



Democratic Socialist Republic of Sri Lanka

Statement of Corporate Intent (SCI)

National Lotteries Board

**Agreement among the General Treasury,
Ministry of Finance, Economic Stabilization & National
Policies (Line Ministry)
and
National Lotteries Board**

04th April 2023

**Ministry of Finance, Economic Stabilization & National Policies
Colombo 01.**

Statement of Corporate Intent

among
The General Treasury, Ministry of Finance, Economic Stabilization &
National Policies
and
National Lotteries Board
2023 - 2025

The Statement of Corporate Intent is agreed among the General Treasury, Ministry of Finance, Economic Stabilization and National Policies (hereinafter referred to as "Line Ministry"), and the Board of Directors of the National Lotteries Board (hereinafter referred to as "the Board"), a State-Owned Enterprise (SOE) established under the Finance Act, No. 11 of 1963.


WHEREAS

The General Treasury is committed to clearly defining the working relationship among tri-parties.

The parties recognize the need for adequate and reasonable managerial and operational autonomy to facilitate achievement by the board and management of the SOE of the agreed and freely negotiated performance targets set out in this statement.

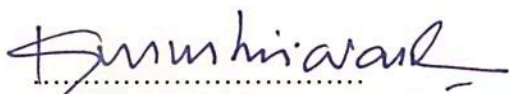
The parties recognize their responsibilities in enhancing transparency in the management of public resources and accountability for results and committed to perform duties to achieve the targets specified under this statement.

The parties are abiding by the responsibilities specified in the Guidelines for the Statement of Corporate Intent and subject to decisions taken by the Cabinet of Ministers as mentioned thereon or any other Government policy decisions.


.....
Chairman
National Lotteries Board

Date: .04.2023

DR. Chameera C. Yapa Abeywardana
Chairman
National Lotteries Board
Colombo 01
Sri Lanka


.....
Secretary to the Treasury/ Secretary
Ministry of Finance, Economic Stabilization and
National Policies

Date: .04.2023

i

K.M.M. Siriwardana
Secretary to the Treasury and
Secretary to the Ministry of Finance,
Economic Stabilization and National Policies
The Secretariat
Colombo 01.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	iii
1. INTRODUCTION.....	1
2. MACRO-ECONOMIC POLICY OF THE SECTOR	4
3. GOALS OF NATIONAL LOTTERIES BOARD.....	4
4. OBJECTIVES OF NATIONAL LOTTERIES BOARD	4
5. KEY PERFORMANCE INDICATORS (KPIs).....	4
6. FACTORS AFFECTING THE SCI.....	6
7. ASSUMPTIONS UNDERLYING THE SCI	6
8. MAJOR RISKS TO DELIVER THE SCI OUTCOMES AND MITIGATION STRATEGIES.....	7
9. COMPETITIVE NEUTRALITY.....	7
10. NON-COMMERCIAL GOODS & SERVICES	7
11. FINANCING POLICY	8
12. LEVY POLICY.....	8
13. FINANCIAL INFORMATION	9

EXECUTIVE SUMMARY

National Lotteries Board (NLB) is a state-owned enterprise controlled by a Board of Directors aiming to conduct national lotteries to raise funds for the Government. There are eight active passive type lotteries and six draws are conducted daily in addition to two scratch lotteries in the product portfolio.

This SCI presents the financial plans of NLB's operations for the period from 2023 to 2025. As per the unaudited financial statements for the year 2022, NLB has recorded a net profit after tax of Rs. 1,085.64 Mn. In the year 2022, General Treasury has received Rs 3,370 Mn by way of indirect taxes and contribution on sale in addition to the levy and fortified price remittances. Despite the significant drop in gross profit margin in 2022 due to increase in printing cost together with increase in Value Added Tax (VAT) rate and introduction of Social Security Contribution Levy (SSCL) from the latter part of 2022, the remittances to the General Treasury in 2023 is forecasted to be Rs. 4,678 Mn by way of indirect tax and contribution on sale. This indicates that, though the NLB's bottom line is affected on the current economic turmoil under no price change scenario, still the Government is expected to receive comparatively 39% enhanced collection in 2023.

