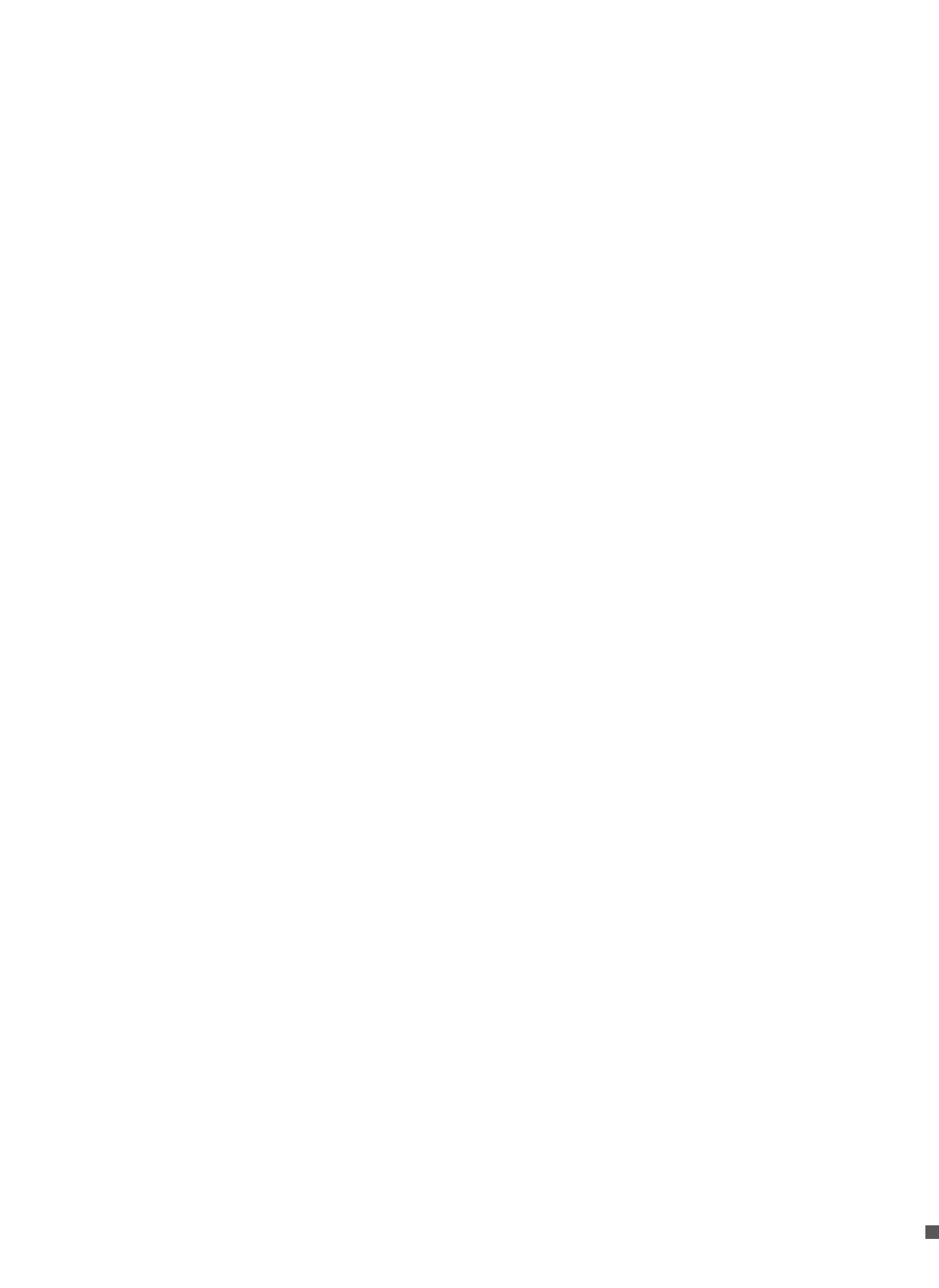


2014

வா்ர஑ீ஑ வா்ர஑ால
ஆண்டறிக்஑ை
Annual Report



஑ீல஑ ஁ர்ல஑ா஑஑ ஁ர்லு஑ு
஁ளழறியர் ஑ீ஑ ஑றறிய஑்
Employees' Provident Fund





Employees' Provident Fund Annual Report - 2014

Employees' Provident Fund (EPF), the largest superannuation fund in Sri Lanka, continued to safeguard the interests of its members by providing impressive rate of return on investment and ensuring the safety of the fund.

EPF has successfully navigated the financial year by reaching a total asset value of Rs.1,487 billion and earning the highest ever investment income for a year, amounting to Rs.163 billion. Growth in value was driven by an impressive rate of return of 12.11 per cent on the EPF's average portfolio while providing a 10.50 per cent rate of interest to its members, on their balances. This is a significant achievement of the EPF amidst declining interest rate environment and challenging equity market conditions which demonstrated the robustness of fund management, investment policies and practices. EPF continued to invest its funds mainly in Government securities during the year under review maintaining an appropriate risk-return trade-off.

Contents

Part 1

Vision and Mission	157
Message from the Chairman of the Monetary Board and Governor of the Central Bank of Sri Lanka	158
Message from the Commissioner General of Labour	160
Performance Highlights	162
Operational Highlights	164
Regulatory Framework	164
Review of the Economy	168
Performance Review	171

Part 2

FINANCIAL STATEMENTS

Statement of Income & Expenditure	179
Statement of Comprehensive Income	180
Statement of Financial Position	181
Receipts and Payments Account	182
Statement of Investments	183
Statement of Changes in Equity/ Members' Wealth	184
Cash Flow Statement	185
Accounting Policies	186

Notes to the Income Statement

1-5. Investment Income	190
6. Other Income	191
7. Total Operating Expenditure	191
8. Income Tax Expenses	191

Notes to the Comprehensive Income Statement

9. Net Change in Fair Value of Available-For-Sale Financial Assets	191
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Notes to the Statement of Financial Position

10. Property, Plant & Equipment	192
11. Capital Work-in-Progress	193
12. Intangible Assets	193
13. Financial Assets	194
14. Other Current Assets/Receivables	195
15. Cash and Cash Equivalents	195
16. Creditors	195
17. Other Current Liabilities	196
18. Member Balances	196
19. Reserves	196

Notes to the Receipt & Payment Accounts

20. Receipts	198
21. Payments	199

Notes to the Statement of Investment

22. Fair Value through Profit or Loss	200
23. Available-for-Sale Investments	202
24. Held-to-Maturity Investments	206
25. Loans and Receivables	210
26. Movement of Investments	211
27. Classification of Maturity Profile of the Portfolio	212

REPORT OF THE AUDITOR GENERAL	215
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Part 3

Tables

1. Investments, Maturities and Return on Investments (1982 - 2014)	226
2. Rates of Return on Member Balances (1982 - 2014)	227
3. Member Balances, Interest on Member Balances and Effective Rates on Member Balances (1982 - 2014)	228
4. Statement of Investment Portfolio (1982 - 2014)	229
5. Summarized Cash Flow (Monetary Board) (1982 - 2014)	231
6. Summarized Income Statement (1992-2014)	235



Our Vision

To be the most caring superannuation fund in the region enabling our members to have a contented retirement life.

Our Mission

To provide maximum retirement benefits and an efficient service to our members through prudent and innovative management of the Fund.



Message from the Chairman of the Monetary Board and the Governor of the Central Bank of Sri Lanka



Total assets of the EPF increased by 14.4 per cent during the year 2014 from Rs. 1,300 billion to Rs. 1,486.9 billion along with an increase in the total membership from 15.2 million to 15.8 million.

It is with great pleasure that I'm presenting this Annual Report of the Employees' Provident Fund (EPF/Fund) of the year 2014 on behalf of the Monetary Board of the Central Bank of Sri Lanka.

Total assets of the EPF increased by 14.4 per cent during the year 2014 from Rs. 1,300 billion to Rs. 1,486.9 billion along with an increase in the total membership from 15.2 million to 15.8 million. Remaining true to its prudent principles and investment guidelines the Fund was able to generate a return on investment of 12.11 per cent during the year. As a result, the Fund was able to declare a competitive rate of interest of 10.50 per cent p.a., a rate above 10 per cent, for the 9th consecutive year amid a low interest rate environment.

The EPF's successes over the years have been due to relentless efforts to invest in the interest of the Members' future. This entails not only safeguarding their assets and making prudent investments but also upholding a high level of operational efficiency to enable us to pass our cost savings to them. This is an ongoing process that requires constant review and revision of the existing activities, in line with which, several projects were successfully implemented during the year in view of providing a more efficient service to its stakeholders.

The EPF is continually looking for avenues to make payment of EPF contributions a hassle-free task

by encouraging employers to remit funds through electronic media. After making e>Returns mandatory for all employers with more than 50 employees, EPF further enabled online verification of Member details in an attempt to ensure greater degree of accuracy. This will expedite the updating process of individual member accounts resulting in providing more up-to-date account information to its members. Partnering with licensed banks is imperative in this endeavour and I wish to take this opportunity to appreciate their co-operation extended in this regard by ensuring system compatibilities to facilitate EPF's payment mechanism.

Acknowledging the dire need to provide a more sophisticated service to its members, the project for digitization of contribution records was 90 per cent completed during the year. A due diligence audit is currently in progress to ensure the documents are in order and this shall be of great benefit to smoothen EPF's hefty operations.

Upon completion of these projects EPF will be equipped to provide a more sophisticated level of service to its members. We will also look forward to enhancing reliance on electronic submission of member contributions and faster updating of member accounts as this shall be of great advantage to the members to keep their remittances in check and be more mindful of



their lifetime earnings. Nevertheless, it's not sufficient to have the mechanisms in place unless its users are aware of making the best use of such facilities. Accordingly, EPF continued its public awareness campaigns during the year under review as well. Among them were, awareness programmes for bank officials on housing loan management, participation in national level corporate events and mobile services particularly targeting estate communities.

In addition to the above, members of the EPF are able to claim up to 30 per cent pre-retirement benefits from 2015. Accommodating much needed housing and medical necessities, active members who have contributed for more than 10 years with balances greater than Rs.300,000 are now eligible to claim up to Rs.2,000,000. Foreseeing operational constraints such added work may impose on the current workflow, EPF has taken a number of measures to accommodate additional processing requirements with the purpose of providing an efficient and hassle-free service.

The achievements mentioned above would not be possible without the contribution and commitment of the employees and the Monetary Board would like to take this opportunity to express its appreciation to the staff of the Department of Labour, staff of the Employees' Provident Fund Department of Central Bank of Sri Lanka for the unrelenting commitment towards these accomplishments during the year.

Further, the Monetary Board wishes to express its sincere gratitude to all the members of the EPF, for the continued confidence they have placed in the hands of the Central Bank of Sri Lanka in managing their life-long earnings and we shall continue to uphold our duty to ensure a secure and contented retirement to its Members.

Dr. Indrajit Coomaraswamy
Governor, Central Bank of Sri Lanka
Chairman of the Monetary Board



Message from the Commissioner General of Labour



The EPF Contribution Recovery Monitoring System has been successfully decentralised in most of the district labour offices island wide during the year 2014, in view of efficient collection of defaulted member contributions.



Employees' Provident Fund (EPF) was established under the Employees' Provident Fund Act No.15 of 1958, with the main objective of providing contended retirement life for the private and semi-government sector employees in Sri Lanka who do not enjoy pension benefits. The Fund has grown to be the largest social security system in the country considering its assets base and the total number of member accounts.

Let me at the outset thank staff of the EPF Department of the Central Bank of Sri Lanka, on the occasion of the release of the Annual Report 2014, which carries the progress achieved by the EPF during the year 2014, enhancing the productivity of the service to the members of the EPF year by year.

Several projects were implemented by the Labour Department as well to achieve the mentioned progress. The EPF Contribution Recovery Monitoring System has been successfully implemented in most of the district labour offices island wide during the year 2014, in view of efficient collection of defaulted member contributions.

For the purpose of expanding the services to the EPF members, the Information System of the EPF has been successfully decentralized island wide through zonal labour offices.

I wish to express my gratitude towards the staff of the Department of Labour for their contribution in discharging the statutory responsibilities and maintaining a healthy relationship with both employees and the employers. I also wish to extend my gratitude to the staff of the EPF Department of the Central Bank of Sri Lanka, for their assistance in carrying out activities of EPF successfully.

I hope this annual report would provide valuable information to employees, employers, officers of administrative and financial institutions and any other parties including students who are interested in this subject.

Herath Yapa
Commissioner General of Labour

LLOYD'S

BUILDINGS



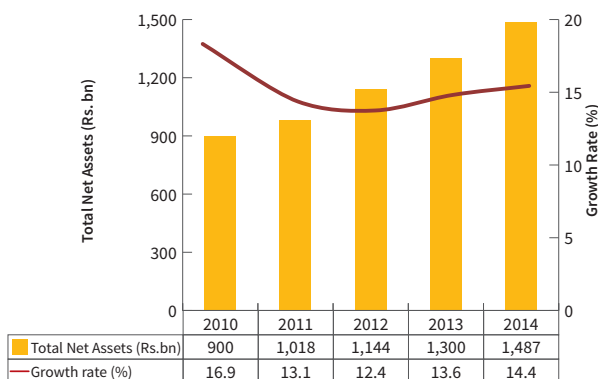


Performance Highlights 2014

Table 1: Financial Highlights

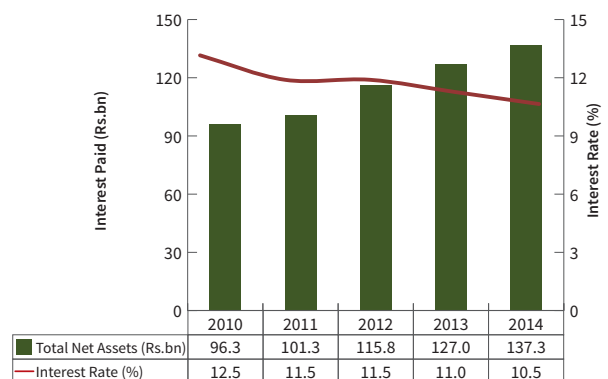
Item	(Rs.mn)	
	2013	2014
Contributions	80,176	90,049
Refund Payments	50,243	65,118
Net Contributions	29,933	24,931
Gross Income	136,657	163,873
Net Income	125,610	150,662
Transfer (to) / from Reserves	3,700	(4,000)
Interest paid on Member Balances	126,992	137,291
Rate of Interest paid on Member Balances (Annual %)	11.00	10.50
Rate of Return on Average Portfolio (Annual %)	11.54	12.11
Operational Expenditure	979	1,043
Operational Expenses as a percentage of the Total Income (%)	0.72	0.64

Graph 1: Growth of the Fund



Source: EPF Department, Central Bank of Sri Lanka

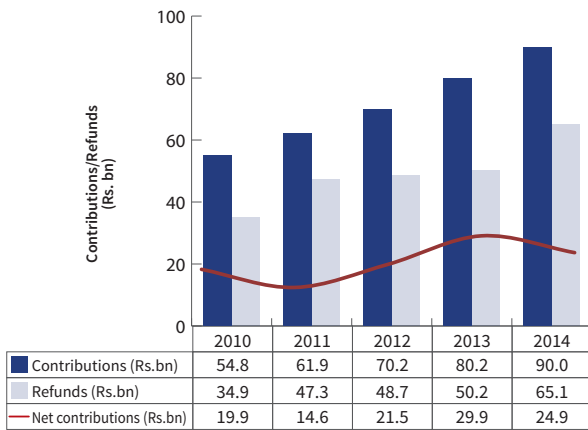
Graph 2: Interest Paid on Members' Closing Balances



Source: EPF Department, Central Bank of Sri Lanka

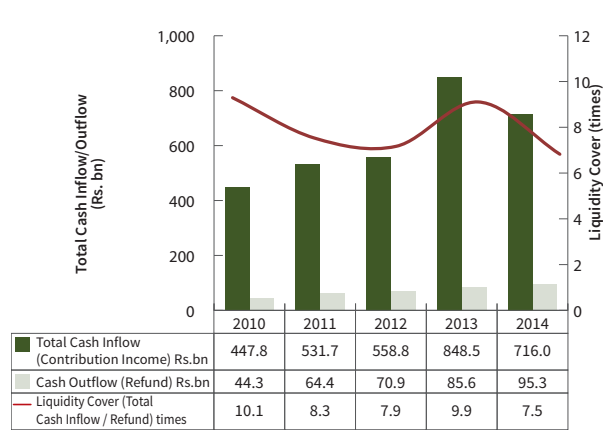


Graph 3: Contributions, Refunds and Net Contributions



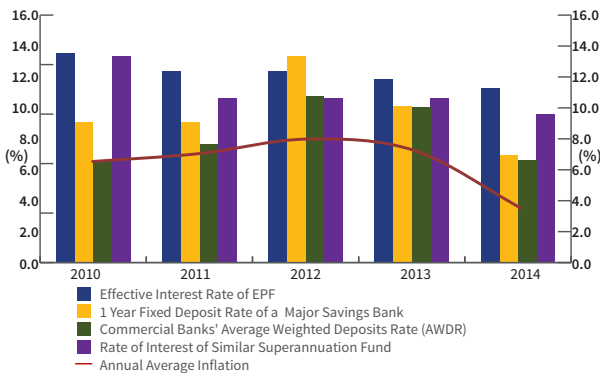
Source: EPF Department, Central Bank of Sri Lanka

Graph 4: Liquidity Cover for Refund Payments



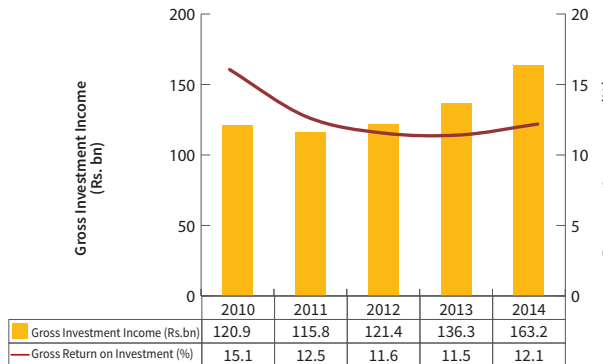
Source: EPF Department, Central Bank of Sri Lanka

Graph 5: Effective Rate of Return for Member Balances vs. Market Rates



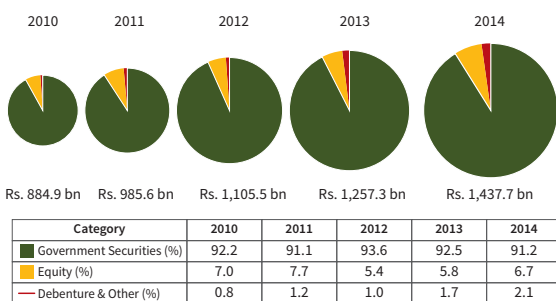
Source: EPF Department, Central Bank of Sri Lanka

Graph 6: Return on Average Investment Portfolio



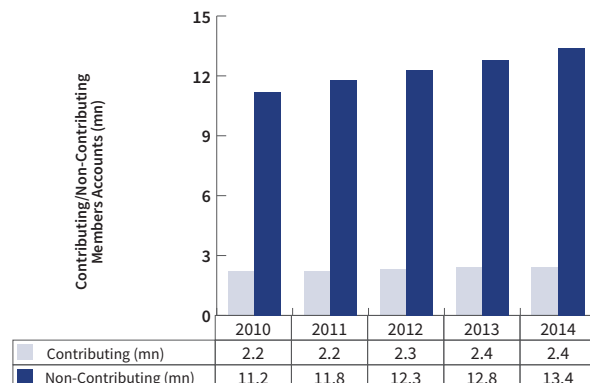
Source: EPF Department, Central Bank of Sri Lanka

Graph 7: Composition of Investment Portfolio



Source: EPF Department, Central Bank of Sri Lanka

Graph 8: Number of Member Accounts



Source: EPF Department, Central Bank of Sri Lanka



Operational Highlights

01. An interest rate of 10.5 per cent was paid to members.
02. Total number of member accounts increased to 15.8 mn.
03. Total number of contributing member accounts is 2.4 mn.
04. Total value of the Fund increased to Rs. 1,487 bn.
05. Retirement benefits of Rs. 65,118 mn was paid to 127,951 members.
06. 17,786 certificates of guarantees issued to members against their EPF account balances to obtain housing loans from participating lending institutions.
07. Public awareness programs and mobile services conducted mainly focusing on estate sector beneficiaries.
08. A new model for on-line verification of member details was introduced in 2014 in order to improve efficiency of current e-Return system.
09. 139,266 existing and new members were re-registered and 129,891 were added to the New Member Register (NMR).

Regulatory Framework

The Employees' Provident Fund (EPF/Fund) is the largest superannuation fund in Sri Lanka. It was established under the Employees' Provident Fund Act No.15 of 1958 (the Act) to provide retirement benefits for the private and semi-government sector employees. In terms of the provisions of the Act, the Commissioner of Labour acts as the general administrator of the Fund while the Monetary Board of the Central Bank of Sri Lanka is entrusted with the powers, duties and responsibilities to act as the custodian. The Employees' Provident Fund Department of the Central Bank facilitates the Monetary Board in discharging its powers, duties and functions entrusted to it by the Act.

The EPF is a mandatory defined contributory retirement benefit scheme. The mandatory minimum contribution rate to the Fund is 20 per cent of the gross monthly earnings of an EPF member. The employer and the employee (members) are required to contribute a minimum rate of 12 per cent and 8 per cent respectively, of a member's gross earnings, to the EPF.

Employers are obliged to send contributions and relevant details of their employees to the Fund periodically.

Employers with less than 150 employees (C Category) shall remit contributions and relevant member details (Form C) on a monthly basis and employers with of more than 150 employees (C3 Category) shall remit the contributions monthly while the relevant member details shall be submitted semi-annually through Form C3. However, following the amendment to the Act in 2012, all employers with a minimum of 50 employees and above are mandated to send the contributions and member details through electronic media on a monthly basis.

The EPF members are eligible to claim their retirement benefits once they reach the retirement age (50 years for females and 55 years for males). In addition, members are also entitled to withdraw their member account balances in the events of migration, permanent disability, leaving the employment due to marriage (only for female members) and joining a pensionable employment. Legal heirs of a deceased member are eligible to receive the benefits in the case of the death of a member. In addition to the retirement benefits, EPF facilitates members to obtain loans from five approved lending institutions by pledging the balances lying to the credit of their accounts, for housing purposes.



FUNCTIONS OF THE COMMISSIONER OF LABOUR

- Registration of employers and employees to the Fund.
- Carrying out inspections to ensure compliance with the EPF Act and taking legal actions against non-payment of member contributions.
- Recovery of surcharges on late contribution payments from employers.
- Acceptance of applications for refund of benefits and issuance of Letters of Determination on such applications advising the Central Bank to pay benefits.
- Authorization of the amalgamation of previous member accounts of a member.
- Approval of housing loans enabling members to obtain housing loans from approved lending institutions by pledging their member balances.

FUNCTIONS OF THE MONETARY BOARD OF THE CENTRAL BANK OF SRI LANKA

- Receipt of member contributions, surcharges and income.
- Maintenance of member accounts.
- Investment of excess funds to provide maximum return to the members while ensuring the safety of the Fund.
- Crediting annual interest to member accounts at a rate approved by the Monetary Board with the concurrence of the Minister of Labour and Labour Relations and the Minister of Finance.
- Preparation of annual accounts and issue of annual statements of accounts to the members.
- Effecting refund of benefits in accordance with Letters of Determination issued by the Commissioner of Labour.
- Issue of certificates of credit balances to relevant lending institutions to facilitate granting of housing loans.
- Submission of information such as financial statements and statement of investments to the Hon. Minister of Labour and Labour Relations and Hon. Minister of Finance within 3 months from the end of each year.



