Annual Report 2022

Ministry of Urban Development and Housing

National Housing Development Authority

Sir Chittampalam A Gardiner Mawatha, Colombo 02

National Housing Development Authority

Ministry of Urban Development and Housing

Annual Report 2022

Planning and Monitoring Division

Sir Chittampalam A Gardiner Mawatha, Colombo 02

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Message of the Chairman

The National Housing Development Authority as an institution went through a critical and challenging period in its history in the face of global spread of the Covid-19 pandemic and resulting economic and administrative crisis in the country. Considering this situation everyone can humble happy that in the year 2022 it was able to end the dark period of the institution and a firm foundation has been laid with the financial stability.

The National Housing Development Authority which acts as the Main government agency in the implementation of the government policy of Making noble goal of living in a permanent home for every citizen of Sri Lankan society. During the year under review, the National Housing Development Authority was able to complete 6490 housing units. Under the "Semata Niwahana Programme'' and provided opportunities to live 6490 low-income families in permanent houses.

Despite the difficult situation, it was a unique achievement that the allocation of Rs.1740 million given by the treasury was able to utilize hundred percent to complete the housing programmes for the poor and low- income families as planned. Another great achievement of NHDA is recent history, that without limited to treasury allocations, it was able to earn Rs.3004.4 million was from internal loan recovery as well as the property related income Rs.436.8 million invested for development programs, after incurring the recurrent expenditure of the institution from internally raised fund.

As a result of the correct political leadership and the necessary guidance of the Hon Minister of Urban Development and Housing and Hon State Ministers it was able to find the solution to the problems that the financial passion of the institution was strengthened by overcoming the uncertainty of not even being able to pay Salaries to the staff members and also possible to formulate a program to get positive solution to employee's problems that has been unresolved for many years. Further in paroled to the housing development process, it was possible to offer 1657 title deeds to 1657 beneficiary families to confirm the property rights.

I would like to express my sincere thanks to all staff members who dedicated themselves to achieve the goals of the institute in the midst of many difficulties during the challenging time and also to the board members who dedicated themselves to the betterment of the institution by constantly taking challenging decisions. Eventually I do hereby extend my gratitude especially to Hon. Ministers of Urban Development and Housing and Secretary to the Ministry as well as members of the institution for their guidance and the support.

Rajivsiri Sooriyaarachchi,
Chairman

Message of the General Manager

Globally every country had to face "Economic Crisis" due to the Covid-19 pandemic situation and Sri Lanka also had to face the same challenges in 2022. In the middle of the year Sri Lanka faced further difficulties due to the Financial and administrative crisis in the country. The year 2022, can be introduced as a year in which the objective of the institution has been achieved through strategic revision and implementation of the planned programme which was formulated at the beginning of the year.

Accordingly, priority was given to the completion of the programme and projects already initiated within the limits of existing allocation, the commencement of new housing programme and project were restricted instead an accelerated programme was implemented to complete the ongoing construction work of the year under review. As a result, it was an achievement to be able to utilize hundred percent of the treasury allocations received for the year 2022 for already planned programmes. At the time when most of this public and private sector institution are in danger of sustaining, the National Housing Development Authority without limited to the treasury allocation, managed to raise Rs. 2705.4 million from internal loan recoveries and Rs. 299.0 million from property related income and totally it was able to raise Rs.3004.4 million in the year under review. With the internal fund this collected, it was able to utilize the fund for the development programme after incurring all the recurrent expenditure of the institution including salaries and wages for 1719 permanent and other staff members of the Authority.

As a result of the efficiency and effectiveness of the challenging decision made by the management it was able to invest Rs.339.0 million for low-income housing programmes and Rs.97.8 million was invested temporary as the initial capital expenditure of the middle-income housing programme until the money is received from the beneficiaries.

On behalf of the chairman and the members of the institute, I would like to take this opportunity to express my sincere thanks to entire staff members who worked with dedication despite many challenges in achieving goals of the institute.

Eng. K A Janaka,
General Manager (Actg.)
National Housing Development Authority

Introduction

01

The National Housing Development Authority has been established by National Housing Development Authority Act No. 17 of 1979 tocarry out housing development activities in Sri Lanka. These activities are carried out throughout the island by the Authority through its Head Officein Colombo, 25 District Offices and 09 sub-offices.

Vision

A cozy house for every family in Sri Lanka with basic facilities.

Mission

To promote, facilitate and coordinate on a national scale the provision of shelter requirements for Sri Lankans particularly, those in low-income groups, lacking means to acquire a house as well as intervene as required to construct a house at concessionary price for middle class families without a house. National Housing Development Authority act to make the betterment of their social well-being and achieve the economic prosperity.

Goals

As per the National Housing Development Authority Act, No. 17 of 1979, our goals shall be,

- To directly engage itself in the construction of flats, houses and other living accommodation or buildings.
- To formulate schemes to establish housing development projects in order to alleviate the housing shortage.
- To cause the clearance of slums and shanty areas and the re-development of such areas.
- To promote housing development.
- To develop or redevelop land for the carrying out of any of the objects of the Authority.
- To make land available to any person for housing development.
- To provide financial or other assistance to persons engaged in any activity which is similar to any of the objects of the Authority.
- To conduct, promote and coordinate activities in relation to all aspects of housing development.
- To do all such other acts as may be necessary or conducive to the attainment of any or all the above objects.

Objectives

- Providing low-income families with facilities for the construction of houses.
- Providing the poorest segments in the society with assistance for the construction of houses.
- Directing involving and coordinating in providing housing to slum and shanty dwellers.
- Facilitating those engaged in construction of houses at affordable prices for middle income families.
- Providing lands directly for housing construction purposes of facilitating it.
- Ensuring the right to live in a home.
- Creating a livable pleasant environment in old housing complexes.
- Providing urban low – income families with housing.
- Providing an efficient, quality, and sustainable service.
- Implementing a rent-free housing program

Corporate Information

NAME	:	National Housing Development Authority
LEGAL FORM	:	Act No. 17 of 1979
YEAR OF INCORPORATION	:	1979
REGISTERED OFFICE	:	National Housing Development Authority General Secretariat, No. 34, Sir Chittampalam A Gardiner Mawatha, Colombo 02.
TELEPHONE	:	2421606, 2431707, 2430410, 2431722, 2421748, 2380874
FAX	:	2434892
E-MAIL	:	chairman@nhda.lk
WEB	:	www.nhda.lk
AUDITORS	:	Auditor General, National Audit Office
CONSULTANT LAWYERS	:	Attorney General Attorney General's Department, Hulftsdorp , Colombo 12.
BANKERS	:	Bank of Ceylon Corporate Branch, Echelon Square, Colombo 01.
	:	People's Bank, Head Quarters Branch, Sir Chittampalm A Gardiner Mawatha, Colombo 02.

The Board of Directors

Chairman

Mr. Rajivsiri Sooriyaarachchi

No 55/F, 04th Lane, Pitakotte.

(2022.06.15 - 2022.12.31)

Chairman

Mr. R. Duminda Silva

40/8, Perera Lane, Pelawatta, Battaramulla.

(2021.08.10 - 2022.05.30)

Vice Chairman

Mr. B.A.P. Laxman Gunawardena

103, Kandy Road, Aluthgama, Bogamuwa, Yakkala

(2022.08.01 - 2022.12.31)

Vice Chairman

Mr. D.M. Aruna Keerthi Dasanayaka (Attorney-At-Law)

No.79/14, Colombo Road, Kurunegala
(2022.01.01 - 2022.06.16)

Vice Chairman

Mr. R.M.S.P.K. Rathnayake,

258/62, Kahantota Road, Arangala, Malabe.

(2022.01.01 - 2022.06.16)

Board Member

Eng. Wimalasiri Wanniarachchi

"Sriyani", Galpoththayaya,
Julampitiya, Weeraketiya

(2020.01.02 - 2022.12.31)

Board Member

President's Counsel
Mr. D. Alexandar Piyasena Weerathna

Samanala, Katulanda, Dekatana

(2022.06.21 - 2022.12.31)

Board Member

Mr.K.K.Gavesha Sanirathna

No. 158/120, Madawala,
Minuwangoda

(2021.01.29 - 2022.12.31)

Board Member

Mr. H.D. Tissa Gunawardhana

134/1, Aluthgama, Gampaha

(2022.06.16 - 2022.12.31)

Board Member
Mr.W.A.Sarath Kumara

Deputy Secretary to the Treasury,
Department of Management Services,
(Finance) Room No 343, 3rd Floor, Colombo 01.

(2022.11.30 - 2022.12.31)

Board Member
Mrs. D. Madara Sewwandi De Silva

Assistant Director,
Department of Foreign Resources,
(Finance) Room No 343, 3rd Floor, Colombo 01.

(2020.01.13 - 2022.11.29)

Board Member
Mr.Sudath Abeywardhana

No. B-5/1/4 , Himbutu Uyana Housing Complex

Mulleriyawa New Town, Mulleriyawa

(2020.01.02 - 2022.06.15)

Board Secretary
Mrs. Manori T. Olaboduwa
(Attorney -at- Law)
National Housing Development Authority,
Colombo 02

Corporate Management

Eng. K.A.Janaka

General Manager (Acting)

Mrs.P.T.S.Priyadarshani

Deputy General Manager (Finance)

Mr.P.M.L.P.Edirisinghe

Deputy General Manager (Human Resource Management and Administration)

Eng. K.A.Janaka

Deputy General Manager (Housing Development)

Mr.R.P.K.Pallewela

Acting. Deputy General Manager (Planning & Monitoring)

Mr. P.A.S.P.Ariyawansha

Acting Deputy General Manager (Property Management and Marketing)

Mr.L.R.Bandara

Acting Deputy General Manager (Property Management and Marketing)

Mr.P.A.S.P.Ariyawansha

Deputy General Manager (Housing Development)

Mrs.K.H.C.Jayalath

Acting Deputy General Manager (Legal)

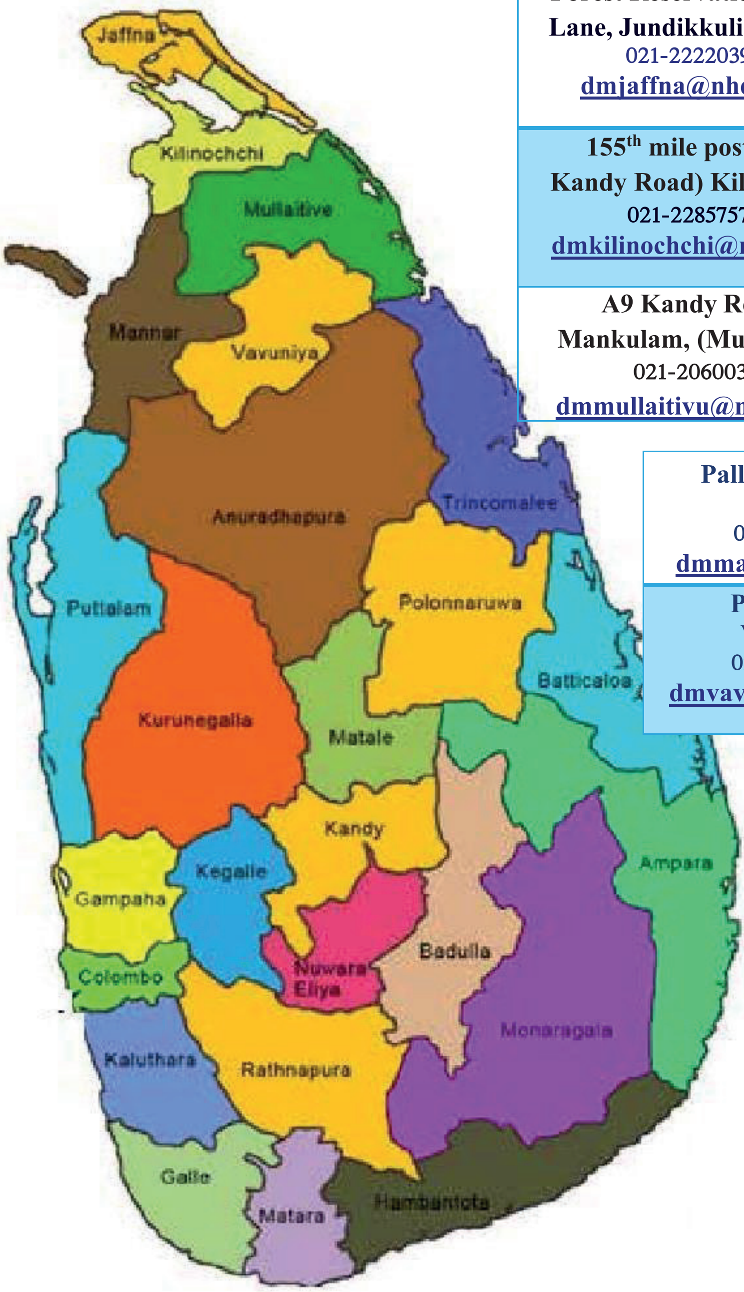
Mr. Dharma Sri Kariyawasam

Deputy General Manager (Information and Publicity)

Mr. Ajantha De Silva

Acting Chief Internal Auditor

District Office Network



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E-Coat Building, Felder Street, Fort, Galle 091-2234232 dmgalle@nhda.lk	**Station Road, Matra** 041-2222986 dmmatara@nhda.lk	**Municipal Council Library Building, 1st Floor, Hambantota.** 047-2256023 dmhambantata@nhda.lk

Corporate Governance

02

We possess an unceasing diligence for rising to the highest level of corporate administration. We always strive to follow the standards of Institute of Chartered Accountants of Sri Lanka and the most appropriate action proposed by institutions such as, the Department of Public Enterprises and theMinistry of Finance and work according to the decisions approved by the Cabinet of Ministers, decisions of the board of directors and policy decisions and the criteria given by Ministry at present.

Meeting of the Board of Directors

The Board of Directors meet every month, and it has to hold many meetings per month as per the requirement. It reviews the progress every month as against the budget. Variations are identified and remedies are adopted for altering policies. During the year 2022, 22 meetings were held.

Audit and Management Committee

The Audit and Management Committee comprises the General Manager and three directors and Chief Internal Auditor of the Ministry and government audit superintendent and all the deputy General Managers including the Chief Internal Auditor of the institute participate to the meetings of this committee.

The Audit and Management Committee ensures the good functioning of the accounting and financial management system and reviews the functioning of the internal control according to the rules pertaining to the Accounting Standards. During the year 2022, 06 meetings of the Audit and Management Committee have been held.

The Directors of National Housing Development Authority and Board member representing the Ministry of Finance, government auditor and Chief Internal Auditor of the Ministry of Urban Development and Housing, Vice Chairman of National Housing Development Authority and other members of the Board of Directors and Deputy General Managers including Chief Internal Auditor of National Housing Development Authority have served in the Audit and Management Committee as committee members during the year 2022.

Monthly Progress Review

The progress of the Authority is reviewed every week and month headed by Hon. State Minister with the participation of the Secretary of the Ministry, Chairman, Vice Chairman, Board of Directors, General Manager and all Deputy General Managers, District Managers, officers of the top management of the institutes related to the Ministry.

Internal Control

The National Housing Development Authority has implemented several internal control policies and guidelines to ensure the security and optimum utility of its assets. Responsibilities have been delegated from top to bottom as per the hierarchy according to theDeputy General Managers' divisions and the sections of those divisions. Also, duties have been delegated to automatically check the duty of one person through the duty of another person.

Similarly, the Board of Directors ensures the internal control through a well-structured monthly reporting system while making decisions necessary to maintain the balance between assets and liabilities.

A meeting of the Management Committee headed by the Chairman is conducted every week and the affairs within the purview of all the Deputy General Managers' divisions are discussed. Steps have also been taken to appoint Pricing Committees, Departmental Procurement Committees, Property Subcommittees and Appeals Committees. Meetings of those committees will be held as the requirement.

Executive Management

A Deputy General Manager heads every Division at the Head Office and the responsibility over 25 District Offices and the nine zonal and sub-Offices is vested in the Senior District Manager/ District Manager and Manager.

Deputy General Managers and Senior District Managers/ District Managers should report to the General Manager, who is the Chief Executive Officer. The General Manager in turn should report to the Chairman and the Board of Directors.

Risk Management

The National Housing Development Authority, who is the sole government institution that provides housing facilities with all amenities to a large number of clients and possesses 25 Regional Offices throughout the island, has to confront a myriad of financial and non-financial risks in order to safeguard the interests of its multifarious stakeholders. This risk is managed proactively.

The Board of Directors builds thenecessary structures to confirm policies, measures,and risk management on instructions of the corporate management in order to achieve the objectives of the National Housing Development Authority. All the business objectives of the National Housing Development Authority areattained through it as an institute that provides the service to the people.

The Risk Management process operates in association with the Audit Division of the Authority to identify the phenomena and controllable systemic weaknesses that causes the detriment of the National Housing Development Authority. The Audit Division communicates in real time to the Management independent views on the efficiency and adequacy of the control status.

Liquidity Risk

The National Housing Development Authority exposes to this risk when it cannot fulfil its contractual obligations within the scheduled timeframe. Management of this risk involves ensuring that funds are available to fulfill financial obligations when they reach maturity and financial provisions are availableto use when needs arise.

The Members of the Board of Directors andthe Corporate Management are assigned the task of guiding the planning, working according to the sequential requirements and ensure that National Housing Development Authority possesses adequate liquidity in orderto face the contractual obligations and growth expectations.

In order to achieve its main objectives, the Senior Management maintains the liquidity through,

- Implementation of government policies and corporate policies in a balanced way that does not hinder liquidity.
- adequately ensuring the alternative means of earning money.
- Timely reconsideration of the existing credit, investments and means of earning money.
- Conducting of a price analysis of competitors while reviewing the current prices.
- Guiding of the liquidity ratios in accordance with corporate criteria
- Control of grants, internally derived funds and cashable short-term investments on a daily basis

Market Risk

These risks affect the National Housing Development Authority due to losses arising in maintaining price-sensitive assets and liabilities, fluctuation of prices of building materials over time, increase in skilled labor costs and changes in interest rates. This situation is strongly affected especially in the implementation of government policies.

It is necessary the intervention of the public institutes such as National Housing Development Authority to control the risk of increasing prices of the houses due to excess demand for the houses in the market.

The National Housing Development Authority has to face market risk due to inadequacy of the money given by the government for the purpose of turning every person in need of a house into an owner of a house at the market as a result of increasing the prices of constructions materials specially the higher increasing of the prices of roofing materials, tiles, bathroom items due to the depreciation of the rupee.

Members of the Corporate Management control in an optimum manner the threats posed to the housing market while giving value for money of clients and delivering the needs of other major partner institutions who contribute to the achievement of Corporate Management Objectives.

Operational Risk

This risk occurs as a result of internal courses of action which are either inadequate due to internal weaknesses hampering the activities or incapable of competing with external forces.

The National Housing Development Authority maintains a system consisting of broad policies and structures geared to create an effective and well controlled environment within the organization for management of risks.

This is the risk of unfavorable effects made to the development programme due to the increasing of consumer expenses and decreasing of personal savings with the increasing of inflation and decreasing of re-payments and not receiving the expected benefits when constructing houses.

Taking into account the risks that may arise from special diseases and hazards such as the Covid pandemic. Also, the risk faced by the institution in maintaining the said activities in the face of financial and/or economic crises that may occur in the country or globally.

Several steps have been taken for effective andefficient risk management.

- Analyzing and reporting timely data obtained from all District Offices while protecting the security of information.
- Information protection policies and awareness programmes.
- Ongoing review and improvement of housing programmes.
- Efficiency in loan recovery programmes.
- Implementation of programs to achieve maximum effectiveness and efficiency of housing programs implemented with the financial contribution of an organization.

Controlling of the operational risk is the main responsibility of the middle management. The Finance, Audit and other support service divisions perform a valuable function in maintaining the integrity of the controlled environments.

As the National Housing Development Authority possesses a vast extent of valuable properties, it can be expected to achieve success within the competitive environment through the use of appropriate tactics, continuous review and commitment of the staff.

Environmental Problems

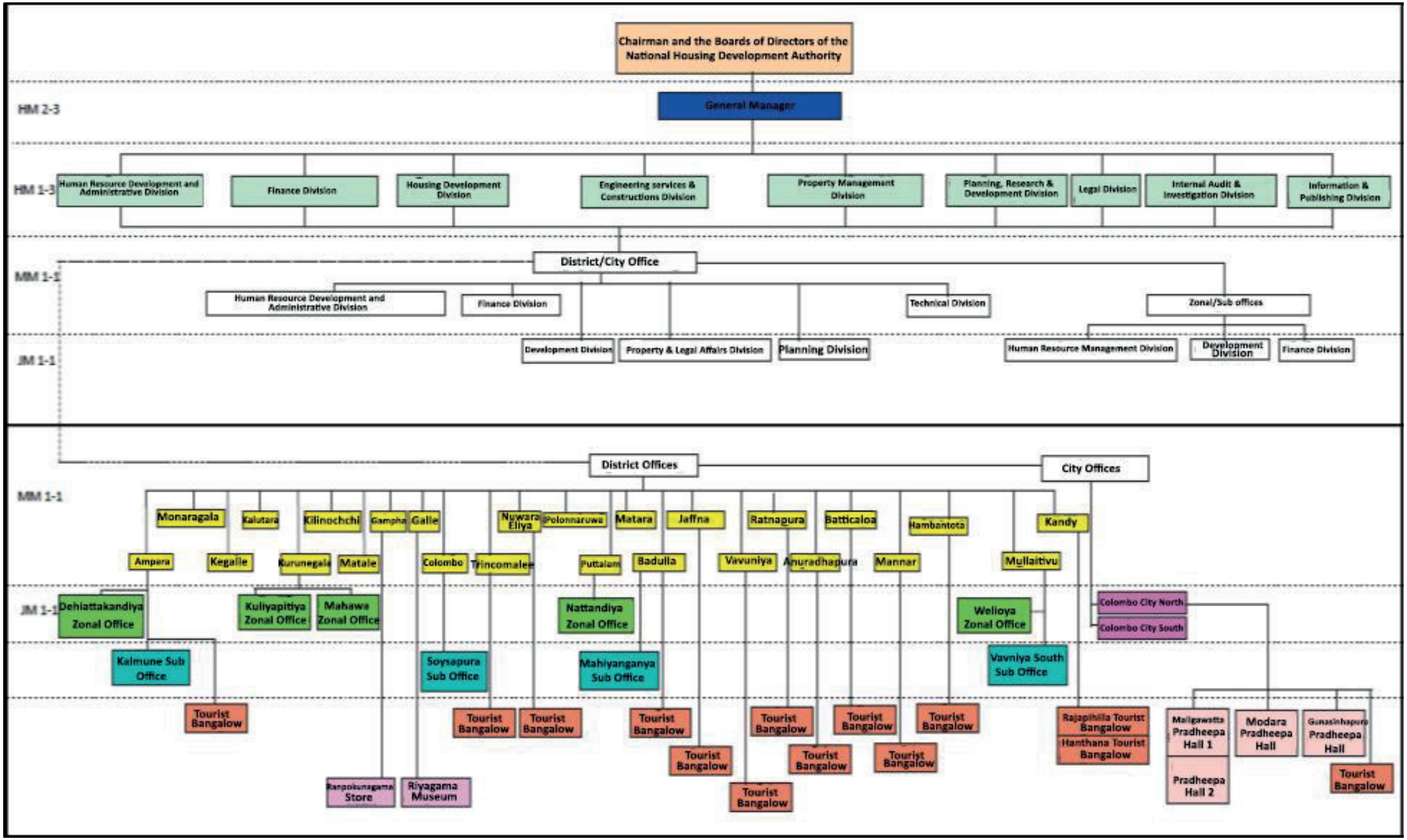
Prior to the construction of middle-class housing projects, model village housing projects, actions have been taken to start the projects that are suitable for the environment in a way that causes the least damage to the environment by implementing environmental development program according to the recommendations of the Central Environmental Authority, Building Research, and the relevant local government institutes.

The National Housing Development Authority provides people with a safe and healthy environment. At the same time, drinking water and infrastructure such as adequate access roads, uninterrupted power supply, rainwater, and wastewater disposal systems, solid waste disposal etc. are also provided.

The rules and regulations of the Condominium Management Authority ensure a better environment to residents of condominium properties.

When planning housing programmes and projects, risks occur in the areas with natural disasters, especially area with earth slip risk, areas with flood and Tsunami risks as well as upcountry with severe water shortage.

Organizational Structure of the Institute



Major Activities

03

- **"Samata Niwahan" Loan Programme**
  - Assisting low-income families to build houses by providing housing loan facilities
  - Providing loan facilities to improve the living house or to build a new house under a concessional annual interest.
- **"Samata Niwahan" Grant Program**
  - Assisting in construction of houses by providing financial assistance
  - Construction of new houses by providing shelter assistance for poor disabled and needy families as well as families with special members who have rendered useful service to the country.
- **Indian Aid Programme**
  - Construction of new housing projects in northern and southern provinces for low-income families who do not have land or house with financial assistance from the Government of India.
- **Viru Sumithuru Housing Programme**
  - Meeting the housing needs by providing assistance to the war heroes who have sacrificed their lives for the country and become totally disabled.
- **New houses for middle income families**
  - Construction of flats with all facilities to provide new houses through public and private contributions for public and private sector employees and middle income and high income businessmen who receive fixed monthly income.
- **Renovation of old housing scheams**
  - Development of infrastructure in old apartment systems.
  - Renovation of flats.
  - Establishment of Management Corporations
- **Housing Construction and Providing Supportive Services**
  - Study the suitability of houses.
  - Educate and organize the community.
  - Establishment of Rural Housing Committees.
  - Providing necessary technical support for house construction.
  - Dissemination of information on low cost construction techniques.
  - Providing financial support on necessity basis.
  - Monitoring to ensure construction status / compliance.
  - Establish infrastructure / maintain connectivity.
- **Implementation of Urban Development Program (Housing Projects)**
  - Identifying suitable locations.
  - Implementation of Survey.
  - Determining financial capability levels.
  - Preparation of plans and implementation of the project.
  - Establishment of Management Corporations.
  - Transfer of ownership
- **Allotment of land plots**
  - Identification of suitable sites.
  - Aptitude study.
  - Preparation of fragmentary plans.
  - Provision of necessary infrastructure.
  - Identification and selection of land beneficiaries.
  - Liaise with lending institutions if required.
  - Allotment of plots to selected landholders.