NLB budgeted a turnover of Rs. 26,250 Mn in 2023, a growth of over 23% compared to 2022. However, the budgeted profit after tax for 2023 is Rs. 24.03 Mn. The above projection is fundamentally based on the selling price of Rs. 20 per ticket, whereas if the ticket price is increased to Rs. 30 with effect from July 2023, the total profitability of the NLB will enhance to Rs. 562 Mn whilst the total remittances (all taxes and the other receipts) to the Government will increase to Rs. 5,886 Mn in 2023, provided that there will not be any significant drop in sales volume.

To achieve the financial results specified in this statement, NLB has allocated Rs. 680 Mn on capital investments including the purchase of a new ball drawing machine worth Rs. 400 Mn and ERP worth Rs. 28 Mn during 2023.

Apart from the financial performance, NLB is committed to improve its performance on the other aspects of the business operations by implementing new systems and internal controls to carry out day-to-day functions efficiently and effectively.

1. INTRODUCTION

1.1 Establishment

The NLB was established after abolishing hospital lotteries under the Finance Act, No. 11 of 1963. The certain sections of the above Act were repealed and amended in 1997 under the (Amendment) Act, No. 35 of 1997 and in 1998 under the (Amendment) Act, No. 22 of 1998.

1.2 Vision

The leader creating state investment through the contribution of all communities aimed at the socio-economic development of the country.

1.3 Mission

A socially responsible esteemed organization marching towards a wonderful country with a competent and committed staff whilst earning the customers' trust ensuring achievement of their aspirations through the introduction of innovative lotteries using modern technology.

1.4 Core Business/ Principal Activities

The major business operations of the NLB are,

- Conducting passive lotteries
 - I. Mahajana Sampatha
 - II. Govisetha
 - III. Mega Power
 - IV. Jathika Sampatha
 - V. Dhana Nidhanaya
 - VI. Handahana
 - VII. Sevana passive
 - VIII. Other passive lotteries
- Conducting scratch lotteries
 - I. Sevana
 - II. Samurdhi
 - III. Other scratch lotteries

1.5 Market Share

Year	2021	2022
Lottery Sales of Sri Lanka (Rs.)	33,022,017,080.00	40,963,339,240.00
Lottery Sales of NLB (Rs.)	17,292,066,080.00	21,208,808,240.00
Market Share	52.4%	51.8%