Senior Management Team as at 31.12.2014

Department of Labour (EPF Division)

Name	Designation	Division
Mr. W.D.S.C.Weliwatta	Commissioner of Labour	
Mrs. M.Umamagal	Deputy Commissioner of Labour	Claim
Mrs. K.P.H.Indrani	Assistant Commissioner of Labour	
Mrs. P.H.P.I.Bandara	Assistant Commissioner of Labour	
Mr. D.R.A.N.Rathnayake	Assistant Commissioner of Labour	
Miss. D.A.S.Wijesundara	Assistant Commissioner of Labour	
Mrs. K.N.Liyanage	Assistant Commissioner of Labour	
Mr. K.L.K.Perera	Deputy Commissioner of Labour	
Mr. D.H.T.Deshapriya	Assistant Commissioner of Labour	
Mr. K.G.J.B.Kurukohathenna	Assistant Commissioner of Labour	
Miss. R.M.G.Sugandika	Assistant Commissioner of Labour	
Miss. H.R.J.G.Gunathilaka	Assistant Commissioner of Labour	
Mr. B.Wasanthan	Deputy Commissioner of Labour	IT
Mrs. M.Savithri Gunathilaka	Assistant Commissioner of Labour	
Mr. M.H.D.L.A.Wijepala	Assistant Commissioner of Labour	
Miss. D.V.T.P.Dayananda	Assistant Commissioner of Labour	Administration
Miss. A.G.D.T.K.Jayasinghe	Assistant Commissioner of Labour	
Mrs. B.A.M.A.Balasoorya	Assistant Commissioner of Labour	
Mrs. N.M.Y.Thushari	Assistant Commissioner of Labour	Claim L
Mrs. G.A.D.R.Gayani	Assistant Commissioner of Labour	
Mrs. V.K.D.Tharangani	Assistant Commissioner of Labour	
Mr. M.E.G.Samaraweera	Assistant Commissioner of Labour	CFS
Mrs. W.A.N.M.Karunarathne	Assistant Commissioner of Labour	

Employees' Provident Fund Department of the Central Bank

Name	Designation	Division
Mr. P. W. D. N. R. Rodrigo	Superintendent	S/EPF Office
Mr. M. S. K. Dharmawardena	Addl. Superintendent	
Mr. T. D. H. Karunarathne	Addl. Superintendent	
Mr. A. G. U. Thilakarathna	Addl. Superintendent	
Mr. S. A. L. Muthukumara	Deputy Superintendent	
Mr. J. D. S. J. Nanayakkara	Deputy Superintendent	
Mrs. S. N. Thilakawardena	Senior Asst. Director	
Mrs. M. W. K. S. Siriwardena	Assistant Director	
Mrs. O. K. S. P. Bandara	Assistant Director	
Mrs. K. K. C. S. Kannangara	Assistant Superintendent	



Name	Designation	Division
Mr. H. G. L. Wickramasinghe	Assistant Superintendent	Corporate Services and Administration
Mr. M. S. Widanage	Assistant Superintendent	
Mrs. K. G. N. Wijerathne	Assistant Superintendent	
Mr. P. W. Wimal Shantha	Actg. Assistant Superintendent	Re-Registration Division
Mrs. W. A. S. P. I. A. Jayawardena	Actg. Assistant Superintendent	
Mrs. Y. C. M. Wijethilaka	Senior Asst. Superintendent	Collection Division
Mr. S. Koswattage	Senior Asst. Superintendent	Current Contribution Division
Ms. G. B. N. A. Samaranayaka	Assistant Superintendent	
Mrs. K. A. Senaratne	Assistant Superintendent	
Mr. K. A. N. L. Ratnasekera	Assistant Superintendent	
Mr. A. G. S. Palitha	Assistant Superintendent	
Ms. B. M. W. S. Balasooriya	Senior Asst. Superintendent	Statemented Contribution Division
Mr. U. A. Gunawardena	Assistant Superintendent	
Mrs. D. M. G. Piyatillake	Senior Asst. Superintendent	E-Collection Division
Mr. M. V. W. De Zoysa	Actg. Assistant Superintendent	
Mrs. D. L. Rohini	Senior Asst. Superintendent	Fund Management Division
Mrs. N. M. M. Damayanthi	Senior Asst. Superintendent	
Mr. W. G. R. Harshapriya	Senior Asst. Superintendent	
Mr. M. N. P. Jayaweera	Senior Asst. Superintendent	
Mr. T. Udayaseelan	Senior Asst. Superintendent	
Ms. D. P. Udugamakorala	Assistant Superintendent	
Mr. S. Pathumanapan	Assistant Superintendent	
Mr. K. L. A. C. N. Anuradha	Assistant Superintendent	
Ms. K. M. T. A. Y. Bandara	Assistant Superintendent	
Mrs. N. L. M. Abeysekara	Senior Asst. Superintendent	
Mrs. H. A. Hettihewa	Senior Asst. Superintendent	Accounts & Settlement Division
Ms. G. B. M. P. Dissanayake	Assistant Superintendent	
Ms. E. T. W. T. R. P. Udakumabura	Assistant Superintendent	
Ms. D. Y. S. Mahagederawatte	Assistant Superintendent	Record Management Division
Mr. A. T. Upasena	Actg. Assistant Superintendent	
Mr. M. Wickramarathne	Senior Asst. Superintendent	Record Amendment Division
Ms. C. P. Jayaweera	Senior Asst. Superintendent	
Mrs. S. D. Rathnaweera	Assistant Superintendent	
Mr. S. Wijesinghe	Assistant Superintendent	
Mrs. H. A. S. Kulasinghe	Senior Asst. Superintendent	Housing Loan Division
Mrs. L. S. Gamage	Assistant Superintendent	
Mr. W. A. Nandasena	Senior Asst. Superintendent	Refund Control Division
Mrs. S. A. Jayawardena	Assistant Superintendent	
Mrs. P. H. D. A. Attanayake	Senior Asst. Superintendent	Refund Payment Division
Mr. M. A. D. L. Cyril	Assistant Superintendent	
Mrs. V. K. Dhampahalage	Senior Asst. Superintendent	Public Relations, Inquiries Counter & Call Centre



1. Review of the Economy 2014

1.1 Economic Growth and Macroeconomic Conditions

As per the rebased national accounts statistics (base year 2010), the Sri Lankan economy achieved a real GDP growth of 4.9 per cent in 2014¹ compared to a growth of 3.4 per cent recorded in 2013. The services activities, which accounts for 56.3 per cent of the GDP, grew by 5.2 per cent in value added terms during 2014 compared to a growth of 3.8 per cent in 2013. The growth in the services activities was mainly due to the improved performance in the financial services and wholesale and retail trade activities. The Industry activities, which represent 26.7 per cent of GDP, grew by 3.5 per cent in value added terms during 2014 compared to 4.1 per cent in the previous year. Construction activities was the main contributor to the growth in the Industry activities while food, beverages and tobacco, textile, wearing apparel and leather categories within manufacturing activities also made substantial contributions to the growth in Industry activities. The Agriculture, Forestry and Fishing activities, which represent 7.8 per cent of GDP, contributed positively to real GDP growth amidst adverse weather conditions. The growth of Agriculture activities was 4.9 per cent in value added terms during 2014, compared to 3.2 per cent recorded in the previous year.

Reflecting improved supply conditions and the downward revision of administered prices, Inflation remained at low single digit levels throughout 2014.

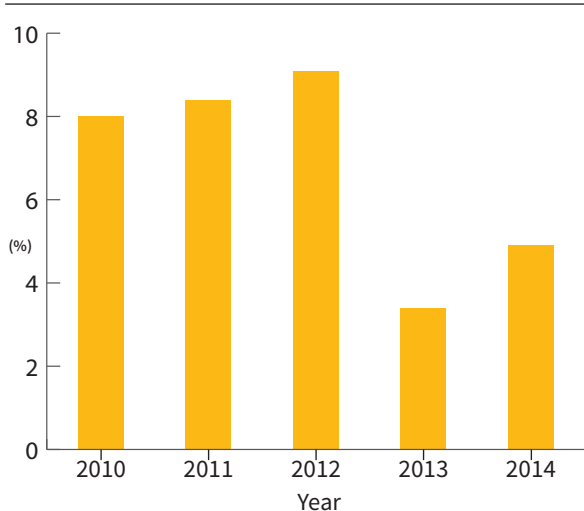
In the external sector, despite challenging conditions, Earnings from exports grew by 7.1 per cent in 2014 while higher inflows from remittances and trade in services contributed to reducing the deficit in the current account to 2.7 per cent of GDP in 2014 from 3.8 per cent of GDP in 2013. In the Fiscal sector, due to a shortfall in government revenue, the budget deficit increased to 6.0 per cent of GDP in 2014 compared to 5.9 per cent in 2013.²

1.2 Inflation and interest rates

Headline inflation as measured by the change in the Colombo Consumers' Price Index decreased significantly to 2.1 per cent by end 2014 compared to 4.2 per cent in December 2013. The significant reduction in inflation is attributed to the sharp decline in international commodity prices, which allowed the government to reduce the administered prices of electricity, water, petrol, diesel, kerosene and LP gas in the latter part of the year. Meanwhile, core inflation, which reflects underlying price movements of the economy, edged up to 3.2 per cent in December 2014 compared to 2.1 per cent at end 2013.

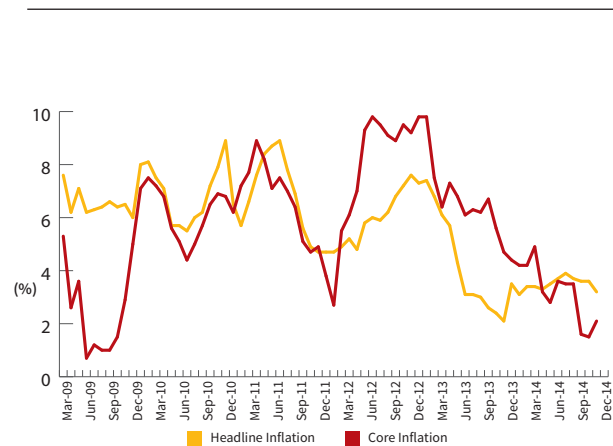
Given the subdued inflation environment, the Central Bank of Sri Lanka continued to pursue a relatively relaxed monetary policy stance during 2014. In January 2014, the Central Bank lowered the Standing Lending Facility Rate (SLFR) by 50 basis points to 8.00 per cent, while the Standing Deposit Facility Rate (SDFR) remained

Graph 9: Real GDP Growth



Source: Department of Census and Statistics (DCS)

Graph 10: Year-on-year Inflation (Based on CCPI; 2006/07=100)



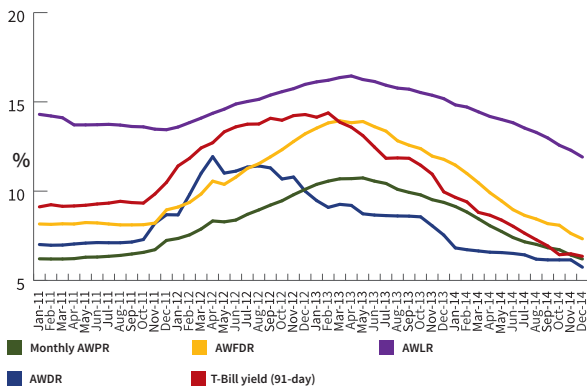
Source: Department of Census and Statistics (DCS)

1 This was late revised downwards to 4.8 per cent by the Department of Census and statistics (DCS)
 2 Some of these macroeconomic statistics have been revised later on.



unchanged at 6.50 per cent during the year. In order to encourage credit flows to the private sector, the Central Bank also introduced a Special Standing Deposit Facility at a lower rate of 5.00 per cent in September 2014. Reflecting the pass through of the relatively relaxed monetary conditions, short term money market interest rates declined significantly. Accordingly, the Average Weighted Call Money Rate (AWCMR) declined by 145 basis points to 6.21 per cent at the end of 2014 compared to 7.66 per cent at end 2013. Meanwhile, the overnight Sri Lanka Interbank Offered Rate (SLIBOR), which closely mirrors the movement in the AWCMR, declined by 166 basis points to 6.10 per cent by end 2014.

Graph 11: Movement of Selected Market Interest Rates



Source: Central Bank Of Sri Lanka

In line with the eased monetary policy stance of the Central Bank, lending rates offered by banks also shifted downwards considerably during the year. The Average Weighted Lending Rate (AWLR), which is calculated based on all outstanding loans and advances extended by commercial banks to the private sector, declined by 327 basis points to 11.91 per cent by end 2014 from 15.18 per cent at end 2013. In response to the reduction in market lending rates, credit extended to the private sector rebounded towards end 2014.

1.3 Wages and Unemployment

The unemployment rate declined marginally to 4.3 per cent in 2014 compared to 4.4 per cent in the previous year. The reduction in the unemployment rate was due to the creation of new employment opportunities that exceeded the growth in the overall labour force. However, the Labour Force Participation Rate (LFPR) declined marginally due to the higher increase in working age population than that of the labour force. The Service sector and the Industry sector accounted for

the bulk of employment created during the year while the share of the number employed in the Agriculture sector declined. Employment in the Government sector as well as the total number of departures for foreign employment increased during the year.

The increase in nominal wages along with the reduction in inflation has resulted in higher real wages for both public and private sector employees during 2014. The increase in nominal wages for the public sector employees was driven by the adjustments to the monthly Cost of Living Allowances (COLA) and the interim allowance of Rs. 3,000 paid to all public sector employees, which was announced in the Budget for 2015. In the formal private sector, nominal wages rose modestly with the wage rate indices of the agriculture sector recording a growth of 2.8 per cent, while the wage rate indices for Industry and Commerce; and Services sector increased by 8.4 per cent and 3.2 per cent, respectively.

1.4 Monetary Policy

The Central Bank continued to maintain a relatively relaxed monetary policy stance throughout 2014 mainly on account of low inflation and inflation expectations. In January 2014, the Central Bank reduced the SLFR by 50 basis points to 8.00 per cent while keeping the SDFR unchanged at 6.50 per cent thereby compressing the Standing Rate Corridor (SRC) to 150 basis points. The compression of the SRC was intended to reduce the interest rate spreads in financial markets. Furthermore, taking into consideration the Central Bank's zero credit risk in Rupee transactions, the Standing Deposit Facility (SDF) was uncollateralized with effect from 01 February 2014, waiving off the previous obligation of the Central Bank to provide collateral in absorbing liquidity from commercial banks. In January 2014, the Central Bank removed the minimum cash margin requirement of 100 per cent against opening of Letters of Credit (LCs) with commercial banks for the import of certain categories of motor vehicles that was imposed on 30 August 2013. In September 2014, in order to deter Open Market Operations (OMO) participants from continually placing excess liquidity with the Central Bank at the SDFR of 6.50 per cent, the Central Bank rationalized the access to the Standing Deposit Facility (SDF) to three times per calendar month by any OMO participant. An OMO participant accessing the SDF more than three times per month was allowed to place funds at a special interest rate of 5.00 per cent per annum, per transaction. These measures were effectively transmitted to other market interest rates of the economy and as a result, market interest rates declined significantly during the year.



1.5 Fiscal Policy

Although the Fiscal policy was aimed at reducing the budget deficit further to 5.2 per cent of GDP in 2014, a significant deviation from the intended target was observed due to the shortfall in government revenue than anticipated. The budget deficit increased to 6.0 of GDP mainly due to the decline in Government revenue to 12.2 per cent of GDP in 2014 compared to 13.1 per cent of GDP in 2013. However, in view of the shortfall in revenue, the government rationalized its expenditure thereby containing the budget deficit to a certain extent. Accordingly, recurrent expenditure and capital expenditure and net lending declined as a per cent of GDP to 13.5 per cent and 4.8 per cent, respectively in 2014 compared to 13.9 and 5.4 per cent, respectively in 2013.

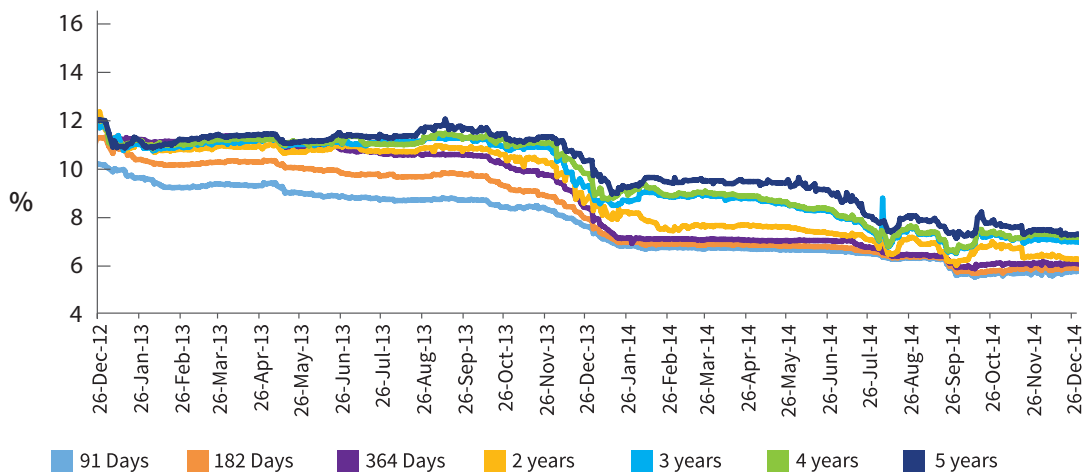
In 2014, domestic sources mainly contributed to finance the resource gap. Accordingly, net domestic financing accounted for 64.1 per cent (Rs. 378.7 billion) while net foreign financing contributed 35.9 per cent (Rs. 212.5 billion) of the total financing requirement during the year. Within the domestic financing sources, the government placed greater reliance on the non-banking sector, which accounted for 66.5 per cent of net domestic financing during the year. Meanwhile, borrowings from the banking sector amounted to Rs. 126.9 billion in 2014, representing 33.5 per cent of total net domestic borrowing, compared to Rs. 297.0 billion recorded in 2013.

1.6 Government Securities market and movements in yield rates

Reflecting the low interest rate structure that prevailed in the market, yield rates of government securities in both the primary as well as the secondary market declined in 2014. The relatively relaxed monetary policy stance of the Central Bank, excess liquidity, low inflation and inflation expectations contributed to the decline in yield rates of government securities. In the Primary market, yield rates on 91-day, 182-day and 364-day Treasury Bills declined by 180 basis points, 201 basis points and 228 basis points to 5.74 per cent, 5.84 per cent and 6.01 per cent, respectively, during 2014. The yield rates of Treasury bond maturities with longer tenures (20 to 30 years) for primary market ranged from 11.32 per cent to 11.75 per cent, while Treasury bonds below the 5-year maturity were not issued during the year.

In the Secondary market, yield rates on 91-day, 182-day and 364-day Treasury Bills were in the range of 5.72-6.04 per cent by end 2014, compared to the range of 7.52-8.27 per cent observed at end 2013. Secondary market yields on Treasury bonds also followed a similar pattern during the year aided by the investors' preference for longer maturities. Accordingly, the secondary market yields on Treasury bonds also declined during 2014 to a range of 6.22-9.27 per cent from a range of 8.86-11.54 per cent at end 2013.

Graph 12: Secondary Market Yield Rate for Government Securities



Source: EPF Department, Central Bank of Sri Lanka



2. Performance Review of Employees' Provident Fund

The total value of the fund reached Rs. 1,487 billion by end 2014 recording a 14.4 per cent growth over Rs. 1,300 billion by end of 2013. The total number of member accounts reached 15.8 million by end of 2014, which was an increase of 3.9 per cent compared to 15.2 million recorded by end 2013. The number of contributing member accounts was 2.4 million by end 2014 which was similar to the number reported by end 2013 whilst non-contributing member accounts increased to 13.4 million by the end of 2014, compared to 12.8 million recorded by end of 2013. Meanwhile, the number of contributing employers recorded a slight increase by 0.77 per cent to 69,683 by end 2014 from 69,148 reported at end 2013.

2.1 Member Contribution and Payments of Retirement Benefits

In 2014, member contribution increased by 12.2 per cent to Rs. 90.0 billion from Rs. 80.2 billion in 2013. The total amount paid as refund benefits to the members and their heirs stood at Rs. 65.1 billion in 2014, which was an increase of 29.7 per cent over that of Rs. 50.2 billion paid in 2013. Accordingly, the net contribution (gross contribution less refund benefits) decreased by 20.1 per cent to Rs. 24.9 billion compared to Rs. 29.9 billion recorded in the previous year.

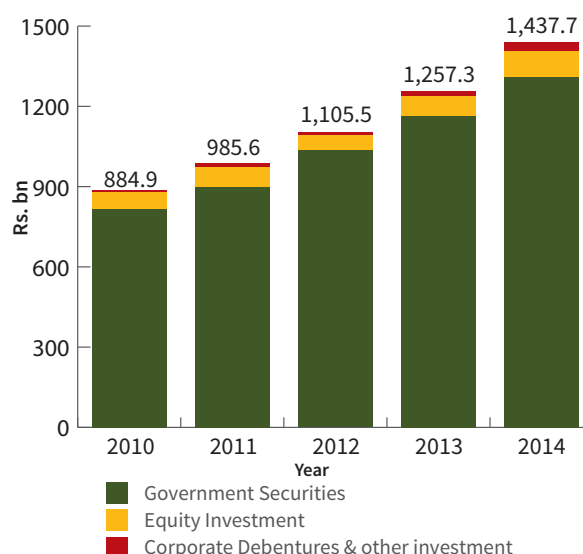
Although the net contribution continued to increase in the previous years, the year 2014 recorded a decline since the contributions grew at a lower rate than refund payments. The refund benefits paid to members who

reached the retirement age accounted for the largest share of the refund benefits, followed by refunds due to marriage by female members.

2.2 Investment Portfolio of EPF

The total investment portfolio (book value) of the Fund grew by 14.3 percent from Rs. 1,257.3 billion in 2013 to Rs. 1,437.7 billion in 2014 (Graph 13).

Graph 13: Composition of the Investment Portfolio 2010 - 2014



Source: EPF Department, Central Bank of Sri Lanka

Table 2: EPF Refund Payment 2014

Reason for EPF Refund	Number of Refund Applications		Total Amount of Refund Benefits (a)	
	No.	%	Amount (Rs.bn)	%
Reaching of Retirement Age	79,673	62.27	44.55	68.40
Resign due to Marriage	24,165	18.89	5.31	8.15
Migration	1,896	1.48	2.55	3.92
Medical Reasons	1,027	0.80	0.59	0.90
Death of Member	4,497	3.51	2.10	3.23
Joining a Pensionable Job	15,745	12.31	8.99	13.80
Others	948	0.74	1.04	1.60
Total	127,951	100.00	65.12	100.00

Source: EPF Department, Central Bank of Sri Lanka

(a) This includes only the first payment of refunds excluding part payments, unclaimed payments & retained payments.



The growth in the investment portfolio was mainly driven by the income from investments and the net member contributions.

The concentration of investment in government securities showed a decrease from 92.5 per cent in 2013 to 91.2 per cent at end 2014. Consequently the share of investments in equity increased to 6.7 per cent from 5.8 per cent in 2013, while 1.5 per cent was placed in corporate debentures and the balance 0.6 per cent was in high-liquid short-term assets such as Reverse Repos on government securities, to meet liquidity requirements of the Fund.

2.2.1 Government Securities Portfolio

The government securities portfolio consisting of Treasury bonds, Rupee loans and Treasury bills grew by 12.6 per cent to Rs. 1,310.6 billion at end of 2014 from Rs. 1,163.6 billion as at end-2013. At end 2014, the Treasury bond and bills portfolio stood at 89.6 per cent of the total portfolio.

During the period, the share of Rupee loans in Government securities portfolio marginally decreased from 1.8 per cent to 1.6 per cent due to increase in investments in Treasury bonds.

During 2014, EPF earned Rs. 155.1 billion as interest income, amortization gains and capital gains from the Government securities portfolio, representing 95.0 per cent of the total gross income of the Fund. In 2014, the realized rate of return over the average Government securities portfolio was 12.5 per cent, while the weighted average yield of the Government securities portfolio was 11.1 per cent by end of the year. Of the total Government securities portfolio, 31.2 per cent is expected to mature within the next five-year period, as depicted in Table 3.