- Guiding the beneficiaries of those lands to construct houses within a specified time frame.

✓ **Implementation of loan recovery programs**

- Providing annual goals, providing guidance to achieve goals, and implementing related policies.
- Implementation of credit and rental income promotion programs.
- To review the monthly progress and identify and address their weaknesses.
- Implementation of programs to inform borrowers about the responsibility of repaying their loan installments and the importance of repaying the loan and using the money for housing development again.
- Implementation of training programs for collection agents and collection officers.
- Implementation of programs to evaluate the contribution made in the income promotion program.

✓ **Transfer of common areas of housing schemes, along with its infrastructure and services to local authorities**

- Demarcation of common areas / open spaces.
- Preparation of survey plans.
- Obtaining consent from the local authority.
- Transfer of property by deed.
- Notification to Home Owners

✓ **Maintaining data on housing stock and housing demand.**

- Coordination and data collection with Grama Niladari and divisional secretaries.
- Coordinating with National Housing Development Authority counseling centers and collating data.
- Coordination with provincial authorities and data collection.
- Submission of data to District Housing Committee.
- Alignment of data undertaken by the committee.
- Semi-annual submission of Data to the data bank.
- Using data for future planning

Reporting of Operational Activities 04

Housing Development Division

"Samata Niwahan" Housing Grant Program

Objective

This is an aassistance project that is implemented with the aim of building 14,022 housing units annually to solve the housing problem of low-income families in the island as the first step towards achieving the goal of achieving macroeconomic goals by providing a comfortable home to every family that owns their own land and does not have a permanent home.

The Role

According to the criteria for the selection of the beneficiaries of the above program, the list of the selected beneficiaries should be given priority according to the general consensus of the committee, and the appropriate priority should be noted by the Grama Niladhari and submitted to the relevant divisional secretary for the recommendation of the divisional secretary. In order to give the necessary approval, the regional housing committee meeting is held and the approval is done for the priority list .

The list of approved beneficiaries will be submitted to the District Secretary and the District Manager of the Housing Development Authority immediately to get the necessary allocations for starting the program .

takes action to implement District Manager of the Authority this program through the District Housing Committee under the supervision of the District Secretaries on the agreement of the District Development Committee Chairman to provide allocations to all the Divisional Secretaries in coordination with the national level.

Regarding the implementation of the program, the District Manager of the National Housing Development Authority will review the progress at the Regional Coordination Committee, the District Coordination Committee and the District Housing Committee. The successful implementation is done by the district managers of the respective districts.

Physical and financial progress as at 31.12.2022

Work has been started on 1,465 housing units and work on 19 housing units has been completed as at 31.12.2022**.** The estimated amount related to housing units started in the year 2022 is Rs.946.720 million, of which the amount spent as at 31.12.2022 **is** Rs.205.870 million.

"Samata Niwahan" Visiri Housing Loan Programme

Objective

Based on the basic objectives such as construction of a new house for family units that do not have a new permanent house and completion of construction works that have not been completed even though a permanent house has been built, renovation of completed houses and support for adding a new part to the permanent house to a family unit, achieving the goal of providing the opportunity to live in a fully completed home.

The strategy and primary objectives of this development work are:

- Encouraging the need for a house of their own for those who are financially capable of owning land without a house.
- Fulfilling their dream of housing in cases where several family units live in the same household , who have the desire to live in their own house , but do not have the knowledge , do not own a land , and do not have the ability to build a safe house.
- To create growth in the housing sector in Sri Lanka based on community-based methods by contributing to community participation.
- Providing technical advice to the housing beneficiary families to build their houses and providing assistance to the beneficiaries through construction vigilance and thereby building standardized houses.

- Providing incentives, guidance and support for the commitment and creativity of the housing beneficiary community.
- Planning and implementing this program as a joint program with the contribution of partner institutions in the housing construction sector.
- Implementation on the decentralized system up to the district , regional and village level.

Role of the program

In the current socio-economic lifestyle, the families who have very little economic ability to build a suitable house for living, but whose work has not been completed in the house under construction, or who need to add a part to the existing house, or to renew the dilapidated house, are selected for this purpose. This program will be implemented based on all the divisional secretariat divisions of the island.

Improved Housing Programme

A maximum loan up to Rs. 300,000/- can be availed at 6% to 7% annual interest rate for a period of 5 and 10 years for the beneficiaries whose maximum monthly income is Rs.75,000 or less, for the necessity of improvement of a house.

Before approving the loan amount, the technical officer gives a report on the ability to complete the work of home.

Indian Aid Model Village Programme

Under this program, Rs.5 lakh of housing assistance will be provided using the funds of the Government of India for the construction of houses for 2400 low-income families, one house per family.

Under that, the estimated amount for 1775 unclaimed houses in 2019 is Rs. 428.725 million out of which Rs.36.220 million has been released to the beneficiaries. Accordingly, the number of completed houses is 439.

Property Management Division

The number of files of the beneficiaries referred by the district offices to obtain approval according to Section 8/1 of the National Housing Development Authority Act for disposal of houses and land in housing schemes belonging to this authority is 2549. Among them, the number of files that were examined and approved by the Honorable Minister and forwarded to the district offices for preparation of deeds is 1759.

The information about the acquisition of land for housing development activities to the National Housing Development Authority is given below.

- Acquisition of government land.
- Acquisition of land owned by Land Reforms Commission
- Acquisition of private land as per tender procedure as per powers of National Housing Development Authority.
- Acquisition of private land owned by other government agencies

The ownership of 3 lands has been transferred to the National Housing Development Authority in 2022.

Achieving goals

- The works of 301 lands to be acquired by way of grant papers under the Government Land Ordinance are already being completed.
- In the year 2022, 02 lands have been acquired by certificate under Section 44 of the Land Acquisition Act.
- There were 02 lands for which full compensation and interest have been paid to obtain Section 44.
- The final stage has been reached to acquire the ownership of 18 lands, after paying compensation for the lands owned by the Land Reforms Commission.
- Further work is being done in connection with the transfer of 05 private lands to the National Housing Development Authority.
- Further work is being done to get compensation from the National Housing Development Authority for the given land related to the projects implemented by the government.

Land awarded to NHDA under Grant Papers - 2022

	District	Divisional Secretariat Division	Land Name and Housing Scheme	Plot Number	Lot Number	Land Size			Grant Paper No	Grant Paper Date
						Acres	Roods	Perches		
1	Colombo	Colombo	Sri Sangharaja Mawatha (Condominium)	මුපිකො 6723	1-12 2/2 & 13-46	-	2	26.51	4/7/7544	2021.11.22
2	Colombo	Colombo	Maligawatta Road Rates No. 97	මු.පි.කො.9710	1	-	1	9.46	4/7/7556	2022.03.08
3	Colombo	Thimbirigasyaya	Rodney Street (Agalabadakumbura)	මු.පි.කො.7236	1,2,4-29	2	2	27	4/7/7236	2021.12.06
4	Colombo	Moratuwa	Wetakeyyagahawatta, Bahinathotawatta	කැ.සි. අංක 520212 කලාප 05	8-17,21-81,283-288,290-293	1	2	35.93	4/7/7330	2021.09.06
5	Kalutara	Horana	Kanewala, Elhenawatta	මු.පි.ක.2049	3	8	2	12	4/7/7483	2022.04.22
6	Galle	Galle Kadawathsathara	Mohideenwatta	මුපිගා 3167	1	1		11.52	4/7/7487	2021.09.06
7	Galle	Hikkaduwa	Paragahawatta	මුපිගා 1994	1	5	1	17.72	4/7/7354	2021.10.06
8	Galle	Balapitiya	Pokunawatta, Bogahawatta, Kukulalawatta	මුපිගා 1975	3-ජ්බ	-	3	12.14	4/7/7360	2021.12.06
9	Galle	Balapitiya	Karalukankanamge watta (Piyagama Office Building)	මුපිගා 2034	1	-	1	22.4	4/7/7350	2021.12.06
10	Kandy	Kundasale	Govipalawatta (Police Staff Housing Scheme)	මු.පි.මහ. 6981	01,05	3	3	0.58	4/7/5381-1	2022.09.22
11	Kegalle	Kegalle	Korakotuhena Middle Class Housing Scheme	මුපිකෑ 3444	1	-	2	8	4/7/7407	2022.03.08
12	Rathnapura	Kiriella	Diggalahenawatta	අ.ග.පි.158 අති 22	761,762	6	1	2.67	4/7/7361	2021.12.06
13	Rathnapura	Godakawela	Nothariswatta	අ.ග.පි.695 අති 02	2613, 2614	44	1	4.74	4/7/7624	2022.06.10
14	Vavuniya	Vavuniya South	Samplethotamkadu Government Staff Housing Scheme	අගපි. 4602 අති. 29	356	2	0	38.4	4/7/7250	2022.05.06
				අගපි 4602 අති 40	736	16	-	24		
15	Vavuniya	Vavuniya South	Solaikadu (Weppankulam)	**F.S.P.4877 Sup 11 Sheet 11**	29	234	2	11.03	4/7/7577	2022.11.15
16	Puttalam	Karuwalagaswewa	Thabbowa Jungle, Anamaduwa මැති 5, 10	මුපිපු 3288	1	3	-	5.3	4/7/5734	2022.05.06
17	Kilinochchi	Karachchi	Kanagampi, Thaikulam මැති 20	අහුපි 1 අති 64	2889	5	-	31.87	4/7/5369	2020.08.14

Details of Lands Transferred during the year

(From Lands Reforms Commission to National Housing Development Authority)

	District	Land Name	Plot Number	Lot Number	Deed Number
1	Kegalle	Guluwatta	අ.ශ.පි.109 අති 3	15	13866
2	Kegalle	Kankiriyahena	අ.ශ.පි. 2414	1,2	13867
3	Kegalle	Kottangewatta	අ.ශ.පි. 108 අති 30	149	13868

Payment of Compensation for Lands

	District	Land Name	Amount of Compensation/Interest (Rs.)
1	Colombo	Moragasmulla Paddyfield	627,274.97
2	Colombo	Kundadiwalaw	680,565.26
3	Colombo	Sepalankandawatta	20,616.00
4	Jaffna	Paradise Port	3,308,291.2
5	Kalutara	Inner fare Line	25,031,252.57
		Total	*29,668,000.00*

Surveys from January to December

	Land Name	Amount (Hectares)	Name of the Surveyor who did the Survey
1	Navakkuli Jaffna breaking the blocks	11.4776	Mr.S.K.Gowreesan, Licensed Surveyor
2	Woodland (Dehiwala)	0.4426	
3	Anderson	0.0101	
4	Ranpokunugama	0.9519	
5	Ranpokunugama	0.8093	
6	Jayamuthugama	0.3525	
7	Kammalwatta (Condominiums)	0.1424	
8	Danister De Silva Mawatha	0.0552	
9	Mahawatta	0.0677	Mr. A.L. Lakshman Amarasinghe, the authorized surveyor who selected calling the prices under the procurement process.
10	117 Estate Condominiums	0.0219	
11	Wategodella Condominiums	0.3262	
12	Madiwela Pragathipura	0.022	
13	Hantana Pathana	3.9078	
14	Hantana	0.0148	
15	Hantana	0.0121	
16	Pallekele	1.0679	
17	Providence Garden	5.4806	
	Total	*25.1627*	

Engineering Services and Constructions Division

Engineering Services and Constructions Division consists of the following sections:

- Engineering Section
- Architecture Section
- Quantity Survey Section
- Planning Section
- Electrical Section
- Maintenance Section
- Project Section
- Administration Section
- Premises Section

Arrangements had been made to fulfill the housing aspirations of all communities and resolve all issues associated with them through the following programmes during the year 2022.

Nagamu Purawara – 2022 (Finance Allocation Rs.100 million)

	Project	Estimated Amount (Rs.Mn)	Other
1	Upgradation of Lewisawatta Sewage Filter Tank 2 (Fund Allocation - Rs. 100 mn.)	148.9	Treasury allocation for the year 2022 has not been implemented as it has not been received

Nagamu Purawara (Continuation)

	Project	Number of beneficiary families	Progress		Other
1	Modernization of Sanchiarachiwatta housing system	224	100%	99%	final bill paid
2	Renovation of water tank, sewage pipe and drain system in Alapitiwala house system	160	100%	100%	Bill paid
3	Renovation of sewage treatment system in Himbutu Uyana House system	-	-	-	Estimated value is Rs.67 mn. A sum of Rs. 26 mn has been paid. The remaining amount has been received from treasury allocations and is being processed to be paid to the National Water Supply and Drainage Board. Then that institution will invite tenders and proceed further.
4	The renovation works of Uravatta Diyawarapura housing project	64	100%	85%	It has been done with the provisions of the Ministry of Fisheries. The final bill is due.

Special Projects - 2022 (**undertaken under internal generation)**

	Contract	Contract Amount(Rs.)	Contract Commencement Date	Contract Completion Date	Other
1	Polonnaruwa district office electrical modernization work	1,832,095.00	2022.04.06	2022.06.20	Final bill to be paid.
2	Soil Testing of Proposed Anuradhapura Tenthiyagama Housing Project	251,000.00	2022.03.11	2022.05.10	Bill to be paid.
3	Anuradhapura tourist bungalow electrical renovation work	1,849,228.00	2022.04.09	2022.06.24	Final bill paid.
4	Renovation works of Anuradhapura Tourist Bungalow (Phase 02)	1,955,767.50	2022.04.05	2022.05.18	Final bill not paid.
5	External renovation of Anuradhapura Tourist Bungalow	1,377,500.00	2022.04.05	2022.05.18	Final bill paid.
6	Application of cover by aluminum plate in motor room of head office , archives , and sports hall	682,250.00	2022.10.20	2022.10.28	Final bill paid.
7	Maligawatta Mohidin Masjidnivas System Pump Station Modernization Works	464,000.00	2022.10.20	2022.11.08	Final bill paid
8	Refurbishment of main office ground floor waste collection point	547,217.00	2022.09.02	2022.09.08	Final bill paid
9	Repair Works of Sewer Lines of National Housing Development Authority Building 3rd Floor	409,970.00	2022.11.26	2022.11.27	Final bill paid.
11	Renovation of Anuradhapura Tourist Bungalow	4,917,215.62	2021.11.22	2022.03.17	Final bill to be paid.
12	Polonnaruwa District Office Repairs	7,912,765.00	2021.12.13	2022.06.20	Final bill to be paid.
13	Cut & polish wooden flooring in Auditorium at 5th Floor in head office.	246,500.00	2022.10.27	2022.11.12	Final bill paid.

Pre-Sale Apartment Projects

(i) Middle Class Housing Projects.

	Project	Beneficiary Families	Physical Progress	Other
1	Tangalle Housing Project	30	99%	Construction is in progress
2	Soysapura Housing Project	30	52%	Construction is in progress
3	Kohlankala Low Income and Middle Class Housing Project	330		land acquisition is in progress

(ii) Siyapatha Housing Projects

	Project	Beneficiary Families	Physical Progress	Other
1	Ranpokunugama Housing Project	72	8%	Initial Environmental Experiment Report (IEE Report) has been forwarded to the Central Environment Authority. The decision is expected next week.
2	Warellawatta Housing Project	154	6%	The construction has been stopped due to financial crisis faced by State Engineering Corporation.
3	Gampaha Wavegodellawatta Housing Project	40	15%	The construction has been delayed due to the financial crisis faced by the State Engineering Corporation. It has been decided to limit the number of floors to 4 . The relevant plans have been referred to the Urban Development Authority for approval. Also, the Committee has been nominated and sent by the Ministry Secretary to evaluate the (Draft) Documents prepared to invite Expression of Interests.

Public Private Integrated Housing Projects

This program was established to meet the housing needs of middle class home beneficiaries. The National Housing Development Authority has entered into a joint public-private agreement with the local/foreign private entity and these houses will be built on pre-sale basis.

	Project	Beneficiary Families	Progress
1	Hantana - Phase II	82	The decision on the case filed against the implementation of the project due to environmental reasons in the area has been received and accordingly the petitioner's complain has been dismissed. Necessary activities are being carried out for the implementation of the project. A Cabinet Memorandum has been submitted regarding price variation.
2	Hantana - Phase III	20	
3	Yakkala , Siane Uyana Soba Uyana Housing Project	42	99%
4	Kalugala Pallekele Regency Garden Housing Project Phase I Phase II	 11 10	92%

Middle Class Housing Programme

Contribute to the projects carried out by the Project Coordination Unit on the lands owned by the National Housing Development Authority.

	Project	Beneficiary Families	Progress	Other
1	Mount Clifford	82	100%	Handed over to public ownership
2	Nugagahakanattawatta - Wadduwa Panadura	20	66%	Development Agency has been wound up by a court order. Even if an arbitrator is appointed, a new arbitrator will be appointed on his resignation.
3	Dambuwatta - Ragama	124	55%	
4	Jaltara Phase II – Homagama	252	100%	Handed over to public ownership

Procurement Activities

There were 16 tenders have been invited for essential works in housing systems, tourist bungalows and renovation works in the main office in 2022. Contract award letters have been issued for 12 projects .

	Project	Contract No	Project Awarded/Not
1	Mulleriya Himbutu Uyana Housing System Sewerage System Operation and Maintenance Contract	1427/21	Yes
2	Mulleriya Himbutu Garden Housing System Mesh Wire Fence Modernization	1396/21	No
3	Modification of existing fence in Maligawatta Model House Premises	1424/21	No
4	Renovation of Rajapihilla Tourist Bungalow and repairs to caretaker's room	1426/21	Yes
5	Electrical upgrades of Polonnaruwa District Office	1430/22	Yes
6	Soil test of Anuradhapura Dahaiyagama Housing Project	1435/21	Yes
7	Electrical Upgrade Works of Anuradhapura Tourist Bungalow	1433/22	Yes
8	Renovation work of Anuradhapura Tourist Bungalow phase II	1437/22	Yes
9	Exterior renovation works of Anuradhapura Tourist Bungalow	1438/22	Yes
10	Construction of toilet and 2nd floor partition in Housing Commissioner's Office	1442/22	No
11	Fixing of flashes in Motor room , archives and gymnasium in head office	1447/22	Yes
12	Construction of Pumping Station at Maligawatta Mohideen Masjid Housing Scheme	1458/22	Yes
13	Repair of sewer line near waste collection center on ground floor	1460/22	Yes
14	Cut & polish wooden flooring in the Auditorium at 5th floor in head office	1462/22	No
15	Construction and renovations in Polonnaruwa Tourist Bungalow	1463/22	Yes
16	Sewer line upgrades in 3rd floor at Head office	1471/22	Yes

Drawing Plans for Projects

(i) The 6 storied building proposed to be constructed at Soisapura office premises .
(ii) Proposed partition Design of Kalutara District Office
(iii) Proposed Pump House at Mohidin Masjeed Housing Scheme.
(iv) Detailed plans of Driver's Rest room at Rajapihilla Tourist Bungalow
(v) Proposed National Housing Development Authority Security Room (Near Railway Line)
(vi) Landscape layout and detailed plans of Maligawatta Prdeepa Hall

(vii) Plans relating to proposed additions and improvements to Badulla, Polonnaruwa and Nuwara Eliya Circuit bungalows.
(viii) Balcony guard wall plan of Soysapura New Project
(ix) Electrical layout and detailed plan of Circuit bungalows in Badulla , Polonnaruwa , Kataragama and Nuwara Eliya.
(x) Detailed plan and roof plans of water tank related to Nuwara Eliya Cuircuit Bungalow.
(xi) General plan for waterproofing of toilets and bathrooms for modernized. Housing projects
(xii) Plans relating to Indian Housing Project and plaques
(xiii) Design of Steel Racks to Legal Division at Head Office

In addition to this, according to the needs of the residents of the old housing schemes, actions such as printing and distributing building plans and issuing related letters etc. are done.

Condominium Property

- Deeds can be issued under the Consolidated Housing Rights Act No. 23 of 2018 for housing projects built without obtaining approvals from local government bodies before 31.12.2009 and it is based on the certificate of building condition issued by the Director General of the Building Department after inspecting the houses.
- Accordingly, house inspections and further work will be done in coordination with the engineering officers of the building department.
- As of 30.04.2023, 61 condominium plots related to 25 housing schemes have been sent to the Building Department and 1868 houses related to 59 condominium plots have been inspected by its officials. Reports were sent to 17 housing schemes . It has been forwarded to the legal department for the further work of providing certificates and deeds related to the 09 housing schemes that have received the recommendation .

Pumping stations and Electrical Maintenance

The National Housing Development Authority has carried out the sewerage maintenance work of Himbutu Uyana and Mulleriya housing schemes through a contractor. Pump maintenance works are also carried out in the head office and residential systems, according to the service requirement.

Human Resource Management and Administration Division

The Human Resource Management Division is the main operational unit for the systematic implementation of the manpower plan of the institution. In this way, this division supports the formulation of rules and regulations related to the management of corporate human resources, as well as the management of the human resources required to lead the organization towards an effective targeted housing development program according to the terms of the Authority Act. Accordingly, all duties in human resource management such as recruitments, promotions, transfers, employee dispute resolution, appearing for labor disputes, responding to employee appeals, etc. are done by this division.

The changes in the human resources sector in the year 2022 are as follows.

Physical Cadre Summary as at 31.12.2022

Service Level	Approved Cadre		Physical Cadre (As at 31.12.2022)				
			Permanent				
	Permanent	Approved as personal to position holder	Permanent	Approved as personal to position holder	Contract	Daily	Service Agreements
Senior	206	2	81	-	-	-	-
Tertiary	252	101	262	-	-	-	-
Secondary	893	387	576	332	-	-	-
Primary	219	104	104	90	-	-	-
Total	1570	594	1023	422	-	-	-
Total	2164		1445		236	35	03

Recruitments made in relation to the Period

Direct recruitment				Re-employment after retirement		Total
Permanent Executive	Permanent Non-Executive	Contract	Daily	Contract Agreements	Daily	
-	-	-	05	02	-	07

- There were 02 promotions have been made for the employees of the National Housing Development Authority through internal promotions in 2022.

- Retirements, terminations of service, relinquishment and resignations during the year 2022

Service Level	Retirements	Terminations of Service	Resignations	Relinquishment	Dismissals
Senior	07	-	02	01	01
Territory	45	-	11	-	-
Secondary	18	04	14	02	01
Primary	15	-	06	04	-
Total	85	04	33	07	02

- The number of employees who died while working in this Authority in 2022.
- The practical training and graduate trainees of this authority are as follows.
    - Number of Practical Trainees- 05
    - Number of Graduate Trainees - 01

General Role of Human Resource Management Division

- Identifying staff requirements/vacancies for head office and district offices , preparing annual manpower budgets accordingly and refer to Board of Directors and Management Services Department for approval and updating staff.
- Preparation of recruitment procedure and referral to the Board of Directors and Management Services Department for approval.
- Obtaining relevant approvals for filling vacancies , publishing electronic and printed media advertisements for inviting applications , conducting interviews , identifying suitable candidates , making appointments and assigning to vacancies.
- Maintaining permanent , contract and daily workers' personal files of this Authority. (Duties from the date of initial appointment to the date of termination of service)
- Inviting applications for internal promotions , conducting interviews , identifying candidates , giving promotions and assigning to vacancies.
- Appointing transfer committees for annual transfers and taking their recommendations and taking further action / carrying out necessary arrangements for transfers on special grounds.
- Obtaining annual asset liability statements from executive grade officers and maintaining related documents and issuing motor vehicle permits on a concessional basis.
- All duties related to the implementation of salary revisions as per circulars issued by the Department of Management Services.
- To take forward steps for redressal of employee grievances within the administrative framework.
- Submission of employee grievances (received with recommendations from top management) to the Employee Grievance Committee established in the Authority, and perform tasks related to redressal of those grievances.
- Proceedings of Industrial Disputes (Human Rights / Labor Commissioners / Labor Tribunals / Parliamentary Advisory Committees / Labor Courts).
- Employees' Retirements, resignations, annual salary increment payments etc.
- Dealing with the payment of Employee Provident Fund/Employee's Trust Fund/Gratuity payments to the employees who have terminated their service and collecting the money due from the employees to the Authority.
- Recovery of security deposits to be deposited by officers/employees holding responsible positions (such as security guards , cashiers) as per circulars and release of such security deposits upon their retirement/resignation.
- Prepare and forward relevant board papers related to human resource management scope and implement related decisions.
- Providing solutions/providing answers to employee requests received by the Honorable Minister / Line Ministry / Ministerial Office and top management.
- Providing answers to government audit queries and internal audit queries related to the scope of human resource management.

- Representing various other internal meetings such as progress review meetings , management committee meetings , audit and management committee meetings of the Honorable Minister and Heads of Institutions held in the line ministry.
- Providing relevant information and representation for the Committee on Public Enterprises, the Presidential Investigation Commission, the Financial Crimes Investigation Division, the Bribery or Corruption Investigation Commission related to the scope of human resource management.
- Tasks of preparing reports and letters to be submitted quarterly to the Ministry of Finance and preparation of monthly and quarterly reports to be submitted to the line ministry.

Special tasks performed in addition to daily tasks

Carry out further work in the positions in which there is a necessity for the service relating to cadre estimate approved by the Management Services Department in 2018, the existing problems of the approved new cadre and the excess cadre, in consultation with the Management Services Department.

Challenges faced in performing tasks related to human resource management

- **Although the staff had to face problematic situations in reaching the goals, due to the lack of computer knowledge and lack of experience in the use of new technologies among them, the related activities were done efficiently compared to the previous years.**
- **Systems have not been improved so that accurate information about human resources can be obtained on time.**
- **The tasks related to human resource management are not carried out according to the prescribed methods due to various reasons and employee problems arise, thereby decreasing employee satisfaction and showing a greater tendency for labor disputes.**

Suggestions to be implemented to meet the challenges

Following are the suggestions to be implemented in order to face the challenges faced by this sector while achieving the overall organizational objectives optimally by performing the tasks related to human resource management.