Source: National Lotteries Board and Development Lotteries Board

1.6 Performance of Past 10 Years and Cadre Information

1.6.1 Financial Performance

Table 1: Financial Performance

Rs. Mn

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Revenue	14,537.36	15,153.13	17,394.46	20,170.42	16,747.18	20,438.64	22,079.26	18,041.15	17,292.07	21,208.81
Less: Direct Taxes										
Excise duty	-	-	-	-	130.83	-	-	-	-	-
	14,537.36	15,153.13	17,394.46	20,170.42	16,616.35	20,438.64	22,079.26	18,041.15	17,292.07	21,208.81
Less: Indirect Taxes										
VAT	507.79	540.50	573.25	706.87	742.30	890.35	911.20	430.38	409.32	640.95
NBT / SSCL	203.55	211.76	253.27	285.78	235.77	286.55	281.80	-	-	119.53
Net Turnover after direct & indirect taxes	13,826.02	14,400.87	16,567.94	19,177.77	15,638.28	19,261.74	20,886.26	17,610.76	16,882.75	20,448.33
Less: Cost of Sales										
Ticket Printing Charges	459.88	474.76	494.41	609.85	453.13	506.76	530.64	443.03	425.04	874.35
Agency Commission	2,701.58	2,818.33	3,244.66	3,771.74	3,103.00	3,826.29	4,278.99	3,608.01	3,457.64	4,315.04
Prizes Declared	7,083.65	7,311.14	8,367.98	9,723.42	7,994.85	9,834.74	10,607.77	8,667.55	8,352.17	10,740.61
Contribution to Consolidated Fund on Sales	1,753.14	1,888.46	2,130.95	2,445.59	2,016.99	2,426.95	2,637.96	2,205.08	2,162.03	2,609.49
	11,998.25	12,492.69	14,238.01	16,550.60	13,567.96	16,594.74	18,055.35	14,923.67	14,396.88	18,539.50
Gross Profit	1,827.78	1,908.18	2,329.94	2,627.17	2,070.32	2,667.00	2,830.91	2,687.09	2,485.87	1,908.83
Add: Other Income	220.21	88.82	92.20	249.55	387.78	414.30	1,070.59	422.92	416.02	1,248.09
	2,047.99	1,997.01	2,422.13	2,876.72	2,458.11	3,081.30	3,900.50	3,109.01	2,901.89	3,156.92
Less: Expenses										
Sales, Marketing & Distribution costs	1,069.00	1,284.60	872.39	1,246.17	1,130.37	1,247.54	1,226.07	893.00	1,074.10	920.61
Administrative Expenses	465.11	573.47	602.38	693.45	666.74	752.24	809.26	772.50	811.95	839.99
Finance Cost	37.19	29.74	36.56	40.21	36.58	43.39	25.05	9.68	12.49	5.86
	1,571.31	1,887.82	1,511.33	1,979.83	1,833.69	2,043.17	2,060.39	1,675.19	1,898.54	1,766.47
Profit before Tax	476.68	109.19	910.80	896.89	624.42	1,038.13	1,841.11	1,434.82	1,003.36	1,390.46
Less: Income Tax Expense	610.09	117.85	669.79	482.13	484.61	1,076.23	862.53	351.65	43.01	304.81
Profit/ (Loss) for the year	(133.41)	(8.66)	241.02	414.76	139.81	(38.09)	978.59	1,083.18	960.35	1,085.64
Profit for the year before conso Contribution	1,619.73	1,879.79	2,371.97	2,860.36	2,156.79	2,388.85	3,616.55	3,288.26	3,122.38	3,695.14
Direct & Indirect Contribution to Government										
Contribution to Consolidated Fund on Sales	1,753.14	1,888.46	2,130.95	2,445.59	2,016.99	2,426.95	2,637.96	2,205.08	2,162.03	2,609.49
Special Contribution to General Treasury	500.00	-	50.00	550.00	-	-	-	-	900.00	361.05
Contribution to Treasury on Forfeited Prizes	247.74	246.42	257.69	365.39	339.08	361.19	389.03	352.14	397.66	455.42
Indirect Contributions - (Direct/Indirect Taxes)	1,321.43	870.12	1,496.31	1,474.77	1,593.51	2,253.13	2,055.53	782.03	452.33	1,065.30
Total	3,822.30	3,005.00	3,934.95	4,835.76	3,949.57	5,041.26	5,082.52	3,339.25	3,912.01	4,491.26

Source: National Lotteries Board

1.6.2 Financial Position

Table 2: Financial Position

Description	Rs. Mn									
	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual
Total Non Current Assets	2,480.99	2,060.77	1,493.45	911.81	846.77	824.57	771.43	755.75	732.16	1,274.28
Total Current Assets	3,182.26	2,665.67	4,183.96	4,051.12	4,500.92	6,072.90	7,261.76	7,959.72	7,919.14	7,957.40
Total Assets	5,663.25	4,726.43	5,677.41	4,962.93	5,347.70	6,897.47	8,033.19	8,715.47	8,651.30	9,231.68
Total Equity	1,325.87	1,077.09	1,780.85	1,873.99	2,533.21	3,469.89	4,680.20	5,963.03	6,031.24	6,221.65
Total Non Current Liabilities	1,771.87	1,290.73	643.46	83.52	83.81	65.59	57.86	76.03	66.11	76.30
Total Current Liabilities	2,565.50	2,358.61	3,253.10	3,005.41	2,730.68	3,361.98	3,295.13	2,676.40	2,553.95	2,933.74
Total Liabilities	4,337.38	3,649.34	3,896.56	3,088.93	2,814.49	3,427.57	3,352.99	2,752.44	2,620.06	3,010.04
Total Equity and Liabilities	5,663.25	4,726.43	5,677.41	4,962.93	5,347.70	6,897.47	8,033.19	8,715.47	8,651.30	9,231.68