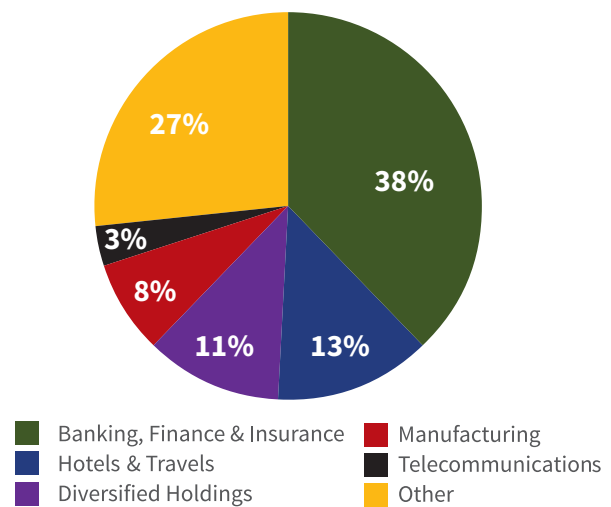
2.2.2. Equity Portfolio

Equity portfolio, which consists of both listed and unlisted equities, increased by Rs. 23.8 billion (32.7 per cent) from Rs. 72.8 billion in 2013 to Rs. 96.6 billion in 2014 due to new investments in both listed and unlisted

equities. The equity portfolio consisted of an investment portfolio of Rs. 94.7 billion and a trading portfolio of Rs.1.9 billion at cost as at end of 2014.

EPF continued to maintain a well-diversified Available for Sale (AFS) portfolio consisting of fundamentally sound companies, especially in the sectors of Banking, Finance and Insurance, Hotels and Travels, Diversified Holdings, Manufacturing, Construction & Engineering, Power & Energy and Telecommunications sectors listed on the CSE (Graph 14). The equity portfolio generated an income of Rs. 5.7 billion in the year 2014 through dividends and capital gains while the marked-to-market gain of the Fair Value Through Profit (FVTP) and Loss portfolio recorded a 72.7 per cent increase relative to Rs. 3.3 billion earned in 2013.

Graph 14: Sectorial Composition of the Listed Equity Portfolio – As at end-2014



Source: EPF Department, Central Bank of Sri Lanka

Table 3: Maturity Profile of Government Securities Portfolio – As at end of 2014

Maturity	Maturity Value Amount (Rs. bn)	Share (%)	Weighted Average Yield (%)
Less than 1 year	102.3	6.9	9.8
1-2 years	157.3	10.7	9.9
3-4 years	199.9	13.6	10.7
More than 5 years	1,014.7	68.8	11.6
Total	1,474.2	100.00	11.1

Source: EPF Department, Central Bank of Sri Lanka



2.2.3 Corporate Debt Portfolio

EPF invests in debt instruments such as corporate debentures, trust certificates and mortgage backed securities. During 2014, the Fund invested in 06 corporate debt issues which were listed on the CSE issued by institutions rated investment grade. The corporate debt portfolio of the Fund stood at Rs. 22.3 billion as at 31st December 2014, constituting 1.5 per cent of the total portfolio. The Fund earned interest income of Rs. 2,051 million from the corporate debt portfolio and the rate of return on average portfolio was 11.50 per cent per annum, during the year.

2.2.4 Reverse Repurchase Transactions

The daily excess funds are invested in the repo market in order to manage the liquidity of the Fund. During 2014, the Fund earned an interest income of Rs. 327 million from reverse repo transactions.

2.2.5 Income of the Fund

Total income of the Fund amounted to Rs. 163.2 billion in 2014, recording an increase of 19.7 percent compared to that of the previous year (Table 4). Interest income was the major source of income (78.1 per cent of the income) to the Fund which grew by 21.4 per cent from Rs. 105.0 billion in 2013 to Rs. 127.5 billion in 2014. Further, income generated from equity portfolio which included both capital gains and dividends increased by 67.7 percent to Rs. 5,687 million in 2014, compared to Rs. 3,294 million earned in 2013. However, amortization gains from discounted Treasury bonds reduced by 4.2

per cent to Rs. 25.9 billion in 2014 from Rs. 27.0 billion in 2013 (Table 4).

2.3 Operational Expenditure

The total operational expenditure of the Fund increased to Rs. 1,042.9 million in 2014, registering a 6.53 per cent growth compared to Rs. 978.9 million in 2013 mainly due to increase in administrative expenses. Nevertheless, operational expenses as a percentage of gross income declined to 0.64 per cent during the year compared to 0.72 per cent in 2013. Maintaining operational expenditure below 1 per cent of the gross income is a significant achievement in light of 1 to 2 per cent of managerial fees charged by private fund managers.

2.4 Tax Expenditure

In 2014, EPF paid Rs. 12,169 million as income taxes recording a 20.87 per cent increase compared to the income tax payment of Rs. 10,068 million in 2013.

2.5 Member Account Balances and Interest Paid

In 2014, a sum of Rs.137.3 billion was distributed among members as interest, enhancing the member balances by 12.8 per cent to Rs. 1,445.5 billion compare to Rs. 1,281.9 billion in 2013. Despite the declining interest rate environment that prevailed during the year the Fund was able to declare an interest rate of 10.5 per cent for the year ending 31 December 2014.

Table 4: Investment Income

Source of Income	2013		2014	
	Amount (Rs.mn)	Share (%)	Amount (Rs.mn)	Share (%)
Interest	105,038	77.0	127,499	78.1
Amortization gains	26,956	19.8	25,897	15.9
Capital gains from Government securities	1,019	0.7	4,082	2.5
Marked to market gain/loss	(45)	-	89	0.1
Capital gains from equity	113	0.1	2,277	1.4
Dividends	3,226	2.4	3,321	2.0
Premium-(Discount) on redemption of mortgage	(4)	-	-	-
Impairment of assets	-	-	-	-
Total	136,303	100.0	163,165	100.0

Source: EPF Department, Central bank of Sri Lanka

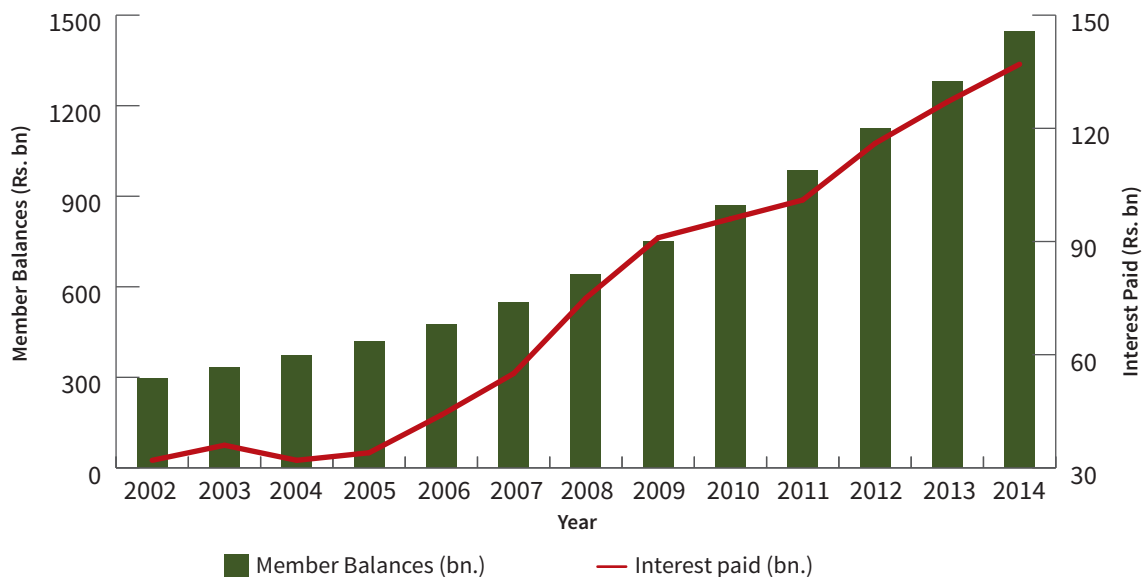


Table 5: Operational Expenditure

Item	Monetary Board of Central Bank			Labour Department		
	2013 (Rs. mn)	2014 (Rs. mn)	Change (%)	2013 (Rs. mn)	2014 (Rs. mn)	Change (%)
Personnel Expenses	334	318	(4.79)	235	260	10.63
Administrative Expenses	237	272	14.77	127	149	17.32
Other Expenses	33	30	(9.09)	12	13	8.33
Total	604	620	2.64	374	422	12.83
Total Expenses as a % of Gross Income	0.44	0.38		0.27	0.26	

Source: EPF Department, Central Bank of Sri Lanka

Graph 15: Member Balances and Interest Paid



Source: EPF Department, Central Bank of Sri Lanka

2.6 Risk Management

2.6.1 Overview

EPF is a systemically important entity in the financial sector in Sri Lanka that manages long term savings of private and semi-government sector employees with the objective of maximising retirement benefits to its members. Therefore, management of risks associated with the Fund is critically important for the members as well as for the entire financial system of the country. The EPF embraces risk management, as an integral component of its investments, operations and decision-making process. With its commitment to implement

sound risk management, the EPF was able to sustain an excellent performance in line with its vision to be the most caring superannuation fund in the region enabling the members to have a contented retirement life.

The Investment Policy Statement and Investment and Trading Guidelines define the level of risks the EPF is willing to tolerate and form the basis of allocation of funds for investment. The asset allocations are regularly reviewed to ensure that funds are invested within the risk appetite of the EPF. The key risks faced by the Fund are credit risk, market risk, liquidity risk and operational risk.



2.6.2 Credit Risk

Credit risk is the risk of loss due to the inability or unwillingness of a borrower / counterparty to meet its payment obligations. The credit risk of the Fund is deemed minimal as 92 per cent of the investment is made in Government securities. Further, the other investments are made in highly creditworthy corporate debt instruments (investment grade) after thorough analysis of risks and returns. In addition, all Reverse Repo investments of the Fund have been adequate collateralized by Government securities for fluctuations in market value. Therefore, the credit risk of the Fund as a whole was at a very low level.

2.6.3 Market Risk

Market risk is the potential of loss from changes in the market value of portfolios and financial instruments due to movements in interest rates, foreign exchange and equity prices. The market risk faced by the Fund primarily arises from interest rate risk and equity price risk. If the general interest rates of the economy were to increase, yields of Treasury bonds will follow, causing prices of the bonds to drop and value of the trading portfolio to deteriorate. This is the interest rate risk faced by the Fund. However, this has been mitigated by selecting Treasury bonds of varying maturities, limiting the size of the trading portfolio and rebalancing the portfolio occasionally.

The equity price risk is the reduction in the value of equity portfolio due to the decline in share prices. This is an inherent risk of equity investments which has been mitigated by investing in fundamentally sound stocks with robust value. Further, the listed equity portfolio has been diversified into different sectors including Banking, Finance and Insurance, Hotels and Travels, Construction and Engineering, Manufacturing and Telecommunication. Further, the market risk on the listed equity portfolio is relatively low on the overall Fund since exposure to the equity market is approximately 6 per cent of the total portfolio of the Fund and as the Fund makes appropriate adjustments to its portfolio from time to time as and when necessary.

2.6.4 Liquidity Risk

Liquidity risk is the risk arising from the inability of the EPF to meet its financial commitments and obligations when they fall due. The net contribution of the Fund was between Rs. 1.5 bn to Rs. 2 bn per month during the year. Further, interest and maturity proceeds provided additional cash flow to the Fund. EPF actively participates in the overnight Reverse Repo market as a lender enabling the Fund to maintain adequate funds to meet daily liquidity requirements.

Further, the Fund maintains sufficient amounts/instruments of different maturities and highly liquid

assets in order to meet all its liquidity needs through which the overall liquidity risk of the Fund is mitigated to a greater extent.

2.6.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or external events. The members' accounts of the Fund are maintained in a system that records all transactions centrally, while facilitating greater integration of the processes in the EPF system at the CBSL, leading to significant improvement in operational efficiency and greater accuracy of data, with minimum manual interventions.

Operational activities are audited by an independent internal auditor and audit findings are discussed on a monthly basis to rectify the weaknesses and deviations immediately. Further, the operational risk of the Fund is managed through defined authority level for transactions, availability of operational manuals, restriction of access to information through password protection, maintenance of a separate investment risk management unit and operational risk register, etc. Operational risk of the Fund has been further minimized by maintaining an online real-time backup system to maintain member accounts which enables the Fund to carry out its functions without any disruptions. In addition, the Business Continuity Plan (BCP) and the Disaster Recovery Sites (DRS) are tested every year to ensure smooth functioning of the operations in the event of any unforeseen circumstances. Accordingly, the operational risk of the Fund is at very low level.

Further, the EPF aims to improve its operational risk management process by including all its activities in operational risk management function and make it an integral part of the EPF's decision-making process and corporate culture.

2.7 Housing Loan Facility

The Housing Loan scheme, introduced in 1988 with the objective of facilitating the members to obtain housing loans from the participating lending institutions, viz. Housing Development and Finance Corporation Bank, State Mortgage and Investment Bank, Bank of Ceylon, People's Bank and Co-operative Rural Banks. In 2014, EPF issued 17,786 certificates of guarantees to members against their EPF balances and participating lending institutions for the approval of housing loans amounting to Rs. 8,021 million (Table 6). Further, nearly Rs. 2,394 million was deflected from the relevant member accounts and remitted to the participating lending institutions in 2014 to settle the loans in arrears during 2013.

**Table 6: Housing Loan Facility**

Year	Certificates Issued (No)	Credit Approved by EPF (Rs.mn)	Amount Remitted to Lending Institutions (Rs.mn)
2005	14,600	2,766	900
2006	15,136	3,049	1,078
2007	12,969	2,872	1,240
2008	12,519	3,008	1,192
2009	10,383	2,680	1,552
2010	13,848	4,512	2,093
2011	20,041	6,355	1,896
2012	11,234	3,973	2,019
2013	16,268	6,914	2,178
2014	17,786	8,021	2,394

Source: EPF Department, Central Bank of Sri Lanka

2.8 Enforcement of Law

In accordance with the EPF Act, the Department of Labour is responsible for the general administration of the Fund and enforcement of the EPF Act. Accordingly, during the year 2014 the district labour offices and sub offices registered 7,213 new employers and 296,056 new employees covering all provinces. More than 65 per cent of the employers registered during the year 2014 were from the Western Province while the Northern and the Eastern Provinces accounted for 3 per cent of the total employer registrations.

As per the provisions of the Act, the Department of Labour is empowered to take legal action against employers who do not pay member contributions. Accordingly, District Labour Offices and sub labour offices had sent 12,132 first notices and 13,578 red notices claiming Rs. 6,280 million and Rs. 1,121 million, respectively. Further, Rs. 6,126 million has been recovered by the Department of Labour by filing legal cases against 3,397 institutions which had failed to settle the arrears within 28 days after receiving the red notices.

2.9 Re-registration of EPF members

With the intention of providing an efficient service to EPF members, EPF Department and the Department of Labour launched a special project to re-register the EPF members by the names as appearing in their National Identity Card (NIC) and assign the NIC number as a Unique Identification Number (UID), which enables both institutions to use a common Member Centric Database (MCD).

By end 2014, NIC details of approximately 1.6 million active EPF members (contributing members) had been

collected. Of these, 77 per cent of the member accounts (1.2 million accounts) were assigned UIDs, while the details of the remaining members are being processed after verification from their employers as discrepancies between collected data and the existing data were observed.

Registering of new EPF members under NIC details on real-time basis was commenced in November 2010. Accordingly, a monthly monitoring system has been put in place to capture NIC details of all new members in favour of whom member contributions are received by EPF for the first time in each month.

In 2014, 139,266 new and existing members were registered and 129,891 were added to the New Member Registry (NMR).

Linking of previous member accounts of active members to UIDs was carried out during 2014 as well. Accordingly, 38,694 previous member accounts were linked to UIDs during the year. This facility enable members to access and view their EPF balances of multiple accounts under their names by providing their NIC numbers through the Internet and Short Messaging Service (SMS).

2.10 e-Return System for EPF Payments

The facility for submission of EPF contributions and contribution details through e-return system had been in operation on a voluntary basis until 2012. Submission of e-returns was made mandatory for employees over 50 employees with the incorporation of necessary legal provisions in the EPF amendment Act No. 2 of 2012 and issuance of relevant gazette notification in May 2013.

Under this system, EPF Department obtains services from licensed commercial banks by appointing them



as collecting agents. Accordingly, Commercial Bank of Ceylon PLC and Bank of Ceylon introduced electronic payment facilities to their customers from October 2011 and September 2012 respectively. In 2013, People's Bank, Sampath Bank PLC and Hatton National Bank PLC introduced similar systems and joined as collecting agents of EPF to provide this value added service to their customers who are employers contributing to the Fund.

In order to improve efficiency of the current e-return system, a new mechanism for verification of member details on-line was introduced in 2014 with the assistance of the Information Technology Department of the Central Bank. The new mechanism is expected to minimise manual intervention in e-return process by automation of member details validation and expediting the accounts updating process. Two other commercial banks (National Development Bank and Seylan Bank) have expressed their willingness to join the new system and are in the process of developing their respective IT systems to facilitate their customers.

The Direct Debit payment scheme, which enables employers to transfer the monthly contributions directly from their bank to EPF's bank account while sending contribution details through e-mail directly to the Department, was also continued during this year.

By end 2014, 3,706 employers had been registered under the e-return system. This facility currently covers about 44 per cent of the total 2.4 million active members, enabling EPF to update member accounts instantaneously and accurately.

EPF Department conducted 27 awareness campaigns and workshops on submission of e-returns for employers and officers of the Department of Labour during 2014. As a result, registered number of employers with the e-return system has increased by about 50 per cent to 3,706 by end 2014 from 1,868 as at end 2013.

2.11 Image Scanning Project (ISP)

The Image Scanning Project (ISP) was implemented with the view of improving efficiency of services by establishing a near-paperless operating system in the Department.

The four main phases of the project are,

- i. Conversion of existing document into electronic form,
- ii. Real-time scanning of documents
- iii. Establishment of the e-Records Room and
- iv. Linking of the Document Management System with the existing EPF computer systems.

As at the end of year 2014, the EPF has completed scanning 90 per cent of the master files up to 2012, 100 per cent of Form RR1, 90 per cent of Form RR6 and 100 per cent of Form D.

During the year, a service provider (KPMG) was selected for conducting an audit on scanned documents and related databases through stipulated tender procedures. Auditing of 40 per cent of the Master Files has been finalized by the end of the year.

In establishing the e-Records room, procurement of all required hardware was finalized and access to the e-record solution (IBM File Net) was arranged and images of 80 per cent of the master files had been made available to the relevant users. As a result, member detail amendment function of the Records Amendment Division was shifted to the Lloyd's Building successfully. The users were also provided with training on IBM File net.

The System Requirement Specification (SRS) report for scanning documents on a real time basis and minimizing the paper involvement in the normal operation was drafted during the year after carrying out a special study and a detailed analysis of the existing operating system and the user requirements. A series of discussions were conducted in this regard with the participation of relevant users, the management team and the service provider. A number of presentations and demonstrations were made prior to finalizing the report and obtaining the management's approval.

Integrating the document management system to the AS400 system will commence by the end of the first quarter of 2015.

2.12 Public Awareness

Improving awareness on EPF operations among stakeholders has become a prerequisite to facilitate the move towards a fully automated near paperless environment.

Improving awareness of members and other stakeholders on EPF services was undertaken through mobile services, awareness programmes for bank officials on housing loan management and participating at national level corporate events and exhibitions by using a mix of communication media such as posters, leaflets, video clips and presentations.

During 2014, four mobile services were conducted covering the estates of Kahawatte Plantations PLC namely Pelmadulla Estate, Hunuwella Estate, Rilhena Estate, Poronuwa Estate, Opatha Estate, Welladura Estate, Haupe Estate and Andana Estate and another two mobile services were conducted at Sinhala



Maha Vidyalaya - Trincomalee in parallel to the Multi Service Camp organized by the Lions Club of Sri Jayawardenapura and at Moratuwa in parallel to the Medical and Communal Hospitality Day.

Mobile Services were conducted with the collaboration of Department of Labour and other Government organizations such as Department of Registrar of Persons, Registrar General's Department, Police Department and respective District/Divisional Secretariats. The following services were delivered at the mobile services to the EPF members and the public.

- i. Issuing of EPF balance statements
- ii. Amendment of EPF member details and accounts
- iii. Re-registration of member details
- iv. Promoting online member service. i.e. SMS and Internet enquiry facility
- v. Issuing of National Identity Cards and related services by Department of Registrar of Persons
- vi. Issuing of Birth Certificates / Presumptive Age Certificates / Null Reports and related services by Registrar General's Department.
- vii. Providing advice on overall EPF procedures

Awareness programmes were conducted for relevant employers, managers and other administrative staff members of respective employers prior to each mobile service with a view of enhancing the effectiveness of the mobile services.

The Department also participated in 03 national level exhibitions and corporate events namely; Deyata Kirula Exhibition - 2014 at Kuliypitiya, National HR Service Providers' Exhibition - 2014 conducted by Institute of Personnel Management (IPM) of Sri Lanka and Industrial Exhibition and Trade Fair - 2014 conducted by the Institution of Incorporated Engineers of Sri Lanka.

During the year 2014, the public awareness programmes mainly focused on estate sector organizations since the majority of the visitors to the EPF office in Colombo were from this sector. The total number of EPF members served during the year was more than 12,000.



EMPLOYEES' PROVIDENT FUND STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2014

(Rs.)

	Note	2014			2013
		Monetary Board	Labour Dept.	Total	
Interest Income	1	127,498,533,652	-	127,498,533,652	105,038,261,311
Dividend Income	2	3,321,376,704	-	3,321,376,704	3,226,229,672
Realised Capital Gain/(Loss)	3	6,359,387,362	-	6,359,387,362	1,127,566,932
Amortization Gain	4	25,896,727,258	-	25,896,727,258	26,955,778,791
Net Gain/ (Loss) from financial instruments at fair value through profit or loss	5	89,378,474	-	89,378,474	(44,504,112)
Investment Income		163,165,403,450	-	163,165,403,450	136,303,332,594
Other Income	6	682,116,092	25,977,713	708,093,805	354,002,140
Total Gross Income		163,847,519,542	25,977,713	163,873,497,255	136,657,334,734
Total Operating Expenditure	7	(620,579,484)	(422,315,195)	(1,042,894,679)	(978,925,750)
Operating Profit before Income Tax		163,226,940,058	(396,337,482)	162,830,602,576	135,678,408,984
Less: Income Tax	8	(12,168,692,888)	-	(12,168,692,888)	(10,068,532,367)
Profit for the Year		151,058,247,170	(396,337,482)	150,661,909,688	125,609,876,617
Add-Retained Profit from the Previous Year				140,731,641	28,010,746
Add: Prior Year Adjustment					28,254,317
Profit Available for Distribution				150,802,641,329	125,666,141,680
Less - Interest Paid on Refunds - Current Year				(3,200,660,092)	(2,233,490,165)
Less - Provision for Dividend Payment				(6,000,000,000)	-
Add/ (Less) - Transfer from / (to) Profit Equalization Reserve				(4,000,000,000)	3,700,000,000
Interest on Member Balances as at 31 December 2014 @ 10.50% (2013-11.00%)				(137,290,684,408)	(126,991,919,874)
Carried Forward balance for the next year				311,296,829	140,731,641

The accounting policies and notes on pages 186 through 214 form an integral part of the Financial Statements.

For and on behalf of the Monetary Board

Arjuna Mahendran
Governor
Central Bank of Sri Lanka

R A A Jayalath
Superintendent
Employees' Provident Fund

Date : 23 February 2015



EMPLOYEES' PROVIDENT FUND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2014

(Rs.)