- **Focusing on making decisions within the prescribed methods as practical problems have arisen in making decisions related to the subject of human resource management by working outside of the existing circulars, regulations and rules.**
- **Utilization of human resources in a manner that improves employee satisfaction.**
- **Attention should be made to take the necessary measures to revise the annual performance evaluation system of employees to suit the current situation and educate the supervising officers regarding that.**
- **Looking into employee grievances regularly and providing solutions for the same.**

- **Taking necessary measures to improve employee productivity by implementing employee training programs and skill development programs constantly and focusing on the implementation of training programs related to the improvement of information technology among employees. Further, taking necessary measures to change employee attitudes in a way that suits the organizational culture.**

Administration Division

The Administration Division of the National Housing Development Authority issues administrative circulars in all district offices and sub-offices including the head office, approves overtime, combined allowances, travel allowances, house rent allowances and other allowances and conducts office management and all administrative activities. All information related to office management is done through the circulars issued by administration division and the daily mail, daily arrival & departure and the direct coordination of entire staff which should be done by the head office are conducted by the administration division. Apart from this, the following responsibilities related to the administration of the staff will be carried out under the direction and supervision of the administration division.

Services operated under Administration Division

- Issuing and maintaining files of all circulars, letters, documents, office orders and special notices related to office management.
- Duties related to the attendance of the entire staff of the head office
- Medical benefits
- Distress Loan Program
- Staff Grade Home Loan Scheme (for entire staff)
- Issuance and re-acceptance of official ID cards
- Maintenance of fingerprint machines and related services
- Activities related to communication facilities
- Daily mail
- Duties of District Offices / Zonal Offices and Head Office Payments
- Requests for motorcycle mileage allowances for departmental officers including engineers, engineer assistants and technical officers
- Payment of District staff difficult work place house rent
- Sanitation related work in District Offices/Zonal Offices
- Payment of office building lease/rent including head office, insurance and tax
- Office repairs and purchase of goods and related activities
- Supply of tea to the entire staff of the head office
- Maintaining archives of the National Housing Development Authority
- Maintaining the archives of the Housing Commissioner/Housing Department and related activities
- Maintaining the Institutional canteen
- Checking bills related to institutional security services and forwarding them for payment and obtaining security services
- All elevator works
- Welcoming external visitors and identifying service necessity and directing them to relevant locations
- Carrying out telephone message exchange center activities and internal telephone system activities
- Proceedings in the 5th Floor Council Hall of the Head Office

- Supply of newspapers to the respective sections of the head office
- Maintaining petty cash book
- Ordering goods and maintaining records
- Maintaining inventory register
- Work related to trade unions
- Internet and computer work in Human Resource Management and Administration Division

In this section, the employees are attached as follows.

Designation	Service Category	Number of Employees
Manager	**MM 1-1-1**	01
Administrative Officer	**JM 1-1 -II**	04
Reception Officer	**JM 1-1 -II**	-
Personal Assistant	**JM 1-1 -II**	**01**
Management Assistant - 02 **Computer Operator - 01**	**MA1-II -I**	**03**
Management Assistant - 04 **Telephone Operator - 01**	**MA1-II -III**	**05**
Office Assistant	**PL 1 -III**	**01**
Office Assistant **(Coverage of duties of other posts)** **Management Assistant Acting -01** **Record Keeper Coverup duties** - 01 **Lift Operator** - 01 **Telephone Exchange Center - 01** **For messenger duties - 01**	**PL 1 -III**	**05**
Total		20

- Bonuses for the year 2022 have been given to the employees and the approval for the payment of distress loans, dependent allowances & combined allowances and the payment of rent allowances in the district offices has been granted.

Number of employees who have applied for distress loan	Amount of distress loan disbursed
69	17,250,000.00

- The members of the medical benefit scheme who are salaried in the head office have been paid as follows for the year 2022.

Information on benefits	No of members received the benefit	Amount (Rs)
Outpatient treatment	356	5,936,111.16
Inpatient Tests and Medical Fees	18	656,108.00
Inpatient Surgical and Medical Service Charges	14	816,294.00
Major surgery and continuous treatment	8	1,516,008.00
Inpatient treatment for government hospitals	16	42,826.00
Infectious and Epidemiological Diseases	11	156,200.00
Benefits under paragraph 08 of 2016/04	03	3,600.00

- Expenditure for the year 2022

Office Phones	3,493,596.00
Postage cost	636,544.00
Express Post - Petty Cash	41,299.00
Head office insurance coverage	1,899,319.39
Office rent for Matale District Office	1,060,224.00
Kandy District Office Insurance	101,629.58
Tea Ration - Sugar 1 kg each 2310	517,166.00
Tea Ration - Tea leaves 100 grams each 2310	244,529.25
The cost of purchasing newspapers for the year 2022	365590.00
The amount spent for the purchase in the year 2022 by the petty cash imprest	1380.00
Difficult Service House Rent Allowance has been provided	
Motorcycle allowances has been provided for district offices.	

Staff Housing Loan Branch

The role of this subject is to provide staff grade housing loan under 4.2% interest rate for the staff in permanent service (probation period completed) in the head office and district offices of this Authority, on a property mortgage for the following housing purposes subject to a maximum of Rs.1,500,000/-. Here, loans are provided on the basis of the basic salary and age up to 60 years of service and the maximum period of loan recovery is 15 years.

Purposes of Housing Loans

- Construction of a new house
- Completion/extension/renovation of a house
- Buying a house/land
- Settlement of loan amount obtained by mortgaging a property by recognized financial institutions for housing purpose

- Purchase of house/apartment /land acquired on rent free/sale basis from this Authority or settlement of part of the sale price

Information related to the subject of staff housing loans

Compiled goals

Objectives for the year 2022

Objective	number
Construction of a new house	03
Completion/extension/renovation of a house	-
Buying a house/land	01
Settlement of a loan taken from a financial institution for a housing purpose	01

Wage categories Range	Head Office		District Office		Total Amount Approved (Rs.)
	No of Employees	Amount (Rs.)	No of Employees	Amount (Rs.)	
HM 2-1-MA 5-2	-	-	-	-	-
MA 2-2-MA 1-2	-	-	03	4,429,731.57	4,429,731.57
PL1-PL3	01	1,500,000.00	01	1,495,000.00	2,995,000.00
Total	01	1,500,000.00	04	5,924,731.57	7,424,731.57

Actions taken to achieve goals

Due to the bad financial condition of this institution, the provision of staff housing loans has been slow since the beginning of **2022** and since the provision of loans had been temporarily **s**uspended from May until the end of the year **,** the loan amount given above should also be given by informing the top management for special reasons.

Further, taking into account the requests made by the employees who are expected to get loans, and requesting to start giving loans again, arranging to present matters in files to the top management on several occasions.

Problems faced in reaching the goals

Due to the poor financial condition of this institution, the loan disbursement of staff housing was slow from the beginning of 2022 and the disbursement of loans was temporarily suspended from May until the end of the year.

Training Division

Budget for the year 2022	(Rs.)
Training and Scholarships	1,500,000.00
Training loan	4,500,000.00
Total	6,000,000.00

Allocation for the year **2022**				
No.	Description	Allocated Amount as per Budget 2022 (Rs)	Amount Allocated by Training Unit (Rs)	Grand Total
1	**C**ash allocation for the year 2022	1,500,000.00		
2	In-house training programs		600,000.00	
3	External Training Programs (Domestic) **(** 90%)		200,000.00	
4	Head Office		200,000.00	
5	District Office		200,000.00	
6	External Training Programs **-** Foreign Scholarships		500,000.00	1,500,000.00
7	Training Loan Program	4,500,000.00		4,500,000.00
	The amount allocated for training for the year **2022**			6,000,000.00

2022 Progress (2022-01-01 - 2022-12-31)				
No.	Program Description	Number of Programs	Number of Participants	Amount Spent **(** Rs.)
1	In-house training programs	2	90	45,000.00
2	External Training Programs (Local) **(90%)** Head Office District Office	3	16	183,150.00
3	External Training Schemes – (Foreign) Scholarships			
4	Independent Training Program	3	6	300,000.00
	Grand Total	8	112	528,150.00

Management of the estimates related to the programs proposed to be implemented by the training division is carried out to provide local and foreign knowledge and training to the officers/employees of the National Housing Development Authority in the relevant fields by this training division.

Disciplinary Branch

The offenses committed by an employee in violation of the rules at the corporate level are considered as minor and serious offenses. Depending on the nature of the offense, various punishments are imposed such as warning , dismissal , compulsory leave and the behavior and activity control of the employees according to the disciplinary constitution of the organization will be done by the Disciplinary Division, Further this division will implement the related rules and regulations and make recommendations.

But according to the numerical details related to the serious misconducts actions implemented in the year 2022, Serious misconduct

(Number of disciplinary matters as on 31.12.2021)
59

Disciplinary matters reported from 01.01.2022 to 31.12.2022
22

Total Number (81)

Concluded during 2022
38

Not concluded as at 2022.12.31
43

Numerical details related to minor misconducts carried out in the year 2021 in the Disciplinary Division

Minor misconduct

Disciplinary matters as on **31.12.2021**
127

Reporting **as at 31.12.2022**
3

Total Number (**130)**

Disciplinary matters concluded from 01.01.2021 to 31.12.2021
82

Disciplinary matters not concluded as at 31.12.2022
48

Security Branch

Since there is a limited number of officers in the security division, it is the responsibility of the security division to protect the company's movable/immovable property and resources , protect the company's reputation and employee discipline and manage its affairs properly. Accordingly, the details related to achieving the goals of the security division are given below.

Compiled Goals :

- The security division of the National Housing Development Authority worked with full strength and methods to protect the Authority's movable/immovable property and human resources, corporate reputation and employee discipline.
- Since March 2020 , due to the threat of Covid- 19 across the country , despite the presence of security vacancies, security activities were continued .
- By January 2022, the security staff was reduced to 24 and despite the situation security services had to be continued.
- The security officers had to use various methods to ensure security for the head office and several workplaces controlled by the head office.

Actions taken to achieve goals and results

- Inspecting the vehicles/persons , luggage etc. coming to the offices of the Head Office and Housing General Secretariat Building and referring them to the relevant divisions.
- Conducting instructional classes for security officers , issuing written duty instructions for district offices and all workplaces , informing divisional heads and district managers about the instructions, informing security personnel about the responsibilities and duties of security officers, and currently approved private security services. Informing the Administration division of those offices regarding the maintenance and supervision of the security activities of the district offices that have been used.
- Maintaining records regarding arrival and departure of employees and taking measures for the safety of timekeeping machines.
- Prevent activities harmful to the reputation of the National Housing Development Authority and to investigate and report fraudulent activities and actions with intent to cause loss and assist in maintaining discipline.
- Representing the institutions located in the high security zone where the Slave Island police station is primarily maintained and in the security committee meeting and acting according to the decisions and instructions taken there, informing the security personnel in this regard.
- Deploying security personnel armed with firearms for the security of the Housing General Secretariat Building.
- A closed camera system has been installed in the office premises as it is appropriate to use modern technical methods to facilitate the security activities, and it is very important in the security activities.
- Organizing and implementing security measures to prevent the re-entry of unoccupied houses by involving security officers in the operation to evacuate the illegal residents who have received court orders and preparing preliminary investigation reports.

The top management took the following steps to address the manpower shortage in the security division.

- Assigning the security duties of the vacant district offices to an approved private security service by directing the security personnel employed throughout the island to a few selected district offices.
- Preparing plans to employ an administrative security officer to oversee security for these offices..
- Prepare reports regarding the recruitment of security personnel to the National Housing Development Authority and take measures to inform the relevant divisions by the top management.

Library of the N.H.D.A.

When the institutional work related to the subject of housing was done for the nation, a special library related to the subject of housing was established in our Authority in 1987 **for the benefit of its officers and employees as well as for the benefit of university students and lecturers, employees of government and private institutions.**

The primary purpose of a library service is to direct the reader to meet their information needs, in other words, to provide relevant information to the reader in need of information is the primary purpose of a library.

The value of a library was also known by our ancients, and the history of the written media went hand in hand with this library history. Accordingly, like other institutions of the society, the library can be pointed out as a social corporation that has played a role since ancient times.

Further, a library can be called as a perfect unit for all things such as obtaining, preparing, storing information generated as a result in the operation of human intelligence in an useful manner for the benefit of future generation, distributing correct information and communication activities, etc.

Accordingly, the reader has the ability to find the necessary information in the audio-visual media quickly in the library owned by our Authority as well as in the other institutions of the society and among the publications related to the subjects related to housing in this library houses, buildings and constructions, Engineering, Architecture, Quantity Surveying, Land are included, and also a collection has been filed for the sub-disciplines under it.

Further, in gathering information, not only the traditional books, but also magazines, newspaper clippings related to the necessary subjects, information about the housing proposals of the authority, besides them, a collection of legal reports, government orders, etc. are also stored here. Furthermore, it is no secret that the staff of the Housing Authority who are receiving further education are also obtained a great service from this library.

The information and books in the library are given to the permanent officers and employees of the Housing Development Authority to be taken away , and the library is open for the other readers to read the newspapers 5 days a week as well as for their necessary reference works.

The library belonging to our National Housing Development Authority , which already has a collection of about 7000 valuable books, has been established on the 09th floor of the main office since 06-02-2020.

Finance Division

For the convenience of finance administration, the finance division has been organized under 9 Sections.

1. Budget and Budget Control Section
2. Final Account Section
3. Corporate Payment Section
4. Internal Control Section
5. Development Payment Section
6. Resource Management Section
7. Stores and Stores Accounts Section
8. IT Section
9. Special Projects Section

Role of Finance Division

Releasing money to the district offices for development activities under treasury allocations and internal generations and maintaining all recurring expenses according to the budget estimate with formal control and carrying out necessary activities for the development of recoveries through measures to promote recoveries.

Legal Division

The functions performed by the legal department,

- Grant of freehold deeds for lands and houses.
- Preparation of Condominium Declarations required for granting deeds of flats.
- Dealing with complaints relating to properties related to the National Housing Development Authority which are prejudicial to the society in general.
- Taking legal action against certain individuals and entities where necessary.
- Taking legal possession of the land and houses owned by the National Housing Development Authority by prosecuting those who are illegally occupying them.
- Conducting proceedings filed against the National Housing Development Authority by external parties.
- Providing the necessary support to the government lawyers of the Attorney General's Department and the lawyers who seek the assistance of external lawyers in handling the cases.
- Preparation of contracts and other agreements between external parties and this authority in relevant cases and conducting all related proceedings.
- Providing necessary legal advice to all district offices and all divisions of the head office.
- To take legal action against the outstanding loan installment holders who do not pay the loan and rent installments to recover the money owed to the authority.
- Contributing to the recoveries of National Housing Development Authority by issuing legal notices and eviction orders.
- Handling human rights complaints.
- Providing necessary representation for duties related to the position of Board Secretary and providing necessary legal recommendations for all Board papers.
- Providing necessary legal officer representation to other committees of the National Housing Development Authority.
- Carrying out all duties related to the position of designated officer of the National Housing Development Authority under the Right to Information Act.

Progress in Issuance of Deeds

District	No of Deeds
Colombo	225
Colombo Town (South)	115
Colombo Town (North)	63
Soysapura	23
Kalutara	22
Gampaha	160
Kegalle	07
Kandy	57
Matale	06
Nuwara Eliya	02
Badulla	02
Ratnapura	22
Galle	35
Matara	47
Hambantota	18
Monaragala	01

District	No of Deeds
Kurunegala	30
Puttalam	12
Anuradhapura	14
Polonnaruwa	-
Trincomalee	-
Vavuniya	-
Ampara	39
Batticaloa	-
Mannar	01
Kilinochchi	-
Mullaitivu	-
Jaffna	01
Mount Clifford	405
Greenvalley	180
Edmonton	122
Total	1609

Planning and Monitoring Division

Planning and Monitoring Branch

In accordance with the existing government policies by fulfilling the sustainable development objectives, preparing a comprehensive plan including strategic plans and goals expected to be followed to achieve the goals and objectives of the National Housing Development Authority in the next five-year period, related to the programs, projects and activities according to the medium-term plan. Preparation of the annual action plan including physical and financial goals is done before the start of the year.

Progress Review and Monitoring

The progress of the implementation of the programs and goals of the prepared action plan by the district offices is taken every month and the progress of reaching the goals and the cases where the goals were not met are reported to the top management and to the external parties including the Ministry and the Treasury by this division.

Further, preparing the annual report including the performance of the institution and the role played during the year, providing information about the operational activities of the institution for the central bank report and providing the necessary information for the budget debate to the Parliament are conducted.

Parliamentary Oral Questions and Answers

Among the duties performed by this division are providing summaries of answers to the oral questions asked by the Honorable Members of Parliament, providing answers to the questions that arise in the Parliamentary Advisory Council and Sectoral Oversight Committee meetings.

Sevana Lottery Sales Promotion

Necessary measures are taken in coordination with the National Lottery Board to promote the sale of Sevana Lottery, and this division will call the Sevana Governing Board to obtain the approvals related to the utilization of money received in the Sevana Fund and for that, the governing board papers will be obtained from the relevant divisions and submitted to the Governing Board. In the year 2022, due to the covid pandemic situation in the country, only 02 meetings of the Sevana governing board have been held, and the housing need for 94 poor families has been met under the Sevana funds. Lottery sales of Rs. 27.50 million has been credited to the Sevana fund.

Project proposals

Among the duties performed by this division is to prepare program estimates and project proposals and submit them to the Planning Department and the Treasury to reserve budget allocations for the coming years.

1919 Government Information Centre

Apart from this, among the duties performed by this division is the necessary coordination for updating the information by providing information related to the institution for 1919 State Information Centre.

Ensuring people's right to information

As per the Right to Information Act No. 12 of 2016, the Deputy General Manager of the Planning and Development Division is acting as the information officer to provide information requested by the Sri Lankan community about the operations of the National Housing Development Authority and its functioning. Accordingly, public requests in the year 2022 and the manner in which they were dealt with are as follows .

Year 2022

Total number of requests	-	55
Number of replies	-	37
Number of appeals submitted	-	01

Reservation of resort bungalows and administrative activities

There are 14 holiday bungalows owned by the National Housing Development Authority, which are maintained for the welfare of employees, and there are currently 9 holiday bungalows in operation. The district offices to which the tourist bungalows belong carry out their direct supervision and administration, while the activities related to the reservation of tourist bungalows and providing their necessary facilities are carried out by the Planning and Development Division .

In addition, there were 04 functional halls are maintained for the special occasions of the community living in the housing schemes offered by the National Housing Development Authority which is administered by the Colombo City Office.

Samata Niwahana Development Program - Performance as at 31/12/2022

Program	Annual Target			Achievement		
	Work Commencement	Completion	Estimated Amount (Rs.Mn)	Work Commencement	Completion	Estimated Amount (Rs.Mn)
"Semata Nivahan" Housing program for low income earners						
1. Grant - New Program	1485	-	169.450	1465	28	214.850
- Continuation Program	-	2228	887.257	-	1821	622.477
2. Mihindu Niwahana - New	77	21	39.35	73	6	16.525
- Continuation Program	-	265	92.225	-	218	84.995
3. Loan program - new				5	3	1.750
- Continuation Program	-	2242	296.22	-	2090	272.893
4. Internal Generation Loan Program - New	1000	450	280.0	473	400	147.185
- Continuation Program	-	1143	179.0	-	1161	192.122
5. Sevana Grant	100	28	35.0	92	10	27.92
6. Housing Program for Persons of Special Needs	-	381	83.67	-	118	37.81
7. Viru Sumithuru	-	417	31.828	-	446	39.783
8. Indian Aided Houses	-	1468	690.0	-	151	174.548
Sub Total	**2662**	**8643**	**2487.78**	**2108**	**6452**	**1832.85**

Program	Annual Target			Achievement		
	Work Commencement	Completion	Estimated Amount (Rs.Mn)	Work Commencement	Completion	Estimated Amount (Rs.Mn)
9. Freehold Deeds	1000	1000	-	1609	1609	-
10. Housing Related Supportive Services						
1. Nagamu Purawara	-	-	25.0	-	-	25.0
2. Land compensation	-	-	10.0	-	-	10.0
Middle Income Housing Programme						
1. Pre-sales						
▪ Tangalle , Hambantota	30				97%	30.935
▪ Soysapura , Moratuwa	30				52%	26.663
▪ Ranpokunagama , Gampaha	72				22%	40.165

Transport Branch

- Internal Staff - 09
- Driver - 36
- Driving Assistant - 01

46

National Housing Development Authority driver post employee information

Details	Head Office	District Office	Total
Permanent	18	33	51
Contract	20	14	34
Total	38	47	85

Transport Pool as at 31-12-2022

Description	Car	Jeep	Double Cab	Van	Lorry	Crew Cab	Total
National Housing Development Authority owned vehicles	05	05	48	03	07	02	70
Vehicles belonging to the Ministry of Finance		01					01
Vehicles taken on monthly lease basis	01	03	15	01			20
Total	06	09	63	04	07	02	91

- As the pool vehicles are not enough, vehicles have to be obtained on lease basis for the duties. Accordingly, 03 jeeps and 01 car obtained under the lease basis were used for the duties of the top management in the head office and 15 cabs were used for the district offices for development purposes. An amount of Rs. 4,532,915/- has been spent as lease rental for these vehicles in the year 2022.
- An amount of Rs.3,402,388 has been spent for the repair of vehicles for the year 2022 and 30 vehicles have been repaired and put into operation.
- An amount of Rs.905,469.51 has been spent as insurance premiums for insuring vehicles and an amount of Rs.370,955 has been received as insurance claims in the year 2022.
- An amount of Rs.397,899 has been spent for obtaining all vehicle licenses, including motorcycles in the transport pool for the year 2022 – 2023.
- A budget allocation of Rs.60,857 million has been allocated to supply fuel to pool vehicles for the year 2022 and an amount of Rs.13,886,613 has been spent.
- In the periodical servicing of vehicles, periodical service is done after approximately 4000 kilometers of driving and an amount of Rs.1,758,297.25 has been spent for periodic servicing of only the vehicles employed in the head office in the year 2022.
- A cash advance of Rs.40,000 is maintained for repair and other maintenance expenses in the transport division. In the year 2022, a sum of Rs.1,024,387 has been spent as cash advance. The purchase of spare parts and minor repairs subject to a maximum amount of Rs.5000 for the garage of the transport division, obtaining vehicle emission reports and settling the bills for traveling on the expressway have been done with that cash advance.
- Efforts have been made to minimize the cost of repairs by carrying out minor repairs in the transport division garage.
- Due to the increase in repair and maintenance cost and the decrease in fuel efficiency, 16 old vehicles that are very loss-making have been disposed of and have received an amount of Rs.9,320,737 as vehicle sales income.
- Since the vehicles owned by the transport pool are very old vehicles, even though necessary measures were taken to buy new vehicles based on the minimum requirement in order to make the transport services more efficient and reduce the need for leased vehicles, due to the cancellation of the relevant circulars and the policy decisions of the government, it could not be able to purchase new vehicles in the year 2022.
- Therefore, the disposal of old vehicles has been delayed due to the lack of new vehicles being added to the transport pool, and 04 cabs reserved for disposal have also been repaired.

Age-wise classification of the fleet of vehicles owned by the National Housing Development Authority

Vehicle Type	Below 05	5-10	10-15	15-20	Above 20	Total
Cars	-	-	-	04	01	05
Jeeps	-	-	-	-	-	05
Vans	-	-	-	01	02	03
Double cab	-	-	17	-	26	48
Lorries	-	-	-	-	07	07
Crew Cabs	01	-	01	-	-	02
	01	-	18	05	36	70

- Since most of the vehicles in the pool are more than 15 or 20 years old, many problems have to be faced in the supply of transport services and the development work of the organization has also been affected.

- Since these old vehicles are very inefficient when used for duties, vehicles have to be obtained on lease basis to provide transport services to far away duties and officials and accordingly, more expenses have to be incurred for hired vehicles.

Supply Branch

The supply division of the National Housing Development Authority manages the flow of goods and services, including all processes required by the various divisions and district offices of the Authority. For that, the interconnection is done between our annual registered suppliers as well as the institutions/companies established in the open market.

In this section, employees are assigned as follows.

Designation	Service Category	No of Employees
Administrative Officer	JM 1-1-(1)	02
One person has been appointed to perform the duties of the manager position.	MA 1-11-(1)	01
Management Assistant	MA 1-11-(11)	01
Management Assistant	MA 1-11-(111)	02
Management Assistant	PL 1-1	01
Archivist	PL 1-111	01
Total		08

There were 1206 requests for supply of goods and services have been received in the year 2022.

Goods and services have been provided under the following categories and the amount of money spent is as follows.

1. **The goods and services for which the quotations were made are categorized as follows and the amount spent for the same**
    - For purchase of cleaning materials - Rs. 462,613.30
    - For purchase of maintenance materials and accessories- Rs. 2,356,513.67
    - For purchase of tea rations and uniforms - Rs. 816,941.75
    - For purchase of stationery - Rs. 7,828,680.08
    - For electrical appliances and accessories - Rs. 2,507,007.06
    - To purchase toner/ribbon/cartridge - Rs. 2,978,405.00
    - For purchase of batteries/tires and spare parts - Rs. 2,489,494.95
    - For purchase of machinery and accessories - Rs. 8,169,335.60
    - For purchase of office supplies and equipment - Rs. . 3,993,688.20
2. **The amount spent for the purchase of food and drinks provided for the entertainment expenses was Rs. 811,750.43**.
3. **The amount spent on purchases made by way of advances is Rs.142,472**.
4. **The amount spent on petty cash purchases is Rs.283,624.33.**

Actions taken to achieve goals

Due to the fuel crisis in Sri Lanka in the first quarter of the year, the employees were divided and reported for duty, and in order to maintain the office supplies properly, providing goods and services was carried out as a group regardless of the employees being called to work intermittently.

Further, even though there was a problem in providing goods to the suppliers due to the world economic crisis, they worked in constant cooperation with the suppliers to supply the goods.

Problems faced in achieving the goals

In the first quarter, there was difficulty in summoning the committee officers to give purchase recommendations due to the staff being called to work from time to time.