Source: National Lotteries Board

1.6.3 Cadre Information

Total employment of the Board as at December 31, 2022 was 368. Majority of the key positions are handled by well experienced personnel who have academic and professional qualifications. Number of staff at different levels are as follows;

Table 3: Cadre Information

Employee Category	Approved Cadre	Actual Cadre
Senior Management Level	03	03
Higher Management Level	05	03
Middle Management Level	13	11
Junior Management Level	54	48
Management Assistants	210	160
Primary Level	160	135
Trainees, Casual & Contract	-	08
Total	445	368

Source: National Lotteries Board

1.7 Board of Directors' Responsibility for Operational and Financial Performance of the SOE

NLB's Board of Directors is responsible for the operational and financial performance of the board. This SCI sets out the agreed financial and non-financial targets of NLB for the financial years from 2023 to 2025.

2. MACRO-ECONOMIC POLICY OF THE SECTOR

Generating income through lotteries is one of the significant sources of revenue for the government to meet the development needs of the country. Further, generating more employment opportunities through dealers, agents and sellers help to reduce the unemployment and poverty in Sri Lanka. The Board uplifts the living condition of general public through generating more prize winners, and it helps to create new investments in the country.

3. GOALS OF NATIONAL LOTTERIES BOARD

Goal 1: Generate funds to meet the development needs of the Government.

Goal 2: Generate employment opportunities in the country.

4. OBJECTIVES OF NATIONAL LOTTERIES BOARD

Goal 1: Generate funds to meet the development needs of the Government.

1.1 Increase the government contribution by additional sales revenue of 23% in 2023.

1.2 Maintain the market leadership position and improve market share up to 54% during 2023.

1.3 Improve operational efficiency by utilizing CAPEX budget.

1.4 Improve institutional and dealer channel infrastructure.

Goal 2: Generate employment opportunities in the country.

The activities to achieve the Goal 1 would increase the employment opportunities in the country.

5. KEY PERFORMANCE INDICATORS (KPIs)

Table 4: Key Performance Indicators

	KPI	2022	2023	2024	2025
Objective 1	To increase the government contribution by additional sales revenue of 23% in 2023.				
Conduct special draws for existing lotteries throughout the year	No. of draws	07 Draws	14 Draws	17 Draws	20 Draws
	Incremental revenue	Rs.389 Mn	Rs.603 Mn	Rs.750 Mn	Rs.1,000 Mn
Introduce scratch lottery for Rs. 50/-	Income from scratch lottery	Rs. 24.53 Mn	Rs. 58 Mn	Rs.75 Mn	Rs. 100 Mn

Objective 2	Maintain the Market Leadership Position and improve market share up to 54% during 2023.				
Appoint new dealers and agents	No. of dealers and agents	120	75	75	75
Identify new sellers and selling points under agents and dealers	No. of new sellers and selling points	-	300	500	500
Sales through mobiles / web	Sales contribution to the turnover	3%	10%	15%	20%
Objective 3	Improve operational efficiency by utilizing CAPEX budget				
On time utilisation of CAPEX budget to improve the operational efficiency.	CAPEX Value	-	Rs.679 Mn	Rs. 170 Mn	Rs. 170 Mn
Objective 4	Improve Institutional and dealer channel infrastructure				
Improve infrastructure facilities for the sales network and achieving additional sales.	Additional sales	-	Rs. 328 Mn	Rs. 200 Mn	Rs. 200 Mn

