natural product. NR/waste polythene composites were prepared with a silane coupling agent and properties were evaluated. A stump used for cricket training purpose was produced out of natural rubber at the request of a cricket coach. A sole was produced using a thin coir sheet and specially compounded natural rubber latex for banana fibre based bedroom slippers on request from the National Design Centre. Conducted 14 training programs/workshops for SME's on "Rubber based products manufacture". 250 dry rubber compound tests, 123 product tests and 129 crepe rubber samples for hardness test were performed on request from the industry.



A natural rubber (NR)/styrene-butadiene rubber (SBR) blend composite suitable for middle layer of solid tyres was developed by partial replacement of carbon black with non-toxic palmyra fibre (as shown above), which is a readily available natural product of Sri Lanka



A natural rubber (NR) based stump and a styrene-butadiene rubber (SBR) based ball required for cricket training purpose were produced (as shown above) at the request of a Cricket Coach.



A large quantity of mainly dry rubber based vulcanizates and dipped products such as gloves was tested throughout the year for tensile properties (as shown above) and tear strength using the Instron tensile testing machine on request from the rubber products manufacturing industry.

Raw Rubber & Chemical Analysis Department

- Test & issue quality certificate for field & centrifuged latex.
- Test, grade and issued shipping certificates for all TSR produced in the country.
- Test and issued quality certificates for different grades of raw rubber produced in the country for local industries and for shippers.
- Analysis of chemicals used for processing raw rubber in the rubber products manufacturing industry for percentage purity & made recommendations accordingly.
- Expanded the latex testing facilities in determination of Gel content, cyanide free test method for Mg^{2+} content determinations.
- Conducting training programmes for laboratory personnel from rubber manufacturing companies, University students, NDT students, NIPM, PRI students.

Library and Publications Section

Forty new textbooks were added to the reference section of the library bringing the total collection to 5931. Quality manuals were compiled with 59 ISO standards. While seven journals were purchased, twenty six titles were received on exchange basis.

With completion of repository digitization in the library, an awareness programme to all scientists was conducted by the National Science Foundation. Meanwhile, the initial stage of the library automation project using “Purna’ library software was completed during the year.

Dartonfield Group

A total crop of 172815.13 kg has been harvested during this season. The actual crop harvested was 87% of the estimated crop. When comparing with the previous year 01% crop decrease is recorded. The crop harvested from the rainguarded area was 38590 kg which amount to 22% of total harvested crop.

The YPH for the year was 964kg, 69 kg less to the YPH last year.

The average intake per tapper recorded during the year was 8.0 kg. From a tapping task of 242 trees. Highest intake per tapper of 10.1 kg was recorded from the 1990 clearing with a tapping task of 305 trees tapped on 1/2S d3 tapping system of Gallewattha Division.

The total number of Normal, Late, Rainguard & No tapping days recorded during the year were 219, 11, 80 & 55 days respectively.

Total rain fall recorded for the year was 4568.6 mm with 199 wet days. When compared with same period last year it is increased by 1203.2 mm & but less by 08 days respectively.

The COP & NSA achieved for the year was Rs.245.06 and Rs.256.56 respectively, giving a profit margin of Rs.11.50 per kg. and a total profit of Rs.1.9 million. Profit per hectare recorded for the year was Rs.11082.83

Latex Crepe No.01 and RSS No.01 manufactured during the year were 75% & 93% respectively.

Kuruwita Sub-station

The mature and immature extents of the Kuruwita Sub-station were 71.84 and 10.32 hectares respectively during the year.

A total crop of 99.020 kg has been harvested against the estimated crop of 102,000 kg which is a decrease of 2,980 kg (3%).

The actual yield hectare (YPH) and the average intake per tapper were 1,378 kg and 8.9 kg respectively.

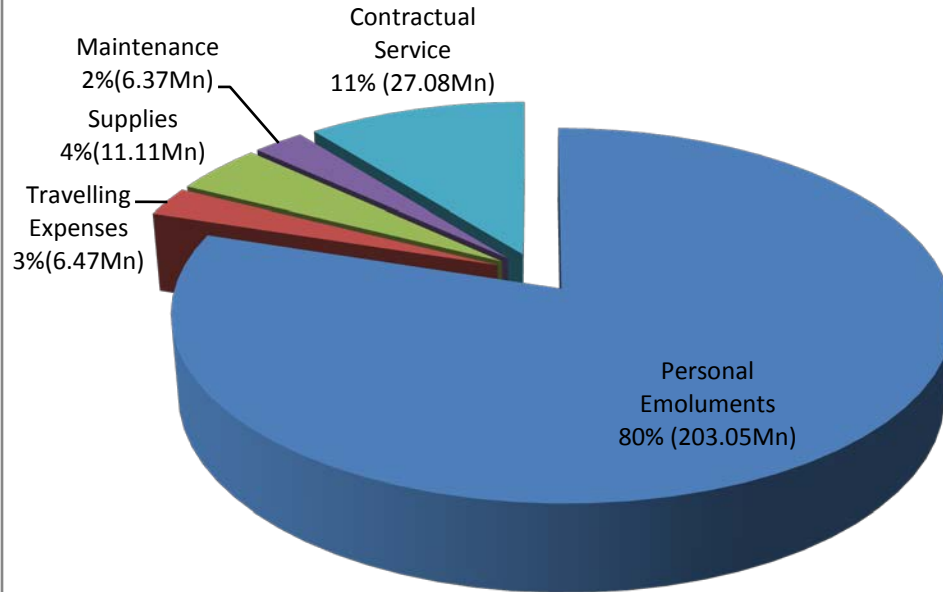
The total number of Normal, Late, Rain interference and No Tapping days recoded during the year were 282,38,15 and 30 days respectively.

The annual rainfall recorded during the year was 5,093.1 mm with 239 wet days as against 3,817.8 mm with 174 wet days during the last year.

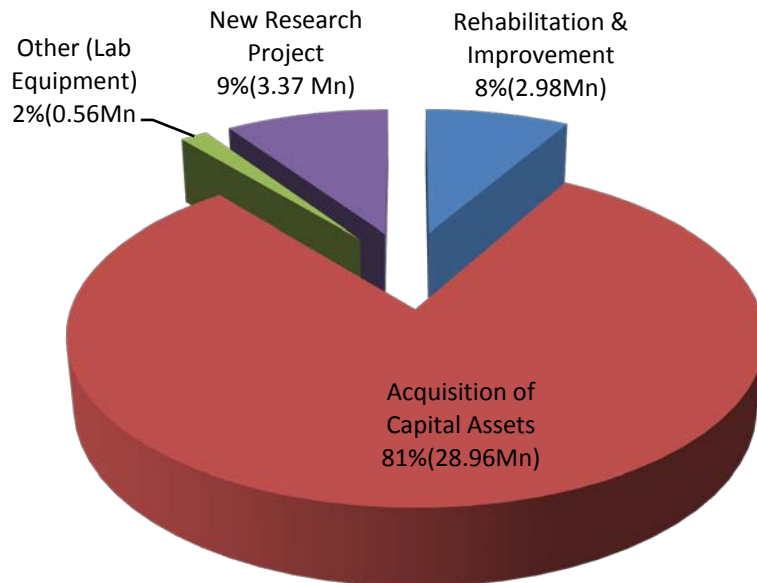
The cost of production (COP) and net sale average (NSA) for the year were Rs.198.00 and 251.92 per kg respectively giving a profit margin of Rs.53.92 per kg and profit for year was Rs.1.3 million. Profit per hectare recorded for the year was Rs.74,320.13.

RECURRENT & CAPITAL EXPENDITURE 2014

Recurrent Expenditure 2014



Capital Expenditure 2014



**Rubber Research Board of Sri Lanka - Statement of Financial Position
As at December 31, 2014**

Assets		2014	2013
Current Assets	Note		
Cash and cash equivalents	01	11,420,000.63	(2,574,695.75)
Receivables	02	12,353,976.50	9,000,110.98
Inventories	03	12,150,205.28	11,133,811.95
Prepayments			
Other Current Assets	04	48,311,088.28	49,195,478.83
		<u>84,235,270.69</u>	<u>66,754,706.01</u>
Non-Current Assets			
Receivables			
Investments in associates	05	490,607.46	476,419.88
Other financial assets	06	2,378,717.28	1,480,966.11
Infrastructure, plant and equipment	07	105,165,497.33	200,463,752.51
Land and Buildings	07	190,292,936.93	100,197,835.09
Intangible assets			
Other non-financial assets			
Working Progress		4,988,147.47	4,984,728.72
		<u>303,315,906.47</u>	<u>307,603,702.31</u>
Total Assets		<u>387,551,177.16</u>	<u>374,358,408.32</u>
LIABILITIES			
Current Liabilities			
Payables	08	(54,479,787.66)	(66,948,270.48)
Short-term borrowings			
Current portion long term borrowings			
Short -Term Provisions	09	(2,900,375.99)	(2,349,944.17)
Employee benefits			
		<u>(57,380,163.65)</u>	<u>(69,298,214.65)</u>
Non-Current liabilities			
Payables			
Long term Borrowings			
Long term Provisions			
Employee benefits	10	(109,237,033.00)	(105,762,946.03)
Total Liabilities		<u>(166,617,196.65)</u>	<u>(175,061,160.68)</u>
Net Assets		<u>220,933,980.51</u>	<u>199,297,247.64</u>
NET ASSETS/EQUITY			
Capital Contributed by Other Government entities	11	604,202,382.25	538,594,081.61
Accumulated Surpluses/(deficits)	12	(383,268,401.74)	(339,296,833.97)
Minority interest			
Total net assets/equity		<u>220,933,980.51</u>	<u>199,297,247.64</u>

I here by certify that to financial statement have been prepared in compliance with requirement of finance Act No. 39 of 1971

Accountant -RRI

The Directors are responsible for the prepared and presented of Financial Statement sign for and on behalf of the board

Director - RRI

Chairman - RRB

Rubber Research Board of Sri Lanka
Statement of Financial Performance for the Year
Ended December 31, 2014

Revenue	Note	RRI		Df. Estate		K'wita Estate		Kumarawatta Estate		Narampola Estate		Total	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Taxes													
Fees, fines, penalties and licenses													
Revenue from exchange transactions													
Transfers from other government entities		252,500,000.00	195,750,000.00									252,500,000.00	195,750,000.00
Other revenue	13	11,642,479.29	10,034,215.72									11,642,479.29	10,034,215.72
Gross Profit Df. Estate & K'wita Estate	22,23			42,858,588.83	60,292,359.33	24,973,418.34	38,066,949.59					67,832,007.17	98,359,308.92
Other Income Estate (Projects)	22,23,24,25			4,135,729.03	7,198,258.27	1,596,696.47	1,043,420.14	15,522.00	357,475.89	2,804,486.43	381,376.26	8,552,433.93	8,980,530.56
													-
Total Revenue		264,142,479.29	205,784,215.72	46,994,317.86	67,490,617.60	26,570,114.81	39,110,369.73	15,522.00	357,475.89	2,804,486.43	381,376.26	340,526,920.39	313,124,055.20
Less:													
Expenses													
Wages, Salaries and employee benefits	14,15,14A,14B,14C	202,337,586.34	187,297,831.70	35,449,307.62	37,341,664.63	17,605,366.61	16,351,384.45	4,579,765.18	5,216,156.78	2,625,334.60	2,680,106.42	262,597,360.35	248,887,143.98
Grants and other transfer payments												-	-
Supplies and consumables used	16,14A,14B,14C	12,622,497.04	18,299,293.25	1,728,932.08	2,107,088.85	370,330.84	1,312,199.46	930,895.51	228,596.53	327,934.40	28,540.00	15,980,589.87	21,975,718.09
Depreciation and amortization expenses	17,14A,14B,14C	23,857,832.20	21,540,169.16	867,569.36	842,804.72	309,373.52	339,676.90					25,034,775.08	22,722,650.78
Maintenance of property, plant and equipment	14A			3,191,129.67	4,589,809.02							3,191,129.67	4,589,809.02
Other expenses	18,19,20,21,14A,14B,14C	73,924,979.54	93,305,132.44	450,256.81	270,929.26	1,189,465.93	1,590,503.76	316,253.98	1,819,292.06	176,433.32	763,206.97	76,057,389.58	97,749,064.49
Finance Costs	14A,14B	121,799.16	203,919.06	673,212.81	645,964.57	131,814.05	161,570.54					926,826.02	1,011,454.17
Other Expenditure Estate (Projects)	22,23			710,417.59	1,138,509.80							710,417.59	1,138,509.80
													-
Total Expenses		312,864,694.28	320,646,345.61	43,070,825.94	46,936,770.85	19,606,350.95	19,755,335.11	5,826,914.67	7,264,045.37	3,129,702.32	3,471,853.39	384,498,488.16	398,074,350.33
Surplus/(deficit) for the Period		(48,722,214.99)	(114,862,129.89)	3,923,491.92	20,553,846.75	6,963,763.86	19,355,034.62	(5,811,392.67)	(6,906,569.48)	(325,215.89)	(3,090,477.13)	(43,971,567.77)	(84,950,295.13)