	Note	2014	2013
Profit for the Year		150,661,909,688	125,609,876,616
Other Comprehensive Income			
Net change in fair value of available-for-sale financial assets	9	19,179,390,857	1,805,741,814
Total Comprehensive Income for the period		169,841,300,544	127,415,618,430

For and on behalf of the Monetary Board

Arjuna Mahendran
Governor
Central Bank of Sri Lanka

R A A Jayalath
Superintendent
Employees' Provident Fund

Date : 23 February 2015



EMPLOYEES' PROVIDENT FUND STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2014

(Rs.)

	Note	2014	2013
Property, Plant & Equipment (NBV)	10	246,198,200	229,740,242
Capital Work-in-Progress	11	1,890,547,335	890,547,335
Intangible Assets	12	4,485,248	8,223,942
Financial Assets	13		
Treasury Bonds		1,286,593,392,598	1,126,941,275,632
Rupee Loans		23,100,000,000	23,100,000,000
Treasury Bills		940,477,000	13,587,399,142
Listed Equity		85,812,859,172	63,263,646,500
Unlisted Equity		10,770,624,995	9,480,625,000
Corporate Debentures		18,342,852,898	11,106,379,600
Trust Certificates		2,988,483,197	3,220,789,626
Commercial Papers		1,000,000,000	-
Reverse Repo		8,134,000,000	6,627,000,000
		1,437,682,689,860	1,257,327,115,500
Current Assets			
Inventory		25,074,208	18,065,752
Interest Receivables		44,186,163,734	34,375,440,761
Contributions Receivable		7,939,417,154	7,264,552,149
Other Receivables and Current Assets	14	1,295,244,086	1,521,042,677
Cash and Cash Equivalents	15	2,612,773,329	2,408,928,759
		56,058,672,511	45,588,030,098
Less: Current Liabilities			
Creditors	16	2,619,399	5,723,796
Accrued Expenses		163,507,908	150,338,731
Dividend Payable		6,000,000,000	-
Other Current Liabilities	17	2,785,070,670	3,913,575,001
		(8,951,197,977)	(4,069,637,528)
Net Current Assets		47,107,474,534	41,518,392,570
Total Net Assets		1,486,931,395,177	1,299,974,019,589
Represented By			
Member Balances	18	1,445,462,269,108	1,281,854,849,565
		1,445,462,269,108	1,281,854,849,565
Reserves	19	41,157,829,240	17,978,438,383
Retained Profit		311,296,829	140,731,641
		41,469,126,069	18,119,170,024
Total Net Worth of the Fund		1,486,931,395,177	1,299,974,019,589

The accounting policies and notes on pages 186 through 214 form an integral part of the Financial Statements.

For and on behalf of the Monetary Board

Arjuna Mahendran
Governor
Central Bank of Sri Lanka

R A A Jayalath
Superintendent
Employees' Provident Fund

Date : 23 February 2015



**EMPLOYEES' PROVIDENT FUND
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2014**

(Rs.)

	Note	2014			2013
		Monetary Board	Labour Dept.	Total	
Cash balance at the beginning of the year		2,408,928,759	103,799,643	2,512,728,402	2,422,124,625
Add: Total Receipts	20	229,428,229,078	2,063,070,780	231,491,299,858	230,036,096,740
Less: Total Payments	21	229,224,384,508	2,160,931,189	231,385,315,697	229,945,492,963
Cash balance at the end of the year		2,612,773,329	5,939,234	2,618,712,563	2,512,728,402

For and on behalf of the Monetary Board

Arjuna Mahendran
Governor
Central Bank of Sri Lanka

R A A Jayalath
Superintendent
Employees' Provident Fund


Date : 23 February 2015

**EMPLOYEES' PROVIDENT FUND
STATEMENT OF INVESTMENTS
AS AT 31ST DECEMBER 2014**

(Rs.)

2014				2013				Note	Class of Investments
Face value	Cost	Amortized Value	Market Value	Book Value	Face value	Cost	Amortized Value		
23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000
1,450,144,478,200	1,250,464,971,395	1,285,938,917,126	1,521,503,976,973	1,286,593,392,598	1,356,388,637,000	1,097,409,813,289	1,126,126,980,931	1,190,953,799,549	1,126,941,275,632
1,000,000,000	943,574,000	943,574,000	940,477,000	940,477,000	13,968,793,000	12,575,597,836	12,575,597,836	13,587,399,142	13,587,399,142
18,211,649,500	18,211,852,900	18,342,852,898	18,342,852,898	18,342,852,898	11,106,379,600	11,106,379,600	11,106,379,600	11,106,379,600	11,106,379,600
3,417,481,558	2,414,218,102	2,988,483,197	2,988,483,197	2,988,483,197	3,774,661,584	2,759,800,000	3,220,789,626	3,220,789,626	3,220,789,626
-	74,012,464,056	74,012,464,056	85,812,859,172	85,812,859,172	-	71,690,881,118	71,690,881,118	63,277,367,343	63,263,646,500
-	10,770,624,995	10,770,624,995	10,770,624,995	10,770,624,995	-	9,480,625,000	9,480,625,000	9,480,625,000	9,480,625,000
1,082,045,184	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	-	-	-	-	-
8,134,000,000	8,134,000,000	8,134,000,000	8,134,000,000	8,134,000,000	6,627,000,000	6,627,000,000	6,627,000,000	6,627,000,000	6,627,000,000
1,505,089,654,442	1,389,051,705,448	1,425,230,916,272	1,672,593,274,235	1,437,682,689,860	1,414,965,471,184	1,234,750,096,844	1,263,928,254,111	1,321,353,360,260	1,257,327,115,500

For and on behalf of the Monetary Board


Arjuna Mahendran
Governor
Central Bank of Sri Lanka

Date : 23 February 2015


RAA Jayalath
Superintendent
Employees' Provident Fund







**EMPLOYEES' PROVIDENT FUND
STATEMENT OF CHANGES IN EQUITY / MEMBERS' WEALTH
FOR THE YEAR ENDED 31ST DECEMBER 2014**

(Rs.)

Description	Members Balance	Building Reserve Fund	Technology Advancement Reserve Fund	Profit Equalisation Reserve Fund	General Reserve Fund	Investment Revaluation Reserve	Retained Profit	Total
Balance as at 31st December 2012	1,124,508,128,334	3,157,000,000	350,000,000	17,800,000,000	6,650,000,000	(8,084,303,432)	28,010,746	1,144,408,835,648
Prior Year Adjustment	-	-	-	-	-	-	28,254,317	28,254,317
Net change in fair value of available-for-sale financial assets	-	-	-	-	-	1,805,741,814	-	1,805,741,814
Net Profit for the year - 2013	-	-	-	-	-	-	125,609,876,617	125,609,876,617
Net Contributions for 2013	30,354,801,358	-	-	-	-	-	-	30,354,801,358
Member Interest Paid on Refunds - 2013	-	-	-	-	-	-	(2,233,490,165)	(2,233,490,165)
Member Interest (2013 at 11.00%)	126,991,919,874	-	-	-	-	-	(126,991,919,874)	-
Transfers from Profit Equalization Reserve	-	-	-	(3,700,000,000)	-	-	3,700,000,000	-
Balance as at 31st December 2013	1,281,854,849,565	3,157,000,000	350,000,000	14,100,000,000	6,650,000,000	(6,278,561,617)	140,731,641	1,299,974,019,589
Net change in fair value of available-for-sale financial assets	-	-	-	-	-	19,179,390,857	-	19,179,390,857
Net Profit for the year - 2014	-	-	-	-	-	-	150,661,909,688	150,661,909,688
Net Contributions for 2014	26,316,735,134	-	-	-	-	-	-	26,316,735,134
Member Interest Paid on Refunds - 2014	-	-	-	-	-	-	(3,200,660,092)	(3,200,660,092)
Member Interest payable (2014 at 10.50%)	137,290,684,408	-	-	-	-	-	(137,290,684,408)	-
Dividend payable	-	-	-	-	-	-	(6,000,000,000)	(6,000,000,000)
Transfers to Profit Equalization Reserve	-	-	-	4,000,000,000	-	-	(4,000,000,000)	-
Balance as at 31st December 2014	1,445,462,269,108	3,157,000,000	350,000,000	18,100,000,000	6,650,000,000	12,900,829,240	311,296,829	1,486,931,395,177

For and on behalf of the Monetary Board


Rajana Mahendran
Governor
Central Bank of Sri Lanka


RAA Jayalath
Superintendent
Employees' Provident Fund

Date : 23 February 2015



EMPLOYEES' PROVIDENT FUND CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2014

(Rs.)

Description	2014	2013
Cash flow from operating activities:		
Interest received from Investments	128,996,267,061	98,698,057,389
Dividends received from Shares	3,200,734,432	2,886,142,528
Surcharges and Other Income	697,734,222	346,252,668
Recoveries from Debtors	11,333,673	2,469,221
Operating Expenses	(885,954,089)	(828,410,501)
Advances	(497,528)	(31,625,921)
Settlement of Creditors / Payables	(2,499,386,111)	(2,396,466,159)
Cash generated from operations	129,520,231,659	98,676,419,226
Payment of Tax	(23,775,366,641)	(31,030,731,549)
Net cash from operating activities	105,744,865,019	67,645,687,677
Cash flow from investment activities:		
Investments	(622,205,148,638)	(763,359,631,755)
Maturities of Investments	422,647,605,171	619,419,455,910
Proceeds on sale of T/Bill, Bonds & Shares	70,226,870,934	46,925,727,535
Cash generated from investments	(129,330,672,533)	(97,014,448,310)
Acquisition of Property, Plant and Equipment	(59,214,474)	(119,936,511)
Capital Work-in-Progress	(997,515,857)	(448,000,000)
Net cash used in investing activities	(130,387,402,864)	(97,582,384,822)
Cash flow from financing activities:		
Contributions	90,048,935,714	80,176,396,756
General Deposit	(78,395,878)	139,298,344
Refunds	(65,118,218,187)	(50,243,482,439)
Net cash from financing activities	24,852,321,649	30,072,212,662
Net (decrease)/increase in cash and cash equivalents	209,783,804	135,515,517
Cash & cash equivalents at the beginning of the year	2,408,928,759	2,377,212,886
Cash & cash equivalents at the end of the year-Before Adjustments	2,618,712,563	2,512,728,403
Adjustments:Cash balance at the end of the year - Labour Dept.	(5,939,234)	(103,799,642)
Cash & cash equivalents at the end of the year	2,612,773,329	2,408,928,759

For and on behalf of the Monetary Board

Arjuna Mahendran
Governor
Central Bank of Sri Lanka

R A A Jayalath
Superintendent
Employees' Provident Fund

Date : 23 February 2015



EMPLOYEES' PROVIDENT FUND ACCOUNTING POLICY

1. Reporting Entity and Statutory Base

The Employees' Provident Fund ("EPF" or "the Fund") is a mandatory defined contributory retirement scheme for the private and semi government sector employees in Sri Lanka established under the EPF Act No.15 of 1958. The general administration of the Fund has been vested with the Commissioner of Labour, while the Monetary Board of the Central Bank of Sri Lanka has been charged with the responsibility as the custodian of the Fund.

In terms of Section 5(1) (h) and (i) of EPF Act No.15 of 1958, the Monetary Board is required to maintain a general account in respect of the Fund and prepare the following financial statements annually.

- a) Statement of Income and Expenditure,
- b) Statement of Assets and Liabilities,
- c) Statement of Receipts and Payments, and
- d) Statement of Investments, showing the face value, purchase price and market value of each type of investment.

2. Accounting Policies

2.1 Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for financial assets designated at fair value through profit and loss and available for sale. The financial statements of the Fund are presented in Sri Lankan Rupees (SLR) except where otherwise indicated.

2.2 Statement of Compliance

The financial statements of the Fund incorporating the above financial statements have been prepared in accordance with the new Sri Lanka Accounting Standards (SLFRS & LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka. These SLFRS/LKAS have materially converged with the International Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.3 Changes in Accounting Policies

As SLFRS and LKAS are effective from 01st January 2012, certain accounting policies, methods and

presentations have been amended or improved and the significant changes are described below. Except for amendments mentioned, the accounting policies adopted are consistent with those used in the previous Financial years.

2.4 Use of Estimates and Assumptions

The preparation of financial statements requires the use of estimates and assumptions about future conditions. The use of available information and the application of judgment are inherent in the formation of estimates; actual results in the future may differ from estimates upon which financial information is prepared. The significant accounting policies where judgment is necessarily applied are those which relate to the valuation of financial instruments, the impairment of assets, depreciation of Property, Plant and Equipment, deferred tax assets and provisions for liabilities.

2.5 Going Concern

The Fund is satisfied with its ability to continue as a going concern as it has the resources to continue business for the foreseeable future. Therefore, the financial statements have been prepared on the going concern basis.

2.6 Events Occurring after the Balance Sheet Date and Contingent Liabilities

All material events occurring after the date of the Balance Sheet has been considered when preparing the financial statements. Provisions have been made for all known liabilities.

3. Summary of Significant Accounting Policies

3.1 Financial Assets and Bases of their Valuation

3.1.1 Recognition and Measurement of Financial Assets

Financial assets are recognized when, and only when the Fund becomes a party to the contractual provision of a financial instrument. The financial assets mainly include Held-To Maturity investments, securities at Fair Value Through Profit and Loss, loans and receivables and Available For Sale investments. All financial assets are initially recognized at cost, being the fair value of the consideration given,



plus, in the case of financial assets not at Fair Value Through Profit and Loss, directly attributable transaction cost including acquisition charges associated with the transactions.

Classification and subsequent measurement bases of financial assets are as follows.

(a) Held-to-Maturity (HTM) Investments

Financial assets with fixed or determinable payments of fixed maturity which EPF intends and is able to hold until maturity are categorized under held to maturity investments. HTM investments are subsequently measured at amortized cost using the effective interest rate method less any impairment. Premiums and discounts arising from the purchases of HTM investments are included in the calculation of their effective interest rates. Gains and losses are recognized in the Income Statement when HTM investments are derecognized or impaired.

(b) Securities at Fair Value Through Profit or Loss (FVTPL)

Financial assets which are held for trading are included in the category of securities at Fair Value Through Profit or Loss and financial assets designated upon initial recognition as securities at FVTPL. The transaction costs attributable to the respective transactions are recognized in the Income Statement.

FVTPL securities are subsequently valued at fair value as indicated by market values. Changes in market value are recognized as an increase or decrease in the value of the securities, while the resulting net gains or losses are recognized in the Income Statement.

(c) Loans & Receivables (L&R)

Financial assets with fixed or determinable payments that are not quoted in an active market are classified under L & R. Securities purchased under agreement to re-sell (reverse repos) are also classified as L & R. L & R are subsequently measured at amortized cost using the effective interest method, less any impairment losses. Gains and loss are recognized in the Income Statement when L & R are derecognized or impaired.

(d) Available-For-Sale (AFS)

Equity instruments that are not classified as FVTPL, debt instruments that are not classified under any of the above three categories and those securities

that are designated as AFS investments at the initial acquisitions are classified as AFS financial assets.

AFS assets are continued to be measured at fair value in the Statement of Financial Position. Fair value changes in AFS assets are recognized under Other Comprehensive Income and accumulated to members' wealth, through the Revaluation Reserve until AFS assets are either sold or become impaired.

If an Available-For-Sale financial asset is sold or impaired, the difference between the financial assets' carrying cost and the current fair value is recognized in the Income Statement. Interest income is recognized on Available-For-Sale debt securities using the effective interest rate method. Dividends are recognized in the Income Statement when the right to receive payment has been established.

3.1.2 Impairment of Financial Assets

At each balance sheet date, an assessment is made of whether there is any objective evidence of impairment in the value of a financial asset. Impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Objective evidence of impairment of securities may include specific information about the issuer such as a significant financial difficulty of the issuer, a breach of contract such as a default, bankruptcy or other financial distress, but may also include information about significant changes in the market condition that provides evidence that the cost of the securities may not be recovered. A significant or prolonged decline in the fair value of the asset below its cost also constitutes objective evidence of impairment. In assessing whether it is significant, the decline in fair value is evaluated against the original cost of the asset at initial recognition. In assessing whether it is prolonged, the decline is evaluated against the period in which the fair value of the asset has been below its original cost at initial recognition.

3.1.3 De-recognition of Financial Assets

Financial assets are de-recognised when the contractual right to receive cash flows from the



assets has expired; or when the Fund has transferred its contractual right to receive the cash flows of the financial assets, and either:

- Substantially all the risks and rewards of ownership have been transferred; or
- The Fund has neither retained nor transferred all the risks and rewards, substantially but has not retained control.

3.2 Other Assets

3.2.1 Property, Plant and Equipment (PPE)

PPE is stated at cost less accumulated depreciation and accumulated impairment in value. Depreciation has been charged on straight-line method at the following rates in order to write off the cost of such assets over their estimated effective life-time.

Asset Class	Depreciation Rate
Buildings	02%
Plant and Machinery	25%
Office Equipment	25%
Furniture & Fittings	10%
Motor Vehicles	20%
Computer Equipment	50%
Other	20%

The carrying values of PPE are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in the Income Statement in the year the asset is de-recognized.

3.2.2 Intangible Assets

Computer software not integral to computer hardware are shown as intangible assets and recognized at cost. Subsequent to the initial recognition, they are carried at cost less any accumulated amortization based on useful life of two years.

3.2.3 Inventories

Inventories are carried at weighted average cost. Allowance is made for slow moving inventories.

3.2.4 Receivables

Receivables are carried at expected realizable value after making due allowance for doubtful debts, based on an objective evidence.

3.2.5 Impairment of Non-Financial Assets

At the end of each financial period the Fund assesses if events or changes in circumstances indicate a requirement for non-financial assets to be impaired. If such indication exists, the Fund makes an estimate of the recoverable amount of the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount.

3.3 Liabilities

3.3.1 Unclaimed Benefits

EPF benefits which are duly refunded to the members or the beneficiaries, but returned for various reasons as well as the Retained Benefit over one year are credited to the Unclaimed Benefits Account until they are re-claimed.

3.3.2 Retained Benefits

EPF benefits, retained on the instructions of the Commissioner of Labour are shown as Retained Benefits until instructions are received to release them. Such benefits are not retained for more than one accounting period in this account and transfer to Unclaimed Benefits Account.

3.3.3 Under Payments & Over Payments (Refunds)

The balance shown in the Under Payments & Over Payments (Refunds) Account represents payment of benefits to be made as part payments.

3.3.4 Under Payments & Over Payments (Contribution)

The balance shown in the Under Payments & Over Payments (Contribution) Account represents receipts of contribution.

3.3.5 Provisions

Provisions are recognised when the Fund has an obligation at present (legal or constructive) as a result of a past event and it is probable that



an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

3.3.6 De-recognition of Liabilities

Financial liabilities are de-recognised when they are extinguished, that is when the obligation is discharged, cancelled, or expires.

3.4 Revenue and Expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and revenue can be reliably measured. Expenses are recognized in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in managing the Fund by both the EPF Department of the Central Bank and the EPF Section of the Department of Labour has been charged to the Fund as its expenditure.

The following specific recognition criteria are considered before revenues and expenses are recognised.

3.4.1 Interest Income

Interest income is recognised in the Income Statement for all interest bearing instruments on an accrual basis using the effective yield method based on actual purchase price less impairment loss. Interest income includes coupon income and any gain or loss on amortization of discount or premium of the instruments.

3.4.2 Dividends

Dividend income is recognized when the Fund's right to receive the payment is established.

3.4.3 Personnel Expenses

Personnel expenses include all staff related expenses incurred by both the EPF Department of the Central Bank and the EPF Section of the Department of Labour. The Fund does not maintain separate pension fund or other post-employee benefits plans.

3.4.4 Income Tax

The income tax is calculated to the extent of the tax payable on investment income. Income tax liability of the Fund is 10% of the gross income earned as

interest, dividends and net surcharges. There is no liability on capital gains earned on Treasury bills, Treasury bonds and shares, since they are exempted from tax as per the Inland Revenue Act.

Since EPF changed its accounting policy (w.e.f. 01.09.2006) to value the Treasury bonds and bills portfolio at after tax Weighted Average Cost (WAC) and to amortize subsequently, the amortization gain was recorded net of tax.

Accordingly, the proportion of With Holding Tax (WHT) applicable for the income earned on Treasury bonds and bills for the year is added back to the amortization gain account in order to give a fair view about the amortization gain and the income tax expenditure.

3.5 Income Statement

EPF prepares its Income Statement using two separate statements i.e. Statement of Income & Expenditure and Statement of Comprehensive Income to show comprehensive income and other comprehensive income.

3.6 Cash Flow Statement

The Cash Flow Statement has been prepared using the "direct method" of preparing cash flows in accordance with LKAS 07-Cash Flow Statement. Cash and cash equivalents comprise short term, highly-liquid investments that are readily convertible to cash and subject to an insignificant risk of changes in value.

3.7 Receipts and Payments Account

Statement of Receipts and Payments represents all receipts received in the form of cash during the year and payments made in cash during the year



EMPLOYEES' PROVIDENT FUND NOTES TO THE INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2014

1. Interest Income

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Interest from SL Rupee Loans	2,247,000,000	-	2,247,000,000	2,247,000,000
Interest from T-Bonds	121,503,576,941	-	121,503,576,941	99,403,876,645
Interest from T-Bills	1,370,617,134	-	1,370,617,134	1,742,279,747
Interest from Reverse Repo	326,703,272	-	326,703,272	389,210,221
Interest from Listed Debentures	900,381,716	-	900,381,716	214,400,093
Interest from Unlisted Debentures	543,500,157	-	543,500,157	533,093,842
Interest from Commercial Papers	77,674,436	-	77,674,436	-
Interest from Trust Certificate	529,079,996	-	529,079,996	506,219,229
Interest from Mortgaged Back Securities	-	-	-	2,181,534
Interest Income	127,498,533,652	-	127,498,533,652	105,038,261,311

2. Dividend Income

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Dividend income from Listed Shares	2,440,961,931	-	2,440,961,931	2,264,772,286
Dividend income from Unlisted Ordinary Shares	730,414,773	-	730,414,773	811,457,386
Dividend income from Unlisted Preference Shares	150,000,000	-	150,000,000	150,000,000
Dividend Income	3,321,376,704	-	3,321,376,704	3,226,229,672

3. Realised Capital Gain/(Loss)

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Capital Gain/(Loss) on dealing of T Bonds - FVTP	-	-	-	1,993,050
Capital Gain/(Loss) on dealing of T Bonds - AFS	1,198,450,196	-	1,198,450,196	138,318,078
Capital Gain/(Loss) on dealing of T Bonds - HTM	2,845,342,646	-	2,845,342,646	614,738,447
Capital Gain/(Loss) on dealing of T Bills - AFS	38,487,280	-	38,487,280	264,420,205
Capital Gain/(Loss) on dealing of Shares - FVTP	50,221,978	-	50,221,978	4,328,654
Capital Gain/(Loss) on dealing of Shares - AFS	2,226,885,262	-	2,226,885,262	108,268,498
Premium/(Discount) on redemption of Mortgage Backed Securities	-	-	-	(4,500,000)
Capital Gain	6,359,387,362	-	6,359,387,362	1,127,566,932

4. Amortization Gain

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Amortization Gain/(Loss) - T bond - HTM	25,896,729,061	-	25,896,729,061	26,955,778,791
Amortization Gain/(Loss) - Debentures - Listed -HTM	(1,803)	-	(1,803)	-
Amortization Gain	25,896,727,258	-	25,896,727,258	26,955,778,791



5. Net Gain/(Loss) from Financial Instruments at Fair Value Through Profit or Loss (Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Fair Value Gain/(Loss) from FVTPL - Equity	89,378,474	-	89,378,474	(44,504,112)
Net Gain/(Loss) from Financial Instruments at Fair Value Through Profit or Loss	89,378,474	-	89,378,474	(44,504,112)

6. Other Income (Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Surcharges	253,054,943	-	253,054,943	307,440,648
Fee Income from Security Lending	424,182,457	-	424,182,457	20,853,114
Other Income	4,878,692	25,977,713	30,856,405	25,708,378
Total Other Income	682,116,092	25,977,713	708,093,805	354,002,140

7. Total Operating Expenditure (Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Personnel Expenses	318,332,546	260,279,845	578,612,391	568,809,660
Administration Expenses	272,158,715	149,292,796	421,451,511	364,456,806
Other Expenses	30,088,223	12,742,554	42,830,777	45,659,284
Total Operating Items	620,579,484	422,315,195	1,042,894,679	978,925,750

8. Income Tax Expense (Rs.)

Item	2014	2013
Amortized WHT on T Bonds	11,673,048,438	9,608,884,857
Provisions for Debenture, Rupee Loan & Other Investments	495,644,450	459,647,510
Total Income Tax Expenses	12,168,692,888	10,068,532,367

9. Net Change in Fair Value of Available-for-Sale Financial Assets (Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Fair value Gain/(Loss) - Listed Equity	20,223,106,590	-	20,223,106,590	(20,354,191)
Fair value Gain/(Loss) - T Bonds	(159,819,228)	-	(159,819,228)	814,294,700
Fair value Gain/(Loss) - T Bills	(1,014,898,305)	-	(1,014,898,305)	1,011,801,305
Fair value Gain/(Loss) - Debentures	131,001,800	-	131,001,800	-
Net Gain/ (Loss) from financial instruments of Available for Sale	19,179,390,857	-	19,179,390,857	1,805,741,814



**EMPLOYEES' PROVIDENT FUND
NOTES TO THE STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2014**

10. Property, Plant and Equipment

(Rs.)