	Description	2022	2023	2024	2025
	Entity Level KPIs				
1	Revenue growth	22.6%	23.3%	15%	10%
2	Direct costs to turnover	87.4%	87.4%	86.9%	86.8%
3	Sales, marketing & distribution expenses to turnover	4.3%	5.5%	5.1%	4.8%
4	Operating expenses to turnover	8.3%	9.9%	9%	8.6%
5	Net profit before tax to turnover	6.5%	0.1%	0.9%	1.2%
6	Net profit before tax to total assets	15%	0.4%	3.3%	4.6%
7	Net profit before tax to equity	22.3%	0.7%	8%	10.4%
8	Liquidity ratio (Current assets ratio)	2.7:1	2.1:1	1.2:1	1.3:1
9	Turnover per head (No. of staff 360)	58.91	72.92	83.85	92.24
10	Turnover per dealer (No. of dealers 100)	212.09	262.50	301.88	332.06
11	Turnover per agent (No. of agents 3,000)	7.07	8.75	10.06	11.07
12	Turnover per counter (No. of counters 4,000)	5.30	6.56	7.55	8.30

6. FACTORS AFFECTING THE SCI

The key factors that will have an impact on the performance of NLB are as follows;

6.1 Revenue

- I. Changes in government policies
- II. Economic stability and inflation
- III. Political stability in the country
- IV. Availability of printing papers, fuel, and other basic requirements
- V. Unemployment in the country
- VI. Adverse weather condition
- VII. Pandemic issues

6.2 Expenses

- I. Prices of ticket printing
- II. Prices of energy (electricity and fuel)
- III. Exchange rate fluctuations
- IV. Pending income tax and other tax matters

7. ASSUMPTIONS UNDERLYING THE SCI

The key assumptions used to prepare the financial projections included in this SCI are explained below. These are the key factors of the Board to provide the final working results either on monthly basis or on annual basis.

Table 5: Assumptions Underlying the SCI

Underlying performance Factors	Assumed value (2023)	Sensitivity
Lottery price	Rs. 20	+/- Rs. 10 change in ticket price would increase/ decrease the net profit after tax by Rs. 1,002 Mn.
Printing cost	Rs. 1 per ticket	+/- 10% change in printing cost per ticket impacting +/- net profit after tax by Rs. 141 Mn.
Interest rate	16%	+/- 1% change in interest rate impacting +/- Rs. 53 Mn of the profit.
Prizes	Rs. 13,125.71 Mn	+/- 1% of prize allocation based on actual winnings can be impacted +/- on profit by Rs. 131.25 Mn.

8. MAJOR RISKS TO DELIVER THE SCI OUTCOMES AND MITIGATION STRATEGIES

Table 6: Major Risks & Mitigation Strategies

Anticipated Risk	Mitigation Strategy
1. Operational risk Delays in receiving printed tickets and continuous supply due to price hikes and shortages in papers in the market.	<ul style="list-style-type: none"> • Timely monitor tickets receiving process. • Complete procurement processes on time. • Close relationship with government printer and other government printing organizations.
2. Reputational risk Lotteries are purchased based on the trust and reputation of the board.	<ul style="list-style-type: none"> • Adhere to all rules and regulations. • Transparency in the draw programs. • Adequate internal controls in place to mitigate system errors and defects.
3. Interest rate risk Profitability mainly depends on other income including investment income generated from fixed deposits and call deposits.	<ul style="list-style-type: none"> • Better cash flow management. • Daily evaluation of the investment plan. • Negotiation with banks. • Selection of best possible investment options.
4. Liquidity risk Potential loss of earnings arising due to inability of meeting the NLB's obligations in a timely manner.	<ul style="list-style-type: none"> • Consistent monitoring of liquidity position.
5. Acceptance of ticket price increase.	<ul style="list-style-type: none"> • Clear communication between NLB and DLB. • Take necessary actions after discussion with district dealers and agents. • Conduct special draws and offer attractive special prizes. • Improve other income sources.

