



2017

கார்டீசயாடன லார்டால
செயலாற்றல் அறிக்஑ை
PERFORMANCE REPORT

஡ஹா ஶாரகார ஡ெபார்ட்மென்டில்
பொது ந஡்பிக்஑ைப் பொறுப்பாளர் திணைக்கள஡்
Department of Public Trustee

VISION

To ensure the trust extended to the Public Trustee by the Donors and/or Settlers of Charitable Trusts / Their Estates (Money and/or Property) with a view to uphold their final wishes and/or purposes within a legal framework for the utmost benefit of beneficiaries and/ or General Public.

MISSION

Administration of Trusts and Estates of deceased persons which are entrusted to this Department so as to provide an excellent service through the resources and skills of the Department with a view to satisfy all the relevant parties subjected to those estates including the beneficiaries.

OFFICE OF PUBLIC TRUSTEE AND LEGAL STATUS.

Office of the Public Trustee of Sri Lanka has been established as a corporate sole under that name, with perpetual succession and an official seal, and may sue and be sued under the above name like any other corporate sole under Ordinance No 01 of 1922 and has been amended by Ordinance No. 11 of 1931, 59 of 1938 and Law No.44 of 1973, 25 of 1975 and Act No. 41 of 1983, 61 of 1988.

LEGAL BACKGROUND

Office of Public Trustee of Sri Lanka has been incorporated under Ordinance No 01 of 1922 and has been amended by Ordinance No. 11 of 1931, 59 of 1938 and Law No.44 of 1973, 25 of 1975 and Act No. 41 of 1983, 61 of 1988 and The Public Trustee shall, subject to the provisions of this Ordinance and rules made hereunder, be capable of being appointed and of acting under that name.

Law of Trusts in Sri Lanka is been regulated under the Trust Ordinance, No. 09 of 1917 amended by Ordinance No. 04 of 1918, 01 of 1934 and Act No. 07 of 1968, 30 of 1971. Where there are no specific provision made under this ordinance or any other written law, shall be determined by the Law of Equity for the time being in force in the High Court of Justice in England.

GENERAL POWERS AND DUTIES OF THE PUBLIC TRUSTEE.

The Public Trustee shall, subject to the provisions of Public Trustee Ordinance, Civil Procedure Code, Judicature Act and other enactments and rules made there under, be capable of being appointed and of acting under following names.

- As an ordinary trustee
- As a custodian trustee
- As a collector of estates under an order to collect
- As a curator of the estate of a minor, as the next friend or guardian of any minor (When entrusted by the District Court)
- As a manager of the estate of a person of unsound mind (When entrusted by the District Court)

- As a manager of immovable property upon a contract on terms and conditions as may be mutually agreed upon. (Whereas the Public Trustee appointed as custodian trustee he is obligate to exercise of the powers of management or any other power of discretion vested in such board of Managing Trustees.)
- As an attorney for persons absent from Sri Lanka for the purpose of receiving and paying money.
- Under the Civil Procedure Code, the Public Trustee shall deemed to be a suitable person as a manager of an estate.
- As an administrator of an intestate estate.
- As a custodian trustee of properties of person who is serving a sentence in prison.
- The Public Trustee may accept the custody for the purpose of safe keeping a Last will of any person.
- Public Trustee as a trustee of the compensation given to the acquisition of temple property.

POWERS AND DUTIES VESTED ON PUBLIC TRUSTEE UNDER WRITTEN LAWS AND AMENDMENTS TO THE PUBLIC TRUSTEE ORDINANCE.

Under the provisions of other written laws and amendments made to the public trustee ordinance, following Powers and duties are being vested on Public Trustee.

- Under the Sec. 10 A of the Public Trustee Ordinance as amended by Act No. 61 of 1988, Public Trustee shall act as the body who distributes any compensation received upon their death while in overseas employment among their dependents and/or heirs. Further, any Sri Lankan citizen proceeding for employment outside Sri Lanka may register with the Public Trustee for the purpose of regulate and efficient distribution of any compensation which shall be payable in the event of their death while in employment.
- Implementation of Temple Compensation Ordinance No.28 of 1944
- Implementation of Activities vested under Buddhist Temporalities Ordinance No.19 of 1931 which was amended by the Act No. 42 of 1981.
- Under the Associated Newspapers of Ceylon Limited (Special Provisions) Law, No. 28 of 1973, hold the shares of the Associated Newspapers of Ceylon Limited on behalf of the Government of Sri Lanka.