2012 Prior Year Adjustment

(70,271.38)

(43,971,567.77) **(85,020,566.51)**

**Rubber Research Institute of Sri Lanka
Consolidated Cash Flow Statement
For the year Ended 31 December 2014**

<u>Cash Flows from operating Activities</u>	2014	2013
Surplus/Deficit	(43,971,567.77)	(84,950,295.13)
Non Cash movements (Depreciations Amortization)	24,424,215.68	22,722,650.78
Increase / Decrease Payables	(12,468,482.82)	23,356,391.18
Increase / Decrease in provisions relating to Employees cost	3,474,086.97	5,369,474.53
Increase / Decrease in Short-term provision	550,431.82	500,392.56
Increase / Decrease other current Assets	884,390.55	9,399,444.38
Increase / Decrease in Investment	(14,187.58)	3,309.59
Increase / Decrease Receivables	(3,353,865.52)	(473,650.65)
Increase / Decrease Inventories	(1,016,393.33)	(9,716,879.13)
Increase / Decrease other financial Assets	(897,751.17)	188,073.75
Net Cash flow from operating Activates	(32,389,123.17)	(33,601,088.14)
<u>Investing Activities</u>		
Interest on Investment	35,044.41	35,989.65
Purchase of Plant & Equipment	(22,223,481.59)	(40,987,174.67)
Decrease Working Progress	3,418.75	24,491,339.54
Net Cash Flows from Investing Activities	(22,185,018.43)	(16,459,845.48)
<u>Financial Activities</u>		
Capital Grant (Treasury)	68,000,000.00	53,400,000.00
Project Receipts	568,837.98	(21,958,474.87)
	68,568,837.98	31,441,525.13
Net Cash Flows from the Financing Activities	13,994,696.38	(18,619,408.49)
Cash and Cash Equivalents at beginning other period	(2,574,695.75)	16,044,712.74
Cash and Cash Equivalents at end of the period	11,420,000.63	(2,574,695.75)

Rubber Research Board of Sri Lanka
Statement of Changes in Net Assets/Equity
Ended December 31, 2014

	Attributable to owners of the controlling entity					Minority Interest	Total net Assets/equity
	Contributed Capital	Other Reserves	Translation Reserves	Accumulated Surpluses/ (Deficits)	Total		
Balance at December 31, 2014							
Changes in accounting policy	536,202,382.25			(339,296,833.97)	196,905,548.28		196,905,548.28
Restated balance							
Change in net asset/equity for 2013							
Gain on property revaluation							
Loss on revaluation of investments							
Exchange differences on translating Funds Received	68,000,000.00				68,000,000.00		68,000,000.00
foreign operations							
Net revenue recognized directly in net asset/equity							
Surplus for the period				(43,971,567.77)	(43,971,567.77)		(43,971,567.77)
Total recognized revenue and expenses for the period							
Balance at December 31, 2013							
Carried forward	604,202,382.25	-	-	(383,268,401.74)	220,933,980.51	-	220,933,980.51

RUBBER RESEARCH BOARD OF SRI LANKA

ANY OTHER DISCLOSURES

1. ACCOUNTING POLICIES

1.1 General Accounting Policies :

1.2.1 The accounts for the year end 31 December 2014 has been prepared in accordance Sri Lanka Public Sector Accounting Standards 2009.

1.3 Conversion of foreign exchange:

Foreign currency has been converted at prevailing rates

1.4 Government and other grants and subsidies:

1.4.1 Government and other grants and subsidies related to income have been taken in to the income statement considering the periods and with related costs

1.4.2 Government and other grants related to assets, have been presented in the balance sheet at their costs and non monetary grants presented at a fair value.

1.4.3 Replanting subsidies have been set off against replanting expenditure and net amount has been represented in the balance sheet under fixed assets.

RUBBER RESEARCH BOARD OF SRI LANKA

1.5 Consolidation Policies:

- 1.5.1 The Rubber Research Board accounts comprise the consolidation of the activities of the R.R.I. plantations (Estates) managed by the Rubber Research Institute. i.e Dartonfield Group & Kuruwita Estate.
- 1.5.2 The Rubber Research Institute and estates have a common financial year which ends on 31 December.
- 1.5.3 The profits and losses of the plantations have been taken in to the Rubber Research Institute surplus/deficit account and reflected in the balance sheet.
- 1.5.4 The project Accounts have not been consolidated with the Rubber Research Institute Accounts, since they are separate entities. However, the balance of the relevant control Accounts have been incorporated.

RUBBER RESEARCH BOARD OF SRI LANKA

2. Non Current Assets:

2.1 Lands

The Institute is the sole owner of all the lands except Kumarawatta Monaragala and Narampola, Alawwa.

2.1.1 Substation at Narampola (Alawwa) Kumarawatta (Monaragala)

2.1.1 (a) Narampola (Alawwa)

The extent of this land is 106 Acres 02 Roods & 31 perches. This land was taken over on 14.12.2004 under MOU on a Rental agreement. When preparing MOU agreement between RRI and JEDB the Narampola Lands has been monetary valued as Rs. 16,000,000/-

2.1.1 (b) The extent of the land is 50 acres and this was taken over from the JEDB on 19 September 2006 under MOU on 30 years Lease agreement. Assessment value is Rs. 10,000,000/- for this Land.

Development cost for those lands is reflected in RRI Assets as additions during the year. The approval of the relevant authorities have been given to acquire these lands and action is been taken accordingly.

2.1.1 (c) A sum of Rs. 4,226,965.80 which was included in to total value of the Land & Land productivity improvement in existing rubber cultivation project has been capitalized in the accounts of non current Assets.

RUBBER RESEARCH BOARD OF SRI LANKA

2.1.1 (d) In accordance with MOU agreement RRI has to pay Rs. 640,000- annually as rental for Narampola Estate, Alawwa.

Rs. 400,000/- annually as and rental for Kumarawatta Estate, Monaragala.

The rentals have not been paid as the RRI was trying to acquire these Lands since 2004 and 2014 respectively by communicating with relevant authorities

2.1.1 (e) **Profit Loss Narampola & Kumarawatta Substations**

(i) Lands of Narampola is still in developing stage. The income generated by the estate is not sufficient to bear its expenditure.

(ii) Kumarawatta (Monaragala) Substation has been established for Research and extension activities related to non traditional Rubber growing areas including Northern and Eastern Provisions. RRI cannot be expected a profit from the substation as it is a small Land for research activities and cultivation cannot be established in commercial basis.

3.1 **Depreciation Policy**

- Fixed Asset will not be depreciated in the year of purchasing and the depreciation will be commence as from the following year.
- In depreciation the Reducing balance method is applied by the Institute
- Value of the Non current Assets have been reflected in the balance sheet on written down value basis.

RUBBER RESEARCH BOARD OF SRI LANKA

3.2 Non Current Assets have been stated at written down value basis and the rates of the depreciation are as follows:-

Item	Percentage
Buildings	3.5 %
Furniture, Fixtures & Fittings	20.0
Power and Water supply	10.0
Laboratory apparatus	20.0
Motor Vehicles	20.0
Documentary films	20.0
Periodicals and Journals	20.0
Earth slip project	3.5
Rubber in bearing	5.0
Machinery & Tools	10.0
Tea in bearing	5.0
Cinnamon	5.0

4. Work in Progress

4.1 Nursery -Monaragala

The Nursery has been initially established out of the Cess Fund. Now it has been developing by Treasury Capital allocation. The management has decided to commence the depreciation after completion of the Nursery work and amortize the fund proportionately.

5. Current Assets

5.1 Debtors & Other Receipts

5.1.1 The amount of Rs. **6,915,540.14** was shown as Surety Bond Debtors in the balance sheet of 2012 were the balances due from Bond defaulters. Contingency liability a/c is a Pararell A/c to the Surety Bond Debtors A/C. As per the Audit report 2011 the contingency liability accounts was closed from 31.12.2013 and the balance as at and 2013 is 5,845,856.64 . The similar amount was ejected from debtors and the contingency liabilities will be shown in para 7.1.1

RUBBER RESEARCH BOARD OF SRI LANKA

5.1.1 Other debtors amounting to Rs.1,286,278.99 is also generated out of the Bond defaulters. The legal action has not been taken by the Institute against them as yet due to some documentary lapses. The above amount is built up as follows.

Thurul Warmapura	-	936,278.34
D.E.D.E.I.N.Perera	-	350,000.65

5.1.2 Bad & doubtful debts. of Rs. 830,936.88 and Provision for Bad & Doubtful Debts. Rs. 1,074,162.13

Approval of the Ministry has been sought in 2009 for writing off the above, but the approval has not yet been given by the Ministry so far.

6. Stock Valuation

6.1.1 Rubber Stock has been valued on Market Price

6.1.2 Other Stock Items

Those are valued on cost basis

- 6.1.3 (1) Rubber Stock amounting to 2,901,038/- has been physically verified.
(2) Stationery stock amounting to 286,175.56 has been physically verified.
(3) The general stock amounting to 7,391,059.25 has been verified.
(4) Stock in obsolete amounting to Rs. 135,524.11 has been verified.
(5) Stocks of Kuruwita and Dartonfield which were shown under note 5 II and 5 III has been physically verified.

RUBBER RESEARCH BOARD OF SRI LANKA

7. Liabilities

7.1 Contingency Liability

This accounts has been closed from 31.12.2014 as per the details referred in para 5.1.1. The contingency liabilities balance as at 31.12.2014 is Rs. 5,845,856.64 which has made up as follows.

Mr. H.H.Talgaswatta	-	38,402.56
Mr. G.V.L.Nilmini	-	1,884,612.81
Mr. S.M.C.E.Silva	-	1,635,005.85
Mrs. Samantha P. Herath	-	444,289.87
Mr. N.A.A.D.Wickramasinghe	-	7,245.46
Mr. Nalinda P Wickramasinghe	-	10,643.54
Mr. B.P.Weerathna	-	1,825,654.55
Mr. M.D.J.R.Gunathilaka	-	<u>2.00</u>
		<u>5,845,856.64</u>

This amount will be keeping as a note to the balance sheet as from year 2013. If some defaulters will settle the bonded amount in the future it will be taken as sundry income and deducted from the amount shown in the Note.

7.2 Gratuity

Gratuity Provision have been calculated as per the gratuity Act. No. 12 of 1983 in respect of all eligible employees for the period of service under the Institute. Gratuity Provisions includes the provisions for newly absorbed Rubber Development Department staff to the New Advisory Services Dept of the Rubber Research Institute.

RUBBER RESEARCH BOARD OF SRI LANKA

8. Writing off long outstanding balance

This matter has been discussed in COPE meeting held in 2013 and the COPE instructed to appoint a committee to investigate the long outstanding Debtors and creditors balances to take a decision to write off the balances which can't be settled.

09. Research & Development Expenditure:

Research and development expenditure have been charged to departmental expenditure for the period which they are incurred, including the RRI New Advisory Services Department.

10. New planting /replanting /crop diversification expenditure

The above categories of expenditure have been capitalized in the accounts with effect from 1993. Depreciation will be made on maturity.

11. Categorizing Expenditure against Budget Format.

Laboratory Working expenses and Field Working expenses have been shown under Research and Development Expenditure in the Statement of Financial Performance. In the Budget Format, Laboratory working expenses have been shown under Supplies and Field working expenses have been shown under services (Note 20)

Other Operating Expenses are the value of services rendered from the estates (Dartonfield and Kuruwita) to the Rubber Research Institute except Rent for Narampola and Kumarawatta. These expenses are charged to the Rubber Research Institute from the Monthly accounts of Dartonfield and Kuruwita Estates (Note – 22). Labour Charges born related to Insititute activities have been charged to the relevant department expenditure votes.