9. COMPETITIVE NEUTRALITY

The lottery industry in Sri Lanka has a duopoly and the two players are National Lotteries Board and Development Lotteries Board and both entities are state owned enterprises.

10. NON-COMMERCIAL GOODS & SERVICES

Not Applicable

11. FINANCING POLICY

- **Operating Expenditure**

All operating activities are funded by the internally generated funds of the NLB.

- **Capital Expenditure**

All capital expenditure is funded by the internally generated funds of the NLB.

12. LEVY POLICY

In terms of Section 9 (2) (f) of the Finance Act, No.38 of 1971, NLB is bound to pay levy, which will be determined and imposed by the General Treasury on behalf of the Minister of Finance from time to time.

Further, NLB contribution on sales to the Consolidated Fund and other related funds, remitted to the relevant Ministries through the Consolidated Fund is given below;

Table 7: Levy Policy on Sales

Type of Lotteries	Percentage from Turnover	Consolidated Fund / Ministries/ Other Institutions
Passive Lotteries		
Mahajana Sampatha	16.5%	Consolidated Fund
Govisetha	10%	Through Consolidated Fund to the Ministry of Agriculture
Jathika Sampatha (Wednesday)	10%	Through Consolidated Fund to the Ministry of Health and Indigenous Medical Services
Jathika Sampatha (Saturday and Sunday)	10%	Through Consolidated Fund to the Ministry of Labour
Jathika Sampatha (Monday, Tuesday, Thursday, and Friday)	10%	Consolidated Fund
Mega Power	10%	Consolidated Fund
Handahana (Monday, Tuesday, Wednesday)	10%	Through Consolidated Fund to the Ranawiru Sewa Authority
Handahana (Thursday, Friday, Saturday, Sunday)	10%	Through Consolidated Fund to the Ministry of Sports & Ministry of Social Services
Dhana Nidanaya	10%	Consolidated Fund

Scratch Lotteries		
Sevana	10%	Through Consolidated Fund to the Ministry of Housing
Samurdhi	10%	Through Consolidated Fund to the Ministry of Samurdhi and Youth Affairs

13. FINANCIAL INFORMATION

13.1 Forecasted Financial Statements

13.1.1 Forecasted Income Statement

Table 8: Forecasted Income Statement

	Rs.Mn		
	Year 2023 Budget	Year 2024 Forecast	Year 2025 Forecast
Turnover	26,250.00	30,187.50	33,206.25
Less Indirect Taxes			
VAT @ 15%	1,035.64	1,181.25	1,299.38
SSC @ 2.5%	500.75	574.22	631.64
Net Turnover	24,713.61	28,432.03	31,275.23
Less: Cost of Sales			
Agency Commission	5,250.00	6,037.50	6,641.25
Prizes Declared	13,125.71	15,093.75	16,603.13
Ticket Printing Charges	1,430.91	1,479.19	1,577.30
Contribution to Consolidated Fund on Sales	3,141.11	3,622.50	3,984.75
Direct Costs	22,947.74	26,232.94	28,806.42
Gross Profit	1,765.87	2,199.09	2,468.81
Add Other Income	860.32	800.00	800.00
	2,626.19	2,999.09	3,268.81
Less: Expenses			
Distribution, Sales & Marketing	1,453.83	1,526.52	1,602.85
Administrative Expenses	1,130.95	1,187.50	1,246.87
Finance Expenses	8.00	8.40	8.82
Operating Expenses	2,592.78	2,722.42	2,858.54
Net Profit Before Taxation	33.41	276.67	410.27
Less: Taxation	9.37	55.33	82.05
Net Profit After Taxation	24.03	221.34	328.22

Note: NLB is expecting to increase the price of the lottery ticket in the mid of the year 2023 and the forecast Income Statement has been prepared to assume the price of the lottery ticket is constant at Rs. 20/- during the period from 2023 to 2025.