SERVICES OF THE DEPARTMENT OF PUBLIC TRUSTEE.

The Department of Public Trustee serves on public in accordance with objectives of Trusts and Last Wills or decisions and/or directions of Court.

- Awarding scholarships to skilled children who are facing financial difficulties in their studies.
- Providing medical assistance to needy patients for their essential medical treatments.
- Providing financial assistance to maintain and development of Religious Places according to the objectives of trusts and/or Last wills.
- Providing Charities for needy persons and/or institutions.
- Providing donations to persons who are in need due to various reasons and to such institutions.
- Management of the Trusts and Estate properties.
- Distribution of compensations under the Buddhist Temporalities Ordinance according to the directions of Commissioner General of Buddhist Affairs.
- Directing the functions of the Associated Newspapers of Ceylon Limited as the holder of shares on behalf of the Government of Sri Lanka.
- Distribution of Foreign Compensation to the dependents and Legal heirs.
- Remitting a percentage of the income earned as a Government institution to the General Treasury.

Number of Trusts and Estates managed by the Department of Public Trustee.

Number of Trusts and Estates managed by the Department of Public Trustee during the last five years are as follows.

| Year | Number of Active Trusts | Number of Active Estates |
|-------------|--------------------------------|---------------------------------|
| 2014 | 1034 | 134 |
| 2015 | 1044 | 137 |
| 2016 | 1067 | 140 |
| 2017 | 1081 | 141 |

Amount of money remitted to the General Treasury.

The Capital Fees, Investment Fees and other Fees charged from the Trusts and Estates according to the Public Trustee Ordinance are remitted to the General Treasury as follows.

| Year | Contribution (Rs:) |
|------|----------------------|
| 2014 | 6,675,487.77 |
| 2015 | 10,188,334.08 |
| 2016 | 14,986,797.37 |
| 2017 | 11,209,507.45 |

Progress of the Government Allocations.

| Object Code | Description | Total Allocation (Rs.) | Actual Expenditure up to 31.12.2017 (Rs) |
|------------------------------------|--|------------------------|--|
| 1001 | Salaries and Wages | 19,662,000.00 | 19,478,675.00 |
| 1002 | Over Time and Holiday Payments | 450,000.00 | 404,591.00 |
| 1003 | Other Allowance | 12,167,000.00 | 12,093,792.00 |
| 1101 | Travelling - Domestic | 270,000.00 | 269,229.00 |
| 1102 | Travelling - Foreign | - | - |
| 1201 | Stationery and office Requisites | 1,054,590.00 | 1,053,001.00 |
| 1202 | Fuel | 1,100,000.00 | 1,099,095.00 |
| 1203 | Diets and Uniforms | 40,000.00 | 39,990.00 |
| 1301 | Vehicle Maintenance | 1,264,875.00 | 1,256,433.00 |
| 1302 | Plant and Machinery Maintenance | 520,000.00 | 465,471.00 |
| 1401 | Transport | 1,240,000.00 | 1,191,013.00 |
| 1402 | Postal and Communication | 1,110,000.00 | 1,088,878.00 |
| 1403 | Electricity and Water | 671,030.00 | 671,028.00 |
| 1404 | Rents and Local Taxes | 7,200,000.00 | 7,200,000.00 |
| 1409 | Others | 2,360,000.00 | 2,355,027 |
| 1506 | Property Loan interest to Public Servant | 365,180.00 | 365,180.00 |
| Total Recurrent Expenditure | | 49,474,675.00 | 49,031,404.00 |
| Capital Expenditure | | | |
| 2001 | Building and structures | 700,000.00 | 699,886.00 |
| 2002 | Plant, Machinery and Equipment | 300,000.00 | 294,010.00 |
| 2003 | Vehicles | 400,000.00 | 400,000.00 |
| 2102 | Furniture and Office Equipment | 322,200.00 | 322,143.00 |
| 2103 | Plant, Machinery and Equipment | 1,361,125.00 | 1,360,500.00 |
| 2401 | Staff Training | 94,000.00 | 94,000.00 |
| Total Capital Expenditure | | 3,177,325.00 | 3,170,539.00 |
| Total Expenditure | | 52,652,000.00 | 52,201,943.00 |