Dartonfield

Agalawatta

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note 02 - Receivables

	2014	2013
	Rs.	Rs.
RDD / ASD / RRI Control A/C.	2,616,291.74	2,260,360.20
Festival Advance	395,700.00	308,950.00
Travelling Advance	27,000.00	33,000.00
A.S.D.Building Complex	5,214,500.00	5,214,500.00
Staff Salary Advance	1,350.00	1,350.00
RRI Departments - Sundry	1,200.00	1,200.00
Graduate Trainees Reimbursable	627,983.56	627,983.56
Graduate Payment 2014	1,499,345.85	0.00
Security Deposits	32,150.00	32,150.00
RDD/ Nurseries RRI Main Control A/C	98,910.15	98,910.15
E T F	50,203.40	51,532.71
Insurance	41,044.64	34,356.64
Claims From Insurance Corporation	10,893.96	
Pre Payments T.Premaratne,Suranga Motors Ampara	150,000.00	150,000.00
NIPM	71,349.88	71,349.88
Graduate Trainees Payment	84,442.84	84,442.84
Cheques Purchase Advance	1,318,343.54	29,925.00
Petty Cash Advance A/C		100.00
Abetment - Advance A/C	113,266.94	
	12,353,976.50	9,000,110.98

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note 03

Inventories/Stocks

		2014	2013
RRI	Schedule 01	10,713,796.92	10,305,076.05
K'wita Estate	Schedule 02	429,427.62	262,216.49
Df Estate	Schedule 03	1,006,980.74	566,519.41
	Rs	<u>12,150,205.28</u>	<u>11,133,811.95</u>

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note 04

Other Current Assets

		RRI		K'wita Estate		Df. Estate		Total	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Deposits	Schedule 04	422,793.41	426,013.41					422,793.41	426,013.41
Other Debtors	Schedule 05	1,286,278.99	1,286,278.99					1,286,278.99	1,286,278.99
Trade Debtors	21,786,408.33								
Less : Provision for bond debtors (Schedule 06)	1,074,162.13	20,712,246.20	20,397,394.83					20,712,246.20	20,397,394.83
Sundry Debtors		13,178,567.63	10,940,983.28					13,178,567.63	10,940,983.28
Loan Receivable		5,448,844.01	7,217,793.11					5,448,844.01	7,217,793.11
Trade & Other Receivables	Schedule 07			3,732,353.54	3,341,003.18			3,732,353.54	3,341,003.18
Trade & Other Receivables	Schedule 07					3,530,004.50	5,586,012.03	3,530,004.50	5,586,012.03
		41,048,730.24	40,268,463.62	3,732,353.54	3,341,003.18	3,530,004.50	5,586,012.03	48,311,088.28	49,195,478.83

RUBBER RESEARCH BOARD OF SRI LANKA

Notes to the Accounts for the Year Ended 31/12/2014

<u>Note - 05</u>	<u>Investment</u>	<u>2014 Year</u>	<u>2013 Year</u>
		Rs	Rs
Bank Of Ceylon Agalawatta C/29 200835		200,000.00	200,000.00
National Savings Bank-City Branch A/C No.1-0002-04-5806-06		289,510.86	275,419.88
National Savings Bank-Matugama FD No.2-0045-01-58658		1,096.60	1,000.00
		<hr/> 490,607.46	<hr/> 476,419.88 <hr/>

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note (06) Other Financial Assets

Note 1B -i Kuruwita

	Rs.	Rs.
	2014	2013
Tea in Bearing	59,514.65	55,974.62
Tea in Bearing	153,736.88	96,736.48
Tea Nursery	14,995.99	-
Young Budding Nursery 2013	259,195.35	396,715.13
2007 Bud Wood Nursery	2,247.39	3,550.13
Young Budding Nursery 2013/2014	334,245.11	30,637.06
Banana Trail	47,548.48	47,548.48
Cinnamon Bearing A/c 4.95 ha	161,261.85	242,599.46
Bud wood Nursery 2008	864.80	6,651.79
Bud Wood Nursery 2011	14,284.99	18,534.99
2014 Young Bud wood Nursery	29,208.23	
Cinnamon Bearing	-	38,978.20
Sub Total	1,077,103.72	937,926.34

Note 1B -ii Dartonfield Estate

	Rs.	Rs.
	2014	2013
N'Kele Replanting 2014	-	67,821.25
2013/2014 Young Budding Nursery NK	242,969.77	232,828.81
Df Young Budding Nursery 2012/2013	-	69,589.41
G/W Young Budding Nursery 2014/2015	1,058,643.79	172,800.30
Sub Total	1,301,613.56	543,039.77
Grand Total	RS 2,378,717.28	1,480,966.11

Rubber Research Board of Sri Lanka
Notes to the Accounts for the Year Ended 31/12/2014

Note 07 - Land & Buildings	Assets	Cost as at 01.01.2014	Additional during the year 2014	Vehicles Sales bber Came into Tapp	Total as at 31/12/2014	accumulative Depreciation as at 31.12.2014	Depreciation for the year 2014	accumulated Depreciation as at 31/12/2014	Written down value as at 31/12/2014	
	Road Development Df.	4,556,849.62			4,556,849.62	-		-	4,556,849.62	
	Land - Df.	1,010,704.74			1,010,704.74	-		-	1,010,704.74	
	- N'kele	357,805.89			357,805.89	-		-	357,805.89	
	- Galewatta	1,865,476.48			1,865,476.48	-		-	1,865,476.48	
	- Kuruwita	732,681.96			732,681.96	-		-	732,681.96	
	- Rathmalana	270,760.81			270,760.81	-		-	270,760.81	
	Land productivity improvement in existing rubber cultivation	★	4,226,965.80		4,226,965.80				4,226,965.80	
	Lease Land - Alawwa (55 years lease)	662,365.75			662,365.75	-		-	662,365.75	
	- Monaragala (99 years lease)	106,650.00			106,650.00	-		-	106,650.00	
	Buildings - Df. H.Q	25,320,973.31			25,320,973.31	6,289,928.22	666,086.58	6,956,014.80	18,364,958.51	
	- Auditorium	33,803,623.04			33,803,623.04		1,183,126.81	1,183,126.81	32,620,496.23	
	- Df. Estate	3,579,933.36			3,579,933.36	657,395.89	102,288.81	759,684.70	2,820,248.66	
	- N'kele	3,559,630.44			3,559,630.44	407,319.69	110,330.88	517,650.57	3,041,979.87	
	- Galewatta	713,605.29			713,605.29	80,213.28	22,168.72	102,382.00	611,223.29	
	- Kuruwita	2,977,107.10	2,759,933.77		5,737,040.87	467,101.58	87,850.19	554,951.77	5,182,089.10	
	- Rathmalana	17,539,293.28	1,152,971.56		18,692,264.84	3,424,479.57	494,018.48	3,918,498.05	14,773,766.79	
	- Alawwa	1,302,848.78			1,302,848.78	130,011.91	41,049.29	171,061.20	1,131,787.58	
	- Monaragala	14,739,679.92			14,739,679.92	1,445,704.54	465,289.14	1,910,993.68	12,828,686.24	105,165,497.33
	Infrastructure, Plant and equipment									
	Machinery & Tools - Df.	472,968.42	89,870.67		562,839.09	229,446.38	24,352.20	253,798.58	309,040.51	
	- N'kele	31,050.00	190,885.00		221,935.00	19,421.57	1,162.84	20,584.41	201,350.59	
	- Df. Estate	902,086.13			902,086.13	486,265.35	41,582.08	527,847.43	374,238.70	
	- Kuruwita	109,300.50	4,000.00		113,300.50	33,967.03	7,533.35	41,500.38	71,800.12	
	- Rathmalana	2,697,390.00			2,697,390.00	1,649,840.38	104,754.96	1,754,595.34	942,794.66	
	- Alawwa	13,045.50			13,045.50	5,342.27	770.32	6,112.59	6,932.91	
	Laboratory Equipments - Df.	64,859,914.30	584,080.00		65,443,994.30					
	- Rathmalana	80,684,560.12	504,000.00		81,188,560.12	79,596,728.54	14,092,210.24	93,688,938.78	57,493,812.62	
	- N'kele	4,513,305.31	36,891.67		4,550,196.98					
	Effluent Treatment Plant	9,422,910.68			9,422,910.68		329,801.87	329,801.87	9,093,108.81	
	Motor vehicles - H.Q	78,925,665.17			78,925,665.17	49,236,289.43	5,937,875.15	55,174,164.58	23,751,500.59	
	- Df. Estate	1,443,598.00			1,443,598.00	1,083,128.94	72,093.81	1,155,222.75	288,375.25	
	- Kuruwita	365,960.00			365,960.00	239,819.27	25,228.15	265,047.42	100,912.58	
	Power & Water Supply - Df.	1,511,183.60			1,511,183.60	332,112.29	117,907.13	450,019.42	1,061,164.18	
	- N'kele	29,995.00			29,995.00	18,222.79	1,177.22	19,400.01	10,594.99	
	- Kuruwita	228,831.39			228,831.39	57,283.41	17,154.80	74,438.21	154,393.18	
	- Rathmalana	272,067.00			272,067.00	153,088.63	11,897.84	164,986.47	107,080.53	
	- Monaragala	1,695,132.00			1,695,132.00	694,173.50	100,095.85	794,269.35	900,862.65	
	- Alawwa	90,685.00			90,685.00	37,136.42	5,354.86	42,491.28	48,193.72	
	Furniture & Fixtures & Office Equipment -Df. H.Q	21,550,979.62	4,642,399.40		26,193,379.02	12,179,085.25	1,874,378.87	14,053,464.12	12,139,914.90	
	- N'kele	1,339,316.41			1,339,316.41	1,020,406.71	63,781.94	1,084,188.65	255,127.76	
	- Kuruwita	444,805.75			444,805.75	207,299.84	47,501.18	254,801.02	190,004.73	
	- Rathmalana	6,606,926.79	324,868.53		6,931,795.32	3,551,060.49	611,173.26	4,162,233.75	2,769,561.57	
	(vote No-01.07.06 +01.08.06) - Alawwa	310,838.89			310,838.89	133,477.30	35,472.32	168,949.62	141,889.27	
	- Df. Estate	578,824.61			578,824.61	422,258.19	31,313.28	453,571.47	125,253.14	
	- Monaragala	1,230,151.63			1,230,151.63	560,209.68	133,988.39	694,198.07	535,953.56	
	Others Assets - Df. H.Q	4,741,450.28	3,348,761.23		8,090,211.51					
	- Df. Estate	888,552.04			888,552.04					
	- Rathmalana	675,200.02	313,880.82		989,080.84					
	- N'kele	119,844.00	43,300.00		163,144.00	2,096,852.73	686,275.08	2,783,127.81	9,943,339.41	
	- Kuruwita	658,406.16	3,600.00		662,006.16					
	- Alawwa	64,060.00			64,060.00					
	- Monaragala	1,812,091.00	57,321.67		1,869,412.67					
	Library Periodicals Journals & Sub etc.	7,504,583.13	764,270.96		8,268,854.09	5,159,628.23	468,990.98	5,628,619.21	2,640,234.88	
	Rubber Replanting Df & K'wita	45,211,529.56	4,167,726.58	6,674,288.40	42,704,967.74				42,704,967.74	
	Rubber in bearing Df & k'wita	12,211,187.91	6,674,288.40		18,885,476.31		610,559.40	610,559.40	18,274,916.91	
	Tea Replanting K'wita	4,544,907.52	473,336.66		5,018,244.18		227,245.38	227,245.38	4,790,998.80	
	Replanting Cinnamon K'wita	695,596.73			695,596.73		34,779.84	34,779.84	660,816.89	
	Replanting Pepper	106,848.01			106,848.01				106,848.01	
	Earth Slip Project	139,543.30			139,543.30	39,460.77	3,502.89	42,963.66	96,579.64	
	Documentary film	3,723.33			3,723.33	3,256.91	93.28	3,350.19	373.14	190,292,936.93
	Total	472,809,004.58	30,363,352.72	6,674,288.40	496,498,068.90	172,147,416.98	28,892,217.66	201,039,634.64	295,458,434.26	295,458,434.26
	2014.01.01 Accumulated Depreciation	=	172,147,416.98	★★★		2014 Total Depreciation		28,892,217.66	★★★	
	2014 year Depreciation	=	28,019,633.04	★★		2014 Replanting Depreciating Transfer to the Estate A/C		872,584.62	★	
		Rs.	<u>200,167,050.02</u>					Rs.	<u>28,019,633.04</u>	★