There was a shortage of market goods due to the ban on the import of goods from Sri Lanka. Although it took some time, the goods were delivered.

Delay in issuing letters on time due to lack of computer experience of employees.

Internal Audit Division

The Internal Audit Division has existed since the inception of the National Housing Development Authority and the Investigation Division has been integrated into it in the past. This division has been performed according to an annual audit plan and in addition specially assigned duties and investigation activities are carried out. Main Functions are as follows.

- Maintain an independent continuous evaluation of the adequacy and effectiveness of the internal control systems introduced by management.
- Acting as a coordinator between upper and lower management by contributing to the compilation of relevant information .
- According to the annual audit plan for the year 2022, the following activities have been performed by this division.

Audit queries

- Government Audit Queries - 44
- Internal Audit Queries – 35
- Providing information to Government Audit Division - 40
- Reports submitted to management but no queries - 03

Submission of reports on investigations

- Accident investigations - 05
- Misconduct and Investigations - 08

Operation of disposal of property

- Number of Deeds Examined – 1776
- Number of 8.1 clauses checked - 1613

Conducting audit and management committee meetings

- Meetings of National Housing Development Authority - 02
- Meetings of the Ministry of Housing and Construction - 04

Other audit duties

- Checking of payments related to gratuity during 2022 - 50
- Participating as an observer in the district revenue operations committees and procurement activities.
- Annual Board of survey, Conducting cash verification for all districts.
- Preparation of response reports to the Auditor General's report in accordance with Section 12 of the National Audit Act No. 19 of 2018 on financial statements and other legal regulatory requirements for the year ending 31 December 2022.

Information and Publicity Division

Sevana media unit

- Various newspaper advertisements were published in institutions including State Ministry of Rural Housing, Construction and Building Materials Industry Promotion , National Housing Development Authority , State Engineering Corporation , C/S Building Materials Corporation , Department of Buildings , C/S Oceanview Development Private Company and Middle Income Housing and Infrastructure the accelerated program for facility development in the year 2022 by Sevana Media Service.

- The annual estimated profit of Sevana Media Service was Rs. 4.0 million in the year 2022. The income till December 2022 was Rs.5.805 million and the profit was Rs. 0.795 million.

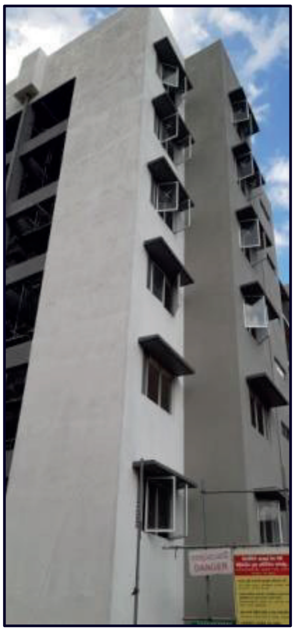
- All the earnings of Sevana Media Service are credited to a separate account named "Chairman , National Housing Development Authority" and these funds are used for the housing development programs of the National Housing Development Authority.

Income and Profits 2022

Month	Income Rs.	Profit Rs.
January	323,224.80	45,352.50
February	920,994.00	129,251.25
March	815,064.90	114,416.25
April	651,132.90	91,451.25
May	225,161.10	31,623.75
June	85,625.40	11,655.00
July	196,278.03	26,721.00

Month	Income Rs.	Profit Rs.
August	274,320.86	37,339.50
September	194,099.13	25,822.50
October	1,051,416.30	139,878.00
November	295,630.50	39,330.00
December	772,185.50	102,405.00
Total	5,805,133.42	795,246.00

Income Target for the year 2022 Rs. 4.0 million



Reporting of Operating Activities

Housing Development

	New / Upgrade	Hosing Programme		No. of Houses	Allocation Rs. Mln.	No. of Completed Houses	Expenditure Rs. Mln.	No. of Non Completed Houses	Required Rs. Mln.
1	New	Obata geyak - Ratata hetak Loan Programme		484	159.920	391	149.050	93	10.870
2	New	Obata geyak - Ratata hetak Grant Programme		1485	946.720	17	171.401	1468	775.319
3	New	Mihindu Nivahana Grant Programme		77	39.500	8	14.865	69	24.635
4	New	Sevana Grant Programme		94	58.900	1	31.335	93	27.565
		Sub Total		**2140**	**1,205.040**	**417**	**366.651**	**1723**	**838.389**
1	Continuation	Obata geyak - Ratata hetak Loan Programme		3441	448.110	3377	439.435	64	8.675
2	Continuation	Obata geyak - Ratata hetak Grant Programme		8153	2,589.782	1800	388.021	6353	2,201.761
3	Continuation	Mihindu Nivahana Grant Programme		557	173.215	209	94.480	348	78.735
4	Continuation	Virusumithuru Grant Programme		946	387.420	891	250.002	55	137.418
5	Continuation	Grama Shakthi Scattered (For Easter Sunday Terror Attack Person)		28	8.706	25	8.076	3	-
6	Continuation	Bogaswewa Programme		600	3.421	600	3.421	-	-
7	Continuation	Indian Grant	Indian Grant	1623	423.755	173	145.220	1364	278.535
			Treasury Funds	-	-	-	40.420	-	118.150
		Sub Total		**15348**	**4,034.409**	**7075**	**1,369.075**	**8187**	**2,823.274**
		TOTAL		**17488**	**5,239.449**	**7492**	**1,735.726**	**9910**	**3,661.663**

Recovery Function

Housing Loans (Upahara and Visiri Loans) – 2022

	District / Office	Upahara Loan			Visiri Loan			Total		
		Target	Achieve ment	%	Target	Achieve ment	%	Target	Achievem ent	%
1	Colombo City (North)	-	-		47.844	13.167	28	47.844	13.167	28
2	Colombo City (South)	1.260	0.545	43	41.280	13.073	32	42.540	13.618	32
3	Colombo District	406.860	136.910	34	533.032	179.406	34	939.892	316.316	34
4	Gampaha	176.448	67.384	38	320.728	149.386	47	497.176	216.770	44
5	Kalutara	267.396	78.794	29	312.180	92.372	30	579.576	171.166	30
6	Kandy	75.756	43.596	58	317.392	151.239	48	393.148	194.835	50
7	Matale	35.220	21.123	60	186.324	114.762	62	221.544	135.885	61
8	Nuwaraeliya	34.080	16.844	49	234.328	79.371	34	268.408	96.215	36
9	Galle	70.008	33.986	49	228.216	98.0362	43	298.224	132.022	44
10	Matara	73.560	44.073	60	225.448	112.239	50	299.008	156.312	52
11	Hambantota	44.964	24.420	54	720.016	224.15	31	764.980	248.570	32
12	Kurunegala	48.204	31.315	65	636.668	273.286	43	684.872	304.601	44
13	Puttalam	24.816	12.473	50	260.000	76.99	30	284.816	89.463	31
14	Anuradhapura	43.284	21.675	50	378.456	146.477	39	421.740	168.152	40
15	Polonnaruwa	18.816	11.488	61	243.168	93.313	38	261.984	104.801	40
16	Badulla	81.816	15.992	20	255.840	80.421	31	337.656	96.413	29
17	Monaragala	55.008	23.050	42	183.972	83.28	45	238.980	106.330	44
18	Ratnapura	21.084	17.374	82	180.652	93.386	52	201.736	110.760	55
19	Kegalle	56.904	28.049	49	222.084	115.577	52	278.988	143.626	51
20	Batticaloa	24.744	13.780	56	122.964	80.07	65	147.708	93.850	64
21	Ampara	31.980	12.627	39	283.732	121.918	43	315.712	134.545	43
22	Trincomalee	27.216	13.209	49	136.956	93.738	68	164.172	106.947	65
23	Jaffna	13.236	9.578	72	73.956	70.813	96	87.192	80.391	92
24	Mannar	6.204	3.980	64	47.448	33.269	70	53.652	37.249	69
25	Vavuniya	30.084	15.045	50	64.824	36.811	57	94.908	51.856	55
26	Mullaitivu	17.664	10.085	57	65.376	43.341	66	83.040	53.426	64
27	Kilinochchi	25.740	13.451	52	47.328	35.545	75	73.068	48.996	67
	Grand Total	**1712.352**	**720.846**	**42**	**6370.212**	**2705.436**	**42**	**8,082.564**	**3,426.282**	**42**

Rural Rent / Urban Rent / Property Income – 2022

	District / Office	Rural Rent			Urban Rent			Property Income			Total		
		Target	Achievement	%	Target	Achievement	%	Target	Achievement	%	Target	Achievement	%
1	Colombo City (North)				42.365	42.351	100	12.000	26.700	223	54.365	69.051	127
2	Colombo City (South)				36.370	84.454	232	18.000	18.754	104	54.370	103.208	190
3	Colombo District	0.612	0.196	32	23.706	14.719	62	29.086	16.713	57	53.404	31.628	59
4	Gampaha	3.108	0.093	3	47.997	22.94	48	42.131	8.902	21	93.236	31.935	34
5	Kalutara	1.068	0.023	2				3.037	1.450	48	4.105	1.473	36
6	Kandy	3.072	0.073	2	15.466	14.247	92	9.411	14.586	155	27.949	28.906	103
7	Matale	0.060	-	-				0.741	0.034	5	0.801	0.034	4
8	Nuwaraeliya	3.192	0.232	7				3.039	2.529	83	6.231	2.761	44
9	Galle	1.452	0.185	13				2.821	2.799	99	4.273	2.984	70
10	Matara	0.528	0.092	17	7.783	1.288	17	8.397	6.865	82	16.708	8.245	49
11	Hambantota	0.936	0.081	9				10.765	0.491	4.56	11.701	0.572	5
12	Kurunegala	0.792	0.027	3				0.273	0.187	68	1.065	0.214	20
13	Puttalam	1.188	0.598	50				12.735	2.758	22	13.923	3.356	24
14	Anuradhapura	-	-	-				0.408	-	-	0.408	-	-
15	Polonnaruwa	0.336	0.691	206				0.041	0.060	146	0.377	0.751	199
16	Badulla	0.444	0.972	219				1.702	0.360	21	2.146	1.332	62
17	Monaragala	1.128	2.034	180				0.132	0.572	433	1.260	2.606	207
18	Ratnapura	0.288	0.007	2				0.204	0.109	53	0.492	0.116	24
19	Kegalle	0.084	0.081	96				3.294	0.410	12	3.378	0.491	15
20	Batticaloa	0.084	0.068	81				-	-	-	0.084	0.068	81
21	Ampara	10.692	0.553	5	2.116	1.593	75	-	2.902	-	12.808	5.048	39
22	Trincomalee	1.020	0.472	46				-	0.079	-	1.020	0.551	54
23	Jaffna	0.096	0.105	109	3.528	1.290	37	0.204	0.230	113	3.828	1.625	42
24	Mannar	0.324	0.203	63				-	-		0.324	0.203	63
25	Vavuniya	2.760	1.819	66				-	-		2.760	1.819	66
26	Mullaitivu	-	-	-				-	-		-	-	-
27	Kilinochchi	0.096	-	-				-	-		0.096	-	-
	Grand Total	**33.360**	**8.605**	**26**	**179.331**	**182.882**	**102**	**158.421**	**107.490**	**68**	**371.112**	**298.977**	**81**

Financial Statements

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Statement of Financial Position

NATIONAL HOUSING DEVELOPMENT AUTHORITY AND SUBSID1ARY COMPANY
STATEMENT OF FINANCIAL POSITION AS AT 31 ST DECEMBER 2022

	2022 NHDA	NOTES	2022 CONSOLIDATED	2021 NHDA	2021 CONSOLIDATED Restated	2022 BUDGETED NHDA
	Rs. cts.		Rs. cts.	Rs. cts.	Rs. cts.	Rs. cts.
ASSETS						
NON CURRENT ASSETS						
FIXED ASSETS						
Land & Building	455,329,472.81	(02)	455,329,472.81	488,707,324.85	488,707,324.85	-
Investment Property	-		3,214,000,001.00	-	2,822,400,001.00	-
Property Plant & Equipment	28,821,527.02	(03- 1)	47,733,067.02	32,008,602.78	54,003,985.78	601,108,000.00
Owner - Occupied Property	-		40,000,000.00		28,600,000.00	-
Intangible Assets	-	(03-11)	-	-	-	100,000.00
Deferred Income Tax Assets	-		692,864.00	-	758,871.00	-
	484,150,999.83		3,757,755,404.83	520,715,927.63	3,394,470,182.63	601,208,000.00
Development Assets	1,082,281,395.84	(04)	1,082,281,395.84	1,077,980,107.34	1,077,980,107.34	1,366,681,834.46
Housing Loan Programmes	16,996,408,682.36	(05-16)	16,996,408,682.36	19,681,680,276.23	19,681,680,276.23	18,394,515,851.22
Rent Purchase Housing Schemes - NHDA	81,632,281.74		81,632,281.74	83,341,580.13	83,341,580.13	83,801,233.58
Sale of Houses Instalment Basis	468,823,919.46		468,823,919.46	546,305,617.54	546,305,617.54	563,450,255.95
Sale of Land Instalment Basis	61,179,930.53		61,179,930.53	58,547,281.47	58,547,281.47	65,298,450.25
Staff Housing Loan	165,165,233.89		165,165,233.89	180,168,699.76	180,168,699.76	185,420,350.95
	18,855,491,443.82		18,855,491,443.82	21,628,023,562.47	21,628,023,562.47	20,659,167,976.41
INVESTMENTS - Long Term	537,508,334.00	(17- 1)	417,508,334.00	537,508,334.00	417,508,334.00	502,450,250.25
CURRENT ASSETS						
Direct Construction Programme	418,302,990.60	(18)	470,576,619.60	160,799,056.52	186,639,699.52	175,066,245.25
Stock	80,561,615.46	(19)	272,456,492.46	79,819,234.70	298,429,182.70	75,450,295.32
Advances to Contractors	291,551,478.61		291,551,478.61	302,733,065.99	302,733,065.99	250,358,233.25
Interest Receivables	28,083,182.96	(20)	28,083,182.96	19,327,714.78	19,327,714.78	20,250,475.20
Debtors	6,706,081,295.19	(21)	6,765,218,940.19	6,491,397,765.48	6,543,844,652.48	5,650,950,225.45
Deposits & Advances	965,979,314.61	(22)	965,979,314.61	966,019,042.65	966,019,042.65	1,365,754,785.25
Investments -Short Term	1,462,163,618.47	(17-11)	1,521,482,039.47	858,801,716.11	935,510,841.11	1,556,025,055.98
Cash & Bank Balances	371,821,193.07	(23)	387,558,275.07	217,448,733.65	238,398,819.65	102,250,375.00
	10,324,544,688.97		10,702,906,342.97	9,096,346,329.88	9,490,903,018.88	9,196,105,690.70
TOTAL ASSETS	**30,201,695,466.62**		**33,733,661,525.62**	**31,782,594,153.98**	**34,930,905,097.98**	**30,958,931,917.36**
EQUITY & LIABILITIES						
Authorised Capital	**50,000,000.00**		**50,000,000.00**	**50,000,000.00**	**50,000,000.00**	**50,000,000.00**
Initial Capital	40,000,000.00		40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00
Capital Reserves - Foreign Grant	-		-	-	-	-
- Domestic Grants	45,313,834,893.72	(24)	45,313,834,893.72	45,052,438,186.13	45,052,438,186.13	42,575,062,575.25
	45,353,834,893.72		45,353,834,893.72	45,092,438,186.13	45,092,438,186.13	42,615,062,575.25
Add / (Less)						
Accumulated surpluses/(deficits)	(20,764,696,509.70)		(18,911,389,505.70)	(19,484,199,432.90)	(17,866,997,985.90)	(20,335,684,000.00)
	24,589,138,384.02		26,442,445,388.02	25,608,238,753.23	27,225,440,200.23	22,279,378,575.25
Minority Interest	-		1,513,091,015.00	-	1,332,048,945.00	-
NON CURRENT LIABILITIES						
Gratuity Fund	295,163,618.47		295,163,618.47	263,301,716.11	263,301,716.11	363,450,562.11
Gratuity Provisions	79,616,770.53		88,289,582.53	66,853,090.89	75,153,484.89	360,420,241.50
Loans	925,009,585.67	(25)	925,009,585.67	1,844,363,134.42	1,844,363,134.42	2,572,450,612.75
Leas Rent Payable	-		-	-	2,555,028.00	-
	25,888,928,358.69		29,263,999,189.69	27,782,756,694.65	30,742,862,508.65	25,575,699,991.61
CURRENT LIABILITIES						
Creditors	2,188,234,301.94	(26)	2,342,732,329.94	2,006,450,002.51	2,191,296,019.51	3,254,225,750.00
Current Liabilities for Loans	763,342,070.93	(27)	763,342,070.93	787,213,637.60	787,213,637.60	758,480,275.50
Current Income Tax Liabilities	-		2,397,200.00	-	3,359,113.00	-
Deposits	1,144,301,855.36	(28)	1,144,301,855.36	987,656,539.52	987,656,539.52	975,250,475.00
Provisions	216,888,879.70	(29)	216,888,879.70	218,517,279.70	218,517,279.70	395,275,425.25
	4,312,767,107.93		4,469,662,335.93	3,999,837,459.33	4,188,042,589.33	5,383,231,925.75
TOTAL EQUITY & LIABILITIES	**30,201,695,466.62**		**33,733,661,525.62**	**31,782,594,153.98**	**34,930,905,097.98**	**30,958,931,917.36**

The Significant Accounting Policies and Notes on Pages 12 to 40 from an Integral Part of these Financial Statements.

T .P .S .PRIYADARSHANI
Actg .DY GENERAL MANAGER (FINANCE)

Eng. K.A. JANAKA
Actg . GENERAL MANAGER

The Board of Management of the Authority takes the responsibility for the Preparation and presentation of these Financial Statements.

Rajiv Sooriyaarachchi
CHAIRMAN

B.P.Luxman Gunawardana
VICE CHAIRMAN

Statement of Financial Performance

NATIONAL HOUSING DEVELOPMENT AUTHORITY AND SUBSIDIARY COMPANY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 ST DECEMBER 2022

	NHDA	NOTES	CONSOLIDATED	NHDA	CONSOLIDATED Restated	BUGETED NHDA
	2022		2022	2021	2021	2022
	Rs. Cts.		Rs. Cts.	Rs. Cts. .	Rs. Cts.	Rs. Cts.
[A] REVENUE	42,946,164.04	[30]	81,446,164.04	66,880,496.79	95,256,580.79	109,154,000.00
Cost of Sales	1,371,005.09	[31]	29,328,045.09	48,538,035.40	70,872,219.40	87,869,000.00
Gross Profit	41,575,158.95		52,118,118.95	18,342,461.39	24,384,361.39	21,285,000.00
[B] OTHER REVENUE	2,433,374,938.31	[32]	2,954,307,830.31	9,030,403,913.87	9,377,169,853.87	1,714,678,000.00
	2,474,950,097.26		3,006,425,949.26	9,048,746,375.26	9,401,554,215.26	1,735,963,000.00
[C] EXPENSES						
Institutional & Administrative Expenses	1,838,308,025.59	[33]	1,933,591,080.59	1,724,775,768.07	1,800,868,818.07	1,959,353,000.00
Finance Expenses	259,730,062.28	[34]	265,524,973.28	331,214,632.23	342,189,879.23	125,987,000.00
Other Expenses	1,573,176,715.68	[35]	1,583,876,729.68	7,924,673,066.14	7,931,951,889.14	502,108,000.00
	3,671,214,803.55		3,782,992,783.55	9,980,663,466.44	10,075,010,586.44	2,587,448,000.00
[D] Surplus / (deficit) for the period	(1,196,264,706.29)		(776,566,834.29)	(931,917,091.18)	(673,456,371.18)	(851,485,000.00)
Remeasurement (Loss/Gain on Defined Benefit Liability	(91,146,856.00)		(92,135,460.00)	90,279,853.00	92,865,953.00	
Owner Occupied Property Fair Value(Gain)						
[E]Surplus / (deficit) for the NHDA	(1,287,411,562.29)		(1,287,411,562.29)	(841,637,238.18)	(580,590,418.18)	
LESS Minorty Interest	-		181,719,821.31	-	113,294,319.88	
	(1,287,411,562.29)		(1,105,691,740.98)	(841,637,238.18)	(467,296,098.30)	
[F] Accumulated surpluses (deficits) - Brought Forward	(19,484,199,432.90)		(18,236,113,274.98)	(18,990,173,059.61)	(18,116,428,041.57)	(19,484,199,000.00)
[G] Prior Year Adjustment	6,914,485.49		6,914,485.49	347,610,864.89	347,610,864.89	
	(19,477,284,947.41)		(18,229,198,789.49)	(18,642,562,194.72)	(17,768,817,176.68)	

Accounting Policies

SIGNIFICANT ACCOUNTING POLICIES & NOTES FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTE [01] – COPORATE INFORMATION

1.1 General

National Housing Development Authority is a Government entity which was established by parliament act. The head office of the NHDA is situated at Colombo fort in addition there are twenty five District offices and two city offices in Colombo city.

1.2 Nature of operation

Facilitating to increase the Housing stock in Sri Lanka.

1.3 Reference to legislation

National Housing Development Authority act No.17 of 1979 and subsequent amendment as follows.

i	1982	No. 05
ii	1988	No. 20
iii	1999	No. 30
iv	2002	No. 23
v	2003	No. 32
vi	2008	No. 37

2. FUNDAMENTAL ACCOUNTING ASSUMPTIONS

2.1 The Accounts: The financial Statements are prepared in conformity with generally accepted accounting principles and Sri Lanka public sector accounting standards laid down by the Public Sector Accounting Standards Committee.

2.2 Post Balance Sheet Events: All material events occurring after the Balance Sheet date have been considered and where necessary adjustments have been made in the financial Statements.

2.3 Going Concern Concept: The financial Statements have been prepared on the basis of going concern which contemplates that the Authority will be able to realize its assets and discharge the liabilities in the normal course of business.

3. ASSETS AND THEIR BASIS FOR VALUATION

3.1 Property, Plant and Equipment:

The fixed assets are stated at cost less accumulated depreciation. The cost include cost of purchase together with any attributable cost of bringing the assets to the working conditions for its intended use.

3.2 DEPRECIATION

Depreciation is provided on fixed assets from the date of purchase up to the date of disposal.

Provision for depreciation is made on cost in the following percentages,

	N.H.D.A
Land & Building	2.5 % on Cost
Furniture & fittings	20 % on Cost
Equipment & Machinery	20 % on Cost
Motor vehicles	20 % on Cost
Head Office & Other District Offices for vehicles which have been fully depreciated, Rs.1000 has been fixed as residual value	

3.3 GRANTS RELATED TO ASSETS

According to the income approach, grant, related to depreciable assets are recognized in comprehensive income statement over the period and in the proportions in which depreciation expenses on those assets is recognized.

3.4 INTANGIBLE ASSETS

An intangible asset is an identifiable non monitory asset without physical substance held for use in the production or supply of goods or services, or for administrative purpose.

Intangible assets are recognized if is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

Intangible assets include computer software which are amortized over their estimated useful economic life on a straight - line basis. They are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The estimated useful lives for the current and comparative periods are as follows,
Software - 10 years

4. FINANCIAL INVESTEMENTS

4.1 Investment in treasury bills, bonds and held to maturity investment are stated at cost.

4.2 NHDA Owned 49.73% Share of HDFC Bank. Investment in Share Capital of HDFC Bank is treated as long term investment and Stated at cost

5. STOCK

5.1 The closing stock is based on physical verification and while the valuation is done in FIFO method by NHDA.

5.2 Losses or damages are accounted on the actual cost or replacement value which ever is higher.

5.3 The value of completed houses have been transferred to stock at historical cost or net realizable value whichever is lowest.

5.4 01 number of houses and 04 number of shops held for sale and valued at Rs. **3,812,115.84** which are included in closing stock have been rented out during the year 2022.

6. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are comprise of cash in hand and cash at bank.

7. LIABILITIES AND PROVISIONS

7.1 Liabilities classified as Current Liabilities in the statement of financial position are those which fall due for payment on demand or within one year from the statement of financial position date.

7.2 EMPLOYEE BENEFITS

7.2.1 Defined Contribution Plans

A Defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions in to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligation for contributions to defined contribution pension plans are recognized as an employment benefit expense in the Comprehensive Income in the periods during which services are rendered by employees.

Employees Provident Fund
The Entity and employees contribute 12% and 8% respectively on the salary of each employee to the Employees' Provident Fund.

Employees Trust Fund
The Entity contributes 3% of the salary of each employee to the Employees' Trust Fund.

7.2.2 Defined Benefit Plans

A defined benefit plan is a post employment benefit plan other than a defined contribution plan.

Retiring Gratuity

The Retirement Benefit plan adopted is as required under the Payment of Gratuity Act No. 12 of 1983. This item is grouped under Retirement Benefit Obligation in the Statement of Financial Position.

7.2.3 Provision for Gratuity on the employees of the Authority is on an actuarial basis using the Project Unit Credit Method (PUC Method) as recommended by Sri Lanka Pubic Sector Accounting Standard 19, “Employee Benefit” which became effective from the financial year commencing after 1st January 2018. The Authority continues to actuarial method under Sri Lanka Pubic Sector Accounting Standard 19,”Employee Benefits” which became effective from the financial year commencing on 1st January 2018.

Changes in the Present Value of Obligation

Present Value of Obligation, 01/ 01 2022	=	330,154,805
Interest Cost	=	38,297,957
Current Service Cost	=	15,540,364
Benefits paid	=	(100,359,595)
Actuarial (Gain)/loss on Obligation	=	91,146,856
Present Value of Obligation, 31/ 12/ 2022	=	374,780,388

AMOUNTS RECOGNISED IN THE BALANCE SHEET AND INCOME STATEMENT

Liability recognized in the balance sheet as at 31/12/2022		
Present Value of Obligation, 31/12/2022	=	**374,780,388**
Unrecognized actuarial Gains/(Losses)	=	
Net Liability in balance sheet	=	**374,780,388**
Expenses recognized in the income statement		
Interest Cost	=	**38,297,957**
Current Service Cost	=	**15,540,364**
Net Actuarial (Gain)/loss recognized in Year	=	**91,146,856**
Expenses recognized	=	**144,985,178**

The Gratuity Liability as at 31st December 2022 is made based on an actuarial valuation carried out by Mr. Poopalanathan, AIA of M/s. Actuarial and Management Consultants (Private) Limited, as recommended by SLPSAS 19 “Employee Benefits”. The “Projected Unit Credit” method has been used in this valuation.