13.1.2 Forecasted Statement of Financial Position

Table 9: Forecasted Statement of Financial Position

	Rs. Mn		
	Year 2023 Budget	Year 2024 Forecast	Year 2025 Forecast
Assets			
Non Current Assets Net of Depreciation			
Property, Plant & Equipment	1,135.43	1,234.30	1,172.59
Investment Property	32.52	30.90	29.35
Intangible Assets	27.14	24.06	22.86
	1,195.09	1,289.26	1,224.80
Capital Work in Progress	30.00	30.00	30.00
Total Non Current Assets	1,225.09	1,319.26	1,254.80
Current Assets			
Inventories	51.55	56.70	62.38
Trade Receivables	153.55	203.79	224.16
Other Current Assets	444.82	452.99	498.29
Cash & Cash Equivalents	5,774.57	6,182.44	6,734.20
Total Current Assets	6,424.50	6,895.92	7,519.04
Total Assets	7,649.58	8,215.19	8,773.84
Equity & Liabilities			
Equity Attributable to Owners			
Retained Earnings	465.26	686.60	1,014.81
Other Components of Equity	3,998.92	4,045.52	4,095.52
Total Equity	4,464.19	4,732.12	5,110.33
Non Current Liabilities			
Long term Provisions	98.70	106.10	114.05
Deferred Tax	31.56	36.30	41.74
Total Non Current Liabilities	130.26	142.39	155.80
Current Liabilities			
Trade & Other Payables	2,911.55	3,158.59	3,316.51
Current Tax Payable	143.59	182.09	191.19
Total Current Liabilities	3,055.14	3,340.67	3,507.71
Total Liabilities	3,185.40	3,483.07	3,663.50
Total Equity & Liabilities	7,649.58	8,215.19	8,773.84

13.1.3 Forecasted Statement of Cash Flows

Table 10: Forecasted Statement of Cash Flows

Rs. Mn

	Year 2023 Budget	Year 2024 Forecast	Year 2025 Forecast
Cash Inflows			
Lottery Sales	26,250.00	30,187.50	33,206.25
Other Income	860.32	800.00	800.00
Total Cash Inflows	27,110.32	30,987.50	34,006.25
Cash Outflows			
VAT @ 15%	1,035.64	1,181.25	1,299.38
SSCL @ 2.5%	500.75	574.22	631.64
Agency Commission	5,250.00	6,037.50	6,641.25
Prizes Declared	13,125.71	15,093.75	15,772.97
Ticket Printing Charges	1,430.91	1,479.19	1,577.30
Consolidated Fund (Special Levy)	3,141.11	3,622.50	3,984.75
Distribution, Sales & Marketing	1,453.83	1,526.52	1,602.85
Administrative Expenses	1,071.95	1,117.50	1,166.87
Finance Expenses	8.00	8.40	8.82
Income Taxation	9.37	55.33	82.05
Property Plant and Equipment	641.00	160.00	160.00
Investment property	10.00	-	-
Intangible Assets	28.95	10.00	10.00
Others	388.27	(286.53)	516.61
Total Cash Outflows	28,095.50	30,579.64	33,454.48
Total Net Cash Flows	(985.19)	407.86	551.77
Opening Cash and Cash Equivalents Balance	6,759.76	5,774.57	6,182.44
Closing Cash and Cash Equivalents Balance	5,774.57	6,182.44	6,734.20

13.2 Capital Investment Plan

Table 11: Capital Investment Plan

Capital Expenditure	Rs. Mn		
	2023 Budget	2024 Forecast	2025 Forecast
Computers Accessories	124.50	75.00	75.00
Software Development	28.95	10.00	10.00
Motor Vehicles	-	50.00	50.00
Office Equipment	16.00	20.00	20.00
Furniture and Fittings	10.50	15.00	15.00
Ball drawing Machine and Accessories	400.00	-	-
Shifting to New Office Premises	90.00	-	-
Renovation of Circuit Bungalows	10.00	-	-
	679.95	170.00	170.00

Note: All Capital Expenditure is funded by NLB