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Capital Ex. Land productivity

improvement in existing rubber cultivation

	2014	2013
Plant Science	338,583.28	
Plant Pathology	246,535.20	
Genetics & Plant Breeding	2,903,932.78	
Soils & Plant Nutrition	180,280.00	
Training Centre	557,634.54	
Sub Total	4,226,965.80	-

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note 08

Payables

		RRI		K'wita Estate		Df. Estate		Total	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Creditors	Schedule 08	31,874,353.13	43,846,357.34					31,874,353.13	43,846,357.34
Payables	Schedule 08, 09, 1	12,033.37	5,273.87	3,081,739.77	2,817,882.97	9,730,170.49	10,675,074.84	12,823,943.63	13,498,231.68
				(Schedule 09)	(Schedule 09)	(Schedule 10)	(Schedule 10)		
Accrued Expens	Schedule 11	9,572,473.70	9,346,341.68	-	20,479.89	209,017.20	236,859.89	9,781,490.90	9,603,681.46
Total	Rs	41,458,860.20	53,197,972.89	3,081,739.77	2,838,362.86	9,939,187.69	10,911,934.73	54,479,787.66	66,948,270.48

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Provision for Audit Fee

Note - 09

	2014	2013
Beyond 2013.01.01	2,349,944.17	1,849,551.61
Provision for 2013	550,431.82	500,392.56
Total	2,900,375.99	2,349,944.17

Provision for Gratuity

Note - 10

	2014	2013
RRI	87,113,122.50	79,846,234.03
Kuruwita	6,867,153.00	6,818,332.00
Dartonfield	15,256,757.50	19,098,380.00
Total	109,237,033.00	105,762,946.03

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note - 11

		2014
Accumulated Fund		45,044,234.46
Other Capital Grants	Schedule 12	54,564,112.39
Treasury Grants Capital		418,466,000.00
Treasury Grants Cess		79,828,035.40
Plantation Crop Development Fund		6,300,000.00
		<hr/>
	RS	<u><u>604,202,382.25</u></u>

Note 12

Deficit A/C Balance B/F 01.01.2013		(339,296,833.97)
Deficit 2014 year		(43,971,567.77)
		<hr/>
	RS	<u><u>(383,268,401.74)</u></u>

Rubber Research Institute of Sri Lanka
Note to the Accounts for the Year Ended 31/12/2014
Dartonfield Estate Expenditure

Note 14A

Wages, Salaries & Employee Benefits

	2014	2013
Salaries & Wages etc	31,517,801.64	33,191,075.73
EPF	2,560,723.50	2,718,604.55
ETF	555,325.18	631,038.95
Medical	815,457.30	800,945.40
Total	35,449,307.62	37,341,664.63

Grants & Other Transfer Payment

Supplies & Consumables Used

Tools	2,761.34	4,357.50
Rain Guard	808,980.32	1,282,550.16
Stimulation	30,005.12	36,364.48
Tapping Utensils	50,391.22	139,173.09
Chemicals	775,114.58	596,975.76
packing Materials	61,679.50	47,667.86
Total	1,728,932.08	2,107,088.85

Depreciation & Amortization Expenses

Depreciation		
Fixed Assets	335,518.08	283,909.36
Repenting	532,051.28	558,895.36
Total	867,569.36	842,804.72

Maintenance of Property, Plant & Equipment

Supervisory Vehicle	396,837.00	687,146.92
Stationery & Communication	409,098.60	106,398.96
Bungalows	164,943.36	286,515.11
Lines	2,504.41	60,374.78
Miner Building Up-Keep	51,349.96	60,277.53
Fence & Boundaries	-	12,517.13
Weeding	57,000.00	78,444.70
Artificial Manure	-	342,516.59
Manure Application	-	21,216.88
Marking	1,865.00	1,700.00
Censes	-	2,865.00
Tapping Pennell Treatment	13,755.00	24,959.00
Storm Damage,	-	250.00
Latex (Transports)	434,896.39	379,628.37
Tools(Transports)	-	1,236.07
Power	1,349,529.24	1,113,776.22
Fuel	42,143.81	123,427.54
Factory Up-Keep	35,747.60	38,064.65
Machinery Up-keep	67,772.30	187,534.07
Factory Sundries	26,077.98	32,670.37
Transport of Produce	134,053.01	178,907.24
Water Supply	3,556.01	1,491.39
President's Visit	-	847,890.50
Total	3,191,129.67	4,589,809.02

Other Expenses

Contingencies	273,909.56	126,102.14
Levies, Subscription & Visiting	7,483.88	9,534.19
Welfare & Sports	52,646.09	43,794.36
Audit Fee	105,223.36	91,498.57
Expenditure Galewatta 1975.78		
Other	10,993.92	
Total	450,256.81	270,929.26

Finance Costs

Legal	54,246.00	47,836.00
Commission Cash Transport/Insurance	395,855.97	594,378.57
Bank Charges	14,745.57	3,750.00
Insurance	208,365.27	
Total	673,212.81	645,964.57
Total Revenue expenditure	42,360,408.35	45,798,261.05

Rubber Research Institute of Sri Lanka
Note to the Accounts for the Year Ended 31/12/2014
Kuruwita Sub Station

Note 14 B

Wages, Salaries & Employee Benefits

	2014	2013
Emolument	15,028,109.29	14,155,670.79
EPF	1,521,644.56	1,381,317.88
ETF	367,444.31	345,329.47
Medical	147,205.25	152,824.09
Overtime pay	538,803.20	314,082.22
House rent	2,160.00	2,160.00
Total	<u>17,605,366.61</u>	<u>16,351,384.45</u>

Supplies & Consumables Used

Fuel	261,533.80	555,542.94
Stationery	16,165.00	417,981.19
Manure	-	285,877.50
Chemical etc	92,632.04	52,797.83
Total	<u>370,330.84</u>	<u>1,312,199.46</u>

Depreciation

Fixed Assets	230,865.40	257,036.77
Replanting	78,508.12	82,640.13
Total	<u>309,373.52</u>	<u>339,676.90</u>

Other Expenses

Contingencies	1,122,283.81	1,500,878.85
subscription & Visiting	1,065.60	18,757.44
Welfare	15,455.00	19,666.15
Audit fee	32,661.52	28,401.32
Legal	18,000.00	22,800.00
Total	<u>1,189,465.93</u>	<u>1,590,503.76</u>

Finance Costs

Commission on Cash	131,814.05	161,570.54
Total	<u>131,814.05</u>	<u>161,570.54</u>
Grand Total	<u><u>19,606,350.95</u></u>	<u><u>19,755,335.11</u></u>

Rubber Research Institute of Sri Lanka
Note to the Accounts for the Year Ended 31/12/2014
Monaragala Sub Station

Note 14 C

	2014		2013	
Emolument	3,977,857.81		4,605,064.06	
EPF	476,836.55		541,146.00	
ETF	<u>125,070.82</u>	4,579,765.18	<u>69,946.72</u>	5,216,156.78
Supplies & Other Consumables used		930,895.51		228,596.53
Other Expenses		<u>316,253.98</u>		<u>1,819,292.06</u>
Total		<u><u>5,826,914.67</u></u>		<u><u>7,264,045.37</u></u>

Rubber Research Institute of Sri Lanka
Note to the Accounts for the Year Ended 31/12/2014
Polgahawela Sub Station

Note 14 C

	2014		2013	
Emolument	2,191,506.24		2,310,988.00	
EPF	378,727.44		324,824.16	
ETF	<u>55,100.92</u>	2,625,334.60	<u>44,294.26</u>	2,680,106.42
Supplies & Other Consumables used		327,934.40		28,540.00
Consumables Used				
Other Expenses		<u>176,433.32</u>		<u>763,206.97</u>
Total		<u><u>3,129,702.32</u></u>		<u><u>3,471,853.39</u></u>

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note-15 - TRAVELLING

Research Departments	2014	2013
	Travelling & Subsistence	
Plant Science	527,862.75	698,322.50
Plant Pathology	255,280.50	298,206.00
Genetics & Plant Breeding	400,512.50	381,607.50
Soils & Plant Nutrition	269,355.00	317,347.75
Raw Rubber & Chemical Analysis	57,702.00	42,182.00
Bio-Chemistry & Physiology	77,282.75	60,663.25
Electronic Laboratory		3,730.00
Adaptive Research Unit	92,285.75	97,483.60
Rubber Technology	127,523.50	121,589.50
RRPD & CE Dept	197,179.00	172,892.00
Bio Metry	35,655.00	39,689.50
Polymer Chemistry	93,003.50	82,227.00
Agriculture Economics	7,000.00	2,500.00
Sub Total	2,140,642.25	2,318,440.60
Other Departments		
Library & Publication Unit	20,625.00	35,205.00
Director's Office	144,242.00	25,032.50
Internal Audit	84,455.88	36,785.00
Board Office	618,574.00	544,148.00
Administration	73,418.00	149,979.50
Finance (Accounts)	93,887.00	102,054.00
Stores	25,200.00	47,875.00
Maintenance (Work Section)	1,322,109.25	1,423,343.10
RRI New Advisory Services Dept	1,454,803.31	1,884,118.10
Training Centre	6,240.00	10,910.60
Sub Total	3,843,554.44	4,259,450.80
Grand Total	5,984,196.69	6,577,891.40

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note -16 - SUPPLIERS AND CONSUMABLES

Research Departments	Other Expenses	
	2014	2013
Plant Science	153,149.80	279,146.34
Plant Pathology	305,945.72	283,787.21
Genetics & Plant Breeding	55,722.46	133,355.92
Soils & Plant Nutrition	62,916.34	50,029.03
Raw Rubber & Chemical Analysis	47,212.12	39,270.00
Bio-Chemistry & Physiology	7,552.81	108,699.08
Electronic Laboratory		100.00
Adaptive Research Unit	111,079.54	87,339.86
Rubber Technology	48,914.30	21,130.67
RRPD & CE Dept	52,382.00	53,328.54
Bio Metry	71,719.64	429,129.38
Polymer Chemistry	18,500.00	9,962.50
Agriculture Economics		2,542.42
SUB TOTAL	935,094.73	1,497,820.95
Other Departments		
Library & Publication Unit	241,108.49	975,989.02
Director's Office	124,268.78	77,872.90
Internal Audit	21,246.86	27,253.45
Board Office	702,578.13	817,058.56
Administration	225,916.61	738,256.73
Finance (Accounts)	259,147.75	324,706.06
Maintenance (Work Section)	221,009.49	177,701.49
RRI New Advisory Services Dept	623,800.45	1,031,713.13
Training Centre	677,969.47	948,095.90
Stores	3,929.89	30,625.59
SUB TOTAL	3,100,975.92	5,149,272.83
L.P gas for Bungalows	204,163.00	691,967.95
Fuel & Lubricants	7,298,797.55	9,565,207.31
Stationery and Office Requisites	674,306.95	691,542.30
Medical Expenses	392,161.89	703,481.91
Bud wood Stumps	2,000.00	
Sample survey for rubber productivity	14,997.00	
SUB TOTAL	8,586,426.39	11,652,199.47
GRAND TOTAL	12,622,497.04	18,299,293.25

RUBBER RESEARCH BOARD OF SRI LANKA

Notes to the Accounts for the Year Ended 31/12/2014

Note-17

Depreciation of Non Current Assets

Category of Assets	Percentage	Rs.		Depreciation method
		2014	2013	
Buildings	3.5%	3,172,208.89	2,010,826.72	Reducing Balance method
Furniture, Fittings & Office Equipment	20%	2,797,609.25	2,991,647.15	"
Power & Water Supply	10%	253,587.70	281,764.10	"
Machinery & Tools	10%	180,155.76	198,702.07	"
Lab Apparatus	20%	14,092,210.24	13,138,105.13	"
Motor Vehicles	20%	6,035,197.11	7,543,996.37	"
Library Books	20%	468,990.98	539,073.72	"
Documentary Film	20%	93.28	116.61	"
Earth Slip Project	3.50%	3,502.89	3,629.94	"
Other assets	10%	686,275.08	557,547.48	"
Effluent Treatment Plant	3.50%	329,801.87		
Total		28,019,633.04	27,265,409.29	
Less:				
Dartonfield Estate		(335,518.08)	(283,909.36)	"
Kuruwita Estates		(230,865.40)	(257,036.77)	"
		27,453,249.56	26,724,463.16	
Less: Amortization		(3,595,417.36)	(5,184,294.00)	
		23,857,832.20	21,540,169.16	

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

Note-18 - MAINTENANCE

	2014	2013
	Rs.	Rs.
Office & General Building Repair & Maintenance	1,948,807.37	6,300,588.70
Maintenance of Auditorium	35,816.95	-
Bungalows	989,225.86	1,375,728.75
Bungalow Premises & Compounds	7,364,809.79	9,053,143.54
Furniture, Fixtures & Fittings	747.88	71,850.00
Institute General Building Premises & Compounds	1,300,437.57	2,128,384.77
Maintenance of Bungalows Appliances		
RRI Ratmalana Building Premises Upkeep-Maintenance	239,001.45	205,718.20
Maintenance Tools	4,880.00	-

OPERATIONAL EXPENDITURE VEHICLES.