8. CONTINGENCY LIABILITIES

As per SLPSAS 08 the following Liabilities are disclosed.

8.1 26 Nos. Court cases are pending against the NHDA and compensation has been estimated as Rs. 211.**823**M 10% provision has been made on pending court cases.

9. INCOME STATEMENTS

9.1 RENT

Rent derived from rental schemes are treated as recurrent revenue. According to the SLPSAS 07, these assets are depreciated.

9.2 PROVISION OF BAD AND DOUBTFUL DEBTS

The following provisions have been made in the accounts

9.3 Provision is made on a percentage basis according to the age analysis debtor of housing loan sale of land sale of houses installments, urban /Rural rentals.

Age analysis of the debtors	Percentage
0 - 24 Months	10 %
24 - 36 Months	20 %
36 - 48 Months	30 %
48 - 60 Months	50 %
Over 60 Months	100 %

9.4 Provision for bad and doubtful debts are made on the following debtors without considering the age of debtors.

Sevana media
Supply of Security service
Reimbursable expenses by other Institute — 20 %
U DA
CHP
Manikka Watta Housing Prog.
NEMO

9.5 APPORTIONING OF OVERHEADS

Direct overhead expenditure incurred on account of presale, relocation and coastline projects of the Housing Construction Programme is apportioned to the projects on the basis of the actual expenditure.

9.6 Revenue Expenditures: All expenditures incurred in running of the business and in maintaining the capital assets in a state of efficiency has been charged to revenue in arriving at the profit for the year.

9.7 Capital Expenditure: Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature has been treated as capital expenditure.

10. TAXATION

The Tax has been calculated in accordance with the Inland Revenue Act at the rates specified in the Act.

The Authority is liable to Income Tax on its profit after adjusting for disallowable and capital allowances.

11. SALE OF HOUSES

For accounting purposes, a house is treated as sold on the date of receiving the money if the house is sold on outright basis. If the house is sold on rental basis, the date of entering into the agreement is treated as the date of sale.

12. DETERMINATION OF SALE PRICE OF THE HOUSES AND ACCOUNTING

12.1 The sale price of housing unit should be determined to cover at least the cost of the house

12.2 When determining the cost of a house, land cost, construction cost, overhead expenditure. Which is a suitable percentage of construction cost and profit which is a sufficient percentage of the above total cost should be considered.

12.3 In accordance with the Govt. housing policies or for special reasons, when a houses has to be sold for a lesser value than the cost, action should be taken to recover the loss from the Treasury.

13. LANDS ACQUIRED FOR HOUSING PURPOSES

13.1 At the time of payment of compensation for the lands acquired for housing purposes, value of compensation and initial cost of acquisition are indicated in the accounts. In instances where compensation is not paid, the estimated market value and initial cost are considered and shown in the accounts.

13.2 With regard to the lands for which acquisitions are not completed as at the end of the financial year, the cost of acquisition is shown separately from the value of the lands.

13.3 From 2013 onwards the estimated market value of the lands referred to in Paragraph 13.1 above is transferred to a Reserve Fund created for land acquisition.

13.4 DETERMINING THE SALE PRICE OF LANDS AND KEEPING ACCOUNTS

13.5 Irrespective of the price or compensation paid on the acquisition / purchase of lands, sale price is determined by considering estimated market value prevailing at the time.

13.6 In instances where the prices are determined on concessionary basis based on decisions of Government policy, the loss to be reimbursed by the Treasury. If the loss cannot be recovered from the Treasury then it should be settled from the Reserve Fund created for land acquisition.

14 SALE OF HOUSES / LANDS ON INSTALLMENT BASIS

14.1 When the houses / lands are sold on basis of a long term loan, the date of agreement should be considered as the date of sale of land / house and account accordingly.

14.2 In the following the procedure given at 14.1 above, the amount of value shown in the accounts should be transferred from the Assets Account to sale of houses / lands account.

15. VALUATION OF WORK IN PROGRESS

In any accounting year, the value of bills settled or remaining to be settled at the end of the year in respect of construction project should be treated "as work in progress " As such, except for the value transferred from construction project to the housing Stock Account, the balance value should be treated as work in progress at the end of the accounting year.

16. CAPITAL GRANTS

The capital grant expenditure should be charged to the relevant development activity / project Account and in the case of expenditure on common facilities or infrastructure facilities such amount will be written off by charging the Capital Grant Account and in other instances treated as assets.

17. GENERAL

17.1 NATIONAL HOUSING DEPARTMENT

Functions of National Housing Department were transferred to NHDA (commencing from the year 1990), as per a decision of the Cabinet of Ministers, dated 13th September 1989.

17.2 VEHICLES LOST

Following vehicles were lost during the past years in the North, East and other provinces :

No. of Item	Description	Purchase Price Rs.
08	Motor Cycles	400,000.00
03	Motor Cycles	140,000.00
01	Pick – up	800,000.00
01	Car	600,000.00
13		1,940,000.00

Adjustment could not be done in the accounts due to the non availability of relevant documents.

17.3 SEVANA GRANT

The balance of Sevana Fund as at 31st December 2022 was Rs. 366,544,914.62. This amount is contained in the main Account under the government grant Account and during the year 2022 Sevana Fund received Rs. 108.675 M from General Treasury.

The balance of Rs 225,561,879.96 as at 31st of December 2022, which was received from downers to the Sevana fund, is included in other grant account.

17.4 Due to indistinctiveness of the circular issued with regard to salaries, contributions of EPF and ETF for cost of living allowance had not been paid since 2006 to 2012

As per the instructions given by the Labor Department, EPF, ETF and surcharges will be paid for the said duration.

Accordingly the provision of Rs. 215.780M was made in the account of 2016. Out of that an amount of Rs. 215.370M had been paid during the 2017 & 2018-2022. Balance amount of Rs. 0.410M has been remaining in the account until the final decision is taken.

17.5 RELATED PARTY DISCLOSURES

Key Management personnel

According to SLPSAS 14 Related Party Disclosures Key Management Personnel (KMP) are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the director of the authority and their close member of the family have been classified as KMP.

The total amount of all other remuneration and compensation provided to KMP is disclosed in aggregate in note 32 of the financial statement.

Related Party Transaction

The Present Chairman of the NHDA is functioning in the capacity of a Director (Non – independent Non – executive) of the National Housing Development Finance Corporation Bank.

17. 6 The details of the adjusted value for the cumulative loss brought forward in the final Account of the 2022 amount of Rs. 6,914,485.49 are given below. This has been Approved by the board of Directors of National Housing Development Authority.

ITEM	BOARD PAPER NO	AMOUNT
Decrease of loss		Rs.
Tax Payable (According to the tax clearance certification)		7,114,485.49
Increase of loss		
Supply Advance	10702(16/2022)	(200,000.00)
Adjusted Amount		6,914,485.49

18. SEVANA MEDIA SERVICE

The Sevana Media Service functions under the National Housing Development Authority as an affiliated to the Ministry of Housing, Construction and Cultural Affairs. The employees attached to the information and Publicity Division of the NHDA cover the functions of the Sevana Media Service as well.

Sevana Media Service served 32 client institutions within and outside the purview of the Ministry of Urban Development Housing, during the year 2022.

Under this service the Sevana Media Service covers the Newspaper advertisement, provides media, coverage, undertakes the preparation of publications, exhibition stalls etc.

The total income of Rs.**357,838.50** earned by the Sevana Media through paper advertisement has been credited to comprehensive income standard.

19. GROUP ACCOUNTS - OVDC LTD

The company was incorporated in Sri Lanka on 19th September 1996 under section 145 of companies Act No: 17 of 1982 and was registered with the companies Act, No: 07 of 2007.

The registered office of the company is situated at No. 25 ½, Tower Building, Station Road, Bambalapitiya, Colombo 04.

OVDC is a joint venture of NHDA and UDA. NHDA owned 56.6] shares of OVDC and balance 43.4 % shares owned by UDA.

The accounts of the OVDC Ltd, as at 31st December 2022 have been consolidated with that of the NHDA, as NHDA is the major shareholder.

In the Statement of financial position share of U.D.A is reflected as minority interest amounting to Rs. 1**,513,091,015/-**

According to the accounts of OVDC following accounts are restated as follows.

Name of the Account	2021	Changes (estimated errors)	Restated 2021
	Rs.	Rs.	Rs.
Land & Building	2,822,400,001.00		2,822,400,001.00
Property plant & Equipment	33,833,267.00	11,837,884.00	21,995,383.00
Investment	76,709,125.00		76,709,125.00
Debtors	52,446,887.00		52,446,887.00
Inventories	218,609,948.00		218,609,948.00
Capital Works In Progress	25,840,643.00		25,840,643.00
Owner occupied property	28,600,000.00		28,600,000.00
Accumulated Surpluses	1,623,901,688.90	6,700,241.90	1,617,201,447.00
Gratuity	8,300,394.00		8,300,394.00
Lease rent payable	5,744,213.00	3,189,185.00	2,555,028.00
Creditors	185,015,945.00	(3189,185.00)	188,205,130.00
Minority Interest	1,337,186,587.10	5,137,642.10	1,332,048,945.00
Investment NHDA	120,000,000.00		12,000,000.00
Differed Income Tax Asset	758,871.00		758,871.00
Revenue	130,179,636.00		130,179,636.00
Cost of Sales	(28,761,665.00)		(28,761,665.00)
Other income	252,014,882.00	(14,687,050.00) decrease	237,327,832.00
Administrative expenses	(79,793,558.00)	2,849,166.00	(76,944,392.00)
Financial income	4,334,555.00		4,334,555.00
Financial Cost	(909,082.00)		(909,082.00)
Surplus	277,064,769.00		265,226,885.00

Notes to the Financial Statements

NOTE [02] - LAND & BUILDINGS

Description	COST							DEPRECIATION					Written Down Dalue As At 31.12.2022
	Balance as at 01.01.2022		Additions During the year	Adjustment	Disposals During the year	Balance as at 31.12.2022		Provision as at 01.01.2022	Charges for the year	Accumulated on Disposed items	Adjustmen	Balance as at 31.12.2022	
	Land	Building				Land	Building						
Parsons Road		73,010,412.93					73,010,412.93	51,677,952.32	1,825,260.32			53,503,212.65	19,507,200.28
Kandy Secretariat		42,163,909.07					42,163,909.07	13,927,879.53	1,054,097.73			14,981,977.27	27,181,931.80
Kandy Circuit Bung.		3,031,169.52					3,031,169.52	3,031,169.52				3,031,169.52	-
Kalmunai Circuit Bungalow		4,554,220.42					4,554,220.42	4,324,384.86	113,855.51			4,438,240.37	115,980.05
District Office Polonnaruwa		4,848,131.33					4,848,131.33	766,722.75	121,203.28			887,926.03	3,960,205.30
District Office Monaragala		4,785.00					4,785.00	4,665.66	119.33			4,785.00	-
Kataragama Circuit Bungalow		221,602.61					221,602.61	196,039.05	5,540.07			201,579.13	20,023.48
Anuradhapura District Office		830,724.80					830,724.80	768,420.31	20,768.12			789,188.43	41,536.37
Gampaha District Office		6,307,579.67	1,648,633.26				7,956,212.93	2,663,138.79	158,028.25			2,821,167.05	5,135,045.88
Kilinochchi District Office		6,087,289.36					6,087,289.36	1,528,185.27	152,182.23			1,680,367.51	4,406,921.85
Ratnapura District Office		274,189.92					274,189.92	116,530.72	6,854.75			123,385.46	150,804.46
Ratnapura Sethsisila house		92,785.50					92,785.50	32,474.93	2,319.64			34,794.57	57,990.93
Other Buildings		614,295.90					614,295.90	378,623.98	15,357.40			393,981.38	220,314.52
Buildings Taken Over from Director of Build.		22,743,500.00					22,743,500.00	18,179,999.50	568,587.50			18,748,587.00	3,994,913.00
Matara District Office		26,146,604.41					26,146,604.41	6,361,034.19	653,665.11			7,014,699.30	19,131,905.11
Batticaloa Distric office		9,014,301.09					9,014,301.09	2,028,217.75	225,357.53			2,253,575.27	6,760,725.82
Trincomalee Office		168,773.54					168,773.54	113,922.15	4,219.34			118,141.48	50,632.06
Vavuniya		11,448,022.00					11,448,022.00	1,496,032.99	286,200.55			1,782,233.54	9,665,788.47
NHD Office Buildings		37,535,374.71					37,535,374.71	6,157,024.35	938,384.37			7,095,408.71	30,439,966.00
Hantana Circut Bunglow	2,520.00	6,064,156.80				2,520.00	6,064,156.80	1,383,555.89	151,603.92			1,535,159.81	4,531,516.99
Ampara District Office		366,148.50					366,148.50	228,842.80	9,153.71			237,996.51	128,151.99
Circuit Bungalow Baswakkulama		240,000.00					240,000.00	138,000.00	6,000.00			144,000.00	96,000.00
Office Blgs Badulla		1,222,000.00					1,222,000.00	702,650.00	30,550.00			733,200.00	488,800.00
Janasavi Centre - kandy		2,465,734.09					2,465,734.09	1,417,797.20	61,643.35			1,479,440.55	986,293.54
Hambantota D/O		2,040,350.74	844,916.53				2,885,267.27	1,130,376.25	51,124.51			1,181,500.75	1,703,766.52
Hambantota Staff Quarters		1,316,795.14					1,316,795.14	62,871.58	32,919.88			95,791.46	1,221,003.68
Rental Scheme 5000 Houses Programme		172,545,232.03					172,545,232.03	110,346,229.55	4,313,630.80			114,659,860.35	57,885,371.68
Rental Urban Scheme 100 thousand Prog.	55,317,190.10	837,824,186.87				55,317,190.10	837,824,186.87	713,573,060.21	20,945,604.67			734,518,664.88	158,622,712.09
Rental Schemes NHD		13,861,809.74					13,861,809.74	11,003,451.26	346,545.24			11,349,996.49	2,511,813.25
Coastline Rental Houses		61,185,579.02					61,185,579.02	35,817,127.23	1,529,639.48			37,346,766.71	23,838,812.31
Recreation center Jaltara H/P		9,465,234.88					9,465,234.88	3,312,832.21	236,630.87			3,549,463.08	5,915,771.80
Kegalle District Office		16,914,598.50					16,914,598.50	4,179,038.37	422,864.96			4,601,903.33	12,312,695.17
Mannar Office Building		11,040,052.21					11,040,052.21	536,166.48	276,001.31			812,167.78	10,227,884.43
Colombo - Shops													
Soysapura District Office		11,240,874.11					11,240,874.11	1,946,541.74	281,021.85			2,227,563.59	9,013,310.52
Colombo city (north) District Office		13,439,396.88					13,439,396.88	2,196,575.32	335,984.92			2,532,560.25	10,906,836.63
Colombo District Office		27,539,253.50					27,539,253.50	2,753,925.35	688,481.34			3,442,406.69	24,096,846.81
TOTAL	**55,319,710.10**	**1,437,869,074.79**	**2,493,549.79**	**-**	**-**	**55,319,710.10**	**1,440,362,624.58**	**1,004,481,460.04**	**35,871,401.84**	**-**	**-**	**1,040,352,861.87**	**455,329,472.81**

NOTE [03] - PROPERTY PLANT & EQUIPMENT
NHDA - 2022

NAME OF THE FIXED ASSET	NHDA					Total
	MOTOR VEHICLES		FURNITURE, FITTINGS	EQUIPMENT		
	Freehold	Leasehold		EQUIPMENT	Machinery & Equipmen	
Balance as at 01.01.2022	268,162,609.64	-	83,533,036.49	239,475,406.36	-	591,171,052.49
Additions during the Year	-	-	3,079,529.71	9,707,822.03	-	12,787,351.74
Disposals/Adjustment During the Year	8,839,143.11	-	1,358,629.32	4,083,965.45	-	14,281,737.88
Balance as at 31.12.2022	259,323,466.53	-	85,253,936.88	245,099,262.94	-	589,676,666.35
Provision as at 01.01.2022	267,305,703.12	-	74,688,177.58	217,168,569.01	-	559,162,449.71
Charges for the Year	-	-	3,715,048.11	12,235,379.39	-	15,950,427.50
Accumulated on Disposed Items / Ajustment	8,815,143.11	-	1,358,629.32	4,083,965.45	-	14,257,737.88
Balance as at 31.12.2022	258,490,560.01	-	77,044,596.37	225,319,982.95	-	560,855,139.33
Written down value as at 31.12.2022	**832,906.52**	**-**	**8,209,340.51**	**19,779,279.99**	**-**	**28,821,527.02**

NOTE [03] SUB - MOTOR VEHICLES, FITTINGS AND EQUIPMENT
CONSOLIDATED - 2022

NAME OF THE FIXED ASSET	MOTOR VEHICLES		FURNITURE, FITTINGS	EQUIPMENT		Total
	Freehold	Leasehold		Office Equipment	Machinery & Equipmen	
Balance as at 01.01.2022	293,178,754.64	23,733,000.00	90,043,057.49	241,801,955.36	7,196,640.00	655,953,407.49
Additions during the Year	-	-	3,135,417.71	9,754,802.03	-	12,890,219.74
Disposals/Adjustment During the Year	8,839,143.11	-	1,358,629.32	4,083,965.45	-	14,281,737.88
Balance as at 31.12.2022	284,339,611.53	23,733,000.00	91,819,845.88	247,472,791.94	7,196,640.00	654,561,889.35
Provision as at 01.01.2022	283,042,430.12	5,406,901.00	78,320,014.58	218,343,578.01	4,998,614.00	590,111,537.71
Charges For the Year	-	2,025,748.00	4,300,036.11	12,389,100.39	422,254.00	19,137,138.50
Prior Period Adjustment	9,279,418.00	2,558,466.00	-	-	-	11,837,884.00
Accumulated on Disposed Items / Ajustment	8,815,143.11	-	1,358,629.32	4,083,965.45	-	14,257,737.88
Balance as at 31.12.2022	283,506,705.01	9,991,115.00	81,261,421.37	226,648,712.95	5,420,868.00	606,828,822.33
Written down value as at 31.12.2022	**832,906.52**	**13,741,885.00**	**10,558,424.51**	**20,824,078.99**	**1,775,772.00**	**47,733,067.02**

NHDA - 2021

NAME OF THE FIXED ASSET	NHDA					Total
	MOTOR VEHICLES		FURNITURE, FITTINGS	EQUIPMENT		
	Freehold	Leasehold		Office Equipment	Machinery & Equipmen	
Balance as at 01.01.2021	275,662,609.64	-	82,763,628.04	233,635,954.32	-	592,062,192.00
Additions During the Year	-	-	769,408.45	5,839,452.04	-	6,608,860.49
Disposals/Adjustment During the Year	7,500,000.00	-	-		-	7,500,000.00
Balance as at 31.12.2021	268,162,609.64	-	83,533,036.49	239,475,406.36	-	591,171,052.49
Provision as at 01.01.2021	273,545,703.12	-	68,980,595.21	202,481,326.17	-	545,007,624.50
Charges For the Year	1,260,000.00	-	5,707,582.37	14,687,242.84	-	21,654,825.21
Accumulated on Disposed Items / Ajustment	7,500,000.00	-	-	-	-	7,500,000.00
Balance as at 31.12.2021	267,305,703.12	-	74,688,177.58	217,168,569.01	-	559,162,449.71
Written down value as at 31.12.2021	**856,906.52**	**-**	**8,844,858.91**	**22,306,837.35**	**-**	**32,008,602.78**

CONSOLIDATED - 2021
RESTATED

NAME OF THE FIXED ASSET	MOTOR VEHICLES		FURNITURE, FITTINGS	EQUIPMENT		Total
	Freehold	Leasehold		Office Equipment	Machinery & Equipmen	
Balance as at 01.01.2021	300,678,754.64	23,733,000.00	89,273,649.04	235,962,503.32	7,139,290.00	656,787,197.00
Additions During the Year	-	-	769,408.45	5,839,452.04	57,350.00	6,666,210.49
Transfer to Freehold Asst						
Disposals/Adjustment During the Year	7,500,000.00	-	-	-	-	7,500,000.00
Balance as at 31.12.2021	293,178,754.64	23,733,000.00	90,043,057.49	241,801,955.36	7,196,640.00	655,953,407.49
Provision as at 01.01.2021	289,282,430.12	5,939,618.00	72,026,908.21	203,492,274.17	4,521,948.00	575,263,178.50
Charges For the Year	1,260,000.00	2,373,300.00	6,293,106.37	14,851,303.84	476,666.00	25,254,376.21
Reversal (Charge for the period)	-	2,906,017.00	-	-	-	2,906,017.00
Prior Period Adjustment	9,279,418.00	2,558,466.00	-	-	-	11,837,884.00
Accumulated on Disposed Items / Ajustment	7,500,000.00	-	-	-	-	7,500,000.00
Balance as at 31.12.2021	292,321,848.12	7,965,367.00	78,320,014.58	218,343,578.01	4,998,614.00	601,949,421.71
Written down value as at 31.12.2021	**856,906.52**	**15,767,633.00**	**11,723,042.91**	**23,458,377.35**	**2,198,026.00**	**54,003,985.78**

NOTE [03 - 11] - INTANGIBLE ASSETS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Balance as at 01.01.2021	-	-	-	218,025.00
Additions During the Year				
Disposals/Adjustment Durin the Year				
Balance as at 31.12.2021	**-**	**-**	**-**	**218,025.00**
Operning Balance	-	-	-	199,853.00
Ammortisation for the Period	-		-	18,172.00
Accumulated on Disposed Items / Ajustment				
Balance as at 31.12.2021	**-**	**-**	**-**	**218,025.00**
Net Carrying value	**-**	**-**	**-**	**-**

NOTE [04] - DEVELOPMENT ASSESTS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
Lands Acquired	903,307,906.70	903,307,906.70	899,696,418.20	899,696,418.20
Lands Development	178,973,489.14	178,973,489.14	178,283,689.14	178,283,689.14
	1,082,281,395.84	**1,082,281,395.84**	**1,077,980,107.34**	**1,077,980,107.34**

NOTE [05] - **LOANS UNDER 1.5 MILLION HOUSING PROGRAMME**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Mankulam	1,636,494.00	614,688.15	-	-	614,688.15
TOTAL	**1,636,494.00**	**614,688.15**	**0.00**	**0.00**	**614,688.15**

NOTE [06] - **LOANS UNDER NEW HOUSING FINANCE SYSTEM**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Mankulam	1,725,238.96	77,233.04	-	-	77,233.04
TOTAL	**1,725,238.96**	**77,233.04**	**0.00**	**0.00**	**77,233.04**

NOTE [07] - **95 HOUSING LOAN PROGRAMME**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (North)	16,140,911.30	741,660.57	-	741,660.57	-
Colombo District	285,284,504.12	3,501,763.26	-	777,406.27	2,724,356.99
Kandy	497,433,049.82	12,143,459.29	-	174,040.81	11,969,418.48
Matale	158,671,234.98	324,426.23	-	180,387.36	144,038.87
Nuwara-Eliya	229,078,332.63	15,552,762.23	-	7,776,381.12	7,776,381.11
Galle	192,094,583.06	17,342,965.05	-	35,756.52	17,307,208.53
Mankulam	11,425,724.94	9,553,624.08	-	-	9,553,624.08
Kurunegala	405,879,926.06	1,674.11	-	1,674.11	-
Puttalam	229,485,312.42	22,830,594.75	-	41,038.15	22,789,556.60
Monaragala	147,111,572.72	2,393,033.54	-	127,287.51	2,265,746.03
Kilinochchi	18,356,684.20	8,943,419.39	-	-	8,943,419.39
TOTAL	**2,190,961,836.25**	**93,329,382.50**	**0.00**	**9,855,632.42**	**83,473,750.08**

NOTE [08] - **ESTATE HOUSING PROGRAMME**

DISTRICTS	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Gampaha	4,226,564.95	-	421,559.37	3,805,005.58
Nuwara-Eliya	216,770,947.35	-	25,406,357.64	191,364,589.71
Galle	8,479,710.96	-	2,475,300.85	6,004,410.11
Matara	11,901,971.07	-	3,551,340.59	8,350,630.48
Kurunegala	2,712,958.94	-	302,165.48	2,410,793.46
Puttalam	8,194,279.23	-	555,813.23	7,638,466.00
Badulla	1,563,272.00	-	1,563,272.00	-
Ratnapura	1,045,623.50	-	341,115.95	704,507.55
TOTAL	**254,895,328.00**	**0.00**	**34,616,925.11**	**220,278,402.89**

NOTE [09] - **LOANS UNDER DIRIPIYASA PROGRAMME**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Mankulam	4,005,500.00	475,227.39	-	-	475,227.39
Kilinochchi	5,221,708.81	98,381.45	-	-	98,381.45
TOTAL	**9,227,208.81**	**573,608.84**	**-**	**-**	**573,608.84**

NOTE [10] - **GAMANAGUMA LOAN PROGRAMME - 2007**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo District	61,938,876.41	283,394.98	-	164,645.75	118,749.23
Gampaha	278,254,530.04	16,709.45	-	14,467.13	2,242.32
Kalutara	74,265,000.00	15,924,332.32	-	185,377.15	15,738,955.17
Kandy	110,359,655.00	291,887.18	-	205,738.30	86,148.88
Matale	36,771,500.00	138,895.90	-	91,536.14	47,359.76
Nuwara-Eliya	44,245,000.00	3,353,710.86	-	742,119.06	2,611,591.80
Galle	31,625,000.00	9,104,213.24	-	59,624.21	9,044,589.03
Matara	48,220,000.00	402,381.91	-	146,018.23	256,363.68
Batticaloa	60,195,000.00	39,759.87	-	4,744.14	35,015.73
Ampara	54,623,000.00	2,706,880.30	-	2,698,570.29	8,310.01
Puttalam	119,469,778.87	13,485,914.99	-	189,168.48	13,296,746.51
Anuradhapura	138,316,850.00	9,999,870.97	-	9,999,870.97	-
Monaragala	124,590,107.50	5,898,428.12	-	230,539.24	5,667,888.88
Kegalle	96,994,131.54	10,646,278.59	-	195,378.24	10,450,900.35
Kalmune	75,877,399.37	5,390,522.45	-	5,390,522.45	-
TOTAL	**1,355,745,828.73**	**77,683,181.13**	**-**	**20,318,319.78**	**57,364,861.35**