Asset Class	Cost		Accumulated Depreciation		Net Book Value.		2014		2013	
	Monetary Board	Labour Dept.	Monetary Board	Labour Dept.	Monetary Board	Labour Dept.	Total	Total	Total	Total
Computer Equipment	102,002,750	374,060,689	85,699,253	312,938,727	16,303,497	61,121,962	77,425,459	64,253,088		
Office Furniture & Fittings	42,490,907	33,029,400	17,174,785	30,771,177	25,316,122	2,258,223	27,574,345	32,050,754		
Office Equipment	11,714,924	295,591,291	9,307,434	202,771,330	2,407,490	92,819,961	95,227,451	88,492,198		
Motor Vehicles	-	100,395,771	-	55,433,626	-	44,962,145	44,962,145	43,815,782		
Other	3,071,529	352,104	2,062,729	352,104	1,008,800	-	1,008,800	1,128,420		
Total	159,280,110	803,429,255	114,244,201	602,266,964	45,035,909	201,162,291	246,198,200	229,740,242		



EMPLOYEES' PROVIDENT FUND NOTES TO THE STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2014

11. Capital Work-in-Progress

(Rs.)

Item	2014	2013
Opening Balance	890,547,335	435,549,121
Incurred During the Year	1,000,000,000	454,998,214
Closing Balance	1,890,547,335	890,547,335

12. Intangible Assets

(Rs.)

Computer Software	2014	2013
Cost		
As at the beginning of the period	31,368,366	22,595,880
Acquired / Incurred during the period	1,379,744	8,772,486
Retired / Disposed during the period	-	-
Other changes during the period	-	-
As at the end of the period	32,748,110	31,368,366
Amortisation		
As at the beginning of the period	23,144,424	22,160,385
Amortisation during the period	5,118,438	984,039
Disposals during the year	-	-
Amortised as at the end of the period	28,262,862	23,144,424
Net book value		
As at the beginning of the period	8,223,942	435,495
As at the end of the period	4,485,248	8,223,942



**EMPLOYEES' PROVIDENT FUND
NOTES TO THE STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2014**

13. Financial Assets

Instrument	(Rs.)					
	Fair Value Through Profit & Loss (Note 22)	Available For Sale (Note 23)	Held To Maturity (Note 24)	Loans & Receivables (Note 25)	2014	2013
Treasury Bonds	-	7,646,164,476	1,278,947,228,122	-	1,286,593,392,598	1,126,941,275,632
Rupee Loan	-	-	23,100,000,000	-	23,100,000,000	23,100,000,000
Treasury Bills	-	940,477,000	-	-	940,477,000	13,587,399,142
Listed Equity	1,873,760,174	83,939,098,998	-	-	85,812,859,172	63,263,646,500
Unlisted Equity	-	10,770,624,995	-	-	10,770,624,995	9,480,625,000
Corporate Debentures	114,500,000	3,104,900,201	15,123,452,697	-	18,342,852,898	11,106,379,600
Trust Certificate	-	-	2,988,483,197	-	2,988,483,197	3,220,789,626
Commercial Papers	-	-	1,000,000,000	-	1,000,000,000	-
Reverse Repo	-	-	-	8,134,000,000	8,134,000,000	6,627,000,000
Total	1,988,260,174	106,401,265,670	1,321,159,164,016	8,134,000,000	1,437,682,689,860	1,257,327,115,500

13.1 Following Treasury Bonds have been lent to Domestic Operations Departments under the Securities Lending and Borrowing program at a fee.

Security	(Rs.)	
	Face Value	Market Value
9.00% 2033 A	27,251,350,115	20,742,937,418
9.00% 2028 B	22,015,562,905	17,889,494,168
9.00% 2032 A	14,000,046,670	10,928,240,430
8.50% 2019 A	57,709,007,625	54,346,015,206
7.50% 2018 A	23,861,587,525	22,430,751,291
8.50% 2018 B	26,217,321,235	25,749,997,484
6.20% 2020 A	20,726,548,435	17,242,871,627
Total	191,781,424,510	169,330,307,623



EMPLOYEES' PROVIDENT FUND NOTES TO THE STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2014

14. Other Receivables and Current Assets

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Dividend Receivables	70,644,962	-	70,644,962	165,626,936
Fee Income Receivable	4,141,113	-	4,141,113	7,255,899
Other Receivables	3,249,994	-	3,249,994	6,148,290
Tax Paid at Source	449,443,284	-	449,443,284	483,153,294
Prepayments	10,534,642	430,612	10,965,254	16,341,430
Other Current Assets	112,415,350	435,773	112,851,122	112,501,270
CGL Imprest	-	348,640,470	348,640,470	498,898,588
Income Tax Recoverable	295,823,918	-	295,823,918	231,633,001
O/B Recon Investment	(516,031)	-	(516,031)	(516,031)
Total	945,737,232	349,506,855	1,295,244,086	1,521,042,677

15. Cash and Cash Equivalents

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
BOC Main Account	2,483,240,325		2,483,240,325	2,294,411,007
BOC Taxable Account **	(29,436,016)		(29,436,016)	(12,092,073)
Bank of Ceylon 7 **	(8,553,091)		(8,553,091)	(12,453,987)
Bank of Ceylon 6	33,053		33,053	33,053
BOCD -Direct Debit/Credit	5,672,674		5,672,674	-
People's Bank	155,018,915		155,018,915	132,236,468
SLIP Account	6,777,369		6,777,369	6,777,369
Petty Cash	20,000		20,000	16,922
RTGS Sub Account	100		100	-
Total	2,612,773,329		2,612,773,329	2,408,928,759

Note**: Although the book balances of the Bank Accounts show overdrafts, physically these accounts had favourable balances.

16. Creditors

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Domestic - Vendors	1,148,330	-	1,148,330	3,293,010
Retention - Fixed Asset Purchases	777,285	-	777,285	1,737,002
Sundry Creditors	693,784	-	693,784	693,784
Total	2,619,399	-	2,619,399	5,723,796



17. Other Current Liabilities

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
EPF Contributions Payable	30,040	1,320,018	1,350,058	1,350,058
ETF Contributions Payable	(160)		(160)	(172)
Good Received /Invoice Received Clearing- Inventory	(4,459,696)		(4,459,696)	(4,877,488)
Good Received /Invoice Received Clearing-Services/Assets	(114,734)		(114,734)	(114,734)
H/Loan Defaults Payable	2,800,000,000		2,800,000,000	2,500,000,000
Other Payables	(3,870)		(3,870)	(3,870)
Refund Claims Payable	(56,431,160)		(56,431,160)	387,081,486
Provision for Gratuity	165,000		165,000	165,000
Investment Clearing A/C	44,565,232		44,565,232	1,029,974,721
Total	2,783,750,652	1,320,018	2,785,070,670	3,913,575,001

18. Member Balances

(Rs.)

Item	Balance as at 01.01.2014	Debits during the year	Credits during the year	Balance as at 31.12.2014
Current Year Contribution - Contribution No 01 A/C	46,693,817,379	164,123,214,378	164,652,920,121	47,223,523,122
Statemented Contribution - Contribution No 02 A/C	1,097,953,731,216	64,392,158,866	215,468,203,244	1,249,029,775,594
Contribution from Comm. of Labour - CL No 01 A/C	5,982,176,693	3,370,607,630	4,286,381,235	6,897,950,297
U/P O/P Contributions A/C	1,342,080,192	703,713,919	814,005,692	1,452,371,965
Contribution for 1997/98 - 96 Contribution A/C	193,376	-	-	193,376
Members Collection A/C	1,968,237	91,329,421,479	91,329,389,104	1,935,862
SLTB Suspense Account	126,513,344	-	-	126,513,344
Unclaimed Benefits	96,173,622	371,205,296	494,062,238	219,030,564
Retained Benefits	47,621,251	14,182,095	29,709,476	63,148,632
Refunds-Part payments(U/P O/P Refunds)	(325,936,945)	35,411,758,201	34,934,130,243	(803,564,902)
General Deposit Account	440,452,911	236,587,904	-	203,865,007
Interest Payable	129,496,058,289	126,531,570,699	138,083,038,657	141,047,526,247
Total	1,281,854,849,565	486,484,420,467	650,091,840,010	1,445,462,269,108

19. Reserves

(Rs.)

Item	Balance as at 01.01.2014	Net Transfer (from)/to during the year	Balance as at 31.12.2014
Building Reserve Fund	3,157,000,000	-	3,157,000,000
Technology Advancement Reserve Fund	350,000,000	-	350,000,000
Investment Revaluation Reserve (Note 19.1)	(6,278,561,617)	19,179,390,857	12,900,829,240
Profit Equalisation Reserve Fund	14,100,000,000	4,000,000,000	18,100,000,000
General Reserve Fund	6,650,000,000	-	6,650,000,000
Total	17,978,438,383	23,179,390,857	41,157,829,240



19.1 Investment Revaluation Reserve

(Rs.)

Item	Balance as at 01.01.2014	Transfers during the year	Balance as at 31.12.2014
Treasury Bonds	814,294,700	(159,819,228)	654,475,472
Treasury Bills	1,011,801,305	(1,014,898,305)	(3,097,000)
Equity	(8,104,657,623)	20,223,106,590	12,118,448,967
Debenture	-	131,001,801	131,001,801
Total	(6,278,561,617)	19,179,390,857	12,900,829,240



EMPLOYEES' PROVIDENT FUND NOTES TO THE RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2014

20. Receipts

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Contributions	90,048,935,714		90,048,935,714	80,176,396,756
Re - imbursement of Expenses by the EPF-CBSL		1,500,519,461	1,500,519,461	858,645,430
Imprest Account (Commissioner of Labour)		110,160,490	110,160,490	20,090,707
General Deposit Account - (EPF Contributions)		439,113,936	439,113,936	119,207,636
Income - Interest from Investments	128,996,267,061		128,996,267,061	98,698,057,389
Less: Income tax			-	-
	128,996,267,061		128,996,267,061	98,698,057,389
Surcharges	253,054,943	205,411	253,260,354	307,487,026
Proceeds on sale of T. Bonds/T Bills	4,082,280,122		4,082,280,122	46,594,323,380
Proceeds on dealing of Shares	2,277,107,240		2,277,107,240	331,404,155
Dividends	3,200,734,432		3,200,734,432	2,886,142,528
Income from Securities Lending	427,297,243		427,297,243	
Sundry Income	4,875,345	12,301,280	17,176,625	38,765,642
Debtors	11,333,673		11,333,673	2,469,221
Settlement of Advances	2,386,738	770,202	3,156,940	1,755,290
Unclaimed Benefits	123,956,566		123,956,566	1,351,579
Total	229,428,229,078	2,063,070,780	231,491,299,858	230,036,096,740



EMPLOYEES' PROVIDENT FUND

NOTES TO THE RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2014

21. Payments

(Rs.)

Item	2014			2013
	Monetary Board	Labour Dept.	Total	Total
Refunds	65,242,174,753		65,242,174,753	50,244,834,018
Investments	622,205,148,638		622,205,148,638	763,359,631,755
Less - Maturity Proceeds	(486,515,088,742)		(486,515,088,742)	(619,419,455,910)
	135,690,059,896		135,690,059,896	143,940,175,845
WHT paid on Investment	23,775,366,641		23,775,366,641	31,030,731,549
Operating Expenses	495,353,167	390,600,923	885,954,089	828,410,501
Settlement of creditors/payables	2,499,386,111		2,499,386,111	2,396,466,159
Income Tax Retained on Refund of Benefits			-	-
Reimbursement of expenses - Comm. Labour	1,500,519,461		1,500,519,461	858,645,430
Under payments and over payments - Refunds			-	-
Fixed Assets Acquisition	17,870,012	41,344,462	59,214,474	119,936,511
Capital Work-in-Progress		997,515,857	997,515,857	
Advances - Staff	28,000		28,000	19,000
Advances - Miscellaneous	3,626,468		3,626,468	481,362,211
General Deposit Account Contributions		627,670,305	627,670,305	-
Adjustment: Cash Balance at the Beginning of the Year - Labour Department		103,799,642	103,799,642	44,911,739
Total	229,224,384,508	2,160,931,189	231,385,315,697	229,945,492,963



EMPLOYEES' PROVIDENT FUND NOTES TO THE STATEMENT OF INVESTMENT AS AT 31ST DECEMBER 2014

22. Fair Value Through Profit & Loss

Equity

(Rs.)

Stock	Purchase Cost	Market Value	Book Value
ACL Cables PLC	2,795,056	3,450,606	3,450,606
ACL Plastics PLC	36,739,516	35,336,000	35,336,000
Aitken Spence PLC	80,578,324	80,119,557	80,119,557
Aitken Spence Hotels Holdings PLC	9,178,784	8,906,924	8,906,924
Asian Hotels Properties PLC	10,415,360	10,170,000	10,170,000
Bairaha Farms PLC-Voting Shares	9,838,505	8,688,750	8,688,750
Balangoda Plantations	35,409,570	29,467,232	29,467,232
Bogawantalawa Tea State PLC	1,463,187	980,688	980,688
Browns & Co PLC	15,931,237	15,877,944	15,877,944
Browns Investment PLC-Voting	3,689,834	3,957,430	3,957,430
Bukith Darah PLC	2,613,791	2,601,885	2,601,885
C W Mackie PLC	12,643,852	8,244,660	8,244,660
Cargills (Cey) PLC	35,412,012	34,425,000	34,425,000
Carsons Cumberbatch PLC	13,160,409	13,096,642	13,096,642
Ceylon Glass Company	81,663,120	75,144,945	75,144,945
Ceylon Guardian Investment Trust PLC	40,107,955	44,184,610	44,184,610
Ceylon Theatres PLC	6,506,743	6,502,067	6,502,067
Chemanex PLC	160,407	138,400	138,400
CIC Holdings PLC-Voting	5,426,777	6,749,765	6,749,765
DIMO PLC	5,272,232	6,490,380	6,490,380
Eden Hotels PLC	5,843,800	5,406,612	5,406,612
Expolanka Holdings PLC Voting	8,420,578	8,311,470	8,311,470
Free Lanka Capital Holdings PLC	524,500	209,800	209,800
Hayleys PLC	127,059,266	133,781,241	133,781,241
John Keells Holding PLC	1,057,391,174	1,079,511,582	1,079,511,582
Kegalle Plantations PLC	24,733,977	11,496,200	11,496,200
Kelani Tyres PLC	11,398,098	12,143,395	12,143,395
Lankem Ceylon PLC	4,348,790	3,302,119	3,302,119
Mackwoods Energy PLC	15,759,947	13,310,765	13,310,765
Malwatte Valley Plantations PLC	8,782,890	3,564,000	3,564,000
Malwatte Valley Plantations PLC (NV)	3,100,739	1,557,000	1,557,000
Nawaloka Hospitals PLC	26,341,306	25,800,915	25,800,915
Palm Garden Hotels PLC	54,108,598	21,488,000	21,488,000
PC House PLC- from (22.04.2013)	43,925,523	2,264,846	2,264,846
Peoples' Leasing Company PLC	16,444,795	16,316,265	16,316,265
Raigam Wayamba Saltern PLC	32,990,545	30,686,447	30,686,447
Royal Ceramics Lanka	610,587	839,342	839,342
Seylan Developments PLC	2,831,360	2,820,000	2,820,000
Sierra Cables Ltd	7,948,588	12,322,705	12,322,705
Sigiriya Village Hotels PLC	13,279	22,165	22,165
Taj Samudra Hotel	2,895,604	3,660,160	3,660,160
Tangerine Beach Hotels PLC	2,337,723	3,183,813	3,183,813
Tea Smallholders Factories PLC	439,546	372,000	372,000
Tess Agro PLC-Voting	1,213,440	1,600,000	1,600,000
Textured Jersey Lanka PLC	15,310,963	15,458,240	15,458,240
Vallibel One PLC	75,321,541	69,797,608	69,797,608
Sub Total	1,959,103,826	1,873,760,174	1,873,760,174



Corporate Debentures

(Rs.)

Stock	Face Value	Purchase Cost	Market Value
Nawaloka Hospitals PLC	114,500,000	114,500,000	114,500,000
Sub Total	114,500,000	114,500,000	114,500,000

(Rs.)

	Purchase Cost	Market Value	Book Value
Grand Total	2,073,603,826	1,988,260,174	1,988,260,174



EMPLOYEES' PROVIDENT FUND NOTES TO THE STATEMENT OF INVESTMENT AS AT 31ST DECEMBER 2014

23. Available For Sale

Treasury Bonds

(Rs.)

Securities	Face Value	Amortised Cost	Purchase Cost	Market Value
07.00%2023A	450,000,000	341,635,050	341,635,050	421,945,200
06.20%2020A	76,000,000	63,837,231	63,837,231	71,415,148
06.50%2015A	50,000,000	47,151,055	47,151,055	50,171,850
08.50%2018B	200,000,000	180,909,043	180,909,043	208,590,800
08.00%2032A	779,000,000	544,615,800	544,615,800	686,981,404
08.00%2017B	300,000,000	275,846,529	275,846,529	307,823,700
08.00%2018A	1,500,000,000	1,306,379,500	1,306,379,500	1,542,843,000
09.00%2021A	5,000,000	5,358,501	5,358,501	5,361,570
09.00%2026A	203,818,200	184,815,501	184,815,501	212,691,629
11.40%2024A	2,150,000,000	2,536,258,357	2,536,258,357	2,620,415,700
11.20%2022A	1,275,000,000	1,504,882,437	1,504,882,437	1,517,924,475
Sub Total	6,988,818,200	6,991,689,004	6,991,689,004	7,646,164,476

Treasury Bills

(Rs.)

Securities	Face Value	Amortised Cost	Purchase Cost	Market Value
364D 11/12/2015	1,000,000,000	943,574,000	943,574,000	940,477,000
Sub Total	1,000,000,000	943,574,000	943,574,000	940,477,000



Equity

(Rs.)

Stock	Book value	Purchase Cost	Market Value
Listed Equity			-
ACL Cables PLC	240,501,546	151,706,495	240,501,546
Access Engineering PLC	494,225,628	335,760,975	494,225,628
Aitken Spence PLC	649,198,782	666,434,159	649,198,782
Aitken Spence Hotel Holdings PLC	2,385,657,704	1,638,354,176	2,385,657,704
Amaya Leisure PLC	392,762,815	340,028,021	392,762,815
Asian Hotels Properties PLC	2,938,603,601	3,177,484,905	2,938,603,601
Asiri Surgical Hospital PLC	4,041,750	1,680,649	4,041,750
Bairaha Farms PLC-Voting Shares	184,130,000	218,954,991	184,130,000
Brown & Co PLC	710,601,338	1,771,564,991	710,601,338
Bukit Darah PLC	2,040,776,595	2,307,995,743	2,040,776,595
CIC Holdings PLC - Non Voting	161,822,710	192,174,270	161,822,710
CIC Holdings PLC - Voting	416,802,430	516,319,999	416,802,430
Cargills (Cey) PLC	1,123,320,798	1,369,726,395	1,123,320,798
Carsons Cumberbatch PLC	2,378,099,880	2,574,131,165	2,378,099,880
Central Finance Company PLC	2,737,748,000	2,571,170,787	2,737,748,000
Ceylon Cold Stores PLC	81,854,260	6,851,674	81,854,260
Piramal Glass ceylon PLC	442,553,986	541,433,624	442,553,986
Ceylon Grain Elevators	219,372,509	1,005,584,993	219,372,509
Ceylon Guardian Investment Trust PLC	333,743,642	336,664,810	333,743,642
Ceylon Hospitals PLC (NV)	92,349,680	25,410,556	92,349,680
Ceylon Hotels Corporation PLC	474,439,697	711,242,903	474,439,697
Ceylon Tea Services PLC	1,112,791,680	1,059,144,322	1,112,791,680
CT Holdings PLC	992,806,243	1,080,050,500	992,806,243
Chevron Lubricants Lanka PLC	402,780,017	98,352,358	402,780,017
Colombo Dockyard PLC	2,266,593,737	2,791,808,782	2,266,593,737
Commercial Bank of Ceylon PLC	13,475,831,472	7,992,962,707	13,475,831,472
DFCC Bank PLC	5,336,809,905	3,395,967,521	5,336,809,905
DIMO PLC	1,041,410,568	1,535,313,106	1,041,410,568
Dialog Akiata PLC	2,360,670,932	1,651,382,934	2,360,670,932
Dipped Products PLC	1,118,296,608	888,569,146	1,118,296,608
Eden Hotel Lnaka PLC	127,145,571	216,935,905	127,145,571
Galadari Hotels (Lanka) PLC	343,826,900	810,321,610	343,826,900
Hatton National Bank PLC	6,204,955,679	5,166,481,391	6,204,955,679
Haycarb PLC	245,238,745	238,459,542	245,238,745
Hayleys PLC	1,188,536,488	1,006,952,294	1,188,536,488
Hayleys MGT	96,408,650	213,591,735	96,408,650
Hemas Holdings PLC	677,765	203,403	677,765
Hotel Services	460,079,046	555,501,624	460,079,046
JKH Warrant 12.11.2013/11.11.2016	6,932,885		6,932,885
John Keells Holdings PLC	1,003,149,097	871,806,573	1,003,149,097
John Keells Hotels PLC	1,334,065,718	1,166,289,291	1,334,065,718
Kelani Tyres PLC	121,352,000	97,614,248	121,352,000
Lanka IOC Ltd	180,010,200	95,977,019	180,010,200
Lanka Orix Leasing Company PLC	1,336,038,792	1,611,012,568	1,336,038,792
Lanka Tiles PLC	582,516,220	432,883,507	582,516,220
Laugfs Gas PLC (Non-Voting)	671,136,360	706,343,981	671,136,360



Equity

(Rs.)