Servicing of Vehicles	111,155.00	246,996.53
Diesel Taxes		
Repairs & Maintenance	3,525,937.52	6,272,386.60
Maintenance of Plant and Machinery.	6,581.81	55,845.66
Maintenance of Vehicles Tools		
	15,527,401.20	25,710,642.75

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014

ADMINISTRATION - GENERAL CHARGES - 2014

Note-19 -

CONTRACTUAL SERVICES

	2014	2013
	Rs.	Rs.
Legal Expenses	120,254.00	312,320.00
Audit Fees	412,546.94	380,492.67
IRRDB Germplasm Subscription		1,158,409.25
Entertainment Expenses	221,783.00	167,872.00
Insurance General Covers(Excluding vehicles)	1,754,013.90	1,910,742.03
Welfare and Recreation	131,112.98	150,578.25
Railway Concessionary Season Tickets	30,650.00	23,320.00
Conference/Seminars	260,170.50	1,113,981.42
Bank Charges	121,799.16	203,919.06
Security Charges - RRI	3,924,837.26	5,546,733.11
Postage	84,704.56	129,054.78
Telephone	2,728,817.02	2,613,225.53
Advertisements	427,190.40	590,275.15
Transport & Handling Charges	18,094.81	66,978.23
Sundries & Utility Services	614,948.84	617,547.37
Staff Training & Development	1,504,549.28	341,348.71
Fees For Interview Pannels	24,000.00	55,679.00
Provident Fund Expenses-RRI Component	68,295.77	51,222.58
Public Relations	4,096.59	7,588.95
Honorarium to Members Attending AFCOM	159,937.00	101,952.21
Police Escort Expenses	18,000.00	18,000.00
Inland Revenue Stamp Duty	73,175.00	90,950.00
Customs Duty/ clearing Charges	26,400.00	3,920.00
Deyata Kirula Exhibition	213,245.99	295,862.69
Photo Copier Maintenance	70,937.04	172,704.00
Gratuity for the Year	9,005,868.47	7,766,359.03
Computer net Work		3,080.00
Power Supply & Maintenance allied	9,183,452.17	10,867,251.10
Water Supply & Maintenance allied	980,682.43	507,423.45
Environmental Protection		7,997.57
Upkeep & Maintenance of Guest Houses (DF & KW)	1,116,326.33	1,839,878.07
Revenue Licenses, Insurance Covers, Fitness fees &	2,310,234.70	501,401.80
External Vehicles Hired	207,367.79	323,994.13
Rent & Taxes	20,371.16	200,482.04
President Visit RRI		230,319.84
Contingencies & General Ex.	85,908.00	-
	35,923,771.09	38,372,864.02

RUBBER RESEARCH BOARD OF SRI LANKA
Notes to the Accounts for the Year Ended 31/12/2014
EXPENDITURE -RESEARCH AND DEVELOPMENT

Note -20 Research Departments

	Laboratory Working	Field Working 2014	Total	Laboratory Working	Field Working 2013	Total
Plant Science	68,895.83	2,182,902.26	2,251,798.09	128,889.25	3,790,588.38	3,919,477.63
Plant Pathology	428,243.18	276,395.13	704,638.31	534,060.47	538,442.17	1,072,502.64
Genetics & Plant Breeding	268,589.14	4,621,342.63	4,889,931.77	109,123.10	3,733,662.93	3,842,786.03
Soils & Plant Nutrition	219,163.41	605,571.32	824,734.73	666,059.98	985,545.34	1,651,605.32
Raw Rubber & Chemical Analysis	298,582.27	131,085.00	429,667.27	381,087.48	14,700.00	395,787.48
Bio-Chemistry & Physiology	126,667.79	84,581.28	211,249.07	62,293.12	204,856.74	267,149.86
Adaptive Research Unit	16,181.27	76,676.79	92,858.06	25,189.24	175,528.56	200,717.80
Rubber Technology	60,229.50	196,914.69	257,144.19	430,796.45	485,572.67	916,369.12
RRPD & CE Dept	203,718.30	77,927.95	281,646.25	236,502.83	545,257.55	781,760.38
Bio Metry			-		16,413.55	16,413.55
Polymer Chemistry	51,700.00	202,342.74	254,042.74	226,591.35	582,254.88	808,846.23
Modified Tapping Knives			-			-
Manufacturing Charges - Plant Sc.De			-		3,012,472.28	3,012,472.28
Tapping Marking Plates Expenses		4,134,500.00	4,134,500.00			
TOTAL	1,741,970.69	12,590,239.79	14,332,210.48	2,800,593.27	14,085,295.05	16,885,888.32
Negenahira Navodaya		727,438.46	727,438.46		980,294.60	980,294.60
Northern Province Expenses		170,920.54	170,920.54		753,801.65	753,801.65
	1,741,970.69	13,488,598.79	15,230,569.48	2,800,593.27	15,819,391.30	18,619,984.57

RUBBER RESEARCH BOARD OF SRI LANKA

Notes to the Accounts for the Year Ended 31/12/2014

Note -21 Other Operating Expenses

	2014	2013
Rent for Narampola & Kumarawatta	162,000.00	1,040,000.00
Telephone Messenger	277,277.60	254,989.76
Medical Centre Labor	245,102.92	414,661.03
Sanitation	845,968.94	863,796.30
Roads, Fences & Boundaries	1,516,418.98	2,370,311.97
Watchmen & Gate Watchers	4,318,268.49	5,861,801.10
	<hr/>	<hr/>
	7,365,036.93	10,805,560.16
	<hr/>	<hr/>

RUBBER RESEARCH BOARD OF SRI LANKA
Dartonfield Group Estate Working Account for the Year Ended 2014

Note 22

	2014	2013
Sales of Rubber	44,777,428.37	66,974,556.89
Add		
2014.12.31 Stock	<u>2,901,038.00</u>	<u>4,120,513.00</u>
	47,678,466.37	71,095,069.89
Less		
2014.01.01 Stock	4,120,513.00	9,918,610.00
Rubber Sale Broker Charges	<u>699,364.54</u>	<u>884,100.56</u>
Gross Profit	42,858,588.83	60,292,359.33
Add :-		
Sundry Receipts	1,382,335.68	56,425.95
Rubber Replant Subsidy	742,621.76	258,274.34
Up rooted Rubber Trees Sales	-	4,026,231.44
Tea Green Leaf Sale	963,646.59	1,371,571.54
Rain Guard Subsidy	<u>1,047,125.00</u>	<u>1,485,755.00</u>
	46,994,317.86	67,490,617.60
Less :		
Expenses		
Wages, Salaries and employee benefits (Note 14A)	35,449,307.62	37,341,664.63
Supplies and Other consumables used (Note 14A)	1,728,932.08	2,107,088.85
Depreciation and amortization expenses (Note 14A)	867,569.36	842,804.72
Maintenance of property, plant and equipment (Note 14A)	3,191,129.67	4,589,809.02
Other expenses (Note 14A)	450,256.81	270,929.26
Finance Costs	<u>673,212.81</u>	<u>645,964.57</u>
	42,360,408.35	45,798,261.05
Other Expenditure Projects		
Tea Green Leaf Expenditure	705,745.09	904,893.29
Passion Fruit Area G/W		2,159.64
Cinnamon Expenditure	4,672.50	34,994.00
1980/93 Rubber Field Ex.	<u>710,417.59</u>	<u>196,462.87</u>
Surplus for the period	Rs. <u><u>3,923,491.92</u></u>	<u><u>20,553,846.75</u></u>

RUBBER RESEARCH BOARD OF SRI LANKA

Kuruwita Estate Working Account for the Year Ended 2014

Note 23

		2014		2013
Sales of Latex & Scrap		24,973,418.34		38,066,949.59
<u>Add :-</u>				
Sundry Receipts	532,111.87		224,706.55	
Rubber Replanting Subsidy	984,436.66		694,529.11	
Young Budding Nursery Income			52,181.22	
Cinnamon Income	80,147.94	1,596,696.47	72,003.26	1,043,420.14
		26,570,114.81		39,110,369.73
Less :				
Expenses				
Wages, Salaries and employee benefits	(Note 14B) 17,605,366.61		16,351,384.45	
Supplies and consumables used	(Note 14B) 370,330.84		1,312,199.46	
Depreciation and amortization expenses	(Note 14B) 309,373.52		339,676.90	
Other expenses	(Note 14B) 1,189,465.93		1,590,503.76	
Finance Costs	131,814.05	19,606,350.95	161,570.54	19,755,335.11
Surplus for the Period	Rs	6,963,763.86		19,355,034.62

RUBBER RESEARCH BOARD OF SRI LANKA

Kumarawatta Estate Working Account for the Year Ended 2014

Note 24

		2014	2013
Sundry Income		15,522.00	336,244.64
Rubber Re-Planting Subsidy		-	21,231.25
<u>Less :-</u>			
Maintenance Cost	(Note 14C)	(5,826,914.67)	(7,264,045.37)
Loss for the Year		<u><u>(5,811,392.67)</u></u>	<u><u>(6,906,569.48)</u></u>

RUBBER RESEARCH BOARD OF SRI LANKA

Narampola Estate Working Account for the year ended 2014

Note 25

		2014	2013
Sales of Sundry Scrap		120,542.00	22,090.00
Rubber Sales		2,184,890.13	320,056.20
Rubber Re-Planting Subsidy		<u>499,054.30</u>	<u>39,230.06</u>
		2,804,486.43	381,376.26
<u>Less :-</u>			
Maintenance Cost	(Note 14C)	<u>(3,129,702.32)</u>	<u>(3,471,853.39)</u>
		<u><u>(325,215.89)</u></u>	<u><u>(3,090,477.13)</u></u>

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Inventories/ Stocks - RRI

Schedule 01

		2014	2013
		Rs.	Rs.
Stock - Dartonfield	-	2,901,038.00	4,120,513.00
Stationary		286,175.56	377,528.70
Stock - General		7,391,059.25	5,807,034.35
- Stock in obsolete		135,524.11	
Total		10,713,796.92	10,305,076.05