NOTE [11] - **JANASEVANA LOAN PROGRAMME - (IG & TR.)/9%(KATUMATI)**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (North)	13,086,710.00	3,357,177.13	-	826,220.82	2,530,956.31
Colombo City (South)	5,470,000.00	641,944.47	-	43,695.66	598,248.81
Colombo District	939,660,156.28	136,882,594.39	-	68,125,079.39	68,757,515.00
Gampaha	299,746,341.92	11,422,986.70	321,176.55	6,413,800.43	5,330,362.82
Kalutara	408,354,682.00	38,245,497.01	-	19,578,148.66	18,667,348.35
Kandy	403,067,170.00	33,298,438.56	-	19,145,152.97	14,153,285.59
Matale	182,298,750.00	19,995,681.43	-	11,514,680.88	8,481,000.55
Nuwara-Eliya	268,457,625.00	55,701,829.84	-	17,923,245.71	37,778,584.13
Galle	219,752,786.16	16,744,769.89	-	10,073,399.18	6,671,370.71
Matara	262,703,578.82	28,569,341.38	-	16,102,233.47	12,467,107.91
Hambantota	203,409,477.87	32,954,998.86	-	13,855,833.73	19,099,165.13
Jaffna	108,350,000.00	3,621,497.58	-	1,909,293.46	1,712,204.12
Mannar	69,298,417.58	5,013,449.30	-	2,759,831.86	2,253,617.44
Mankulam	125,525,903.27	6,859,473.41	-	4,228,940.56	2,630,532.85
Batticaloa	161,125,000.00	5,218,076.13	-	3,078,903.35	2,139,172.78
Ampara	175,240,856.51	29,439,643.20	-	13,595,367.07	15,844,276.13
Trincomalee	158,528,427.50	48,524,552.81	-	11,243,900.35	37,280,652.46
Kurunegala	219,957,280.00	19,946,348.96	-	12,285,619.98	7,660,728.98
Puttalam	228,813,870.00	14,453,631.16	-	8,746,874.36	5,706,756.80
Anuradhapura	302,874,500.00	37,808,232.99	-	27,179,193.72	10,629,039.27
Polonnaruwa	156,765,776.17	9,192,978.57	-	3,560,332.11	5,632,646.46
Badulla	263,635,021.38	42,249,949.83	-	6,429,460.53	35,820,489.30
Monaragala	242,813,835.00	45,349,504.11	-	18,842,447.27	26,507,056.84
Ratnapura	198,196,136.80	19,683,160.53	-	10,230,115.57	9,453,044.96
Kegalle	256,829,000.00	19,292,830.70	-	10,560,262.14	8,732,568.56
Kilinochchi	117,188,242.65	8,909,289.57	-	4,067,238.69	4,842,050.88
Vavuniya	112,084,376.16	5,674,397.66	-	3,830,555.54	1,843,842.12
Kalmune	99,655,000.00	29,923,157.01	-	616,638.44	29,306,518.57
TOTAL	**6,202,888,921.07**	**728,975,433.18**	**321,176.55**	**326,766,465.90**	**402,530,143.83**

NOTE [12] - JANASEVANA LOAN PROGRAMME - 2011- I -(PEOPLES BANK/BANK OF CEYLON)

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo District	61,127,973.96	1,039,121.24	-	1,039,121.24	0.00
Kalutara	71,800,500.00	1,746,512.74	-	1,339,833.43	406,679.31
Kandy	30,096,568.86	155,174.39	-	82,157.31	73,017.08
Jaffna	84,590,000.00	1,371,120.44	103,182.03	1,394,144.83	80,157.64
Mannar	8,497,476.29	1,254,204.60	-	1,186,265.20	67,939.40
Mankulam	63,585,000.00	2,440,221.14	-	443,748.51	1,996,472.63
Ampara	43,495,000.00	3,538,159.48	-	1,602,782.43	1,935,377.05
Trincomalee	52,617,257.38	5,906,286.11	-	5,545,330.59	360,955.52
Puttalam	63,409,564.40	9,262,706.08	-	4,371,421.29	4,891,284.79
Badulla	56,080,977.01	652,333.57	-	250,325.26	402,008.31
Monaragala	113,878,617.17	1,924,738.77	-	190,293.86	1,734,444.91
Ratnapura	13,967,500.00	226,957.04	-	140,854.28	86,102.76
Kegalle	28,635,000.00	497,066.11	-	-	497,066.11
Kilinochchi	37,565,153.78	5,393,341.43	-	3,350,084.38	2,043,257.05
Vavuniya	230,019,395.48	7,011,395.37	-	6,151,194.69	860,200.68
Kalmune	5,298,473.83	3,541,459.86	-	3,541,459.86	-
TOTAL	**964,664,458.16**	**45,960,798.37**	**103,182.03**	**30,629,017.16**	**15,434,963.24**

NOTE [13] - JANASEVANA UPAHARA LOAN PROGRAMME - 2011 -II- 10%

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (South)	4,985,000.00	1,017,891.21	-	618,402.24	399,488.97
Colombo District	1,479,937,783.05	225,319,209.30	-	124,788,623.22	100,530,586.08
Gampaha	789,310,122.14	155,282,737.52	-	51,249,625.96	104,033,111.56
Kalutara	995,824,024.51	229,576,821.33	-	85,733,429.81	143,843,391.52
Kandy	660,739,000.00	67,400,373.86	-	31,307,631.50	36,092,742.36
Matale	306,702,500.00	33,742,676.50	-	16,305,075.00	17,437,601.50
Nuwara-Eliya	264,388,256.18	22,616,980.13	-	12,285,840.23	10,331,139.90
Galle	543,561,256.15	44,357,902.35	-	25,422,496.48	18,935,405.87
Matara	520,812,508.17	74,362,891.87	-	35,999,057.38	38,363,834.49
Hambantota	239,473,000.00	62,155,719.23	-	23,291,465.82	38,864,253.41
Jaffna	190,890,000.00	12,713,474.06	-	6,530,027.77	6,183,446.29
Mannar	96,522,682.94	4,159,874.02	-	2,340,908.82	1,818,965.20
Mankulam	126,060,328.00	11,659,775.75	-	5,728,746.96	5,931,028.79
Batticaloa	164,660,000.00	11,363,012.62	-	6,630,814.00	4,732,198.62
Ampara	179,905,000.00	38,589,579.26	-	7,173,685.99	31,415,893.27
Trincomalee	194,591,000.00	65,680,816.23	-	57,512,538.04	8,168,278.19
Kurunegala	378,312,500.00	44,109,483.74	-	23,791,285.38	20,318,198.36
Puttalam	225,867,897.92	15,510,341.72	-	8,904,158.51	6,606,183.21
Anuradhapura	308,353,500.00	22,001,481.25	37,925,523.17	38,031,087.11	21,895,917.31
Polonnaruwa	186,101,349.74	17,631,024.23	-	9,192,597.44	8,438,426.79
Badulla	314,145,721.04	29,912,653.03	-	13,423,378.80	16,489,274.23
Monaragala	409,925,000.00	33,998,639.08	-	12,650,630.45	21,348,008.63
Ratnapura	248,149,603.62	30,854,847.41	-	13,861,520.94	16,993,326.47
Kegalle	489,528,500.00	47,390,074.65	-	27,196,383.15	20,193,691.50
Kilinochchi	140,409,272.25	23,352,821.21	-	8,685,866.35	14,666,954.86
Vavuniya	148,382,955.41	11,167,254.03	-	5,971,103.85	5,196,150.18
Kalmune	59,068,540.06	30,341,999.03	-	2,321,353.51	28,020,645.52
TOTAL	**9,666,607,301.18**	**1,366,270,354.62**	**37,925,523.17**	**656,947,734.71**	**747,248,143.08**

NOTE [14] - **2015 - 2019 LOAN PROGRAMME**

Rs.

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (North)	121,115,000.00	68,770,214.47	-	8,878,192.13	59,892,022.34
Colombo City (South)	153,961,866.46	89,405,135.89	-	65,881,418.78	23,523,717.11
Colombo District	995,944,056.04	566,127,564.61	450,000.00	93,426,875.79	473,150,688.82
Gampaha	675,168,980.79	381,890,174.72	-	60,582,765.22	321,307,409.50
Kalutara	906,822,020.00	533,380,041.81	-	82,609,321.94	450,770,719.87
Kandy	810,588,614.00	413,516,986.09	-	86,458,245.75	327,058,740.34
Matale	761,093,880.46	494,402,372.46	-	72,793,964.56	421,608,407.90
Nuwara-Eliya	448,519,324.48	261,994,242.07	16,646.82	39,777,561.30	222,233,327.59
Galle	664,857,376.73	333,144,211.92	195,000.00	67,117,183.32	266,222,028.60
Matara	657,468,890.97	375,864,093.45	-	62,089,003.99	313,775,089.46
Hambantota	7,272,708,778.73	4,506,254,199.39	190,000.00	224,787,818.74	4,281,656,380.65
Jaffna	384,200,720.50	172,267,325.03	-	68,619,944.94	103,647,380.09
Mannar	194,214,200.00	73,553,084.83	-	26,525,554.55	47,027,530.28
Mankulam	295,586,078.50	120,581,013.64	-	26,758,802.45	93,822,211.19
Batticaloa	462,255,075.00	239,189,336.90	-	38,653,872.76	200,535,464.14
Ampara	574,118,145.00	350,042,024.05	-	3,817,795.65	346,224,228.40
Trincomalee	588,328,706.06	400,790,671.47	-	52,759,579.17	348,031,092.30
Kurunegala	2,427,973,068.00	1,525,505,414.88	-	239,853,254.05	1,285,652,160.83
Puttalam	905,820,079.92	546,889,235.95	9,578,490.28	118,071,712.29	438,396,013.94
Anuradhapura	1,228,199,312.26	704,811,212.63	-	107,816,708.52	596,994,504.11
Polonnaruwa	959,447,478.11	608,868,508.18	-	86,468,788.99	522,399,719.19
Badulla	590,202,251.82	290,836,441.57	-	55,120,267.68	235,716,173.89
Monaragala	632,319,419.59	429,279,831.24	-	94,572,971.32	334,706,859.92
Ratnapura	720,008,272.38	354,138,823.05	-	47,884,979.70	306,253,843.35
Kegalle	783,148,900.00	413,426,674.30	300,000.00	80,955,133.73	332,771,540.57
Kilinochchi	135,765,000.00	56,499,680.72	-	14,231,911.31	42,267,769.41
Vavuniya	189,929,699.57	65,375,784.15	-	23,670,363.11	41,705,421.04
Kalmune	247,127,986.17	129,767,760.72	-	6,829,198.09	122,938,562.63
TOTAL	**24,786,893,181.54**	**14,506,572,060.19**	**10,730,137.10**	**1,957,013,189.83**	**12,560,289,007.46**

NOTE [15] **2020 - 2022 LOAN PROGRAMME TREASURY**

Rs.

DISTRICT	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (North)	3,000,000.00	2,961,225.21	180,000.00	98,109.79	3,043,115.42
Colombo City (South)	11,225,000.00	10,520,825.54	30,000.00	9,458,215.07	1,092,610.47
Colombo District	95,885,000.00	93,228,524.91	15,415,000.00	10,480,989.11	98,162,535.80
Gampaha	492,023,070.00	479,167,386.27	62,298,000.00	44,860,916.24	496,604,470.03
Kalutara	42,738,800.00	40,228,709.69	12,205,000.00	3,700,010.08	48,733,699.61
Kandy	95,631,415.00	92,588,996.91	2,830,000.00	10,182,846.58	85,236,150.33
Matale	71,743,000.00	65,331,291.81	2,831,000.00	7,226,846.63	60,935,445.18
Nuwara-Eliya	33,105,000.00	31,854,710.53	9,875,942.39	3,881,339.43	37,849,313.49
Galle	52,177,000.00	50,031,535.38	18,856,000.00	5,119,960.53	63,767,574.85
Matara	62,700,000.00	56,526,483.13	5,205,000.00	7,163,139.02	54,568,344.11
Hambantota	146,150,000.00	141,551,514.82	6,295,000.00	6,378,849.89	141,467,664.93
Jaffna	29,340,000.00	27,437,088.78	180,000.00	5,415,753.02	22,201,335.76
Mannar	4,430,000.00	3,862,737.98	90,000.00	733,805.91	3,218,932.07
Mankulam	26,190,000.00	24,244,025.89	2,540,000.00	4,432,677.44	22,351,348.45
Batticaloa	19,290,000.00	17,881,220.24	420,000.00	2,087,950.27	16,213,269.97
Ampara	47,560,000.00	45,237,478.17	3,670,000.00	3,903,328.08	45,004,150.09
Trincomalee	47,000,000.00	44,898,641.40	4,240,000.00	5,969,314.37	43,169,327.03
Kurunegala	162,945,000.00	157,651,507.51	9,580,000.00	13,120,969.34	154,110,538.17
Puttalam	46,555,000.00	44,978,684.44	7,860,000.00	4,815,745.42	48,022,939.02
Anuradhapura	61,044,500.00	57,678,324.62	6,670,000.00	3,712,620.77	60,635,703.85
Polonnaruwa	74,480,000.00	70,638,406.50	9,635,000.00	6,903,602.47	73,369,804.03
Badulla	116,618,175.00	112,976,625.23	30,070,000.00	11,361,613.38	131,685,011.85
Monaragala	82,085,400.00	77,183,071.06	22,313,000.00	7,336,814.68	92,159,256.38
Ratnapura	57,710,000.00	55,091,070.80	10,202,920.47	6,779,869.99	58,514,121.28
Kegalle	155,474,700.00	146,028,366.93	17,482,500.00	14,610,398.86	148,900,468.07
Kilinochchi	12,570,000.00	11,786,671.73	-	2,246,033.89	9,540,637.84
Vavuniya	23,886,444.77	22,717,146.47	1,432,000.00	4,517,641.28	19,631,505.19
Kalmune	86,145,000.00	77,502,177.72	-	18,046,437.80	59,455,739.92
TOTAL	**2,159,702,504.77**	**2,061,784,449.67**	**262,406,362.86**	**224,545,799.34**	**2,099,645,013.19**

NOTE [16] **2020 - 2022 LOAN PROGRAMME IG**

DISTRICTS	TOTAL DISBURSEMENT 01.01.2022	BALANCE AS AT 01.01.2022	ADJUSTMENTS & DISBURSMENT	DUE & REPAYMENT ADJUSTMENTS	BALANCE AS AT 31.12.2022
Colombo City (North)	1,200,000.00	1,095,990.37	11,830,000.00	627,730.65	12,298,259.72
Colombo District	55,130,000.00	53,071,761.38	39,945,000.00	6,247,143.61	86,769,617.77
Gampaha	143,375,000.00	140,733,069.13	55,120,000.00	15,231,124.52	180,621,944.61
Kandy	7,530,000.00	6,589,779.15	29,177,000.00	3,933,161.90	31,833,617.25
Matale	25,591,000.00	20,822,612.10	8,125,294.67	2,609,333.57	26,338,573.20
Nuwara-Eliya	27,995,000.00	27,038,431.08	3,645,000.00	5,546,732.95	25,136,698.13
Galle	32,535,025.00	31,271,794.02	11,862,000.00	3,475,853.65	39,657,940.37
Matara	18,805,000.00	16,737,114.42	30,445,000.00	3,457,826.93	43,724,287.49
Hambantota	8,370,000.00	7,606,951.40	22,550,000.00	2,881,989.26	27,274,962.14
Jaffna	3,450,000.00	3,145,946.93	1,050,000.00	731,980.10	3,463,966.83
Mannar	2,000,000.00	1,720,603.92	-	298,310.76	1,422,293.16
Batticaloa	10,925,000.00	9,972,348.69	640,000.00	1,287,715.02	9,324,633.67
Ampara	53,095,000.00	50,382,963.37	14,265,000.00	5,322,338.72	59,325,624.65
Trincomalee	9,320,000.00	9,064,327.54	1,080,000.00	593,057.89	9,551,269.65
Kurunegala	9,295,000.00	8,936,366.65	40,315,000.00	2,772,831.10	46,478,535.55
Puttalam	15,970,000.00	15,371,053.53	14,560,000.00	2,309,265.01	27,621,788.52
Anuradhapura	43,796,000.00	43,226,668.23	6,939,250.00	5,561,296.53	44,604,621.70
Polonnaruwa	21,865,000.00	21,658,907.96	19,625,000.00	2,516,474.23	38,767,433.73
Badulla	3,585,000.00	3,188,895.18	-	689,482.99	2,499,412.19
Monaragala	3,775,000.00	3,622,684.00	450,000.00	465,753.61	3,606,930.39
Ratnapura	13,435,000.00	12,610,816.69	6,160,000.00	1,732,466.99	17,038,349.70
Kegalle	36,184,300.00	34,126,543.81	13,295,000.00	4,136,690.63	43,284,853.18
Kilinochchi	21,510,000.00	19,568,926.94	330,000.00	4,246,269.47	15,652,657.47
Vavuniya	4,243,555.23	3,379,202.05	-	519,723.93	2,859,478.12
Kalmune	-	-	10,949,607.10	1,228,489.08	9,721,118.02
TOTAL	**572,979,880.23**	**544,943,758.54**	**342,358,151.77**	**78,423,043.10**	**808,878,867.21**

NOTE [17] INVESTMENTS

NOTE 17 - 1 LONG TERM	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Hou. Deve. Fin. Corp. Bank - Shares (Note 16-1)	330,133,334.00	330,133,334.00	330,133,334.00	330,133,334.00
Ocean View Development Co. Ltd. - Shares	120,000,000.00	-	120,000,000.00	-
	450,133,334.00	330,133,334.00	450,133,334.00	330,133,334.00
Treasury Bills - P/B & B/C	23,375,000.00	23,375,000.00	23,375,000.00	23,375,000.00
Fixed Deposit -HDFC	64,000,000.00	64,000,000.00	64,000,000.00	64,000,000.00
	537,508,334.00	417,508,334.00	537,508,334.00	417,508,334.00
NOTE 17 - 11 SHORT TERM				
Treasury Bills - P/B & B/C	1,231,000,000.00	1,231,387,935.00	659,500,000.00	659,881,050.00
- HDFC Invest Bonds	231,163,618.47	231,163,618.47	199,301,716.11	199,301,716.11
Fixed Deposits - OVDC	-	58,930,486.00	-	76,328,075.00
	1,462,163,618.47	1,521,482,039.47	858,801,716.11	935,510,841.11
TOTAL	**1,999,671,952.47**	**1,938,990,373.47**	**1,396,310,050.11**	**1,353,019,175.11**

Note 17 - 1 Investment on Shares (Housing Dev. Fin. Corp.Bank)

	No of Shares	Nominal Value	Cost
Opening Balance	4,530,000	45,300,000.00	53,633,334.00
Bonus	27,650,000	276,500,000.00	276,500,000.00
	32,180,000	**321,800,000.00**	**330,133,334.00**

NOTE [18] DIRECT CONSTRUCTION PROGRAMME

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Balance as at 01st January 2022				
Working Progress - NHDA - Office Building	6,457,499.11	6,457,499.11	26,642,267.79	26,642,267.79
Working Progress - NHDA - Housing Scheme	154,341,557.41	180,182,200.41	64,691,158.03	77,085,040.03
	160,799,056.52	186,639,699.52	91,333,425.82	103,727,307.82
ADDITION DURING THE YEAR				
PRE-CONSTRUCTION COST				
Settlement of Contractors Bills - NHDA	258,348,850.61	284,781,836.61	154,852,407.03	168,299,168.03
LESS : Value of the Completed Houses - NHDA	844,916.53	844,916.53	85,386,776.33	85,386,776.33
		-		0.00
	418,302,990.60	**470,576,619.60**	**160,799,056.52**	**186,639,699.52**
Balance as at 31 st DECEMBER 2021				
Working Progress - NHDA - Office Building	29,255,282.59	29,255,282.59	6,457,499.11	6,457,499.11
Working Progress - NHDA - Housing Scheme	389,047,708.01	441,321,337.01	154,341,557.41	180,182,200.41
	418,302,990.60	**470,576,619.60**	**160,799,056.52**	**186,639,699.52**

NOTE [19] STOCK OF BUILDING MATERIALS , STATIONERY & HOUSES FOR SALES

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Stationery & Office Requisites	10,389,720.33	10,389,720.33	8,163,958.58	8,163,958.58
Electrical Goods & Other Items	509,260.01	509,260.01	123,088.63	123,088.63
Printing Press Materials	404,491.55	404,491.55	660,201.55	660,201.55
Other - Stock	613,163.35	613,163.35	856,000.63	856,000.63
	11,916,635.24	11,916,635.24	9,803,249.39	9,803,249.39
Balance Houses	50,883,498.82	50,883,498.82	54,546,110.98	54,546,110.98
Reserve Houses	17,761,481.40	17,761,481.40	15,469,874.33	15,469,874.33
WIP- Mattegoda Hosing Project	-	13,263,067.00	-	13,263,067.00
Kahathuduwa Housing Project	-	46,221,925.00	-	73,777,739.00
Park Road Housing Project	-	25,150,183.00	-	25,183,741.00
Delkanda land	-	107,259,702.00	-	106,385,401.00
	80,561,615.46	**272,456,492.46**	**79,819,234.70**	**298,429,182.70**

NOTE [20] INTEREST RECEIVABLE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Treasury Bills	28,083,182.96	28,083,182.96	19,327,714.78	19,327,714.78
	28,083,182.96	**28,083,182.96**	**19,327,714.78**	**19,327,714.78**

NOTE [21] DEBTORS & OTHER RECEIVABLE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Rural & Urban Housing Rental	216,764,545.79	216,764,545.79	220,555,586.79	220,555,586.79
LESS Provision for Bad Debts	196,329,276.78	196,329,276.78	194,559,702.49	194,559,702.49
	20,435,269.01	20,435,269.01	25,995,884.30	25,995,884.30
National Housing Dept.House Rent	23,365,452.71	23,365,452.71	23,261,068.50	23,261,068.50
LESS Provision for Bad Debts	21,106,330.02	21,106,330.02	20,516,927.73	20,516,927.73
	2,259,122.69	2,259,122.69	2,744,140.77	2,744,140.77
Loan Instalments - 1 & 1.5 MHP	484,388,398.61	484,388,398.61	504,985,850.62	504,985,850.62
Loan Instalments Under NHFS	134,047,386.30	134,047,386.30	135,932,737.31	135,932,737.31
Loan Programme	835,931,732.23	835,931,732.23	831,767,119.63	831,767,119.63
Fisheries Loan Programme	11,113,027.25	11,113,027.25	11,255,872.04	11,255,872.04
Loan Instalments Under Diripiyasa Loan	3,486,681.13	3,486,681.13	3,583,656.18	3,583,656.18
Gamanaguma loan programme	129,341,615.72	129,341,615.72	124,837,862.46	124,837,862.46
Loan Instalments - Janasevana (Treasury & IG Loan)/9%	1,218,514,033.69	1,218,514,033.69	1,358,229,490.14	1,358,229,490.14
Loan Instalments - Janasevana (Banks) I 12%	48,215,496.69	48,215,496.69	66,087,566.52	66,087,566.52
Loan Instalments - Janasevana 11 10%	572,399,113.53	572,399,113.53	554,123,597.50	554,123,597.50
Lease Rent Receivable	4,063,114.70	4,063,114.70	4,063,114.70	4,063,114.70
Loan Instalments - 2015-2019 Loan Programme	6,470,898,729.78	6,470,898,729.78	5,754,311,926.52	5,754,311,926.52
Estate Housing Programme	32,623,561.14	32,623,561.14	31,159,758.73	31,159,758.73
2020 ,2021 Loan Programme -Treasury	116,576,757.52	116,576,757.52	41,221,779.55	41,221,779.55
2020 , 2021 Loan Programme - IG	33,429,932.51	33,429,932.51	9,759,079.91	9,759,079.91
LESS Provision for Bad Debts	4,069,719,345.64	4,069,719,345.64	3,681,244,727.79	3,681,244,727.79
	6,025,310,235.16	6,025,310,235.16	5,750,074,684.02	5,750,074,684.02
Loan Instalments - NHD	37,583,160.03	37,583,160.03	37,615,456.03	37,615,456.03
LESS Provision for Bad Debts	37,583,160.03	37,583,160.03	37,615,456.03	37,615,456.03
	-	-	-	-
Debtors - Sale of Houses	72,471,365.80	72,471,365.80	98,480,389.47	98,480,389.47
LESS Provision for Bad Debt	38,225,942.72	38,225,942.72	52,374,337.63	52,374,337.63
	34,245,423.08	34,245,423.08	46,106,051.84	46,106,051.84
Salary Loans to Staff (Property)	6,923,392.21	6,923,392.21	8,184,756.56	8,184,756.56
Sale of Land	44,367,248.09	44,367,248.09	56,237,087.66	56,237,087.66
LESS Provision for Bad Debt	25,720,067.30	25,720,067.30	32,750,938.00	32,750,938.00
	18,647,180.79	18,647,180.79	23,486,149.66	23,486,149.66
Sundry Debtors NOTE [21] SUB	398,954,990.38	457,977,135.38	405,460,513.47	457,826,400.47
Other Receivable NOTE [21] SUB 2	199,305,681.87	199,421,181.87	229,345,584.86	229,426,584.86
	6,706,081,295.19	**6,765,218,940.19**	**6,491,397,765.48**	**6,543,844,652.48**