Stock	Book value	Purchase Cost	Market Value
Laugfs Gas PLC (Voting)	2,344,860,900	2,684,119,965	2,344,860,900
Light House Hotel	279,664,000	309,422,269	279,664,000
Mackoods Energy PLC	9,142,400	19,999,000	9,142,400
National Development Bank PLC	4,002,562,000	1,429,995,020	4,002,562,000
Nations Trust Bank PLC	11,775,994	8,080,026	11,775,994
Nawaloka Hospitals PLC	20,415,051	21,564,963	20,415,051
Nestle Lanka PLC	210,500,000	21,687,108	210,500,000
Overseas Realty (Ceylon) PLC	857,392,440	511,407,306	857,392,440
Peoples' Leasing Company PLC	1,052,957,595	729,740,111	1,052,957,595
Raigam Wayamba Salterns PLC	87,289,180	120,691,019	87,289,180
Richard Pieris and Company PLC	1,444,145,920	1,647,207,967	1,444,145,920
Royal Ceramics Lanka	1,912,556,478	1,746,023,278	1,912,556,478
Softlogic Holdings PLC	119,303,250	133,137,480	119,303,250
Sampath Bank PLC	3,956,846,336	2,593,828,360	3,956,846,336
Seylan Bank (Non-Voting)	850,718,595	527,530,679	850,718,595
Seylan Bank PLC	1,664,915,375	1,130,415,047	1,664,915,375
Sierra Cables PLC	31,640,825	30,564,660	31,640,825
Sri Lanka Telecom PLC	1,205,838,091	818,636,196	1,205,838,091
Taj Samudra Hotel	251,349,258	340,419,306	251,349,258
Tangerine Beach Hotels PLC	133,365,856	145,320,490	133,365,856
The Finance Company PLC	106,915,200	205,489,613	106,915,200
Tokyo Cement Company (Lanka) PLC (NV)	190,200,699	109,829,537	190,200,699
Trans Asia Hotels PLC	395,680,020	263,154,670	395,680,020
Vallibel One PLC	2,286,394,910	2,360,493,810	2,286,394,910
Sub Total	83,939,098,998	72,053,360,230	83,939,098,998



(Rs.)

Stock	Book value	Purchase Cost	Market Value
Unlisted Equity			
Canwill Holdings (Pvt) Ltd.	5,000,000,000	5,000,000,000	5,000,000,000
Cargills Bank Ltd	495,000,000	495,000,000	495,000,000
Fitch Ratings Lanka Limited	625,000	625,000	625,000
Jetwing Symphony Limited	389,999,995	389,999,995	389,999,995
SriLankan Airlines	500,000,000	500,000,000	500,000,000
SriLankan Catering Preference 15%	1,005,000,000	1,005,000,000	1,005,000,000
Weligama Hotel Properties (Pvt) Ltd	405,000,000	405,000,000	405,000,000
West Coast Power (Pvt) Ltd	2,975,000,000	2,975,000,000	2,975,000,000
Sub Total	10,770,624,995	10,770,624,995	10,770,624,995
Total Equity	94,709,723,993	82,823,985,225	94,709,723,993

Corporate Debentures

(Rs.)

Stock	Face Value	Purchase Cost	Market Value
Central Finance Company PLC - 13.00% p.a.	18,485,000	18,485,000	19,494,688
Central Finance Company PLC - 13.25% p.a.	18,335,000	18,335,000	18,335,000
Central Finance Company PLC - 13.50% p.a.	15,255,000	15,255,000	15,255,000
Central Finance Company PLC - 13.95% p.a.	23,950,000	23,950,000	26,388,134
Hayleys PLC - 14.25% p.a.	51,900,000	51,900,000	56,914,163
HNB Debenture - 7.75% p.a.	500,000,000	500,000,000	500,000,000
LB Finance PLC - 14.5% p.a.	220,670,000	220,670,000	222,876,700
Nations Trust Bank PLC - 13.00% p.a.	549,150,000	549,150,000	597,526,820
Pan Asia Banking Corporation PLC - 9.5233% p.a.	209,229,900	209,229,900	209,229,900
Pan Asia Banking Corporation PLC - 9.75% p.a.	250,000,000	250,000,000	252,322,500
Richard Pieris & Company PLC - 10.75% p.a.	35,680,000	35,680,000	36,111,906
Richard Pieris & Company PLC - 11.00% p.a.	81,390,000	81,390,000	81,390,000
Richard Pieris & Company PLC - 11.25% p.a.	100,000,000	100,000,000	104,731,200
Sampath Bank Debenture - 8.10% p.a.	200,000,000	200,000,000	200,000,000
Sampath Bank Debenture - 13.00% p.a.	251,775,000	251,775,000	299,210,165
Sampath Bank Debenture -13.40% p.a.	170,095,000	170,095,000	187,130,525
Seylan Bank Debenture - 8.60% pa.	200,000,000	200,000,000	200,000,000
Singer Sri Lanka PLC - 14.50% p.a.	31,193,400	31,193,400	31,193,400
Singer Sri Lanka PLC - 14.50% p.a.	46,790,100	46,790,100	46,790,100
Sub Total	2,973,898,400	2,973,898,400	3,104,900,201



EMPLOYEES' PROVIDENT FUND

NOTES TO THE STATEMENT OF INVESTMENT

AS AT 31ST DECEMBER 2014

24. Held To Maturity

Treasury Bonds

(Rs.)

Series	Face Value	Amortised Cost	Purchase Cost	Market Value
05.35%2026A	89,246,800,000	48,192,417,764	45,100,277,694	69,044,358,871
05.65%2019A	150,000,000	123,463,310	110,690,650	142,234,950
05.80%2017A	20,426,300,000	19,225,969,422	17,680,179,655	20,104,483,644
05.80%2017A	3,268,500,000	2,907,744,283	2,541,190,345	3,217,004,783
05.80%2017B	20,268,800,000	18,763,995,408	17,299,432,009	19,743,757,005
06.20%2015A	8,929,000,000	8,921,200,732	8,335,119,509	8,930,928,664
06.20%2015B	500,000,000	489,108,560	433,070,667	500,993,500
06.20%2020A	64,320,167,000	54,762,247,038	51,016,767,094	60,439,924,285
06.40%2016A	29,873,700,000	28,560,678,928	25,782,898,323	29,868,830,587
06.40%2016A	800,000,000	774,433,964	727,493,329	799,869,600
06.40%2016B	4,300,000,000	3,982,308,987	3,606,863,000	4,289,890,700
06.50%2015A	8,028,500,000	7,921,021,475	7,275,175,651	8,056,093,955
06.50%2015A	5,752,000,000	5,685,820,202	5,280,899,699	5,771,769,624
07.00%2023A	63,089,600,000	52,661,375,313	50,716,953,092	59,156,341,978
07.25%2016A	5,801,200,000	5,654,339,520	5,266,017,625	5,865,587,519
07.25%2016A	25,184,400,000	24,678,807,781	23,564,143,018	25,463,921,656
07.50%2018A	25,564,300,000	23,739,071,572	22,616,316,680	25,846,069,715
08.00%2016A	11,465,600,000	10,950,967,032	10,277,763,804	11,740,052,067
08.00%2016B	2,973,300,000	2,823,584,164	2,596,745,624	3,038,569,882
08.00%2017A	24,152,400,000	23,083,208,037	21,880,208,671	24,727,734,320
08.00%2017B	7,729,000,000	6,770,891,760	6,075,419,095	7,930,564,591
08.00%2018A	4,200,000,000	3,632,139,812	3,414,507,000	4,319,960,400
08.00%2019A	11,556,700,000	9,365,302,414	8,637,605,991	11,884,089,754
08.00%2020A	9,225,000,000	7,055,615,256	6,487,112,250	9,450,246,825
08.00%2022A	13,560,900,000	10,323,259,930	9,798,081,150	13,697,905,773
08.00%2022A	39,445,100,000	30,936,878,957	29,161,548,590	39,843,613,845
08.00%2032A	50,000,000	45,488,384	45,457,100	44,093,800
08.00%2032A	63,368,000,000	37,547,440,826	36,808,278,628	55,882,718,368
08.50%2018A	36,832,500,000	33,165,366,897	29,565,007,766	38,327,494,343
08.50%2018B	44,706,900,000	41,449,653,510	39,611,489,778	46,627,240,183
08.50%2018C	25,000,000	22,848,773	22,183,300	26,026,200
8.50% 2018D	1,250,000,000	1,156,628,655	1,131,576,429	1,303,655,000
08.50%2019A	20,881,000,000	20,505,585,713	20,273,229,415	21,859,901,280
08.50%2019A	54,196,700,000	52,027,103,786	50,845,502,745	56,737,441,296
08.75%2017A	1,000,000,000	1,032,549,572	1,035,738,214	1,041,279,000
09.00%2026A	20,400,000,000	16,585,235,827	16,317,311,186	21,288,134,400
09.00%2023I	6,850,000,000	5,915,885,374	5,814,687,171	7,300,291,600
09.00%2021A	9,385,000,000	8,488,962,875	8,323,155,680	10,063,666,890
09.00%2025A	9,944,100,000	8,455,681,505	8,372,813,469	10,439,882,994



Series	Face Value	Amortised Cost	Purchase Cost	Market Value
09.00%2028A	89,989,200,000	70,861,145,425	69,875,430,402	91,576,069,553
09.00%2028B	88,016,480,000	70,463,681,660	69,779,476,933	89,945,097,110
09.00%2032A	31,845,350,000	24,463,623,365	24,294,306,864	31,601,796,763
09.00%2033A	99,305,900,000	75,467,823,600	74,992,621,890	97,607,471,192
09.00%2033B	19,908,840,000	15,373,385,798	15,310,903,097	19,582,175,753
09.00%2043A	30,676,000,000	22,363,453,047	22,309,954,800	29,899,713,144
11.00%2015A	11,339,100,000	11,328,579,780	11,266,133,227	11,666,527,852
11.00%2015B	31,854,500,000	32,061,773,335	33,310,995,622	32,887,923,689
11.20%2022A	7,531,710,000	8,925,555,570	8,940,050,950	8,966,719,175
11.40%2024A	8,100,000,000	9,894,634,850	9,911,188,514	9,872,263,800
11.75%2015A	11,870,500,000	11,868,478,149	11,728,777,505	12,009,883,411
13.00%2029A	69,822,190,000	81,842,241,053	82,093,726,464	93,025,360,536
13.00%2029B	7,227,273,000	9,372,548,036	9,395,874,260	9,634,598,136
13.25%2033A	19,869,820,000	22,999,540,754	23,035,175,737	27,078,411,868
13.25%2034A	75,158,330,000	89,780,065,158	89,874,725,938	102,107,251,121
13.50%2044A	4,390,000,000	5,070,332,579	5,068,642,220	6,205,945,450
13.50%2044B	67,550,000,000	78,426,082,646	78,436,386,871	95,373,980,100
Total	1,443,155,660,000	1,278,947,228,122	1,243,473,282,391	1,513,857,812,497

Sri Lanka Rupee Loans

(Rs.)

Securities	Face Value	Purchase Cost	Market Value	Amortised Cost
2009-2015 9.50%	19,600,000,000	19,600,000,000	19,600,000,000	19,600,000,000
2009-2015 A 11.00%	3,500,000,000	3,500,000,000	3,500,000,000	3,500,000,000
Sub Total	23,100,000,000	23,100,000,000	23,100,000,000	23,100,000,000



Corporate Debentures

(Rs.)

Debenture	Face Value	Purchase Cost	Market Value	Amortised Cost
Bank of Ceylon - 13.00% p.a.	575,950,000	575,950,000	575,950,000	575,950,000
Bank of Ceylon - 13.75% p.a.	134,090,000	134,090,000	134,090,000	134,090,000
BOC 6 month T Bill Gross +0.75 - 2015	200,000,000	200,000,000	200,000,000	200,000,000
Central Finance Company PLC - 13.00% p.a.	18,485,000	18,485,000	18,485,000	18,485,000
Central Finance Company PLC - 13.25% p.a.	18,335,000	18,335,000	18,335,000	18,335,000
Central Finance Company PLC - 13.50% p.a.	15,255,000	15,255,000	15,255,000	15,255,000
Central Finance Company PLC - 13.95% p.a.	23,950,000	23,950,000	23,950,000	23,950,000
Central Finance PLC - 14.50% p.a.	81,300,000	81,300,000	81,300,000	81,300,000
Central Finance PLC - 14.75% p.a.	105,300,000	105,300,000	105,300,000	105,300,000
DFCC Vardhana Bank Debenture - 11.50% p.a.	500,000,000	500,000,000	500,000,000	500,000,000
Hayleys PLC - 14.25% p.a.	51,900,000	51,900,000	51,900,000	51,900,000
HDFC Bank Debentures - 2.50% p.a.	195,000,000	195,000,000	195,000,000	195,000,000
Hemas Holding PLC - 11.00% p.a.	81,980,000	81,980,000	81,980,000	81,980,000
HNB Debenture - 7.75% p.a.	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
HNB Debenture - 11.50% p.a.	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
HNB Debenture - 14.00% p.a.	316,716,600	316,716,600	316,716,600	316,716,600
Housing Development & Finance Corporation - 15.00% p.a.	65,580,000	65,580,000	65,580,000	65,580,000
Lanka ORIX Leasing Company PLC Debenture - 12.00% p.a.	500,000,000	500,000,000	500,000,000	500,000,000
Lanka ORIX Leasing Company PLC Debenture - 9.00% p.a.	100,000,000	100,203,400	100,201,597	100,201,597
Lion Brewery (Ceylon) PLC - 13.50% p.a.	39,900,000	39,900,000	39,900,000	39,900,000
Lion Brewery (Ceylon) PLC - 13.75% p.a.	39,900,000	39,900,000	39,900,000	39,900,000
Lion Brewery (Ceylon) PLC - 14.00% p.a.	53,200,000	53,200,000	53,200,000	53,200,000
Merchant Bank of Sri Lanka - 16.70% p.a.	281,590,000	281,590,000	281,590,000	281,590,000
National Development Bank PLC - 13.00% p.a.	173,160,000	173,160,000	173,160,000	173,160,000
National Development Bank PLC - 13.40% p.a.	88,240,000	88,240,000	88,240,000	88,240,000
National Development Bank PLC - 13.90% p.a.	375,000,000	375,000,000	375,000,000	375,000,000
National Development Bank PLC - 14.00% p.a.	500,000,000	500,000,000	500,000,000	500,000,000
Nations Trust Bank PLC - 13.00% p.a.	549,150,000	549,150,000	549,150,000	549,150,000
Nawaloka Hospitals PLC - 14.15% p.a.	114,500,000	114,500,000	114,500,000	114,500,000
NTB Debenture - 11.50% p.a.	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
PABC DC 6MN Bill + 2.95	250,000,000	250,000,000	250,000,000	250,000,000
People's Leasing & Finance PLC - 16.75% p.a.	105,900,000	105,900,000	105,900,000	105,900,000
People's Leasing & Finance PLC - 8.75% p.a.	159,540,000	159,540,000	159,540,000	159,540,000
People's Leasing & Finance PLC - 9.625% p.a.	32,880,000	32,880,000	32,880,000	32,880,000
Richard Pieris & Company PLC - 11.25% p.a.	100,000,000	100,000,000	100,000,000	100,000,000
Richard Pieris & Company PLC - 10.75% p.a.	35,680,000	35,680,000	35,680,000	35,680,000
Richard Pieris & Company PLC - 11.00% p.a.	81,390,000	81,390,000	81,390,000	81,390,000
Sampath Bank Debenture - 16.5%	14,430,000	14,430,000	14,430,000	14,430,000
Sampath Bank Debenture - 8.10% p.a.	1,800,000,000	1,800,000,000	1,800,000,000	1,800,000,000
Sampath Bank Debenture - Fixed 13.00% p.a.	251,775,000	251,775,000	251,775,000	251,775,000
Sampath Bank Debenture - Fixed 13.40% p.a.	170,095,000	170,095,000	170,095,000	170,095,000
Seylan Bank Debenture - 8.60% p.a.	1,800,000,000	1,800,000,000	1,800,000,000	1,800,000,000
Seylan Bank - 15.00% p.a.	100,000,000	100,000,000	100,000,000	100,000,000
Singer Finance (Lanka) PLC - 14.00% p.a.	33,214,000	33,214,000	33,214,000	33,214,000
Singer Finance (Lanka) PLC - 14.25% p.a.	123,306,000	123,306,000	123,306,000	123,306,000



(Rs.)

Debenture	Face Value	Purchase Cost	Market Value	Amortised Cost
Singer Finance (Lanka) PLC - 14.50% p.a.	93,576,000	93,576,000	93,576,000	93,576,000
Singer Sri Lanka PLC - 14.5% p.a.	31,193,400	31,193,400	31,193,400	31,193,400
Singer Sri Lanka PLC - 14.5% p.a.	46,790,100	46,790,100	46,790,100	46,790,100
SMIB Bank Debentures - 2.50% p.a.	195,000,000	195,000,000	195,000,000	195,000,000
	15,123,251,100	15,123,454,500	15,123,452,697	15,123,452,697

Commercial Papers

(Rs.)

Issuer	Face Value	Purchase Cost	Market Value	Amortised Cost
Singer Sri Lanka PLC	1,082,045,184	1,000,000,000	1,000,000,000	1,000,000,000
Sub Total	1,082,045,184	1,000,000,000	1,000,000,000	1,000,000,000

Trust Certificates

(Rs.)

Issuer	Face Value	Purchase Cost	Market Value	Amortised Cost
LB Finance Trust Certificates 21 - 36.2	407,820,892	272,200,000	374,479,966	374,479,966
Mercantile Investments & Finance PLC TC - 1.26	360,000,000	245,530,287	277,200,199	277,200,199
People's Leasing & Finance TC 81 24.3	2,635,399,852	1,886,487,815	2,322,696,295	2,322,696,295
Senkadagala Finance Co. Trust 30 24.1	14,260,814	10,000,000	14,106,737	14,106,737
Sub Total	3,417,481,558	2,414,218,102	2,988,483,197	2,988,483,197



EMPLOYEES' PROVIDENT FUND NOTES TO THE STATEMENT OF INVESTMENT AS AT 31ST DECEMBER 2014

25. Loans & Receivables

Reverse Repurchase Agreements (Reverse repo)

(Rs)

Counter Party	Face Value	Purchase Cost	Market Value
Nations Trust Bank	1,500,000,000	1,500,000,000	1,500,000,000
National Savings Bank	5,000,000,000	5,000,000,000	5,000,000,000
Nations Trust Bank	1,000,000,000	1,000,000,000	1,000,000,000
Nations Trust Bank	434,000,000	434,000,000	434,000,000
First Capital Treasuries Ltd.	200,000,000	200,000,000	200,000,000
Grand Total	8,134,000,000	8,134,000,000	8,134,000,000



EMPLOYEES' PROVIDENT FUND
NOTES TO THE STATEMENT OF INVESTMENT
AS AT 31ST DECEMBER 2014
26. Movement of Investment

Type of Investment	(Rs.)										Change %	
	Opening Balance	Investments	Maturities	Sales	Amortization	Valuation Gain/Loss	Closing Balance	2014	2013			
Fair Value Through Profit & Loss Investments												
Treasury Bonds												
Listed Equity	472,747,761	2,792,981,130	-	1,481,347,191	-	89,378,474	1,873,760,174	0.1	0.0	0.0	0.1	
Corporate Debenture	114,500,000	-	-	-	-	-	114,500,000	0.0	0.0	0.0	(0.0)	
Sub Total - FVTP Investments	587,247,761	2,792,981,130	-	1,481,347,191	-	89,378,474	1,988,260,174	0.1	0.0	0.0	0.1	
Available For Sale Investments												
Treasury Bonds	10,589,952,365	12,939,509,518		16,683,495,102		800,197,696	7,646,164,476	0.5	0.8	0.8	(0.3)	
Treasury Bills	13,587,399,142	943,574,000	13,743,793,000	224,730,675		378,027,533	940,477,000	0.1	1.1	1.1	(1.0)	
Listed Equity	62,790,898,739	4,822,676,424	-	5,905,321,034		22,230,844,869	83,939,098,998	5.8	5.0	5.0	0.8	
Unlisted Equity	9,480,625,000	1,289,999,995					10,770,624,995	0.7	0.8	0.8	(0.0)	
Corporate Debenture	1,397,598,500	1,576,299,900				131,001,801	3,104,900,201	0.2	0.1	0.1	0.1	
Sub Total - AFS Investments	97,846,473,746	21,572,059,837	13,743,793,000	22,813,546,811	-	23,540,071,898	106,401,265,670	7.4	7.8	7.8	(0.4)	
Held to Maturity Investments												
Treasury Bonds	1,116,351,323,267	315,042,323,493	124,574,300,000	42,095,799,261	14,223,680,623		1,278,947,228,122	89.0	88.8	88.8	0.2	
Rupee Loans	23,100,000,000	-	-	-	-	-	23,100,000,000	1.6	1.8	1.8	(0.2)	
Treasury Bills	-	-	-	-	-	-	-	-	-	-	-	
Corporate Debenture	9,594,281,100	5,691,673,400	162,500,000	-	-	(1,803)	15,123,452,697	1.1	0.8	0.8	0.3	
Commercial Papers	-	1,000,000,000	-	-	-	-	1,000,000,000	0.1	-	-	0.1	
Trust Certificates	3,220,789,626	1,239,845,524	2,001,231,949			529,079,996	2,988,483,197	0.2	0.3	0.3	(0.0)	
Sub Total - HTM Investments	1,152,266,393,993	322,973,842,417	126,738,031,949	42,095,799,261	14,223,680,623	529,078,193	1,321,159,164,016	91.9	91.6	91.6	0.3	
Loans & Receivables Investments												
Reverse Repo	6,627,000,000	805,222,247,727	803,715,247,727	-	-	-	8,134,000,000	0.6	0.5	0.5	0.0	
Sub Total - L & R Investments	6,627,000,000	805,222,247,727	-	-	-	-	8,134,000,000	0.6	0.5	0.5	0.0	
Grand Total	1,257,327,115,500	1,152,561,131,112	944,197,072,677	66,390,693,263	14,223,680,623	24,158,528,566	1,437,682,689,860	100	100	100	-	



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல. }
My No. }

LEW/B/EPF/FA/14

මගේ අංකය
உமது இல. }
Your No. }

දිනය
திகதி }
Date }

18 June 2016

Hon. Minister,

Ministry of Labour and Trade Union Relations

Report of the Auditor General on the Financial Statements of the Employees' Provident Fund for the year ended 31 December 2014 in terms of Section 6(3) of the Employees' Provident Fund Act, No.15 of 1958.

The audit of Financial statements of the Employees' Provident Fund for the year ended 31 December 2014 comprising the statement of financial position as at 31 December 2014 and the statement of income and expenditure, 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 6(3) of the Employees' Provident Fund Act, No.15 of 1958. My comments and observations which I consider should be published with the Annual Report of the Fund in terms of Section 6(3) of the Employees' Provident Fund Act appear in this report.

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 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 Auditing Standards of Supreme Audit Institutions (ISSAI 1000 - 1810). Those Standards require that, I comply with the 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 judgement, 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 Fund'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 Fund'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.

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 Employees' Provident Fund as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.



2.2 Comments on Financial Statements

2.2.1 Sri Lanka Accounting Standards

The following observations are made.

(a) Sri Lanka Accounting Standard 10

Even though the market price of shares amounting to Rs.3,886,806,962 invested in 09 Companies by the Fund had been decreased by Rs.2,338,386,792 in the range between 57 per cent to 78 per cent as at 09 September 2015, the date of audit, it had not been disclosed in the financial statements.

(b) Sri Lanka Accounting Standard 39

Even though the financial statements had proved that the market value of the shares costing Rs.43,925,525 invested in a Company had decreased by Rs.41,660,680, that was by 95 per cent as at 31 December in the year under review and by Rs.42,793,103, that was by 97 per cent as at 09 September 2015, the date of audit and an imperible loss had incurred, action had not been taken in that respect.

2.2.2. Accounting Deficiencies

The following observations are made.

- (a) (i) Relevant action had not been taken either to rectify or settle the transactions of 05 Bank accounts amounting to Rs.1,687,186,000 the particulars of which are shown below for the period from the year 2001 to 31 December 2014 and they had continuously been shown in the Bank reconciliation statements.

<u>Particulars of the transaction</u>	<u>Amount</u> (Rs.)
Direct deposits not recorded in the Cash Book	726,148,074
Dishonoured Cheques	44,941,965
Direct additions and deductions	136,761
Unidentified Balances	<u>915,959,200</u>
Total	<u>1,687,186,000</u>

- (ii) Any action had not been taken in respect of 3008 Cheques totalling Rs.119,657,756 issued but not presented to Bank during the said period, Cheques totalling Rs.348,499,737 deposited but unrealized and 75,396 Money Orders totalling Rs. 74,474,447 and they had continuously been shown in the Bank reconciliation Statements.