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 02 - Kuruwita Estate Stock

<u>Fertilizer</u>	2014		2013	
	Qty.(kg)	Rs.	Qty.(kg)	Rs.
Urea	35.45Kg	786.48	595.45 kg	13,100.01
M.O.P.	9.5Kg	213.73	265.5 kg	5,844.89
H.E.R.P	212Kg	3,180.00	550 kg	8,250.00
T/200	0	-	340 kg	8,183.65
T/65	6Kg	330.00		
Dolomite	0	-	59 kg	389.40
U/709	0	-	150 kg	3,600.00
T/750	78Kg	1,911.00	103 kg	2,523.50
Di Ammonia Phosphate	49.5Kg	1,335.26	139 kg	3,749.52
Sulphate of Photash	86.9Kg	2,636.73	166 kg	5,036.80
Sulphate of Ammonia	99.9Kg	3,553.33	179 kg	6,366.83
ERP	0	-	424 kg	6,134.24
9.11.11.14	0	-	50 kg	1,216.00
Epson Soalt	179.6Kg	4,399.89	277 kg	6,786.03
Ethereal	2 Litis	1,739.99	8 ltis	6,959.94
Glyfosate	16 Litis	17,360.00	1 ltis	1,095.00
Brunolium	0	-	10 ltis	6,851.25
Coir Broom	0	-	4 nos	600.00
Equal Broom	1 Nos	130.00	3 nos	285.00
L.P.Gas	1 Nos	2,438.00	1 nos	2,438.00
Barbed wire	0	-	75 kg	14,314.20
E/Bulbs	9 Nos	720.00	9 nos	720.00
China Clay	0	-	400kg	5,585.17
Polythene	732 Kg	217,587.43	166kg	45,398.25
Poly bags	10000 Kg	43,411.20		
T/Cells	6 Nos	360.00		
Rubber Chemicals	16 Kg	2,240.00		
Tar	720 Kg	71,139.63	295kg	26,992.50
Cement	0	-	1bag	910.00
Marco-Fungicide	0	-	0.1 g	400.00
Dithered	0	-	0.2 g	195.71
Tapping Knives	54 Nos	31,460.00	17 nos	10,030.00
Jack timber (Regale)	0	-	4 feet	586.67
Jack plank	0	-	136 feet	51,697.75
Jack Pole (3x4)	60.5 Feet	19,687.17	23.5 feet	8,063.44
Timber-Alostonia	0	-	70 feet	7,912.74
Sulpher	2.8Kg	301.00		
Fungicide	1.3 Kg	2,506.78		
Red Powder	0	-		
Total		429,427.62		262,216.49

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 03 - Stock Value - Dartonfield Estate

Item	2014		2013	
	Qty (Kg)	Value (Rs)	Qty (Kg)	Value (Rs)
Sodium Bi Sulphite	100 Kg	18,312.13	125kg	25,000.19
Maxi Crop	1 Bot	340.00	01 bot	340.00
Bullet	01 Bot	384.00	01 bot	384.00
Redoxy	0	-	2.5kg	14,422.00
Nexo Bleach	0	-	08kg	21,584.77
Sodium Sulphite	0	-	50kg	10,649.81
Formic Acid	72 Kg	13,580.88	175kg	35,998.20
Brunolium	0	-	07lits	5,103.00
Policer	400 ml	2,200.00	400ml	2,200.00
Urea	44 Kg	9,581.24	861kg	19,926.21
Kieserite	44 Kg	1,032.07	44kg	1,032.07
Cinnamon Manure	50 Kg	14,862.80	50kg	14,862.80
E.R.P.	0	-	02kg	29.49
Dolomite	28 Kg	182.55	28kg	182.55
N.P.K.12,14,14			10kg	250.85
RU 465 N.P.K.	2716 Kg	75,140.00		
M.O.P	378 Kg	8,737.58	791kg	18,284.20
H.E.R.P	0	-	608kg	10,504.20
Sulper	27.5 Kg	3,824.91	50kg	5,000.00
N.P.K.with H.E.R.P	0	-	154kg	3,941.14
C.E.S	20 Kg	450.00	40kg	900.00
D.A.P	20 Kg	450.00	40kg	900.00
S.O.A	20 Kg	450.00	40kg	900.00
S.O.P	20 Kg	450.00	40kg	900.00
Poultry	01 Roll	3,475.00	01 roll	3,475.00
Weighing Scale	01 Nos	225.00	01no	225.00
Clay Powder	250 Kg	3,440.91	220kg	11,699.07
Dust Mask	01 Nos	85.83	02nos	171.67
Bolt & Nut	16 Nos	112.00	16nos	112.00
Coir Brooms	1 Nos	91.90	07nos	634.30
Brass Screws	200 Nos	1,290.00	200nos	1,290.00
P.V.C.Pipe	1.5 Length	6,885.00	1.5 length	6,885.00
Visi Katy	01 Nos	137.50	01 no	137.50
Epoxy Thinner	04 Lits	969.23	04 lits	969.23
Clear Polythene	8.950 Kg	2,148.00	8.950 kg	2,148.00
Plain Sheet	01 Nos	1,331.25	01 no	1,331.25
Tapping Knife	05 Nos	2,976.47	05 nos	2,976.47
Marking Plate	05 Nos	2,125.00	05 nos	2,125.00
Bitumen (tar)	1260 Kg	124,071.50	1440 kg	131,760.00
Thinner	01 Lits	256.97	01 lit	256.97
Wire Nails	3.750 Kg	695.00	3.750kg	695.00
Auticomonsive Paint	02 Lits	1,178.33	02 lits	1,178.33
Bend 4"	01 Nos	140.00	01 no	140.00
Chain	01 Nos	2,700.00	01 no	2,700.00
Torch Battery	0	-	03 nos	179.14
Poly Bags	29000 Nos	86,420.00	65000nos	193,700.00
Value of Formic Acid	0	-	22.3 kg	4,675.66
Value of Sodium Bi Sulphite	0	-	10.4 kg	2,080.02
Value of Nexobleach	0	-	0.7 kg	1,679.32
Bouarsate	96 Lits	69,885.64	0	-
Ethephone	30 Lits	26,099.81	0	-
Petrol	3 Lits	450.06	0	-
Fire Wood	13 Yd	4,849.05	0	-
Eckel Brooms	03 Nos	286.46	0	-
Polythene	1178.02 Kg	352,356.68	0	-
Down Pipe (180 LF)	180 Lf	22,028.40	0	-
End Cap	4 Lf	388.44	0	-
Timber 3" x 4"	100 Lf	6,000.00	0	-
Timber 2" x 2"	194 Lf	3,298.00	0	-
Timber 3" x 5"	25.5 Lf	1,963.16	0	-
Timber 6" x 4"	30 Lf	2,700.00	0	-
Timber 3" x 3"	12 Lf	540.00	0	-
Timber 2" x 4"	167 Lf	5,845.00	0	-
Timber 2" x 6"	72 Lf	4,680.00	0	-
Timber 2" x 5"	41 Lf	2,460.00	0	-
Timber 1.5" x 2.5"	252. Lf	4,536.00	0	-
Timber 2" x 1"	354 Lf	3,540.00	0	-
Timber 1.5" x 10"	175 Lf	3,172.50	0	-
Timber 1" x 1 1/8"	409 Lf	26,587.60	0	-
Timber 3" x 4"	48 Lf	2,880.00	0	-
Timber 2" x 4"	143 Lf	5,005.00	0	-
Timber 3" x 5"	117 Lf	8,775.00	0	-
Timber 2" x 1 1/4"	357 Lf	6,426.00	0	-
Timber 2" x 2"	426.25 Lf	7,246.25	0	-
Timber 2" x 1"	1493.75 Lf	5,975.00	0	-
Timber 1" x 9"	11505 Lf	5,197.50	0	-
Timber 1 1/8" x 4"	140.9 Lf	9,158.50	0	-
Timber 2" x 1"	114 Lf	1,140.00	0	-
Cloths	10 Kg	2,000.00	0	-
Red Powder	4 Kg	3,200.00	0	-
Cement	1 Bag	920.00	0	-
Gutter Box	4 Nos	2,783.76	0	-
V Belt	8 Nos	6,433.28	0	-
Gutter	60 Lf	7,440.60	0	-
Total		1,006,980.74		566,519.41

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 04

<u>Deposits</u>	<u>2014</u>	<u>2013</u>
	Rs.	Rs.
Telecom	6,000.00	6,000.00
Electricity	90,500.00	90,500.00
Post Master General	11,671.41	14,891.41
Sundry	2,005.00	2,005.00
M.P.C.S. Moratuwa	50,000.00	50,000.00
New Bambalapitiya Service Station	4,000.00	4,000.00
Ceylon Oxygen Co. Ltd.	113,316.00	113,316.00
Tender	2,000.00	2,000.00
Lanka Filling station-Narahenpita	15,000.00	15,000.00
Leo Freight Services(Pvt) Ltd	3,801.00	3,801.00
M.P.C.S. Matugama (Fuel)	74,500.00	74,500.00
Samaranayake Saha Samaranayake	50,000.00	50,000.00
	<u>422,793.41</u>	<u>426,013.41</u>

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

	2014	2013
Schedule 05		
OTHER DEBTORS		
Thurul Warnakula	936,278.34	936,278.34
D.E.D.E.I.N.Perera	350,000.65	350,000.65
	1,286,278.99	1,286,278.99
TRADE DEBTORS		
Trade Debtors	21,786,408.33	21,471,556.96
SUNDARY DEBTORS		
Provident Fund Control A/C RRI	4,956,201.20	4,441,589.77
Interest Receivable	7,972.60	10,019.17
RRI/CRI/TRI Symposium	553,382.90	553,382.90
Bad & Doubtful Debtors	830,936.98	830,936.98
CARP Control Account	14,149.13	14,149.13
National Science Foundation	148,368.76	148,368.76
Medicinal Plant Project -2	219,701.03	219,701.03
Medicinal Plant Project -1	1,109.12	1,109.12
Medical Fund Loan	30,454.20	
Rubber/Cane Cinnamon Project	14,466.24	14,466.24
CARP Project No 12/477/357	27,719.01	27,719.01
Salaries Payable A/C	3,188.97	3,188.97
Training Centre	980,412.61	980,412.61
S.P.H.D.P	280,221.00	224,821.00
ANRPC	40,454.53	40,454.53
Sandee Project	5,294.02	5,294.02
CARP -12/607/457		30,454.20
Nurseries	21,744.96	21,744.96
Handy Craft Project	65,495.25	65,495.25
Rubber Cocoa Cinnamon Project	7,000.00	7,000.00
Ministry of Science & Technology	41,687.50	41,687.50
NSF Grant RG/2008/AG/02	137,327.92	137,327.92
N.S.F.Grant RG.2010/AG/01	127,499.25	127,499.25
N.S.F.Grant RG.2012/AG/06		16,696.43
N.S.F.Grant RG.2012/AG/10	243,552.44	636,323.87
NSF Grant RG/2006/EPSP/01	116,007.83	116,007.83
NSF Grant	296,410.00	296,410.00
NRESA	5,400.00	5,400.00
International Work Shop on White Root Diseces	82,029.84	82,029.84
Divineguma	537,285.89	1,841,292.99
Divineguma 2014	3,383,094.45	
	13,178,567.63	10,940,983.28

LOAN RECEIVABLES

	2014	2013
Motor Car / Motor Car Repair Loan	405,000.00	473,750.00
Motor Cycle Loan	354,665.35	465,831.87
Personal/Distress/Study Loan	1,776,703.36	2,748,364.39
New Personal Loan	2,905,316.18	3,503,000.15
Staff Medical Fund Loan	7,159.12	26,846.70
	5,448,844.01	7,217,793.11

Note

Bond Debtors

	Balance as at 31.12.2014
H .H. Thalgaswatta	38,402.56
B.P.Weera rathna	1,825,654.55
N.A.A.D.Wickramarathna	7,245.46
JAGSG Gunawardana	2.00
Samanthie P Herath	444,289.87
SMCE Silva	1,635,005.85
Nalinda P Wicramasinghe	10,643.54
G.V.L.Nilmini	1,884,612.81
	5,845,856.64

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 06 **Doubtful debtors**

Provision for bad & doubtful debts have not been made since year 2002. A balance of Rs.1,074,162.13 is appeared in the accounts for last 07 years. Arrangements will be made to write-off this balance by obtaining the approval of the Rubber Research Board.