NOTE [21] SUB 1 SUNDRY DEBTORS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Sevana Media	21,822,853.61	21,822,853.61	28,837,166.30	28,837,166.30
Supply of Security Services	6,319,604.76	6,319,604.76	6,122,439.12	6,122,439.12
Reimbursable Expenses by Other Institutions	71,359,591.75	71,359,591.75	72,802,787.12	72,802,787.12
National Equipment & Machinery Organisation	230,807,533.29	230,807,533.29	230,807,533.29	230,807,533.29
U D A	104,357,083.80	104,357,083.80	104,357,083.80	104,357,083.80
C H P	29,840,020.90	29,840,020.90	29,711,587.57	29,711,587.57
Manikkawatta Housing Programme - Receivable	34,187,044.64	34,187,044.64	34,187,044.64	34,187,044.64
Trade Receivable	-	77,751,424.00	-	72,425,338.00
Pre Payments	-	2,772,913.00	-	1,856,843.00
Tax Receivable (WHT)	-	1,607,298.00	-	1,607,298.00
Amount due from Related Parties	-	4,341,529.00	-	-
Loan & Other Receivables	-	4,506,423.00	-	5,078,623.00
Rental Equalization Reserve	-	857,942.00	-	1,419,037.00
LESS Provision for Bad Debt	(99,738,742.37)	(132,554,126.37)	(101,365,128.37)	(131,386,380.37)
	398,954,990.38	**457,977,135.38**	**405,460,513.47**	**457,826,400.47**

NOTE [21] SUB 2 OTHER RECEIVABLE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Festival Advances to Staff	1,750,220.64	1,750,220.64	1,697,510.66	1,697,510.66
Distress Loan to Staff	133,073,752.16	133,073,752.16	156,692,097.98	156,692,097.98
Scholarship Training Loan Programme	527,540.00	527,540.00	597,180.00	597,180.00
Moter Cycle Leasing Programme	69,540.88	69,540.88	79,540.88	79,540.88
Other Receivable	62,113,301.23	62,113,301.23	61,420,774.88	61,420,774.88
Dividents Receivable	-	-	8,045,000.00	8,045,000.00
Loss of Cash Recoverable	1,332,914.51	1,332,914.51	562,608.71	562,608.71
No Pay Recoverable	-	-	15,778.00	15,778.00
Hiring of Machinery	438,412.45	438,412.45	235,093.75	235,093.75
Advances Given to Staff	-	115,500.00	-	81,000.00
	199,305,681.87	**199,421,181.87**	**229,345,584.86**	**229,426,584.86**

NOTE [22] DEPOSITS, ADVANCES & RECEIVABLE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Travelling Advances	28,000.00	28,000.00	34,798.55	34,798.55
Salary Advances	10,000.00	10,000.00	116,248.39	116,248.39
Miscellaneous Advances D P	504,559,018.98	504,559,018.98	514,144,070.94	514,144,070.94
Electricity - NHDA	900,131.06	900,131.06	900,131.06	900,131.06
Fuel Advances	20,000.00	20,000.00	24,000.00	24,000.00
Rent	1,461,620.00	1,461,620.00	352,120.02	352,120.02
Security	556,002.62	556,002.62	566,226.65	566,226.65
Loans to givan to staff	-	-	44,483.40	44,483.40
P P P Project	-	-	5,504,024.32	5,504,024.32
Deposits at Rural Bank & Savings Bank	6,150.00	6,150.00	6,150.00	6,150.00
Other Special Advances to Staff	72,050.00	72,050.00	79,250.00	79,250.00
Survey Fees	3,227,986.55	3,227,986.55	3,228,750.02	3,228,750.02
Miscellaneous Advances	5,987,020.92	5,987,020.92	5,688,115.42	5,688,115.42
Deposits for Water Supply	25,000.00	25,000.00	25,000.00	25,000.00
Advances to Suppliers	71,812,832.89	71,812,832.89	75,636,918.29	75,636,918.29
Salary Advance to Medical Leave	-	-	5,850.00	5,850.00
Receivable For Sevena -Lotteries Board	48,374,362.00	48,374,362.00	129,548,962.00	129,548,962.00
Receivable from Trusary	328,937,039.59	328,937,039.59	230,111,843.59	230,111,843.59
Imprest to Skill Trainnig	2,100.00	2,100.00	2,100.00	2,100.00
	965,979,314.61	**965,979,314.61**	**966,019,042.65**	**966,019,042.65**

NOTE [23]   CASH AND BANK BALANCES

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Colombo City North	732,131.59	732,131.59	304,410.81	304,410.81
Colombo City South	405,227.23	405,227.23	163,677.55	163,677.55
Colombo District	5,509,133.88	5,509,133.88	132,838.96	132,838.96
Gampaha	5,233,400.57	5,233,400.57	4,480,603.40	4,480,603.40
Kalutara	388,521.16	388,521.16	2,820,006.33	2,820,006.33
Kandy	5,008,366.18	5,008,366.18	151,922.55	151,922.55
Matale	3,683,572.92	3,683,572.92	1,520,867.92	1,520,867.92
Nuwara-Eliya	1,921,144.19	1,921,144.19	379,364.77	379,364.77
Galle	4,275,393.70	4,275,393.70	3,905,616.11	3,905,616.11
Matara	4,104,313.75	4,104,313.75	4,702,298.67	4,702,298.67
Hambantota	4,772,622.10	4,772,622.10	1,269,149.51	1,269,149.51
Jaffna	852,283.93	852,283.93	164,831.75	164,831.75
Mannar	581,178.66	581,178.66	644,022.85	644,022.85
Mankulam	3,072,483.76	3,072,483.76	712,931.29	712,931.29
Kilinochchi	1,014,111.43	1,014,111.43	636,482.14	636,482.14
Vavuniya	213,244.41	213,244.41	433,433.77	433,433.77
Batticaloa	169,622.51	169,622.51	168,748.60	168,748.60
Ampara	1,597,530.67	1,597,530.67	152,244.02	152,244.02
Trincomalee	94,154.71	94,154.71	227,866.92	227,866.92
Kurunegala	2,615,309.92	2,615,309.92	1,764,547.95	1,764,547.95
Puttlam	1,512,881.03	1,512,881.03	3,626,887.90	3,626,887.90
Anuradhapura	1,867,602.82	1,867,602.82	1,789,212.34	1,789,212.34
Polonnaruwa	1,066,729.67	1,066,729.67	154,652.46	154,652.46
Badulla	3,189,803.64	3,189,803.64	2,008,308.83	2,008,308.83
Monaragala	1,276,546.19	1,276,546.19	199,224.19	199,224.19
Ratnapura	1,606,232.99	1,606,232.99	1,022,548.73	1,022,548.73
Kegalle	2,732,117.83	2,732,117.83	2,653,179.44	2,653,179.44
Kalmunai	174,521.78	174,521.78	195,889.69	195,889.69
National Savings Bank - NHD	32,383.43	32,383.43	32,383.43	32,383.43
Soysapura	74,215.33	74,215.33	95,150.88	95,150.88
Cash and Bank Balances H/O	311,985,720.42	311,985,720.42	194,976,414.22	194,976,414.22
Cash at Bank.	-	14,652,910.00	-	20,547,319.00
Cash in Hand	-	1,084,172.00	-	402,767.00
Cash in Transit	58,690.67	58,690.67	(14,040,984.33)	(14,040,984.33)
	371,821,193.07	**387,558,275.07**	**217,448,733.65**	**238,398,819.65**

NOTE [24] RESERVES

GOVT GRANTS	**NHDA**	**CONSOLIDATED**	**NHDA**	**CONSOLIDATED**
	2022		**2021**	
	Rs.	**Rs.**	**Rs.**	**Rs.**
Balance as at 01st January 2022	42,393,905,995.52	42,393,905,995.52	41,487,341,739.57	41,487,341,739.57
Coast Line Project	44,000,000.00	44,000,000.00	44,000,000.00	44,000,000.00
	42,437,905,995.52	42,437,905,995.52	41,531,341,739.57	41,531,341,739.57
For the Year	1,357,153,945.11	1,357,153,945.11	8,219,572,916.93	8,219,572,916.93
	43,795,059,940.63	43,795,059,940.63	49,750,914,656.50	49,750,914,656.50
LESS :Grant - Disbursed	1,012,193,793.35	1,012,193,793.35	7,313,008,660.98	7,313,008,660.98
	42,782,866,147.28	42,782,866,147.28	42,437,905,995.52	42,437,905,995.52
OTHER GRANTS				
Balance as Per last Balance Sheet	1,849,312,109.60	1,849,312,109.60	1,871,168,418.18	1,871,168,418.18
For the Year	219,361,626.67	219,361,626.67	115,769,025.05	115,769,025.05
	2,068,673,736.27	2,068,673,736.27	1,986,937,443.23	1,986,937,443.23
LESS :Grant - Disbursed	302,925,070.84	302,925,070.84	137,625,333.63	137,625,333.63
	1,765,748,665.43	1,765,748,665.43	1,849,312,109.60	1,849,312,109.60
Value of Assets Taken Over				
- Commissioner of NHD	455,806,301.03	455,806,301.03	455,806,301.03	455,806,301.03
- Director of Establishment	15,260,000.00	15,260,000.00	15,260,000.00	15,260,000.00
	2,236,814,966.46	2,236,814,966.46	2,320,378,410.63	2,320,378,410.63
RESERVES				
Reserves - Jaltara Project	17,653,779.98	17,653,779.98	17,653,779.98	17,653,779.98
Other Reserves (HDFC Shares)	276,500,000.00	276,500,000.00	276,500,000.00	276,500,000.00
	45,313,834,893.72	**45,313,834,893.72**	**45,052,438,186.13**	**45,052,438,186.13**

NOTE [25] LOANS

	NHDA	**CONSOLIDATED**	**NHDA**	**CONSOLIDATED**
	2022		**2021**	
	Rs.	**Rs.**	**Rs.**	
CHP Bond	13,545,700.00	13,545,700.00	14,070,900.00	14,070,900.00
EDCF Loan for Jaltara Project	3,423,589.00	3,423,589.00	3,423,589.00	3,423,589.00
Loan under Janasevana I	-	-	5,667,930.77	5,667,930.77
Loan under Janasevana II	51,857,353.90	51,857,353.90	202,532,232.88	202,532,232.88
Loan under Janasevana 13%	386,550,524.21	386,550,524.21	832,158,290.98	832,158,290.98
Loan under Janasevana 13% 2014	469,632,418.56	469,632,418.56	668,082,166.94	668,082,166.94
Loan under Janasevana Pro. NSB 1000 M	-	-	85,918,174.17	85,918,174.17
Loan under Janasevana Pro .NSB 345 M	-	-	21,817,321.90	21,817,321.90
Loan under Janasevana Pro. RDB 250 M	-	-	10,692,527.78	10,692,527.78
	925,009,585.67	**925,009,585.67**	**1,844,363,134.42**	**1,844,363,134.42**

NOTE [26] CREDITORS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Sundry - (NOTE [26] SUB1)	1,554,339,790.89	1,698,233,844.89	1,486,554,212.92	1,659,653,939.92
Retention Fees - Contrcactors	208,563,605.89	208,563,605.89	193,114,466.02	193,114,466.02
Unpaids - (NOTE [26] SUB2)	272,408,221.00	283,012,195.00	179,747,778.35	191,494,068.35
Land Compensation	122,252,487.48	122,252,487.48	116,363,348.54	116,363,348.54
Creditors for Work done on Contract	30,670,196.68	30,670,196.68	30,670,196.68	30,670,196.68
	2,188,234,301.94	**2,342,732,329.94**	**2,006,450,002.51**	**2,191,296,019.51**

NOTE [26] SUB1 SUNDRY CREDITORS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Rent Received in Advance	46,866,854.10	46,866,854.10	46,731,042.05	46,731,042.05
Loan Installment Received in Advance	194,046,144.59	194,046,144.59	239,743,926.31	239,743,926.31
Sale of Housing Installment Received in Advance -U.H	18,272,643.96	18,272,643.96	27,027,232.48	27,027,232.48
Money Received From Other Institutions	74,431,366.47	74,431,366.47	91,007,473.12	91,007,473.12
Sale of Land Advance Received	-	-	13,575.00	13,575.00
Stamp fees Received	264,730.20	264,730.20	438,915.68	438,915.68
Tax payable	-	-	7,114,485.49	7,114,485.49
Estate Housing Programme - Livestock & Rural Community Councils	791,497,553.23	791,497,553.23	786,374,589.44	786,374,589.44
Creditors for Ministry of Livestock	13,315,764.41	13,315,764.41	13,315,764.41	13,315,764.41
Sevena Media Creditors	923,639.75	923,639.75	5,298,130.35	5,298,130.35
District Transactions	1,598,923.00	1,598,923.00	-	-
C H P Creditors	19,998,410.36	19,998,410.36	19,814,310.36	19,814,310.36
U D A Creditors	52,513,798.27	52,513,798.27	52,513,798.27	52,513,798.27
B M C Creditors	1,017,179.03	1,017,179.03	1,872,254.25	1,872,254.25
Sevana Creditors	328,417,932.41	328,417,932.41	175,577,000.00	175,577,000.00
P.P.P. P roject	5,182,238.19	5,182,238.19	-	-
Peramaga Magizine	270,960.00	270,960.00	270,960.00	270,960.00
Accelerated Programme-Sea Breeze Project	4,424,121.04	4,424,121.04	18,776,735.05	18,776,735.05
Lavanya Heights Project	1,297,531.88	1,297,531.88	664,020.66	664,020.66
Advance Received	-	76,823,382.00	-	109,427,265.00
Refundable Deposit	-	63,604,814.00	-	58,900,136.00
Lease Rental Payable	-	2,555,018.00	-	3,189,185.00
Dividend Payable	-	910,840.00	-	910,840.00
Urban Development Authority	-	-	-	672,301.00
	1,554,339,790.89	**1,698,233,844.89**	**1,486,554,212.92**	**1,659,653,939.92**

NOTE [26] SUB 2 UNPAIDS CREDITORS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs	Rs	Rs	Rs
Salaries	2,158,224.11	2,158,224.11	1,929,786.42	1,929,786.42
Travelling	33,418.00	33,418.00	37,606.00	37,606.00
Overtime	204,534.61	204,534.61	197,737.68	197,737.68
Notary Fees	111,596,254.42	111,596,254.42	71,986,603.82	71,986,603.82
Stamp Fees	24,755,940.07	24,755,940.07	24,699,973.91	24,699,973.91
Bonus	43,388.66	43,388.66	43,388.66	43,388.66
Otheres	6,461,209.05	17,065,183.05	9,250,200.74	20,996,490.74
Accured Expenses	123,429,853.85	123,429,853.85	67,822,689.27	67,822,689.27
Accured Expenses for Jaltara Project	1,464,557.49	1,464,557.49	1,464,557.49	1,464,557.49
Accured Expenses Sevana Media Service	2,260,840.74	2,260,840.74	2,315,234.36	2,315,234.36
	272,408,221.00	**283,012,195.00**	**179,747,778.35**	**191,494,068.35**

NOTE [27] CURRENT LIABILITIES FOR LOANS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Instalment Payable President's Fund Loan	104,000,000.00	104,000,000.00	116,000,000.00	116,000,000.00
Interest Payable Treasury Loan	132,730,736.69	132,730,736.69	132,730,736.69	132,730,736.69
Instalment Payable Treasury Loan	370,195,559.13	370,195,559.13	370,195,559.13	370,195,559.13
Interest Payable CHP	11,358,106.27	11,358,106.27	11,229,672.94	11,229,672.94
Instalment Payable Rehabilitation Authority	37,715,000.00	37,715,000.00	49,715,000.00	49,715,000.00
Instalment Payable Nupeweela Loan	42,430,000.00	42,430,000.00	42,430,000.00	42,430,000.00
Interest Payable Nupeweela Loan	64,912,668.84	64,912,668.84	64,912,668.84	64,912,668.84
	763,342,070.93	**763,342,070.93**	**787,213,637.60**	**787,213,637.60**

NOTE [28] DEPOSITS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Refundable Deposits NOTE [28] SUB 1	333,797,917.90	333,797,917.90	333,913,237.30	333,913,237.30
Housing Schemes Maintenance	61,675,988.41	61,675,988.41	61,300,713.41	61,300,713.41
Diposit on saleof house - Siyapatha Housing Pro	96,342,934.94	96,342,934.94	1,000,000.00	1,000,000.00
Deposit For Sale of Houses	205,353,830.45	205,353,830.45	182,572,042.97	182,572,042.97
Scholarship programme	9,415,381.16	9,415,381.16	11,028,468.69	11,028,468.69
Deposit For Sale of Land	437,715,802.50	437,715,802.50	397,842,077.15	397,842,077.15
	1,144,301,855.36	**1,144,301,855.36**	**987,656,539.52**	**987,656,539.52**

NOTE [28] SUB 1 REFUNDABLE DEPOSITS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Tender Deposit	5,115,450.00	5,115,450.00	5,106,110.00	5,106,110.00
Security Deposit	4,677,524.21	4,677,524.21	3,942,398.03	3,942,398.03
Sundry Deposit	222,788,755.45	222,788,755.45	222,792,427.53	222,792,427.53
Urban Housing Programme	47,495,807.97	47,495,807.97	47,674,307.97	47,674,307.97
Commercial Buildings	9,725,763.61	9,725,763.61	10,688,446.85	10,688,446.85
Deposit for Development Activities	38,330,642.43	38,330,642.43	38,246,642.43	38,246,642.43
Rent Deposit	3,615,748.48	3,615,748.48	3,619,513.39	3,619,513.39
Refundable Deposits - NHD CHP	177,727.00	177,727.00	177,727.00	177,727.00
Deposit Under Rent Act.	450,000.00	450,000.00	450,000.00	450,000.00
Deposit Housing Societies NHD	1,147,998.75	1,147,998.75	1,147,998.75	1,147,998.75
Rent Agents Deposit UH Collection	272,500.00	272,500.00	67,665.35	67,665.35
	333,797,917.90	**333,797,917.90**	**333,913,237.30**	**333,913,237.30**

NOTE [29] PROVISIONS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Audit fees	4,655,040.00	4,655,040.00	6,443,440.00	6,443,440.00
Pending Court Cases	211,823,670.17	211,823,670.17	211,663,670.17	211,663,670.17
EPF,ETF & Surcharges	410,169.53	410,169.53	410,169.53	410,169.53
	216,888,879.70	**216,888,879.70**	**218,517,279.70**	**218,517,279.70**

NOTES ON STATEMENT OF FINANCIAL PERFORMANCE

NOTE [30] REVENUE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Sale of Houses	2,240,000.00	40,740,000.00	52,402,905.00	80,778,989.00
Sale of Land	40,706,164.04	40,706,164.04	14,477,591.79	14,477,591.79
	42,946,164.04	81,446,164.04	66,880,496.79	95,256,580.79

NOTE [31] COST OF SALES

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
HOUSES				
Opening Stock	70,015,985.31	70,015,985.31	62,095,985.30	62,095,985.30
Transfer from Working Progress & Others	-	-	56,458,035.41	56,458,035.41
	70,015,985.31	70,015,985.31	118,554,020.71	118,554,020.71
Closing Stock	(68,644,980.22)	(68,644,980.22)	(70,015,985.31)	(70,015,985.31)
`				
Cost of Sales - NHDA	1,371,005.09	1,371,005.09	48,538,035.40	48,538,035.40
OVDC	-	27,957,040.00	-	22,334,184.00
	1,371,005.09	29,328,045.09	48,538,035.40	70,872,219.40
LAND				
Cost of Land - NHDA	-	-	-	-
Total Cost of Sales	1,371,005.09	29,328,045.09	48,538,035.40	70,872,219.40

NOTE [32] OTHER REVENUE

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Revenue Form Rent NOTE [32] SUB 1	160,065,831.32	217,257,139.32	151,568,178.77	216,060,984.77
Revenue From Interest NOTE [32] SUB 2	1,084,063,140.20	1,095,648,085.20	1,452,862,800.04	1,457,197,355.04
Revenue From Others NOTE [32] SUB 3	1,188,231,966.79	1,640,388,605.79	7,425,712,943.27	7,703,651,522.27
Non Refundable Deposits NOTE [32] SUB 4	1,014,000.00	1,014,000.00	259,991.79	259,991.79
	2,433,374,938.31	**2,954,307,830.31**	**9,030,403,913.87**	**9,377,169,853.87**

NOTE [32] SUB 1 REVENUE FORM RENT

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
NHD House Rent	-	-	10,960.00	10,960.00
Residential Houses	56,329,920.86	56,329,920.86	65,178,583.03	65,178,583.03
Public Servants Quarters	5,239,118.74	5,239,118.74	5,004,761.12	5,004,761.12
Commercial Building	70,072,820.67	127,264,128.67	67,109,699.41	131,602,505.41
Lease Rent	24,351,718.55	24,351,718.55	12,400,038.21	12,400,038.21
Circuit Bungalow Rent	4,072,252.50	4,072,252.50	1,864,137.00	1,864,137.00
	160,065,831.32	**217,257,139.32**	**151,568,178.77**	**216,060,984.77**

NOTE [32] SUB 2 REVENUE FROM INTEREST

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Fixed Deposit - Intrest	-	11,118,810.00	-	3,460,119.00
Distrest Loan Intrest	5,919,676.73	5,919,676.73	5,575,557.90	5,575,557.90
Interest on Sale of Houses Instalments	20,933,802.23	20,933,802.23	22,508,456.45	22,508,456.45
Interest on Sale of Land Instalments	2,151,087.33	2,151,087.33	652,944.73	652,944.73
Interest on Treasury Bills	145,328,008.53	145,328,008.53	87,800,967.51	87,800,967.51
Interest on Loan Under Diripiyasa	-	-	-	-
Interest on Gamanaguma Programme	445,589.36	445,589.36	1,050,815.49	1,050,815.49
Interest on Janasevana I 12% (Banks)	17,818,903.68	17,818,903.68	36,531,416.12	36,531,416.12
Treasury Fund & IG Loan Interest 2011	37,108,472.73	37,108,472.73	91,978,339.66	91,978,339.66
Interest on Janasevana II 10% (Banks)	124,294,143.13	124,294,143.13	192,465,994.30	192,465,994.30
Staff Housing Loan	7,235,915.66	7,235,915.66	7,543,472.12	7,543,472.12
Interest on Fisheries Houses & Estate	4,801,748.86	4,801,748.86	7,254,884.81	7,254,884.81
Loan Programme	1,292,689.58	1,292,689.58	1,390,387.52	1,390,387.52
2015 Loan Programme	510,887,599.80	510,887,599.80	910,062,849.37	910,062,849.37
Interest Income from Middle Income Housing Project	5,171,570.37	5,171,570.37	5,371,925.61	5,371,925.61
Interest on 2020 Loan Programme(Trasury)	147,920,871.08	147,920,871.08	65,506,572.51	65,506,572.51
Interest on 2020 Loan Programme(IG)	52,407,112.00	52,407,112.00	16,124,777.10	16,124,777.10
Other Interest	345,949.13	386,919.13	1,043,438.84	1,060,785.84
Loans and Other Receivables	-	425,165.00	-	857,089.00
	1,084,063,140.20	**1,095,648,085.20**	**1,452,862,800.04**	**1,457,197,355.04**

NOTE [32] SUB 3 REVENUE FROM OTHERS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Sundry Income	-	6,230,005.00	-	336,293.00
Services Charges on Housing Loan	140,148.81	140,148.81	40,341.05	40,341.05
Housing Transfer Fees	6,376,063.31	6,376,063.31	3,179,454.33	3,179,454.33
Administration charges ,Consultancy fees & Others	9,541,388.53	9,541,388.53	69,965,784.93	69,965,784.93
Sale of Documents, Books, Others Etc.	1,750,627.58	1,750,627.58	2,625,367.96	2,625,367.96
Application fees - Siyapatha Housing Pro	252,000.00	252,000.00	72,000.00	72,000.00
Sale of Unserviceable Items	1,323,349.46	1,323,349.46	631,452.92	631,452.92
Hire of Premises	5,722,015.34	5,722,015.34	597,800.00	597,800.00
Insurance Claimed Received (Vehicle)	-	-	5,743,900.00	5,743,900.00
Sale of Vehicles	9,296,737.00	9,296,737.00	-	-
Furniture & Fittings disposal	1,070,200.00	1,070,200.00	-	-
Office Eqvipment disposal	864,100.00	864,100.00	-	-
Hiring of Vehicles	117,446.78	117,446.78	105,862.54	105,862.54
Hiring of Plant & Machinery	203,318.70	203,318.70	12,860.00	12,860.00
Dividend Received from HDFC Bank & OVDC	883,947.00	883,947.00	8,624,139.12	8,624,139.12
Fines & Surcharges	27,060,893.71	27,060,893.71	23,308,758.97	23,308,758.97
Compensation to Houses & Land	336,377.18	336,377.18	-	-
Insurance Cleaim Received	-	-	1,200.00	1,200.00
Unclam Tender Deposits & Retention Fees	1,025,390.24	1,025,390.24	23,254,928.02	23,254,928.02
Sevana Media	357,838.50	357,838.50	1,466,907.48	1,466,907.48
Other Grant Received	98,568,096.30	98,568,096.30	-	-
Sevana Grant Received	32,175,000.00	32,175,000.00	560,000.00	560,000.00
Grant - Revamping of Condominiums	95,894,128.35	95,894,128.35	65,081,993.98	65,081,993.98
Grant Reseived	895,272,900.00	895,272,900.00	7,070,289,667.00	7,070,289,667.00
Over Provision Compensation (Legal)		-	150,150,524.97	150,150,524.97
legal Fees	-	2,229,718.00	-	860,214.00
Anternna Income	-	34,833,361.00	-	31,204,573.00
Parking Income	-	45,000.00	-	180,000.00
Equipment Room Income	-	2,183,636.00	-	1,986,281.00
Service Charges	-	3,815,833.00	-	3,939,892.00
Increase in Fair Value of Investment Propaty	-	391,419,086.00	-	236,131,326.00
Owner Occupied Property Fair Value(Gain)	-	11,400,000.00	-	3,300,000.00
	1,188,231,966.79	**1,640,388,605.79**	**7,425,712,943.27**	**7,703,651,522.27**