- (b) The accuracy of the Bank balances in financial statements had been problematic in audit as they had based on some other balances instead of the balances of the Bank Statement certified by the Bank in the preparation of the relevant Bank Reconciliation Statement as at 31 December in the year under review. Details appear below.

<u>Bank Account No. / Particulars</u>	<u>Balance as at 31 December 2014 according to Bank statement. (Rs.)</u>	<u>Balance used for the preparation of Bank Reconciliations (Rs.)</u>	<u>Difference (Rs.)</u>
5238958	1,796,753,332	1,972,721,415	175,968,083
085378	53,255	6,777,369	6,724,114
Account for the settlement of variances		111,801,745	111,801,745
Total	1,796,806,587	2,091,300,529	294,493,942

2.3 Accounts Receivable and payable

The following observations are made.

- (a) As a sum of Rs. 8,836,366,465 received from the Central Bank of Sri Lanka as at 31 December 2014 had not been settled and credited to the accounts of the beneficiaries, it had caused to deprive of funds or delay in making payment for the beneficiaries. The Committee on Public Accounts had also inquired about the unsettlement of these balances without delay.
- (b) The contributions and surcharges recoverable to the Employees' Provident Fund totalling Rs.359,977,173 had remained unrecovered even by 30 September 2015 due to not taking legal action against 374 Institutions located within the purview of the District Labour office, Colombo West and the adjourning of action halfway.
- (c) Contributions and surcharges in arrears totalling Rs. 6,256,456,427 by 31 December 2014 from 114 offices of the Sri Lanka Transport Board throughout the Island had remained unrecovered.
- (d) The Fund had failed to recover contributions and surcharges amounting to Rs.49,462,817 of the Employees' Provident Fund payable for the period from September 2009 to December 2010 for the employees of the Ceylon Fisheries Corporation.



- (e) Late surcharges amounting to Rs.14,379,993 recoverable from 169 Local Authorities for the period from the year 2000 to the end of the year 2013 could not be recovered even by 30 June 2015 due to non-sending of notices as prescribed.
- (f) Unpaid contributions and surcharges amounting to Rs. 65,198,717 recovered from instituting lawsuits during the period from the year 2005 to 2008 had been credited to the Government Revenue due to unavailability of correct information in the Fund in respect of relevant members.

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

Reference to Laws, Rules, Regulations, etc.	Non-compliance
Treasury Circular No. 842 dated 19 December 1978.	Even though the fixed Assets amounting to Rs.803,429,255 received from the Department of Labour shown in the financial statements as at 31 December 2014, should have been recorded in the Register of Fixed Assets as per Form General 287, a register of fixed assets had not been maintained as per the relevant Format.
Public Finance Circular No. 02/2014 dated 17 October 2014	Annual Board of survey had not been carried out for the year under review to ensure the existence of fixed assets amounting to Rs.159,280,110 located in the premises of the Central Bank of Sri Lanka.
Section 8.7 of Public Enterprises Circular No. PED 12 of 02 June 2003.	The Fund had paid a sum of Rs. 26,124,841 for the period from the year 2011 to 2014 without recovering income tax from the relevant officers of the Central Bank of Sri Lanka on their employment income who had been working at the Employees' Provident Fund.
Paragraph 3 (1) of Treasury Operations Circular No. 01/2008 dated 03 March 2008	Even though investment of Funds, obligated either directly or indirectly to the Government, in a certain financial Institutions except in State Banks should have been suspended with immediate effect, the Employees' Provident Fund had purchased Treasury Bonds costing Rs.44,041,102,093 with the face value of Rs.37,940,740,000 from 12 Non –governmental financial institutions at 135 instances in the years 2013 and 2014.



3. Financial Review

3.1 Financial Results

The financial result of the Fund for the year under review had been a net profit of Rs. 150,661,909,688 and the corresponding net profit of Rs.125,609,876,617 for the preceding year, thus indicating an improvement of Rs.25,052,033,071 in the financial result for the year under review as compared with the preceding year. The increase of investment income by Rs.26,862,070,856 had been mainly attributed to this improvement.

4. Operating Review

4.1 Performance

The following observations are made.

(a) The performance as at the end of the year 2014 was as follows.

Description	Actual Amount	Amounts related to the operation of the Fund	Percentage %
Employment of private and semi Government Sectors	3,723,947	2,400,000	64.44
Employers	235.872	71,000	30.10
No. of members' Accounts of the Fund	15,400,000	2,400,000	15.58

(Source: Central Bank of Sri Lanka - Employees' Provident Fund 2014)

The contribution credited to 12,799,572 dormant members' accounts of the Fund as at 01 January 2014 amounted to Rs.632,989,206,006 while the interest credited for those account-holders for the year 2014 amounted to Rs. 63,540,018,009. The number of these dormant member accounts represented 83.11 per cent out of the total member accounts.

(b) Even though 13,885 cases throughout the island had been instituted by the Fund for the recovery of contributions and surcharges amounting to Rs.10,880,797,461 of the Employees' Provident Fund from the year 2010 up to the end of the year 2014, a database had not been maintained so as to obtain the information on amount collected from such cases and number of cases settled.



4.2 Management inefficiencies

The following observations are made.

- (a) Despite the Court of law had decided at the end of a case instituted to obtain Employees' Provident Fund related to a case at the Labour Tribunal, Badulla, that the member was not an employee served under the relevant employer a sum of Rs.153,291 had been paid to such member who was the plaintiff.
- (b) Payment of a sum of Rs.45,789,888 related to 345 applications presented to obtain death benefits during the period from the years 1981 to 2014, had been delayed even by 31 July 2015 on 04 reasons. Thus, relevant beneficiaries were unable to obtain their benefits for over 30 years.
- (c) It was observed that a sum of Rs. 26,204,833 related to 187 applications presented for making payment to the Central Bank of Sri Lanka by the Commissioner of Labour during the period from 02 February 2006 to 30 April 2014 had not been paid, even though it had lapsed for about 09 years by 30 April 2015.
- (d) Employees' Provident Fund had granted a sum of Rs. 1.89 Billion as at 31 December 2014 for the building " Mehewara Piyasa" being constructed at the total estimated cost of Rs.8.557 billion with the contribution of the Employees' Trust Fund. Even though the Ministry of Finance had agreed to reimburse the money spent from the Fund due to non-agreement of the Attorney General in connection with the transferring of possession of the building premises in the name of Employee's Provident Fund in terms of the Employees' Provident Fund (Amendment) Act, No. 2 of 2012, the Fund had deprived of an income receivable in making Rs.1.52 billion in another investment, as such money had not been reimbursed even up to 30 November 2015.

4.3 Operating Inefficiencies

The following observations are made.

- (a) Investments of Rs.33,574,091,857 made in 48 Companies out of the entire long-term and short-term investments amounting to Rs.74,012,464,056 made in 85 companies as at 31 December 2014 had decreased by Rs.6,532,850,748 according to the market value as at that date. Share market value of the investment of Rs.35,227,924,125 made in 46 companies as at 09 September 2015, the date of Audit had decreased by Rs. 6,924,184,083.



- (b) Capital profit had been as low as Rs.231,124,603 or 0.31 per cent receivable from the transactions of the share market by 30 June 2015 for the total long-term and short-term investment of Rs.74,012,464,056 of the Fund existed as at 31 December 2014.
- (c) Thirteen Companies in which long-term and short-term investments were made amounting to Rs.3,001,170,533 as at 31 December 2014 had incurred losses in the year of accounts,2014/2015.
- (d) Returns received on investments of Rs. 332,657,367,841 made in the share market since the years 2008 to 2014 had ranged from 2.67 per cent to 22.99 per cent. Any income whatsoever had not been received to the Fund from 30 companies in which a sum of Rs.19,127,551,243 had been invested, by 31 December 2014.
- (e) Even though a sum of Rs. 705,489,614 had been spent during the period from the year 2011 to 2012 for the purchase of shares from an Aviation Company and a Finance company which were continuously run at losses, any return had not been received to the Fund from the said investments up to 31 October 2015, the date of Audit.
- (f) (i) Even though 23,712,200 shares of a Hotel Company had been purchased at the rate of Rs.34.17 per share by spending a sum of Rs. 810,321,610 according to a decision of the Monetary Board of the Central Bank on 05 May 2010, any return whatsoever had not been received for such investment and the Market price of a share of this company in September 2015 was Rs.12.40.
- (ii) A sum of Rs.9,759,255,039 or 13.19 per cent of the entire Employees' Provident Fund as at 31 December 2014 had been invested in the hotel field. But, any capital profit whatsoever from the investments of such field had not been received in the year 2014.
- (iii)The income received for the Funds for the investment of funds in the hotel field from the year 2010 to 2014 remained at a low level ranging from 1.45 per cent to 2.86 per cent. Any benefit had not been received to the Fund for the long-term and short-term investments valued at over Rs. 3,000 million invested in 8 hotel companies in the years 2013 and 2014.

4.4 **Idle and Underutilized Assets**

Even though 395 Tablet computers purchased for Labour Officers by spending a sum of Rs. 34,967,296 had been distributed among Labour Officers and Staff Officers, the activities of the computerization of labour investigation project which should had been commenced in the year under review had not been commenced even by 31 October 2015.



4.5 Personnel Administration

The following observations are made.

- (a) Fifty two vacancies of the approved cadre of the Employees' Provident Fund of the Department of Labour had existed as at 31 December 2014 while it was 107 as at 01 December 2015. It was observed that there were delays in the recovery of Employees' Provident Fund, prosecution and settlement of money due to non-filling of such vacancies.
- (b) The Staff of the Central Bank of Sri Lanka attached to the Employees' Provident Fund had not an approved cadre by the Monetary Board and a staff of 138, 120, and 166 employees had been attached in the years 2012, 2013 and 2014 respectively. It was unclear in audit that the necessity of increasing the staff by 46 from 120 in the year 2013 to 166 in 2014.
- (c) It was indicated that 30 per cent increase of cost per employee of the employees attached from the Central Bank as compared with the cost of Salary and the cost per employee attached from the Department of Labour in the year 2014.

5. Accountability and Good Governance

5.1 Internal Audit

Internal Audit of the Fund had been carried out through the Department of Labour. Only a limited areas of the Fund had been covered by the internal audit as there were 2 vacancies existed in its approved cadre and insufficient staff. The Central Bank had entrusted the internal audit related to the financial control of the Fund to a private Audit Firm but the fields such as the investment of funds and procurement procedure had not been covered thereby. Sums of Rs. 6,494,880 and Rs.4,871,160 had been paid to the relevant firm in the years 2013 and 2014 respectively, as audit fees.

5.2 Unresolved Audit Paragraphs

Several main audit paragraphs unresolved up to 31 October 2015 are shown below even though they had been reported in the years 2011, 2012 and 2013.

- (a) It was not identified even by 31 October 2015 that for what purpose a sum of Rs.83,410,920 recovered by filing cases in the Courts relating to the period from the year 2004 to 2011.



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 කොටස්පාලකාරී ජනපත අතිරිත් ත්තොක්කාර
 Auditor General's Department

- (b) Outstanding contributions and surcharges totalling Rs.495,107,577 recoverable during the period from the year 2003 to 2013 from 31 State Plantations and 21 Janatha Estate Companies in two areas within the purview of District Labour offices of Kandy North and Kandy South consisting of Rs.208,378,193 and Rs.286,729,384 respectively had not been recovered even up to 30 June 2015.
- (c) Action had not been taken even up to 31 October 2015 to obtain contributions and surcharges amounting to Rs.16,703,661 recovered by the Magistrate Courts, Kandy from lawsuits finalized during the period from the year 1995 to 2013.
- (d) Action had not been taken to obtain, the contributions and surcharges amounting to Rs.313,452,501 related to the period from the year 2003 to 2006 from institutions within the purview of the District Labour Office, Colombo Central.

6. Systems and Controls

Weaknesses in systems and controls observed during the course of audit were brought to the notice of the Commissioner General of Labour and the Governor of the Central Bank of Sri Lanka from time to time. Special attention is needed in respect of the following areas of control.

(a) Department of Employees' Provident Fund of the Central Bank of Sri Lanka

- (i) Consideration on investment benefits
 (ii) Paying attention on the investment of Funds and its returns through the Internal Audit.

(b) Employees' Provident Fund Division of the Department of Labour.

- (i) Recovery of contributions and surcharges
 (ii) Maintenance of fixed Assets Registers
 (iii) Inspection of Employer institutions.

H.M.Gamini Wijesinghe
 Auditor General



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முதலீடுகள், முதிர்ச்சிகள், முதலீடுகள் மீதான வருவாய் (1982-2014)
Investments, Maturities, Return On Investments (1982-2014)

රු. මිලියන / ரூ.மில். / Rs. Mn

වසර ஆண்டு Year	අරමුදල ගේ சனவரி 01 இல் உள்ளவாறு முதலீடுகளின் வெளிநின்ற மீதி Outstanding Balance of investments as at 01st January	අරමුදල ගේ இவ்வாண்டில் முதலீடுகள் Investments during the year*	වසර තුළ කල්පිරීම් ஆண்டுப் பகுதியில் முதிர்ச்சிகள் Maturities during the year	අවසාන ගේ திசம்பர் 31 இல் உள்ளவாறு முதலீடுகளின் வெளிநின்ற மீதி Outstanding Balance of investments as at 31 st December	වසර අවසාන இவ்வாண்டுப் பகுதியில் சராசரி முதலீடு Average Investments during the year	වැඩිවීම அதிகரிப்பு (%) Increase (%)		දළ ආයෝජන අදාළ மொத்த முதலீட்டு வருமானம் (ரூ.மில்.) Gross Investment Income(Rs Mn)	සාමාන්‍ය ආයෝජන මත ප්‍රතිලාභ අනුපාතිකය சராசரி முதலீட்டின் மீதான வருவாய் வீதம் Rate of Return on Avg; investments (%)
						වසර අවසාන ஆண்டின் இறுதி Year end	සාමාන්‍ය சராசரி Average		
1982	5,875	1,478	109	7,244	6,560	23.30	22.89	746	11.37
1983	7,244	2,389	677	8,957	8,101	23.64	23.49	1,001	12.36
1984	8,957	5,896	3,718	11,135	10,046	24.32	24.01	1,278	12.72
1985	11,135	5,402	2,485	14,052	12,593	26.20	25.36	1,684	13.37
1986	14,052	6,138	2,471	17,719	15,885	26.09	26.14	2,091	13.16
1987	17,719	4,410	494	21,634	19,676	22.10	23.86	2,555	12.99
1988	21,634	7,013	2,154	26,492	24,063	22.46	22.29	3,079	12.80
1989	26,492	8,897	3,115	32,274	29,383	21.83	22.11	3,639	12.38
1990	32,274	11,045	4,852	38,467	35,370	19.19	20.38	4,540	12.84
1991	38,467	16,014	8,235	46,246	42,357	20.22	19.75	5,648	13.33
1992	46,246	26,742	18,154	54,835	50,541	18.57	19.32	6,905	13.66
1993	54,835	30,427	18,729	66,532	60,684	21.33	20.07	9,159	15.09
1994	66,532	37,606	23,085	81,053	73,793	21.83	21.60	11,391	15.44
1995	81,053	82,672	66,813	96,912	88,983	19.57	20.58	13,588	15.27
1996	96,912	114,372	95,658	115,626	106,269	19.31	19.43	15,771	14.84
1997	115,626	132,290	110,636	137,280	126,453	18.73	18.99	17,712	14.01
1998	137,280	151,465	127,756	160,989	149,134	17.27	17.94	20,719	13.89
1999	160,989	157,978	133,050	185,917	173,453	15.48	16.31	22,755	13.12
2000	185,917	242,850	213,937	214,830	200,373	15.55	15.52	25,946	12.95
2001	214,830	189,658	157,613	246,875	230,853	14.92	15.21	30,218	13.09
2002	246,875	331,047	295,349	282,573	264,724	14.46	14.67	36,106	13.64
2003	282,573	429,390	392,010	319,953	301,263	13.23	13.80	41,219	13.68
2004	319,953	485,956	446,028	359,881	339,917	12.48	12.83	39,315	11.57
2005	359,881	447,973	403,121	404,733	382,307	12.46	12.47	41,749	10.92
2006	404,733	381,298	316,505	469,526	437,130	16.01	14.34	46,313	10.59
2007	469,526	434,871	363,421	540,976	505,251	15.22	15.58	59,264	11.73
2008	540,976	480,613	394,286	627,303	584,140	15.96	15.61	79,156	13.55
2009	627,303	512,048	401,237	738,114	682,709	17.66	16.87	109,435	16.03
2010	738,114	694,075	565,128	867,061	802,588	17.47	17.56	120,870	15.06
2011	867,062	1,181,723	1,060,819	987,966	927,514	13.94	15.57	115,821	12.49
2012	987,966	1,003,386	889,056	1,102,296	1,045,131	11.57	12.68	121,358	11.61
2013	1,105,544	1,441,983	1,290,200	1,257,327	1,181,436	13.73	13.04	136,303	11.54
2014	1,257,327	1,190,944	1,010,588	1,437,683	1,347,505	14.34	14.06	163,165	12.11

* Includes re-investment of maturity proceeds.



சாமாசீக ஷேச மற சூகிலற அஞசாகிகச (1982 - 2014)
உறுப்பினர் நிலுவைகள் மீதான வருவாய் வீதம் (1982-2014)
Rate of Return on Member Balances (1982-2014)

ரூ. மீட்டச / ரூ.மில். / Rs. Mn

வசர ஆண்டு Year	சூகால னச சூகிலற அஞசாகிகச வெளிப்படுத்தப்பட்ட வருவாய் வீதம் Rate of Return declared (%)	சாமாசீக ஷேச மற சூகிலற அஞசாகிகச உறுப்பினர் நிலுவைகள் மீதான வருவாயின் பயஞுறு வீதம் Effective Rate of Return on Member Balances(%)	சாமாசீக வர்சீகச சூகிலற ஆண்டுச் சரூசரிப் பணவீக்கம் (%) Annual Average Inflation (%)	சாமாசீக ஷேசமற மீட்டச சூகிலற அஞசாகிகச உறுப்பினர் நிலுவைகள் மீதான வருவாயின் உண்மைத் தூக்கமுள்ள வீதம் Real Effective Rate of Return on member balances	வசர 5 கசுகான மீட்டச மீட்டச சூகிலற அஞசாகிகச 5 ஆண்டு அசசயம் சரூசரி - வருவாயின் உண்மைத் தூக்கமுள்ள வீதம் 5 Year Moving Average - Real Effective Rate of Return
1982	10.00	10.55	10.84	-0.26	-6.30
1983	12.00	12.62	13.96	-1.18	-5.77
1984	12.50	13.17	16.64	-2.97	-5.64
1985	12.50	13.21	1.46	11.58	0.09
1986	12.50	13.17	7.98	4.81	2.39
1987	12.50	13.02	7.72	4.92	3.43
1988	13.00	13.60	13.99	-0.34	3.60
1989	11.00	11.45	11.57	-0.11	4.17
1990	11.50	11.93	21.49	-7.87	0.28
1991	11.50	11.97	12.19	-0.20	-0.72
1992	11.50	11.87	11.39	0.43	-1.62
1993	13.50	13.99	11.74	2.01	-1.15
1994	12.75	13.17	8.45	4.35	-0.25
1995	12.75	13.15	7.67	5.09	2.34
1996	12.75	13.12	15.94	-2.43	1.89
1997	12.75	13.03	9.60	3.13	2.43
1998	12.25	12.46	9.40	2.80	2.59
1999	11.50	11.72	4.70	6.70	3.06
2000	11.50	11.69	6.20	5.17	3.07
2001	11.50	11.69	14.20	-2.20	3.12
2002	12.10	12.26	9.60	2.43	2.98
2003	12.00	12.07	6.30	5.43	3.51
2004	9.50	9.59	7.60	1.85	2.54
2005	9.00	9.13	11.60	-2.21	1.06
2006	10.10	10.30	13.70	-2.99	0.90
2007	11.20	11.40	17.30	-5.03	-0.59
2008	13.20	13.44	21.60	-6.71	-3.02
2009	13.75	13.92	3.40	10.17	-1.35
2010	12.50	12.66	5.90	6.38	0.37
2011	11.50	11.58	6.70	4.57	1.88
2012	11.50	11.62	7.60	3.74	3.63
2013	11.00	11.14	6.90	3.84	5.74
2014	10.50	10.60	3.30	7.07	5.15
பசூகிகச வசர 25 கசுகான சாமாசீக மீட்டச சூகிலற அஞசாகிகச கடந்த 25 ஆண்டுசளுக்கான வருவாயின் சரூசரி உண்மைத் தூக்கமுள்ள வீதம் Average Real Effective Rate of Return for the past 25 Years				1.83	



காமாகீக ஸீச, காமாகீக ஸீச மக ஡ோலீ கக கலர ஡ோலீ ஈகூ஡ாகீகக (1982 - 2014)

உறு஡ீனர் நலுவககள், உறு஡ீனர் நலுவககள் மீதான வட்டி மற்றும் உறு஡ீனர் நலுவககள் மீதான ஡யனூறு வீதம் (1982-2014)
Member Balances, Interest on Member Balances and Effective Rate on Member Balances (1982-2014)

வகர் ஆண்டு Year	வரீசனீ ஡ோலீ வரீக கீரீமர ஡ேர் கக வரீசனீ ஃகக மூலீ வரீக கலர ஡ஃ காமாகீக ஸீசக வட்டி வரவு வகக்க஡ீவதற்கு முன்னர் ஆனாலு ஆணீயற்கான ஡ங்கலீ஡ீலு உள்ளகக்க஡ீட்ட உறு஡ீனர் நலுவககள் ரூ. (மில்.) Member Balances Before Crediting Interest but including contributions of the Year Rs. (Mn)	காமாகீக ஸீசக மக ஡ூகக கலர ஡ஃலக ஈகூ஡ாகீகக உறு஡ீனர் நலுவககளீன் மீதூ வெளீ஡ீ஡ீத்த஡ீட்ட வரூவாய் வீதம் Declared Rate of Return on Member Balances	காமாகீக ஸீசக கஃகூ வரீக கலர ஡ோலீ ஡ூலூசக (ரூ.மீலூ.) உறு஡ீனர் நலுவகவயீலு வரவு வகக்க஡ீட்ட வட்டித் தூகக ரூ. (மில்.) Amount of Interest Credited on Member Balances Rs. (Mn)	காமாகீக ஸீசக மக கலர ஡ூலூக ஈகூ஡ாகீக உறு஡ீனர் நலுவககள் மீதான வரூவாயீன் ஡யனூறு வட்டி வீதம் Effective Rate of Return on Member Balances	வரீசக ஡ூலூ ஃகூ ஃகக கலர ஡ோலீ வரீக கலர ஡ஃ காமாகீக ஸீசக வட்டி வரவு வகக்க஡ீட்ட ஡ீன்னரூம் ஡ங்கலீ஡ீயு உள்ளகக்க஡ீட்டதன் ஡ீன்னரூமன உறு஡ீனர் நலுவககள் ரூ. (மில்.) Member Balances After Crediting Interest & Including Contributions Rs. (Mn)
1982	6,840	10.00%	684	10.55%	7,524
1983	8,341	12.00%	1,001	12.62%	9,342
1984	10,392	12.50%	1,299	13.17%	11,691
1985	13,086	12.50%	1,636	13.21%	14,722
1986	16,402	12.50%	2,050	13.17%	18,452
1987	20,061	12.50%	2,508	13.02%	22,569
1988	24,758	13.00%	3,219	13.60%	27,977
1989	30,357	11.00%	3,339	11.45%	33,696
1990	36,297	11.50%	4,174	11.93%	40,471
1991	43,768	11.50%	5,041	11.97%	48,809
1992	52,095	11.50%	5,991	11.87%	58,086
1993	62,425	13.50%	8,427	13.99%	70,852
1994	75,731	12.75%	9,656	13.17%	85,387
1995	90,748	12.75%	11,578	13.15%	102,326
1996	108,495	12.75%	13,833	13.12%	122,329
1997	127,798	12.75%	16,294	13.03%	144,092
1998	149,194	12.25%	18,276	12.46%	167,470
1999	173,853	11.50%	19,993	11.72%	193,846
2000	199,913	11.50%	23,020	11.69%	222,933
2001	229,819	11.50%	26,474	11.69%	256,293
2002	262,785	12.10%	31,849	12.27%	294,634
2003	297,762	12.00%	35,820	12.09%	333,582
2004	339,977	9.50%	32,368	9.61%	372,345
2005	383,221	9.00%	34,490	9.13%	417,711
2006	432,553	10.10%	43,786	10.30%	476,339
2007	492,149	11.20%	55,240	11.40%	547,389
2008	567,216	13.20%	75,027	13.44%	642,243
2009	661,528	13.75%	90,691	13.92%	752,219
2010	772,931	12.50%	96,268	12.66%	869,199
2011	884,762	11.50%	101,284	11.58%	986,046
2012	1,008,737	11.50%	115,771	11.62%	1,124,508
2013	1,154,863	11.00%	126,992	11.14%	1,281,855
2014	1,308,171	10.50%	137,291	10.60%	1,445,462