Rubber Research Board of Sri Lanka
Schedule to the Accounts for the Year 31/12/2014
Kuruwita Estate
Trade & Other Receivable

Schedule 07

	Rs.	Rs.
	2014	2013
Check Roll	30,854.62	26,335.32
Festival Advance(Labor)	73,800.00	80,900.00
Festival Advance (Staff)	5,450.00	
Motor Cycle Loan "	-	6,742.88
Postage	55.00	270.00
St.Joachime Estate	84,819.21	91,271.15
Sundry Debtors	9,176.49	9,176.49
Distress Loan	66,913.08	89,046.06
Hewij Rubber Industries	-	3,026,822.56
Electricity Bills Receivables	1,024.32	4,438.72
J.D.& Sons	3,460,260.82	
Payment in advance	-	6,000.00
Sub Total	3,732,353.54	3,341,003.18

Dartonfield Estate
Trade & Other Receivable

	Rs.	Rs.
	2014	2013
Adaptive Research Unit		
Check Roll debtors	23,177.69	58,296.11
Deposit A/c	2,690.00	2,690.00
Electricity Receivable	-	482.01
J.D. & Sons	1,814,502.83	4,649,567.04
Labor Festival Advance (Sinhala)	134,325.00	179,100.00
National Institute of Plantation Management	66,066.14	66,066.14
Personal Loan	37,499.85	91,665.77
Postage Stamp	30.00	240.00
Pry Mounth Rubber Industries	6,100.00	6,100.00
Festival Advance - Staff	5,000.00	12,000.00
Tamil Festival Advance	250,200.00	283,500.00
Vogen Estate	76,114.46	134,663.36
Insurance Cash in Transits	-	15,641.60
Festival Advance Charismas	63,000.00	86,000.00
Hewij Rubber Industries A/C	0.39	-
Project GPB / NC / 2014 A/C	438,436.25	-
Rain Gard 2015 A/C	32,893.16	-
Factory chemical Balance	12,819.78	-
Drying Tower Repair A/C	567,148.95	-
Sub Total	3,530,004.50	5,586,012.03

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014
CREDITORS 2014

Schedule 08

	2014	2013
	Rs.	Rs.
Creditors Ledger Control A/C (C L C)	18,925,022.08	28,319,658.26
<u>SUNDRY CREDITORS</u>		
Provident Fund Account - RDD	2,590,865.60	2,291,868.82
Tender Deposits	1,267,848.34	1,646,152.84
Canteen Deposits	13,500.00	13,500.00
Contract Deposits	15,350.00	15,350.00
Abatement Payable		1,613,671.80
Ru: Ban: Intercropping Programme Ecology UK (D F I I	542,618.53	542,618.53
Plant Science Intercropping Unit (Essex U.K)	21,731.55	21,731.55
National Science Foundation NSF/RAP/2001/RRI/01	705.96	705.96
Biometry Project - Climate Change on Rubber	16,338.28	16,338.28
NSF RG 2012/AG/06	256,322.40	
NSF RG 2005/AG/07	-	5,776.52
NSF - PG/99/C/7	5,637.68	5637.68
NSF Grant RG/2006/SPR/06	356,001.00	356,001.00
N.S.F.Grant RG/2012/Tech/D04	4,307,728.73	4,366,944.46
N.S.F.Grant RG/2012/Tech/D05	197,880.00	1,001,110.00
NSF - SIDA/98/EP01	95,014.85	95,014.85
RDD Nursery - Gampaha	45,000.00	45,000.00
RDD (Salary Arrears)	92,837.57	92,837.57
RDD Staff Payments & Recoveries Control A/C	1,621.72	1,621.72
R.D.D.Kegalle	23,318.75	23,318.75
Receipt in Advance (stamp)	271,645.00	271,645.00
Receipt in Adr(Welfare)	595.00	595.00
Receipt-in -Advance A/C (J.I C.A)	208,297.09	208,297.09
Centre for Poverty Analysis	1,841.25	1,841.25
Lapsed Cheques A/C	166,425.75	166,425.75
Medical Fund Resurvey RRI Staff	7,989.50	7,575.00
Vitex Project	9,288.79	9,288.79
National Workers Congress	67,497.50	67,497.50
Moratuwa University	560,588.00	542,788.00
Staff Fire Wood A/C	10,688.24	9,688.24
Insurance Claim Received	19,285.71	19,285.71
Plantation Development Project	543,237.59	543,237.59
Humate Plus Experiments	22,101.50	22,101.50
Payee Tax	100,143.76	34,655.32
White roat Diseases Research Project Sweden Grant	517,084.66	874,276.26
Postgraduate Institute of Peradeniya	24,640.00	24,640.00
G.S.I.Mapping of Tea & Rubber Lands on Galle Dis.	155,000.00	155,000.00
Carbon Market Project	118,108.57	118,108.57
I.R.R.D.B.Plant Breeding Workshop	294,552.18	294,552.18
	31,874,353.13	43,846,357.34
Payable		
Payable	12,033.37	5,273.87

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 09 -Kuruwita - Payables

	<u>2014</u>	<u>2013</u>
Check Role Wagers	974,840.00	1,383,170.00
CEB	27,307.19	23,495.67
Sri Lanka Telecom Ltd	-	21,155.62
EPF Payable	326,669.44	388,812.46
ETF Payable	44,545.83	53,020.46
Holiday Pay	643,770.00	589,492.43
Attendance Bonus	63,608.00	63,350.00
Tax payable	1,628.48	2,456.06
RRI Recreation Club	-	670.00
Bank of Ceylon	-	8,500.00
National Savings Bank	10,276.78	3,000.00
Death Donation Welfare	3,765.00	2,137.45
Deposits	54,662.00	49,662.00
Receipt in Advance	8,063.52	16,167.94
RRI Provident Fund	54,513.92	25,243.37
Seetawaka Tinkers	-	11,600.00
Anuvira Auto Service	-	4,925.00
Palanda Hardware	-	5,390.00
Kuruwita M.P.C.S	-	55,468.90
S.L.N.S.S	13,080.00	19,080.00
Thrift Society	-	3,120.00
Dilini Hardware	-	15,550.00
Vishwa Shakthi Welfare	-	15,750.00
Un paid coins A/C	42,092.29	38,095.26
Casual Staff Salary	-	18,449.13
Profit Bonus	798,778.93	-
Bank Loan	14,138.39	
Dialog Television Ltd	-	121.22
Total	3,081,739.77	2,817,882.97

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014
Dartonfield Estate
Schedule 10 - Payables

	Rs. 2014	Rs. 2013
Attendance Bonus	199,549.80	250,107.99
Buddhist Society	2,575.00	200.00
Check Roll	2,940,817.75	4,706,957.94
Commission on Cash Transport	160,121.74	34,560.00
Samaranayaka & Samaranayaka	7,327.50	28,096.50
Ceylon Electricity Board	-	1,025.63
C.S.C.& W.U.	900.00	120.00
C.P.M.S.U.	7,700.00	1,300.00
E.P.F.	1,442,727.31	1,055,102.43
E.T.F.	131,216.93	172,331.32
Holiday Pay	1,886,535.90	2,086,610.07
Horticulture Society	260.00	20.00
Janatha Fertilizer Enterprises	298,577.50	298,577.50
Kovil Fund - Dartonfield	103,500.00	13,000.00
Kovil Fund - Galewatta	65,200.00	8,200.00
Kalyani Trading (Pvt)Ltd	10,300.00	8,215.00
L.J.E.W.U.	5,576.00	544.00
L.E.W.U.	105.00	15.00
New Mahinda Stores	27,018.00	11,655.00
National Savings Bank	91,750.00	24,900.00
New Paper Agent	8,490.00	1,080.00
RRI Welfare Society Colombo	51,695.00	10,225.00
Refundable Deposits	42,796.00	42,796.00
RRI Club	7,264.00	489.00
Staff Provident fund	255,087.56	139,904.92
S.L.N.S.S.	232,440.00	25,320.00
Thrift Society	14,150.00	2,038.00
Transport Agent	5,000.00	12,146.25
Unpaid Wagers	181,946.32	131,171.86
Welfare Society - N' Kele	20,700.00	10,400.00
Welfare Society - Dartonfield	-	60.00
Welfare Society - H.O	160,294.50	28,298.49
Welfare Society - Work Section a/c	3,200.00	-
Wijegunawardana & Sons	87,380.00	294,446.00
Agalawatta Auto Service	10,780.00	1,390.00
Agalawatta Motors	21,020.00	6,835.00
Institute Medical Fund	909.00	485.00
Profit Bonus - 2013/2014	104,639.56	793,297.93
Welfare Society Wishwa Shakthi	231,900.00	20,000.00
Sundry Creditors	168,288.13	22,080.00
State Mortgage Bank	80,290.00	77,830.00
B.O.C.Loan Recoveries	-	3,720.00
Chanlo Hardware	6,660.00	-
Chemanex Ltd	95,961.60	47,980.80
Co-operative Society	231,875.00	64,125.00
National Housing Development Authority	56,735.89	5,972.21
Udaya Printers	3,700.00	-
Poly pac socio	265,209.50	231,445.00
	9,730,170.49	10,675,074.84

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Accrued Expenses

Schedule 11

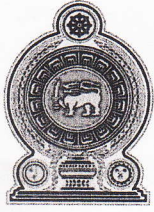
11-i RRI	2014	2013
Unknown Balance	-	-
Overtime 2008 December	66,456.63	66,456.63
Overtime 2013 December	750,091.07	568,444.58
Travelling & Subsistence 2013 Dec	435,926.00	391,440.47
Rental - Kumarawatta 2006 - 400,000/-		
2007 - 400,000/-		
2008 - 400,000/-		
2009 - 400,000/-		
2010 - 400,000/-		
2011 - 400,000/-		
2012 - 400,000/-		
2013 - 400,000/-	3,200,000.00	3,200,000.00
Rental - Narampola 2006 - 640,000/-		
2007 - 640,000/-		
2008 - 640,000/-		
2009 - 640,000/-		
2010 - 640,000/-		
2011 - 640,000/-	-	-
2012 - 640,000/-		
2013 - 640,000/-	5,120,000.00	5,120,000.00
	9,572,473.70	9,346,341.68
Kuruwita Estate (11-ii)		
Commission on Cash Carriage AES		10,479.89
Lower Fees LT Case		10,000.00
	-	20,479.89
Dartonfield Estate (11-iii)		
Overtime, Travell. & Subsist. - Dec'2013	89,133.20	87,672.39
Labour Charges - December 2013	119,884.00	149,187.50
	209,017.20	236,859.89
Grand Total	9,781,490.90	9,603,681.46

(Inter Transaction Accounts - Current A/C)

	RRI	K/W	D/F	Total
Dartonfield	(19,318,548.35)		19,318,548.35	-
Kuruwita	(4,208,081.01)	4,208,081.01		-
RRI	(23,526,629.36)	4,208,081.01	19,318,548.35	-

RUBBER RESEARCH BOARD OF SRI LANKA
Schedule to the Accounts for the Year Ended 31/12/2014

Schedule 12 Other Capital Grants	OTHER CAPITAL GRANTS - 2014			Value as at
	Value as at 01.01.2014 Rs.	Additions During Year Rs.	Amortization on Grants Rs.	31.12.2014 Rs.
Accumulated Fund				
3rd Symposium Grant	48,089.60		9,617.92	38,471.68
A.F.National Research Council		236,880.00		236,880.00
Agricultural Research	12,542,595.30			12,542,595.30
ARP Project	4,578,055.64			4,578,055.64
Australian Grant	165,221.00			165,221.00
CARP Grant	54,738.94			54,738.94
Centre for Poverty	2,221.03			2,221.03
Climate Change Project	3,445.16			3,445.16
CRI /TRI Grant	334,058.64			334,058.64
D.F.I.D. Grant	49,151.93			49,151.93
Divineguma		851,938.00		851,938.00
Environment Project Phase II	3,489.70			3,489.70
European Union Grant	9,693.90			9,693.90
Government Grant	1,556,097.28			1,556,097.28
International Foundation for Science		114,900.00		114,900.00
Medicinal Plant Project Grant	15,624.46			15,624.46
N.S.F. Grant	945,607.34		121,799.44	823,807.90
NARESA Grant	1,345,912.39			1,345,912.39
NERESA Grant	5,600.00			5,600.00
O.D.A. Grant	5,606.79			5,606.79
SRRP I Grant	12,624.52			12,624.52
SRRP II - Grant	7,644,391.73			7,644,391.73
Staff Grant Comfort room	10,272.93			10,272.93
Tea Board Grant	445,343.40			445,343.40
Treasury Grant (Capital)	17,345,881.84		3,464,000.00	13,881,881.84
UNDP Grant	2,571,866.95			2,571,866.95
UNDP Research Grant	2,510,441.46			2,510,441.46
UNICEF Grant	10,000.00			10,000.00
World Bank Grant	4,739,779.82			4,739,779.82
	56,955,811.75	1,203,718.00	3,595,417.36	54,564,112.39



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

} LP/J/RRB/FA/2014/01

මගේ අංකය
உமது இல.
Your No.

}

දිනය
திகதி
Date

} 21 September 2015

The Chairman,

Rubber Research Board of Sri Lanka

Report of the Auditor General on the Financial Statements of the Rubber Research Board of Sri Lanka for the year ended 31 December 2014 in terms of Section 14 (2) (c) of the Finance Act, No. 38 of 1971.