Advanced Accounts Activities.

| | Maximum Limit of Expenditure | Minimum Limits of Receipts | Maximum Limits of Debit Balance |
|-------------------------|-------------------------------------|-----------------------------------|--|
| Prescribed Limit | 3,500,000.00 | 1,800,000.00 | 11,000,000.00 |
| Actual Limit | 3,480,572.00 | 2,500,007.00 | 6,684,566.41 |

Actual Physical and Finance Performance against Annual Action Plan Target

| | Activity | Estimated Amount | | Actual Value (31.12.2017) | |
|---|--|-----------------------------|--------------------|----------------------------------|--------------------|
| | | No. of Beneficiaries | Value (Rs.) | No. of Beneficiaries | Value (Rs.) |
| 1 | Payment for the Scholarships. | 631 | 4,079,582.00 | 499 | 3,228,312.49 |
| 2 | Payment for the Medical Donation. | 260 | 8,503,300.00 | 192 | 8,277,549.40 |
| 3 | Payment for the Maintenance and Development of Religious places. | 412 | 25,192,340.00 | 464 | 32,499,640.07 |
| 4 | Payment for the Religious Affairs. | 210 | 5,142,561.00 | 175 | 7,583,673.41 |
| 5 | Payment for the Relief Donation. | 112 | 2,090,000.00 | 382 | 2,472,390.00 |
| 6 | Other Payment in accordance with Trust Objective | 223 | 63,500,101.00 | 110 | 12,921,621.83 |
| 7 | Release of compensation for Buddhist Temples. | - | - | 44 | 94,886,020.46 |
| 8 | Release of Foreign compensation | - | - | 155 | 290,099,151.26 |
| 9 | Trust and Estates Management (No. of Estates/Net Profit) | 12 | 5,760,988.00 | 12 | 11,252,811.06 |

Management of trusts/ estates

12 estates/paddy fields have been vested in Public Trustee under various estate property and it is expected to manage them formally and fulfill the expectations of the settler. Details of the property vested in this manner and the net profit earned within year 2017 from the said property are given below.

| Name of the estateproperty | Name of the estate | Net profit/ loss |
|-----------------------------------|---------------------------|-------------------------|
| Estate of Harry Hapugoda | Suduwelipotha Estate | 241,215.96 |
| | Mattaka Estate | 316,989.55 |
| Estate of N.D.A. Silva Wijesingha | Richmond Park Estate | 985,694.11 |
| | Richmond Castle Home | (2,040,576.59) |
| | Irahadayawa Estate | 5,487,524.00 |
| Estate of A.A. De Silva | Maluwahena Estate | 160,066.62 |
| Estate of D.B. Jayathilake | Pitakanda Estate | 1,789,429.52 |
| Estate of N.D.S. Silva | Wanasgalla Estate | 23,239.93 |
| | Labuhena Estate | (232,915.12) |
| Estate of Muhandiram Jayawickrama | Land/ paddy land | 2,268,743.78 |
| Estate of Mendis Silva | Land/ paddy land | 978,957.30 |
| Estate of H.A. De Silva | Thop Estate | 1,274,442.00 |
| Estate Sector/ Net Profit | | 11,252,811.06 |