**ஈடுபட்டவர்களுக்கு கிடைக்கக்கூடிய தொகை (1982 - 2014)
முதலீட்டுப் பட்டியல் கூற்று (1982-2014)
STATEMENT OF INVESTMENT PORTFOLIO (1982-2014)**

(1) வகை ஆண்டு Year	(2) ரூபாய் தொகை Rupee Loans	(3) காங்கிரஸ் பிளாட்டிபாண்ட் Treasury Bonds	(4) காங்கிரஸ் பிளாட்டிபாண்ட் Treasury Bills	(5) ரீ-பிரைசு அகிரீமென்ட் Re-Purchase Agreement	(6) கொடுக்கல் கூடுதல் Corporate Debentures & Other Investments	(7) காலி மனி காலி மனி Call Money	(8) வணிக பத்திரங்கள் Commercial Papers	(9) காங்கிரஸ் பிளாட்டிபாண்ட் Shares	(10) பிற பெயர் Other Investments	(11) இந்த ஆண்டு மார்ச் 31 இல் மொத்த மொத்த Total Investments as at 31st December	(12) (2+3+4) (11 கி) % தொகை (12) (2+3+4) இல் % ஆக (11) % of (11)
1982	7,123,258,126		14,892,604		106,209,600					7,244,360,330	98.5
1983	8,886,219,600				70,524,000					8,956,743,600	99.2
1984	10,860,177,300				274,524,000					11,134,701,300	97.5
1985	13,609,450,200				442,578,500					14,052,028,700	96.9
1986	17,278,708,700				439,879,500					17,718,588,200	97.5
1987	21,194,089,200				439,879,500					21,633,968,700	98.0
1988	25,903,222,900				588,854,500					26,492,077,400	97.8
1989	31,735,194,934				538,854,500					32,274,049,434	98.3
1990	37,027,799,293		1,020,062,500		418,854,500					38,466,716,293	98.9
1991	45,038,665,003		936,851,187		250,800,000	20,000,000				46,246,316,190	99.4
1992	53,639,551,000		1,069,379,471		100,800,000	25,000,000				54,834,730,471	99.8
1993	64,508,319,797		1,379,037,026		620,000,000	25,000,000				66,532,356,823	99.0
1994	77,703,584,484		2,248,905,321	8,980,313	1,095,000,000					81,056,470,118	98.6
1995	93,661,201,554		1,690,741,400		1,560,000,000					96,911,942,954	98.4
1996	110,318,073,100		2,582,685,700		2,360,000,000	365,000,000				115,625,758,800	97.6
1997	127,905,791,000	3,100,064,140	3,748,176,400	166,000,000	2,360,000,000					137,280,031,540	98.2
1998	143,667,209,900	11,568,411,320	2,496,449,500	762,923,185	2,030,000,000		53,240,965	420,418,818		160,998,653,688	98.0
1999	151,506,803,500	26,911,877,963	2,845,465,400	915,023,310	3,102,526,861		23,442,668	611,463,830	104,966,861	185,916,603,532	97.5
2000	157,155,028,372	47,303,371,713	4,797,986,300	1,622,045,353	2,720,532,000		-	1,231,223,705	81,600,000	214,830,187,443	97.4

To be contd....



Employees' Provident Fund - Annual Report 2014

2001	178,003,042,450	60,997,694,968	2,627,314,955	1,121,934,850	2,758,932,000	-	-	1,366,479,324	75,000,000	246,875,398,547	97.9
2002	172,454,623,650	100,309,826,106	2,622,596,600	3,463,769,840	2,308,610,800	-	-	1,413,199,336	-	282,572,626,332	97.5
2003	130,319,229,500	179,470,924,699	4,817,978,752	2,904,443,316	1,279,517,800	-	-	1,160,084,313	-	319,952,178,380	98.3
2004	74,307,932,800	273,795,018,144	4,719,144,050	2,984,713,361	2,446,975,096	-	-	1,636,250,180	217,882,096	359,890,033,631	98.0
2005	56,067,955,900	335,504,264,367	4,422,055,798	980,892,373	4,656,858,326	-	-	3,109,756,646	217,882,096	404,741,783,410	97.8
2006	56,067,955,900	396,397,999,121	4,686,967,172	4,011,713,020	6,962,353,136	-	-	3,632,452,611	-	471,759,440,960	96.9
2007	68,921,215,900	448,749,298,492	4,971,057,188	3,474,000,000	8,701,779,308	-	-	6,661,547,849	-	541,478,898,737	96.5
2008	68,539,457,400	539,621,099,727	722,025	3,548,000,000	8,748,723,120	-	-	6,866,527,521	-	627,324,529,793	96.9
2009	56,583,253,000	658,508,018,283	402,648,389	3,462,000,000	8,301,221,688	-	-	9,853,447,908	-	737,110,589,268	97.1
2010	40,921,000,000	768,387,815,622	5,936,349,431	1,357,000,000	6,285,997,690	-	-	43,614,212,926	-	866,502,375,668	94.1
2011	23,100,000,000	874,572,559,685	-	2,802,100,000	9,237,746,504	-	-	75,886,522,425	-	985,598,928,614	91.1
2012	23,100,000,000	980,371,915,815	31,757,671,753	3,106,900,000	7,981,853,041	-	-	59,225,526,555	-	1,105,543,867,164	93.6
2013	23,100,000,000	1,126,941,275,632	13,587,399,142	6,627,000,000	14,327,169,226	-	-	72,744,271,500	-	1,257,327,115,500	92.5
2014	23,100,000,000	1,286,593,392,598	940,477,000	8,134,000,000	22,331,336,095	-	-	96,583,484,167	-	1,437,682,689,860	91.2



Employees' Provident Fund - Annual Report 2014

2001	17,739	114,366	27,885	848	160,838	11,194	101	2,759	-	490	14,544	146,294
2002	18,927	159,355	33,526	2,062	213,870	12,553	129	3,049	2,494	680	18,905	194,965
2003	20,188	196,348	30,557	5,671	252,764	17,032	131	2,331	4,333	806	24,633	228,131
2004	23,330	124,227	17,530	2,033	167,120	16,617	195	1,887	2,955	860	22,514	144,606
2005	27,315	207,090	34,699	2,229	271,333	17,024	149	947	2,360	1,040	21,520	249,813
2006	34,933	271,702	37,996	1,882	346,513	17,308	237	411	2,880	1,452	22,288	324,225
2007	40,574	346,014	47,454	734	434,776	21,830	304	984	7,219	1,405	31,742	403,034
2008	45,951	235,749	54,366	677	336,743	25,931	257	378	8,510	1,748	36,824	299,919
2009	48,712	249,476	74,005	1,098	373,291	31,901	278	256	9,760	1,971	44,166	329,125
2010	54,796	303,275	87,371	2,396	447,838	34,896	351	202	6,738	2,112	44,299	403,539
2011	61,879	380,942	86,071	2,786	531,678	47,311	346	-	13,571	3,200	64,428	467,250
2012	70,171	401,679	83,929	2,989	558,768	48,712	317	-	18,918	2,998	70,945	487,823
2013	80,176	666,345	98,698	3,197	848,416	50,243	465	-	31,031	3,317	85,056	763,360
2014	90,049	492,874	128,996	3,694	715,613	65,118	495	-	23,773	4,022	93,408	622,205



සේවක අර්ථසාධක අරමුදල සංකීර්ණ ආදායම් ප්‍රකාශය 1992 - 2014

(රු. මිලියන)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
ආදායම මත දළ පොලී	6,905	9,159	11,391	13,588	15,772	17,711	20,690	22,596	25,738	29,723	34,227	36,330	37,005	39,485	44,103	49,885	61,444	79,810	89,165	84,674	90,904	105,038	127,499
(-) පොලී මත බදු	(690)	(922)	(1,310)	(1,563)	(1,653)	(1,771)	(2,080)	(2,271)	(2,616)	(2,991)	(3,327)	(1,448)	(4,735)	(3,201)	(2,762)	(4,451)	(5,426)	(7,604)	(9,987)	(8,055)	(8,637)	(10,069)	(12,169)
ශුද්ධ පොලී	6,215	8,237	10,081	12,025	14,119	15,940	18,610	20,325	23,122	26,732	30,900	34,882	32,270	36,284	41,341	45,434	56,018	72,206	80,178	76,619	82,267	94,969	115,330
(+) වෙනත් ආදායම්	12	13	16	19	1	1	132	250	575	679	1,944	4,982	2,386	2,383	2,287	9,537	18,019	29,807	32,092	31,369	30,509	31,620	36,375
බදු පොලී වල මුළු ආදායම්	6,227	8,250	10,097	12,044	14,120	15,941	18,742	20,575	23,697	27,411	32,844	39,864	34,656	38,617	43,628	54,971	74,037	102,013	112,269	107,988	112,776	126,589	151,705
(-) විදායම් - මහ බැංකුව	(57)	(61)	(64)	(78)	(87)	(102)	(123)	(121)	(156)	(128)	(177)	(145)	(175)	(201)	(193)	(295)	(319)	(393)	(443)	(425)	(537)	(605)	(621)
- සමහර දෙපාර්තමේන්තු	(22)	(25)	(30)	(33)	(40)	(42)	(53)	(64)	(103)	(132)	(156)	(153)	(185)	(217)	(233)	(251)	(318)	(370)	(381)	(361)	(410)	(374)	(422)
මෙහෙයුම් විදායම්වලට වසඳු	6,148	8,164	10,003	11,933	13,993	15,797	18,566	20,390	23,488	27,151	32,511	39,566	34,296	38,199	43,202	54,425	73,400	101,250	111,445	107,202	111,829	125,610	150,662
(+) ආදායම් හා විදායම් ගිණුමක් පෙර වර්ෂයේ දී වරදායම් මෙහෙයුම	1	398	(161)	(141)	359	1,311	687	1,049	396	122	377	637	360	108	320	187	218	439	18	294	369	28	141
(+) ගිණුම්වලට ප්‍රවේශය වීම															4,187			1				28	-
සාමාජිකයන්ට බෙදා හැරීම සඳහා වන ශුද්ධ ආදායම	6,149	8,562	9,842	11,792	14,352	17,108	19,253	21,439	23,834	27,273	32,888	40,203	34,657	38,307	47,709	54,612	73,618	101,690	111,463	107,496	112,198	125,666	150,803
(-) ප්‍රවේශ මත ලෙවි පොලී (වර්ෂය තුළ)	(121)	(123)	(159)	(151)	(224)	(344)	(384)	(411)	(595)	(584)	(646)	(938)	(833)	(616)	(622)	(879)	(1,153)	(1,656)	(1,901)	(2,343)	(2,098)	(2,233)	(3,201)
(-) හොබාගැනීම් සඳහා අරමුදල	-	-	-	-	(50)	(50)	(57)	-	-	-	-	-	-	-	-	-	-	(3,000)	-	-	-	-	-
(-) තනතුරු පිරවීම සඳහා අරමුදල	-	-	-	-	-	-	(50)	-	(100)	-	(100)	(100)	-	-	-	-	-	-	-	-	-	-	-
(-) ලාභ සම් බැරීමේ සඳහා අරමුදල	-	-	-	-	-	-	(350)	(1,000)	(100)	(50)	(100)	(1,000)	(350)	(1,000)	(1,450)	1,725	3,000	(6,325)	(13,000)	(3,500)	-	-	-
(-) පොදු සාධක	-	-	-	-	-	-	-	-	-	-	-	(2,000)	(1,000)	(2,000)	(1,650)	-	-	-	-	-	5,700	3,700	(4,000)
(-) සාමාජිකයන්ට බෙදා හැරීම	(5,990)	(8,427)	(9,656)	(11,577)	(13,841)	(16,294)	(18,276)	(19,993)	(23,020)	(26,474)	(31,849)	(35,820)	(32,369)	(34,490)	(43,786)	(55,240)	(75,027)	(90,690)	(96,268)	(101,284)	(115,771)	(126,992)	(137,291)
(-) Dividend payable to Members	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)
- ප්‍රතිපෝෂ (%)	11.50	13.50	12.75	12.75	12.75	12.75	12.25	11.50	11.50	11.50	12.10	12.00	9.50	9.00	10.10	11.20	13.20	13.75	12.50	11.50	11.50	11.00	10.50
ආදායම් හා විදායම් ගිණුමේ පෙර වර්ෂයේ දී වරදායම් මෙහෙයුම මෙහෙයුම	38	12	27	64	237	420	136	35	20	165	193	345	105	201	201	218	439	18	294	369	28	141	311



சாராம்சப்படுத்தப்பட்ட வருமான மற்றும் செலவுக் கணக்கு 1992 - 2014

ரூ.மில்.

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
முதலில் மீளான மொத்த வட்டி	6,905	9,159	11,391	13,588	15,772	17,711	20,690	22,596	25,738	29,723	34,227	36,330	37,005	39,435	44,103	49,885	61,444	79,810	89,165	84,674	90,904	105,038	127,499
(-) வருமான வரி	(690)	(922)	(1,310)	(1,563)	(1,653)	(1,771)	(2,080)	(2,271)	(2,616)	(2,991)	(3,327)	(1,448)	(4,735)	(3,201)	(2,762)	(4,451)	(5,426)	(7,604)	(8,987)	(8,055)	(8,637)	(10,069)	(12,169)
தேறிய வட்டி	6,215	8,237	10,081	12,025	14,119	15,940	18,610	20,325	23,122	26,732	30,900	34,882	32,270	36,234	41,341	45,434	56,018	72,206	80,178	76,619	82,267	94,969	115,330
(+) அமைப்பு வருமானம்	12	13	16	19	1	1	132	250	575	679	1,944	4,982	2,386	2,383	2,287	9,537	18,019	29,807	32,092	31,369	30,509	31,620	36,375
வரிக்குப் பின்னர் மொத்த வருமானம்	6,227	8,250	10,097	12,044	14,120	15,941	18,742	20,575	23,697	27,411	32,844	39,864	34,656	38,617	43,628	54,971	74,037	102,013	112,269	107,988	112,776	126,589	151,705
(-) செலவுகள் - மீதி வட்டி வசூலிப்பு	(57)	(61)	(64)	(78)	(87)	(102)	(123)	(121)	(156)	(128)	(177)	(145)	(175)	(201)	(193)	(295)	(319)	(393)	(443)	(425)	(537)	(605)	(621)
தொழில் திட்டக்கணம்	(22)	(25)	(30)	(33)	(40)	(42)	(53)	(64)	(103)	(132)	(156)	(153)	(185)	(217)	(233)	(251)	(318)	(370)	(381)	(361)	(410)	(374)	(422)
தொழில்பட்டி செலவுகளுக்கு கீழ்ப் பின்வரும் தேறிய வருமானம்	6,148	8,164	10,003	11,933	13,983	15,797	18,566	20,390	23,438	27,151	32,511	39,566	34,296	38,199	43,202	54,425	73,400	101,250	111,445	107,202	111,829	125,610	150,662
(+) முன்வசூலிப்பு அட்டைகள் முன்பெயர்ச்சி செய்துள்ள மீதி வருமானம் மற்றும் செலவுகள் கணக்கு	1	398	(161)	(141)	359	1,311	687	1,049	396	122	377	637	360	108	320	187	218	439	18	294	369	28	141
(+) கணக்குக் கோள்வாச மாற்றங்கள் தரக்கூறி															4,187			1				28	-
உறுப்பினர் கணக்கு பரிந்துரைக்கப்பட்ட கிடைப்புகள் தரவேண்டி தேறிய வருமானம்	6,149	8,562	9,842	11,792	14,352	17,108	19,253	21,439	23,834	27,273	32,888	40,203	34,657	38,307	47,709	54,612	73,618	101,690	111,463	107,496	112,198	125,666	150,803
(-) முன்பெயர்ச்சி செய்துள்ள வட்டி முன்பெயர்ச்சி	(121)	(123)	(159)	(151)	(224)	(344)	(384)	(411)	(595)	(584)	(646)	(938)	(833)	(616)	(622)	(879)	(1,153)	(1,656)	(1,901)	(2,343)	(2,098)	(2,233)	(3,201)
(-) கட்டிட ஒதுக்கு நிதியம்	-	-	-	-	(50)	(50)	(57)	-	-	-	-	-	-	-	-	-	-	(3,000)	-	-	-	-	-
(-) தொழில் நுட்பத்தினை முன்னேற்றுவதற்கான ஒதுக்கு	-	-	-	-	-	-	(50)	-	(100)	-	(100)	(100)	-	-	-	-	-	-	-	-	-	-	-
(-) இலாபத்தினைச் சமர்த்தல் மதித்தல் ஒதுக்கு	-	-	-	-	-	-	(350)	(1,000)	(100)	(50)	(100)	(1,000)	(350)	(1,000)	(1,450)	1,725	3,000	(6,325)	(13,000)	(3,500)	-	-	-
(-) பொது ஒதுக்கு	-	-	-	-	-	-	-	-	-	-	-	(2,000)	(1,000)	(2,000)	(1,650)	-	-	-	-	-	5,700	3,700	(4,000)
(-) பொது ஒதுக்கு	(5,990)	(8,427)	(9,656)	(11,577)	(13,841)	(16,294)	(18,276)	(19,993)	(23,020)	(26,474)	(31,849)	(35,820)	(32,368)	(34,490)	(43,786)	(55,240)	(75,027)	(90,690)	(96,268)	(101,284)	(115,771)	(126,992)	(137,291)
(-) உறுப்பினர்களுக்குச் செலுத்தப்பட்ட தக்க பங்கீடாக	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)
- வீதம் (%)	11.50	13.50	12.75	12.75	12.75	12.75	12.25	11.50	11.50	11.50	12.10	12.00	9.50	9.00	10.10	11.20	13.20	13.75	12.50	11.50	11.50	11.00	10.50
வருமானத்தின் முன்பெயர்ச்சி செய்துள்ள மீதி மற்றும் அடுத்த ஆண்டிற்கான செலவுகள் கணக்கு	38	12	27	64	237	420	136	35	20	165	193	345	105	201	201	218	439	18	294	369	28	141	311



Summarised Income & Expenditure Account 1992 - 2014

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross Interest on Investment	6,905	9,159	11,391	13,588	15,772	17,711	20,690	22,596	25,738	29,723	34,227	36,330	37,005	39,435	44,103	49,885	61,444	79,810	89,165	84,674	90,904	105,038	127,499
(-) Income Tax	(690)	(922)	(1,310)	(1,563)	(1,653)	(1,771)	(2,080)	(2,271)	(2,616)	(2,991)	(3,327)	(1,448)	(4,735)	(3,201)	(2,762)	(4,451)	(5,426)	(7,604)	(6,987)	(8,055)	(8,637)	(10,069)	(12,169)
Net Interest	6,215	8,237	10,081	12,025	14,119	15,940	18,610	20,325	23,122	26,732	30,900	34,882	32,270	36,234	41,341	45,434	56,018	72,206	80,178	76,619	82,267	94,969	115,330
(+) Other Income	12	13	16	19	1	1	132	250	575	679	1,944	4,982	2,386	2,383	2,287	9,537	18,019	29,807	32,092	31,369	30,509	31,620	36,375
Total Income after Tax	6,227	8,250	10,097	12,044	14,120	15,941	18,742	20,575	23,697	27,411	32,844	39,864	34,656	38,617	43,628	54,971	74,037	102,013	112,269	107,988	112,776	126,589	151,705
(-) Expenses - Central Bank	(57)	(61)	(64)	(78)	(87)	(102)	(123)	(121)	(156)	(128)	(177)	(145)	(175)	(201)	(193)	(295)	(319)	(393)	(443)	(425)	(537)	(605)	(621)
- Labour Dept.	(22)	(25)	(30)	(33)	(40)	(42)	(53)	(64)	(103)	(132)	(156)	(153)	(185)	(217)	(233)	(251)	(318)	(370)	(381)	(361)	(410)	(374)	(422)
Net Income after Working Expenses	6,148	8,164	10,003	11,933	13,993	15,797	18,566	20,390	23,488	27,151	32,511	39,566	34,296	38,199	43,202	54,425	73,400	101,250	111,445	107,202	111,829	125,610	150,662
(+) C/F Balance of the previous year Income & Expenditure Account	1	398	(161)	(141)	359	1,311	687	1,049	396	122	377	637	360	108	320	187	218	439	18	294	369	28	141
(+) Effect of change of Accounting Policies															4,187			1				28	-
Net Income available for distribution to Members	6,149	8,562	9,842	11,792	14,352	17,108	19,253	21,439	23,884	27,273	32,888	40,203	34,657	38,307	47,709	54,612	73,618	101,690	111,463	107,496	112,198	125,666	150,803
(-) Interest paid on Refunds (Current)	(121)	(123)	(159)	(151)	(224)	(344)	(384)	(411)	(595)	(584)	(646)	(938)	(833)	(616)	(622)	(879)	(1,153)	(1,656)	(1,901)	(2,343)	(2,098)	(2,233)	(3,201)
(-) Building Reserve Fund	-	-	-	-	(50)	(50)	(57)	-	-	-	-	-	-	-	-	-	-	(3,000)	-	-	-	-	-
(-) Technology Advancement Reserve	-	-	-	-	-	-	(50)	-	(100)	-	(100)	(100)	-	-	-	-	-	-	-	-	-	-	-
(-)/+ Profit Equalisation Reserve	-	-	-	-	-	-	(350)	(1,000)	(100)	(50)	(100)	(1,000)	(350)	(1,000)	(1,450)	1,725	3,000	(6,325)	(13,000)	(3,500)	-	-	-
(-) General Reserve	-	-	-	-	-	-	-	-	-	-	-	(2,000)	(1,000)	(2,000)	(1,650)	-	-	-	-	-	5,700	3,700	(4,000)
(-) Interest on Member Balances - (Rs)	(5,990)	(8,427)	(9,656)	(11,577)	(13,841)	(16,294)	(18,276)	(19,993)	(23,020)	(26,474)	(31,849)	(35,820)	(32,369)	(34,490)	(43,786)	(55,240)	(75,027)	(90,690)	(96,268)	(101,284)	(115,771)	(126,992)	(137,291)
(-) Dividend payable to Members	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)
- Rate (%)	11.50	13.50	12.75	12.75	12.75	12.75	12.25	11.50	11.50	11.50	12.10	12.00	9.50	9.00	10.10	11.20	13.20	13.75	12.50	11.50	11.50	11.00	10.50
Carried Forward Balance of the Income & Expenditure A/C for the Next Year	38	12	27	64	237	420	136	35	20	165	193	345	105	201	201	218	439	18	294	369	28	141	311