The audit of financial statements of the Rubber Research Board of Sri Lanka for the year ended 31 December 2014 comprising the statement of financial position as at 31 December 2014 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13 (1) of the Finance Act, No. 38 of 1971 and Section 8(2) of Rubber Research Ordinance (Chapter 439) as amended by the Act No. 11 of 1956. My comments and observations which I consider should be published with the Annual Report of the Board in terms of Section 14 (2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13 (7) (a) of the Finance Act will be issued to the Chairman of the Board in due course.

1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.



1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Standards of Supreme Audit Institutions (ISSAI-1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub - sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary power to the Auditor General to determine the scope and the extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.

2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Rubber Research Board of Sri Lanka as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.



2.2 Comments on the Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

The following non-compliances were observed.

(a) Sri Lanka Public Sector Accounting Standard No. 02

- i. An increase in the fixed assets amounting to Rs. 6,674,288 not incurred by cash during the year under review, had been adjusted in the cash flow statement by considering it as a cash outflow.
- ii. A sum of Rs. 6,728,580 paid during the year under review as employee gratuity, and a sum of Rs. 62,793 received from the sale of scrap materials, had not been taken into account in the preparation of cash flow statement.
- iii. Although the other capital grants for the year under review amounted to Rs. 1,203,718 it had been shown in the cash flow statement as project receipts amounting to Rs. 568,838.
- iv. A sum of Rs. 610,559 had been understated in adjusting the depreciation in the computation of cash flow generated from the operating activities in the cash flow statement. An equal amount of cash not generated actually by cash, had been included in the cash flow statement.

(b) Sri Lanka Public Sector Accounting Standard No. 07

- i. Capital grants amounting to Rs. 4,226,966 received in the name of Rubber Land Productivity Improvement Project, had not been accounted as a capital grant, and this money had been spent on miscellaneous activities of several Departments of the Board. The total expenditure had been accounted as a fixed asset under lands and buildings without being correctly classified as revenue and capital.



- ii. An asset should be depreciated on a systematical basis throughout its useful lifetime since it is made usable. However, the depreciation was based since the following year of purchase of assets by the board as a policy.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) Provisions for depreciation amounting to Rs. 262,025 had not been made relating to the re-cultivation of tea and cinnamon in Kuruwita Estate
- (b) Although a sum of Rs. 22,123,910 had been shown in the notes to accounts notes as gratuity provisions for employees of the Dartonfield and Kuruwita Estates, a sum of Rs. 6,480,043 of that had not been written off against the income. Provision for gratuity amounting to Rs. 548,100 had not been made in favor of 15 employees who had been receiving wages on daily basis from the Sub office in Polgahawela from 2006 up to the end of the year under review. However, a sum of Rs. 54,000 had been paid as gratuity to one of those employees who had retired during the year under review.
- (c) Adjustments had not been made for over-provisions of audit fees amounting to Rs. 981,102 up to the year 2010.
- (d) Stocks valued at Rs. 9,249,167 as at the end of the year under review had been accounted on book value without being verified.
- (e) Adequate provisions had not been made for trade debtors of Rs. 2,546,298, and surety bond debtors of Rs. 1,286,279 that had been brought forward for a period of over 20 years, the recoverability of which was confirmed as doubtful. Additionally , even though the large number of loan balances had been remaining outstanding for a long period, an assessment had not been carried out on the adequacy of provisions made in that connection after the year 2007.



2.2.3 Lack of Evidence for Audit

The following evidence sated against each item of account, had not been presented to audit.

<u>Item of Account</u>	<u>Value</u> Rs.	<u>Evidence not Presented</u>
(a) Work in Progress	4,988,147	Particulars relating to the balances of confirmation and the constructions or productions of the Regional Office, Monaragala
(b) Contingency Expenses	1,482,102	Schedules including particulars of expenses
(c) Grants on Miscellaneous Projects	13,460,425	Particulars relating to agreements governing each grant, capital goods received as grants and their values, dates received, dates of starting amortization and completion of project, and rates of amortization.

2.3 Accounts Receivable and Payable

The following observations are made.

- (a) Trade debtors of the Board
 - (i) Of the trade debtor balance amounting to Rs. 21,786,408 as at the end of the year under review, a sum of Rs. 16,717,728 representing 76.7 per cent with regard to 481 debtor accounts had remained outstanding for a period of more than 5 years. Of those debtor balances, a sum of Rs. 8,053,577 or 48.17 per cent relating to 193 debtor accounts had remained outstanding for a period of 10-20 years. Among them, a balance of Rs. 2,546,298 that had remained unrecovered for a period of more than 20 years.



- (ii) According to the letters of confirmation of balances sent up to the preceding year to the debtors of more than 10 years, no replies had been received with regard to debtors aggregating Rs. 6,011,924, and a loan balance of Rs. 1,305,161 had been confirmed to be zero. The Board did not possess documents relating to debtor balances amounting to Rs. 714,642.
- (iii) Of 663 debtors as at the end of the year under review, letters of confirmation of balances had been sent to 90 representing 13.57 per cent. Of that, 13.33 per cent had confirmed the balances to be zero.
- (b) Of the sundry debtor balance aggregating to Rs. 13,178,568 that had been brought forward for a period of more than 8 years, 16 balances totaling Rs. 1,618,112 brought forward for a period of more than 8 years, had not been confirmed as being recovered.
- (c) Action had not been taken to recover sundry deposit balances of Rs. 242,122 brought forward for a period of more than 09 years and recoverable from 07 institutions.
- (d) Action had not been taken even in the year under review to settle a sum of Rs. 5,214,500 given by the Board to the Department of Consultancy Services for constructing a building in 1985, and a sum of Rs. 712,426 recoverable from the Ministry of Plantations since 2010 for training of graduates.
- (e) A sum of Rs. 458,030 relating to a period of 2-5 years and payable to 32 institutions, and creditor balances amounting to Rs. 6,074,968 remained outstanding for a period of more than 5 years and payable to 156 institutions, had continuously been shown in the financial statements, but action had not been taken to settle those balances.
- (f) Liabilities amounting to Rs. 298,577 that remained payable to Janatha Fertilizer Company since 2002, had not been settled even in the current year. It was also observed that the relevant bills too had not been in the possession of the institute.



2.4 Non-compliance with Laws, Rules, Regulations and Management Decisions.

The following instances of noncompliance were observed.

<u>Reference to Laws, Rules and Regulations</u>	<u>Noncompliance</u>
<p>Financial Regulations of the Democratic Socialist Republic of Sri Lanka</p>	
<p>(a) Financial Regulation 371(2)</p>	<p>Ad hoc sub imprests totaling Rs. 87,000 obtained by 08 officers , had been retained in hand for a period ranging from 01 week to 04 months , and the total amount had been re-deposited. Furthermore, ad hoc sub imprests totaling Rs. 12,590 obtained by 10 officers had been settled after a delay of more than a month. Ad hoc sub imprests totaling Rs. 218,490 granted to 17 officers had not been settled as at 31 December of the year under review.</p>
<p>(b) Financial Regulation 396 (d)</p>	<p>Action had not been taken in accordance with Financial Regulations on cheques exceeding 06 months valued at Rs. 166,426 issued but not presented to the bank for payments.</p>

3. Financial Review

3.1 Financial Results

According to the financial statements presented , the operating result of the Board for the year under review had been a deficit of Rs.43,971,568 as compared with the deficit of Rs.84,950,295 for the preceding year thus showing an improvement of Rs. 40,978,727 in the financial result for the year under review. The decrease in the deficit had mainly been caused by the increase in Government grants by a sum of Rs. 57 million as compared with the preceding year, the decrease in supplies and expenditure of consumer goods by a sum of Rs. 6 million, and the decrease in other expenses by a sum of Rs. 22 million.

4. Operating Review

4.1 Performance

The following observations are made on the production of latex of the Dartonfield and Kuruwita Estates with regard to the preceding year and the year under review.

- (a) The production of latex per hectare of the Dartonfield Estate as compared with the Kuruwita Estate had decreased by 378 kilograms in the preceding year whereas, the decrease for the year under review was 44 kilograms per hectare. Reasons such as, the cultivation of the Kuruwita Estate were of research type, usage of shelters from rain, weather conditions, location, ease of maintenance owing to the small extent of land in the Kuruwita Estate, and the maturity of the cultivation had mainly caused the increase in the production of latex per hectare of the Kuruwita Estate as compared with the Dartonfield Estate.
- (b) As compared with the preceding year, the production of latex per hectare of the Dartonfield Estate had decreased by 69 kilograms per hectare, whereas the production of latex per hectare of the Kuruwita Estate had also decreased by 2 kilograms per hectare during the year under review.

4.2 Management Inefficiencies

The following observations are made.

- (a) Although it had been estimated that the loss incurred at the Dartonfield rubber factory, a part of which had been destroyed by a fire broken out in the month of January in the year under review, amounted to Rs. 4,279,695, and value of the stock of rubber destroyed amounted to Rs. 1,607,350, the insurance indemnity received amounted only to Rs. 702,517 due to failure in insuring the factory with its actual value being taken into account. Reports on the losses and damages had not been prepared in terms of Financial Regulation 102 even up to 31 March 2015, and the damaged areas had not been repaired as well. A new officer had not been employed in place of the Factory Officer who had retired prior to the fire that broke out due to lack of supervision.



- (b) A sum of Rs. 330,909 had to be paid to the Employee Provident Fund as surcharges during the year under review due to failure in paying contributions to the EPF on time in favor of 13 graduate trainees.
- (c) A liability amounting to Rs. 4,050,175 had been committed due to failure in taking the allowances into account in addition to salaries when computing the pension's gratuity of 75 officers who had retired during the period from 2006 to 2011.
- (d) Salaries and allowances had been paid from the income of the Estates to 65 laborers deployed in various places of the Rubber Research Board by considering them to be check roll laborers of the Dartonfield Estate. This had become a major factor causing the gradual decrease in the loss of the Estate.
- (e) The internal control relating to the stores had been at a weaker level due to the fact that the same officer had been responsible for both purchasing of the Board ,and custodian of the stores.

4.3 Commencement of Projects on Lands not formally Vested

The ownership of the Kumarawatta and Narampola Estates had not been transferred even during the year under review. An hypothetical rental of Rs. 8,320,000 had been allocated on these 2 estates since 2006 up to the year under review.

4.4 Personnel Administration

The following observations are made.

- (a) The approved cadre of the Board was 470 whereas, the actual cadre was 438 Eighteen approved number of posts of senior management relating to operational activities , 31 posts of tertiary level management, 56 posts of secondary level management , and 03 posts of primary level, had remained vacant. Nevertheless, there had been a surplus of lower grade employees. A surplus of 73 employees, including 56 Laborers, 12 Management Assistants , and 03 Drivers had existed.



(b) Although it is the mission of the Board to promote the rubber industry by providing the training and consultancy services for the cultivators, and the manufacturers of rubber items with the state-of-the-art technology , attention had not been adequately drawn on the research staff - the main mechanism of achieving the said mission. Recruitments had been made to the lower grades in large-scale, despite posts of Research Officer remained vacant. There had been a surplus of more than 50 per cent with regard to posts such as, Management Assistant, Driver, and Laborer, but 65 persons had been recruited newly during the year under review, despite the non-availability of even a single vacancy for the post of Laborer. Out of 189 posts approved with professional competence, 26 remained further vacant, and 4 posts of Research Divisional Head, 3 posts of Chief Research Officer, 12 posts of Senior Research Officer, and 14 posts of Research Officer had included therein.

5. Accountability and Good Governance

5.1 Budgetary Control

The utilization of estimated expenditure under personnel emoluments , and maintenance of vehicles during the year under review had exceeded the estimated expenditure by 4 per cent and 20 per cent. Even though the capital expenditure for the year under review had been estimated at Rs. 84 million, the actual expenditure amounted only to Rs. 35 million. Accordingly, the sum utilized from the estimated expenditure was only 58.3 per cent. Therefore, the budget prepared by the Board for the year under review had not been made use of as an effective instrument of management control.



6. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman from time to time. Special attention is needed in respect of the following areas of control.

- (a) Budgetary Control
- (b) Fixed Assets Control
- (c) Stocks Control
- (d) Accounting
- (e) Administration of Research Work
- (f) Purchases

W.P.C. Wickramaratne
Acting Auditor General