CARDER INFORMATION OF THE DEPARTMENT OF PUBLIC TRUSTEE AS AT 31.12.2017

| Designations | Approved staff Number | Number That are employing | vacancies | Action taken to fill the vacancies | Progress of the Action |
|--------------------------------------|------------------------------|----------------------------------|------------------|---|---------------------------------|
| Public Trustee | 01 | 01 | - | - | - |
| Deputy Public Trustee | 02 | 02 | - | - | - |
| Chief Accountant | 01 | 01 | - | - | - |
| Accountant | 01 | 01 | - | - | - |
| Chief Internal Auditor | 01 | 01 | - | - | - |
| Administration Officer | 01 | - | 01 | Director General of Combined Services had been informed through the Ministry of Justice by the letter dated 15.11.2017 and no PT/1/3/1/111. | Still No Officer is appointed |
| Translator | 01 | - | 01 | - | - |
| Development Officer | 07 | 04 | 03 | Director General of Combined Services had been informed through the Ministry of Justice by the letter dated 15.11.2017 and no PT/1/3/1/111. | Still No Officers are appointed |
| Development Assistant | 07 | 05 | 02 | Director General of Combined Services had been informed through the Ministry of Justice by the letter dated 14.10.2016 and no PT/1/3/120VO iii. | Still No Officers are appointed |
| Public Management Assistant | 28 | 23 | 03 | Director General of Combined Services had been informed through the Ministry of Justice by the letter dated 15.11.2017 and no PT/1/3/1/111. | Still No Officers are appointed |
| Management Assistant (Non Technical) | 04 | 02 | - | Since the Officers to this post had been recruited on personal basis it can't re-recruited to this post. | - |
| Management Assistant (Non Technical) | 15 | | - | - | - |
| House officer iii | | 01 | | | |
| Field coordinator iii | | 01 | | | |
| Computer clerk iii | | 12 | | | |
| Receptionist iii | | 01 | | | |
| Drivers | 04 | 02 | 02 | To recruit to these post had been approved by the letter dated 04.07.2017 and no DMS/1155 of Department of management services. | - |
| Office Assistant | 13 | 10 | 03 | To fill two vacancies from these post had been approved by the letter dated 04.07.2017 and no DMS/1155 of Department of management services. | - |
| TOTAL | 86 | 67 | 17 | | |

Observations of the Head of the Department

The Department of Public Trustee, which is serving the public with the main objective of ensuring the trust placed on the Public Trustee by the charitable settlers, has been able to perform its role within year 2017 as planned. Several special observations made with regard to the said procedure are mentioned below.

- It has been able to obtain Rs. 129,052,032.00 relevant to 40 trusts invested in Pramuka Bank in year 2001 and 2002 and Rs. 51,655,424.00, the interest amount in relation to the said amount in December 2017 and as a result the objectives of the said trusts could be achieved in future by solving the financial crisis of the respective trusts, which prevailed for a long time.
- It has been able to gain profit from the estates, which were under the Department and which were suffering huge losses before year 2015 and action has been taken to obtain the assistance of an Estate Advisor, who possess technological knowledge on estates.
- Initial steps have been taken to install a new accounting software, which matches the present requirements, instead of the computerized accounting system on trusts and estates, which has been used by the Department for a long time.
- Action has already been taken to update the web site of the Department, which has not been updated for a long time.
- Initial steps have been taken to obtain a court order to open the 254 last wills kept in the safe of the Department for 61 years from 1931 to 1992.
- The Internal Audit Division has been established under an Officer in Class I of Sri Lanka Accountants' Service and an annual Audit Plan is prepared and the internal audit activities are properly performed in accordance with the same. Through that, a proper internal control system is established in the Department and functions of the Department are performed with a proper financial discipline.
- *Muruthen Pooja* and alms giving at Sri Dalada Maligawa, which is organized annually by the Department of Public Trustee has been held in August 2017. Further, dry rations have been donated to Victoria Home Rajagiriya in October 2017 fulfilling the objectives of the estate of N.J.A. Cooray. Further, a Christmas day celebration was held at in December 2017 at Richmond Castle Childrens' Home.
- Initial steps have been taken to obtain the amount required for the payment of Attorney's fees from the General Treasury through the Annual Budget in order to solve the issue arisen with regard to the payment of Attorney's fees on debit balances, take further action with regard to the trusts, which have no money to pay the Attorney's fees and avoid the use of money of the other trusts and estates.