NOTE [32] SUB 4 NON REFUNDABLE DEPOSITS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Tender Deposits	1,014,000.00	1,014,000.00	259,991.79	259,991.79
	1,014,000.00	**1,014,000.00**	**259,991.79**	**259,991.79**

NOTE [33] INSTITUTIONAL & ADMINISTRTIVE EXPENSES

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Board Expenses	498,000.00	498,000.00	552,000.00	552,000.00
Salaries and Wages	795,477,881.30	841,652,728.30	834,367,628.23	877,272,955.23
Remuneration to Key Management Personnel	2,303,136.61	6,412,526.61	1,549,840.00	5,099,840.00
Overtime	37,055,453.62	37,055,453.62	47,085,778.57	47,085,778.57
Other Allowances	137,671,418.20	137,671,418.20	24,014,811.93	24,014,811.93
Cost of Living Allowances	163,282,563.69	163,282,563.69	173,789,323.40	173,789,323.40
Incentive Payments	348,465.29	348,465.29	4,252,153.02	4,252,153.02
Bonus	4,970,215.83	4,970,215.83	3,990,277.20	3,990,277.20
Incentive Payments- Bonus	121,676.71	121,676.71	9,393,262.49	9,393,262.49
E P F Contributions	114,553,834.68	118,307,023.68	126,604,759.41	130,549,388.41
E T F Contributions	28,886,710.78	29,637,058.78	32,042,471.15	32,831,397.15
Compensation	-	-	489,472.00	489,472.00
Holiday Payment	13,910,647.89	13,910,647.89	21,225,146.95	21,225,146.95
Training & Scholarships	118,140.00	118,140.00	436,462.00	436,462.00
Encashment of Vacation Leave	25,434,842.87	25,434,842.87	11,330,522.62	11,330,522.62
Reimbursment of Membership Fees	19,000.00	19,000.00	33,618.00	33,618.00
Staff Medical Scheme	31,051,548.44	31,051,548.44	32,438,019.91	32,438,019.91
Medical Report Charges	-	-	42,614.50	42,614.50
Gratuity Provision	53,838,320.90	54,985,662.90	53,896,313.60	55,295,658.60
Allowance for Board of Survey	828,450.00	828,450.00	661,575.00	661,575.00
Travelling - Local	41,337,928.08	47,061,793.08	38,739,973.09	40,210,671.09
Payment on Security Services	30,998,963.48	36,995,807.48	19,542,779.20	19,542,779.20
Stationery & Office Requisites	29,085,925.08	29,085,925.08	25,726,393.24	32,345,683.24
Fuel for Motor Vehicles	41,163,720.58	41,163,720.58	22,870,738.75	22,870,738.75
Transport & Hiring of Machinery & Equipment Etc.	134,376.53	134,376.53	216,328.00	216,328.00
Health Sanitary & Other Services	4,890,372.95	4,890,372.95	4,083,398.00	4,083,398.00
Printing Charges	2,635,586.32	2,635,586.32	1,948,268.90	1,948,268.90
Newspapers & Periodicals	395,579.50	395,579.50	369,554.75	369,554.75
Uniforms	76,310.00	76,310.00	970,089.75	970,089.75
Services-Tea Supply Employees Welfare	4,116,503.06	4,116,503.06	3,353,922.36	3,353,922.36
Welfare	1,649,106.96	1,649,106.96	1,148,085.65	1,148,085.65
Name Boards	114,050.00	114,050.00	361,774.00	361,774.00
maintance -Buildings & Structures	16,878,811.95	36,005,109.95	9,694,107.23	16,121,588.23
Plant, Machinery & Office Equipment	11,868,024.57	14,963,804.57	8,164,413.93	11,560,759.93
Motor Vehicles	15,014,576.98	15,014,576.98	12,426,227.34	12,426,227.34
Furniture	34,350.00	34,350.00	28,275.00	28,275.00
Housing Scheme	2,902,089.65	2,902,089.65	5,467,207.59	5,467,207.59
Circuit Bungalow Expenses	2,901,336.55	2,901,336.55	1,446,978.95	1,446,978.95
Rewamping of Condominiums	95,894,128.35	95,894,128.35	65,081,993.98	65,081,993.98
Hiring of Motor Vehicles	45,166,529.54	45,166,529.54	54,336,872.57	54,336,872.57
Telephone	8,030,128.75	8,030,128.75	10,227,012.93	10,227,012.93
Electricity	12,988,513.99	12,988,513.99	13,291,608.87	13,291,608.87
Water	2,571,735.54	2,571,735.54	2,252,031.10	2,252,031.10
Rent for Office Buildings	4,273,328.00	4,273,328.00	4,039,985.38	4,039,985.38
Rates	8,463,958.34	8,463,958.34	9,564,664.82	9,564,664.82
Advertisement	562,123.20	562,123.20	5,533,532.93	5,533,532.93
Legal Fees	23,276,486.79	24,416,486.79	15,325,811.55	16,109,611.55
Postage	12,984,417.53	12,984,417.53	7,172,682.85	7,172,682.85
Insurance	2,973,540.02	4,573,188.02	2,386,315.06	3,989,247.06
Licence Fees	493,605.26	493,605.26	520,610.01	520,610.01
Information & Publicity	4,025,975.23	4,025,975.23	288,080.31	288,080.31
Fines & Surcharges	35,636.00	35,636.00	-	-
Administrative Expenses	-	2,665,504.00	-	3,204,276.00
	1,838,308,025.59	**1,933,591,080.59**	**1,724,775,768.07**	**1,800,868,818.07**

NOTE [32] SUB 3 REVENUE FROM OTHERS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Sundry Income	-	6,230,005.00	-	336,293.00
Services Charges on Housing Loan	140,148.81	140,148.81	40,341.05	40,341.05
Housing Transfer Fees	6,376,063.31	6,376,063.31	3,179,454.33	3,179,454.33
Administration charges ,Consultancy fees & Others	9,541,388.53	9,541,388.53	69,965,784.93	69,965,784.93
Sale of Documents, Books, Others Etc.	1,750,627.58	1,750,627.58	2,625,367.96	2,625,367.96
Application fees - Siyapatha Housing Pro	252,000.00	252,000.00	72,000.00	72,000.00
Sale of Unserviceable Items	1,323,349.46	1,323,349.46	631,452.92	631,452.92
Hire of Premises	5,722,015.34	5,722,015.34	597,800.00	597,800.00
Insurance Claimed Received (Vehicle)	-	-	5,743,900.00	5,743,900.00
Sale of Vehicles	9,296,737.00	9,296,737.00	-	-
Furniture & Fittings disposal	1,070,200.00	1,070,200.00	-	-
Office Eqvipment disposal	864,100.00	864,100.00	-	-
Hiring of Vehicles	117,446.78	117,446.78	105,862.54	105,862.54
Hiring of Plant & Machinery	203,318.70	203,318.70	12,860.00	12,860.00
Dividend Received from HDFC Bank & OVDC	883,947.00	883,947.00	8,624,139.12	8,624,139.12
Fines & Surcharges	27,060,893.71	27,060,893.71	23,308,758.97	23,308,758.97
Compensation to Houses & Land	336,377.18	336,377.18	-	-
Insurance Cleaim Received	-	-	1,200.00	1,200.00
Unclam Tender Deposits & Retention Fees	1,025,390.24	1,025,390.24	23,254,928.02	23,254,928.02
Sevana Media	357,838.50	357,838.50	1,466,907.48	1,466,907.48
Other Grant Received	98,568,096.30	98,568,096.30	-	-
Sevana Grant Received	32,175,000.00	32,175,000.00	560,000.00	560,000.00
Grant - Revamping of Condominiums	95,894,128.35	95,894,128.35	65,081,993.98	65,081,993.98
Grant Reseived	895,272,900.00	895,272,900.00	7,070,289,667.00	7,070,289,667.00
Over Provision Compensation (Legal)		-	150,150,524.97	150,150,524.97
legal Fees	-	2,229,718.00	-	860,214.00
Anternna Income	-	34,833,361.00	-	31,204,573.00
Parking Income	-	45,000.00	-	180,000.00
Equipment Room Income	-	2,183,636.00	-	1,986,281.00
Service Charges	-	3,815,833.00	-	3,939,892.00
Increase in Fair Value of Investment Proparty	-	391,419,086.00	-	236,131,326.00
Owner Occupied Property Fair Value(Gain)	-	11,400,000.00	-	3,300,000.00
	1,188,231,966.79	**1,640,388,605.79**	**7,425,712,943.27**	**7,703,651,522.27**

NOTE [32] SUB 4 NON REFUNDABLE DEPOSITS

	NHDA	CONSOLIDATED	NHDA	CONSOLIDATED
	2022		2021	
	Rs.	Rs.	Rs.	Rs.
Tender Deposits	1,014,000.00	1,014,000.00	259,991.79	259,991.79
	1,014,000.00	**1,014,000.00**	**259,991.79**	**259,991.79**

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31 DECMBER 2022

Rs.Mi

	CAPITAL	CAPITAL RESERVE	ACCUMULATED SURPLUSES/ DEFICITS	MINORITY INTEREST OVDC
Balance as at 01 st January 2021	40.000	44,299.413	(17,171.650)	1,218.754
Change in net Asset / equity for 2021		753.025		
Surplus / Deficit for the period			(841.637)	
Surplus / Deficit for the period			152.989	118.432
Balance as at December 31,2021	40.000	45,052.438	(17,860.298)	1,337.186
Changes in accounts of OVDC			(6.700)	(5.138)
Restated Balance as at 31 st December 2021	40.000	45,052.438	(17,866.998)	1,332.049
Prior Year Adjustments NHDA			6.914	
Prior Year Adjustments (OVDC)			(0.882)	(0.678)
Balance as at 01 st January 2022	40.000	45,052.438	(17,860.966)	1,331.371
Change in net Asset / equity for 2022		261.397		
Surplus / Deficit for the period			(1,288.412)	
Surplus / Deficit for the period (OVDC)			236.989	181.720
Balance as at December 31,2022	40.000	45,313.835	(18,912.389)	1,513.091

NATIONAL HOUSING DEVELOPMENT AUTHORITY AND SUBSID1ARY COMPANY
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st DECEMBER 2022

		NHDA	OVDC	CONSOLIDATED	CONSOLIDATED
		2022	**2022**	**2022**	**2021**
Cash flows from operating activities		**Rs.Ml**	**Rs.Ml**	**Rs.Ml**	**Rs.Ml**
Surplus/deficit before taxation		(1,196.265)	413.544	(782.721)	(654.852)
Non-Cash movements					
Increase / Decrease in Gratuity Provition	53.838		(0.617)	53.221	55.295
Increase / Decrease in Provision for Audit fees	2.000		-	2.000	2.000
Depreciation	51.822		3.187	55.009	63.044
Reversal of Provition for Depreciation				-	(14.687)
Provision of Bad & doubtful debts	370.820			370.820	672.099
Income Tax Set off ovdc				-	(4.371)
Amortization of intangible assets				-	0.018
Over Provision of pending courts cases NHDA	0.160			0.160	(150.150)
Fair value gain from Investment			(0.016)	(0.016)	(0.008)
Fair value gain on Investment property			(391.419)	(391.419)	(236.131)
Write off of & others				-	220.724
Gain/Loss from fixed Assets	(11.231)			(11.231)	(5.744)
Interest income	(145.328)		(11.585)	(156.913)	(94.078)
Interest Expenses	(250.531)		(0.532)	(251.063)	(328.077)
Increase / Decrease in Current Assests	(867.082)		(2.067)	(869.149)	(2,783.612)
Increase / Decrease in Payable	316.002		(29.041)	286.961	36.320
Increase / Decrease in Investment	-		-	-	(29.365)
Increase / Decrease in Amou. due to Related Parties OVDC	-		(5.014)	(5.014)	-
		(479.530)			
Cash generated from Operation		(1,675.795)	(23.560)	(1,699.355)	(3,251.575)
Gratuity paid		(100.359)		(100.359)	(71.875)
Audit fees		(3.788)		(3.788)	-
Income tax paid OVDC			(6.142)	(6.142)	(11.901)
Interest paid		250.531	0.532	251.063	328.077
Divident Paid			(1.562)	(1.562)	(1.023)
Net cash from operating Activities		(1,529.411)	(30.732)	(1,560.143)	(3,008.297)
Cash flows from investing activities					
Purchase Of property Plant & Equipment		(7.117)	(0.103)	(7.220)	(6.663)
Increase / Decrease in development Assets.		2,772.532		2,772.532	1,799.811
Proceeds from sale of fixed assets		11.254		11.254	5.744
Additions to Investment property			(0.181)	(0.181)	(4.569)
Interest received		136.572	8.966	145.538	92.948
Net proceeds from investment			20.026	20.026	(44.984)
Net cash used in investing activities		1,383.830	(2.024)	1,381.806	(1,166.010)
Cash flows from financing Activities					
Grant Received	1576.516				
Grant payment	1315.118	261.396		261.396	884.708
Loans payment		(919.354)		(919.354)	(1,449.976)
Net Additions finance lease liabilities			(3.189)	(3.189)	(2.820)
Net increase in cash & cash equivalents		725.872	(5.213)	720.659	(1,734.098)
Cash & Cash equivalent as at beginning of period		876.949	21.338	898.287	2,632.379
Cash & Cash equivalent at end of period		1,602.821	16.125	1,618.946	898.281

Notes to the cash flow Statements -

Cash and cash Equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments. Cash and cash equivalents included in the cash flow statement comprise the following statement of financial position amounts :

	2022	**2021**
Cash on hand and balance with bank	387.558	238.400
Short - term investments	1231.388	659.881
	1618.946	898.281

National Housing Development Authority
Statement of Comparison of Budget and Actual Amounts for the year ended 31 December 2022

	Rs in M	Budgeted Amount Original	Budgeted Amount Final	Actual Amount	Difference Final Budget and Actual
A	**RECEIPTS**				
1	Revenue From Land & Houses	84.68	109.154	42.946	66.208
2	Revenue From Rent	241.475	249.138	160.066	89.072
3	Revenue From Interest	1392.704	1253.941	1084.063	169.878
4	Revenue From Orthers	175.153	210.688	1188.232	-977.544
5	Non Refundable Deposits	0.235	0.911	1.014	-0.103
	Total receipts	1894.247	1823.832	2476.321	-652.489
B	**PAYMENTS**				
1	Board Fees	0.576	0.516	0.498	0.018
2	Personal Emoluments	1706.752	1530.635	1409.871	120.764
3	Travelling Expenses	66.775	44.400	41.338	3.062
4	Supplies	114.972	99.98	84.126	15.854
5	Maintenance Expenditure	203.989	102.094	145.495	-43.401
6	Contractual Services	219.926	181.728	156.943	24.785
7	Finance Charges	1762.039	305.987	380.575	-74.588
8	Indirect Operational Expence	331.526	7.841	426.353	-418.512
	Total payments	4406.555	2273.181	2645.199	-372.018
C	**NET RECEIPTS/ PAYMENTS**	(2512.308)	(449.349)	(168.878)	(280.471)

Note The budget is approved onaccrued basis by functional classification. The approved covers the period from January 01st, 2022 to 31st December 2022.

Report of the Auditor General

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

My No: HUD/A/NHDA/01/2022/57 **Date:** 05 September 2023

Chairman
National Housing Development Authority

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Housing Development Authority and its subsidiary for the year ended 31 December 2022 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above mentioned report and a copy of certified financial statements are sent herewith.

Signed /T.G.I.Padmini
Deputy Auditor General
For Auditor General

Copies : 01. Secretary, Ministry of Urban Development and Housing
02. Secretary, Ministry of Finance, Economic Stabilization & National Policies

ජාතික විගණන කාර්යාලය
தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

My No: HUD/A/NHDA/01/2022/57 **Date:** 05 September 2023

Chairman

National Housing Development Authority

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Housing Development Authority and its subsidiary for the year ended 31 December 2022 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

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1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the National Housing Development Authority (“Authority”) and its subsidiary (“Group”) for the yearended 31 December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of financial performance statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 provisions of the National Audit Act No. 19 of 2018 and Financial Act No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the National Housing Development Authority and its subsidiary as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

(a) **Sri Lanka Public Sector Accounting Standard No.01 - Presentation of Financial Statements,**

As described in 29 (a) paragraph and the appendix , according to the qualitative characteristics of financial reporting, reliable information should be presented free of quantitative errors and bias. Nevertheless, a sum of Rs.1.33 million had been accounted for under other receivables in the financial statements to be recovered in connection with the frauds committed in the recovery of housing loans in the Authority's head office , Kandy and Nuwara Eliya district offices, but those details had not been disclosed. Moreover, according to the information revealed to the audit, the information about the frauds relating to Kalutara district amounting to Rs. 7.21 million and in debt collection in 3 other districts had not been disclosed in the financial statements.

Home loan balance as at 31 December 2022 was Rs.10,496.5 million and the number of borrowers was 350,000. These loans should be recovered in long term installments as 5, 10, 15 years etc. However, due to the absence of an information system to formally report the information related to the granting and recovery of loans, the audit could not obtain the correct information related to the loans. Furthermore, due to data changes in the existing system and financial frauds being continuously reported from the district offices, the correctness of loan balances and write-offs of loan balances could not be confirmed during the audit.

(b) **Sri Lanka Public Sector Accounting Standard No. 7 - Property, Plant and Equipment**

(i) In accordance with paragraph 65 of the Standard, the residual value and useful life of an asset shall be reviewed at least once in every year and if the expected circumstances change; it should be accounted for as a change in accounting estimates as per Sri Lanka Public Sector Accounting Standard No. 03 - Accounting Policies Changes and errors in accounting estimates. However, no such review had been done regarding property, plant and equipment of Rs.28.82 million included in the financial statements as at 31 December 2022. Further, fixed assets costing to Rs.218.85 million had been fully depreciated but continued in use. The effective life and fair value of those assets had not been reassessed and accounted for and adjusted as per Public Sector Accounting Standards No. 7 and 3 above.

(ii) According to paragraphs 27 and 47 in the standard, the value of lands should be accounted for at fair value. However, the value of the land of 17.43 perches which was acquired in the years 1987 and 1988 belonging to the Hantana Resort had been acquired for more than 30 years, had been stated as Rs.2,520 in the financial statements even at the end of the year under review.

(c) **Sri Lanka Public Sector Accounting Standard No. 8 - Provisions, Contingent Liabilities and Contingent Assets,** According to paragraph 47, contingent liabilities should be identified and 60 percent or 90 percent of it should be provided. However, as mentioned in the accounting policy 8.1 of the Authority, in relation to 26 cases filed in the courts by the external parties against the Authority, only ten percent of the amount of Rs. 2118 million had been provided in the financial statements as contingent liabilities.

(d) **Sri Lanka Public Sector Accounting Standard No. 10 – Revenue from Exchange Transactions**

(i) In terms of paragraph 16 in the standard revenue arising from value exchange transactions, the fair value of the consideration should be determined by discounting all future receipts using the imputed rate of interest when the fair value of the consideration is less than the nominal amount received or receivable when the inflow of cash or cash equivalents is deferred. Further, the difference between the fair value and the nominal value of the consideration should be recognized as interest revenue as per paragraph 33 and 34 of the standard. However, the authority had not dealt with the premiums and interest charged in relation to the houses and lands given on the basis of long-term lease under subsidized interest rates on the basis of recovery in installments.

(ii) As per paragraph 87 B in the standard, appropriate adjustments must be made to the financial statements of the Authority and the subsidiaries to ensure that the Group accounts are in compliance with accounting standards. However, the consolidated financial statements had been prepared without making uniform adjustments to the accounting practices related to it, while the Subsidiary, Oceanview Development Private Limited is following Sri Lanka Accounting Standards (LKAS).

(e) **Sri Lanka Public Sector Accounting Standard No.11** - Revenue from non-exchange transactions, contrary to the provisions of paragraph 44, government grants amounting to Rs.346.19 million received as non-exchange transactions in the year under review, had been recognized under reserves instead of recognizing as revenue.

(f) **Sri Lanka Public Sector Accounting Standard No. 12 - Leases ,** According to paragraph 59, it should be disclosed in the financial statements of the lessors regarding finance leases. However, the value of the flats given on lease basis by the Authority amounting to Rs.81.62 million had not been recognized in the financial statements as finance leases.

(g) **Sri Lanka Public Sector Accounting Standard No. 13 - Investment Property** , According to paragraph 7, a land or a building or part of a building held for lease income or capital appreciation or for both purposes should be treated as investment property. However, houses valued at Rs.1024.23 million provided on rent/lease basis, properties had been mentioned under Property, plant and equipment. Further, 5 houses and shops costing to Rs.3.81 million expected to be let on rent/lease basis had been accounted as stock instead of investment property. Moreover, the value of 1809 shops given by the Authority as rent/lease basis and the value of 37 shops which were identified to be provided on rent/lease basis had also not been taken into account.

(h) **According to Sri Lanka Public Sector Accounting Standard No.14 - Related Party Disclosures,** According to paragraph 16, the Authority had not disclosed the quantitative information to be disclosed about the related parties.

(i) **Sri Lanka Public Sector Accounting Standard No. 17 - Segment Reporting** , According to paragraph 9, the Authority should identify the separable activities of the entity in order to evaluate the past performance of the entity in achieving its objectives and make decisions about the allocation of future resources, to report the financial information separately. However, separately identifiable activities such as house sales, land sales and leases, housing loans, execution of housing projects, client projects etc. had not been separately identified and performance evaluated by the Authority.

(j) According to the accounting policy note number 13 of the Authority, in the acquisition of government land for the purpose of building houses without payment, an amount equal to the market value of the land and the initial cost should be shown in the accounts from the year 2013 and should be identified as reserves and accounted for. However, action had not been made accordingly.

(k) The value of 8,286 no of land plots of 473.15 hectares owned by the Authority and the land areas costing to Rs.436.59 million as at 31 December 2022 located where the offices and buildings provided on lease basis by the Authority had not been accurately identified and the land values had not been assessed and accounted for.

(l) According to the financial statements of the Colombo District Office, the value of land sales in the year under review was Rs.19.86 million, but according to the Authority's financial statements, it was Rs. 13.03 million . Thus, a difference of Rs.6.83 million was observed in the land sale value, but the reasons had not been revealed for it .

(m) According to the detailed schedule submitted to the audit , provision for doubtful debts for the year under review was Rs.368.56 million, but in the financial performance statement it was Rs.370.82 million. Thereon, the profit of the year under review had been understated by Rs.2.26 million.

(n) The Authority had stated a pre-tax loss of Rs.1,287.41 million in preparing the cash flow statement, but the correct loss before tax as per the statement of comprehensive income was Rs.1,196.26 million. Accordingly, the net cash flow generated from operating activities had been overstated by Rs. 91.15 million.

Furthermore , Under non-cash changes, provisions for doubtful debts and gratuity which were to be adjusted in the calculation of profit/loss generated from operating activities amounting to Rs.370.82 million and Rs.53.84 million respectively had not been adjusted properly. Due to this, the net cash flow generated from operating activities had been overstated by Rs. 424.66 million. Further according to the details submitted to audit, the grant rreceived for the year under review was Rs.1,576.52 million. However, the grant received as stated under financial activities was Rs. 1,678.29 million. Thereon, the net cash flow from financing activities had been overstated by Rs.101.77 million.

(o) In case of expropriation of houses during the period when the housing department was in existence, a sum of Rs.13.54 million had been stated as CHP under non current liabilities , but the written evidence containing the relevant details had not been submitted for the audit.

(p) The age analysis for the tender deposits shown in the financial statements amounting to Rs.5.11 million had not been submitted to the audit. Due to this, it was not possible to determine whether there were overdue deposits in the audit.

(q) Balance receivable from Urban Development Authority as at 31 December 2022 was Rs.104.35 million. However, it had been stated as the balance payable of Rs. 52.51 million in the financial statements of the Authority. However, according to the ledger accounts of the Urban Development Authority, there was no balance payable to the authority on that day and the balance receivable was Rs. 41.83 million. Therefore, the balance receivable to the authority was differed by Rs.104.35 million and the balance payable was differed by Rs.10.63 million. The reasons for those changes had not been revealed in audit.

(r) **Sri Lanka Accounting Standard Number 16 - Property fixtures and equipment ,** According to paragraphs 50 & 51, the residual value and useful life of an asset shall be reviewed at least once in every year and if the expected circumstances change; it should be accounted for as a change in accounting estimates as per Sri Lanka Accounting Standard No. 08 - Accounting Policies Changes and misstatements in accounting estimates. However, no such review had been done regarding property, plant and equipment of Rs.45.97 million included in the financial statements as at 31 December 2022 in the subsidiary Oceanview Development Private Limited. Further, fixed assets costing to Rs.28.20 million had been fully depreciated but continued in use. However, appropriate steps had not been taken to correct the estimated error of those assets.

(s) The capital allowance allowed in respect of the assets acquired during the tax year in future amounting to Rs.4.55 million had been calculated twice at the calculation of temporary changes to the income tax. Thereon, the company's deferred liability in the year under review had been understated by Rs.1.54 million.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAUS). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the Authority's 2022 Annual Report.

The other information comprises the information included in the Authority's 2022 Annual Report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Authority's 2022 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Authority is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Authority.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Express an opinion on the consolidated financial statements sufficient appropriate audit evidence was obtained regarding the financial information of the entities or business activities in the Group to. I am responsible for directing , supervising and performing in Group Audit . I am solely responsible for this audit opinion.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 include specific provisions for following requirements.

2.1.1 Except for the effects of the matters described in the basis for Qualified Opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Authority as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 According to the requirement mentioned in section 6 (i) (d) (iv) of the National Audit Act No. 19 of 2018 , the recommendations made by me in the last year except for the observations given as a , b , e, g, h in the basis for qualified opinion section of my report, are included in the financial statements.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Authority has any direct or indirect interest in any contract entered into by the Authority which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 to state that the Authority has not complied with any applicable written law, general and special directions issued by the governing body of the Authority as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for:

	Reference to law/ direction	Observations
(a)	Section 3 (1) of Part I of the National Housing Development Authority Act No. 17 of 1979	There are 6 no of board members shall be appointed by the minister and one member shall be a representative of the Ministry of Finance. According to the letter No. MF1/01/16/01/117-NHDA/02 of the Additional Secretary of the Ministry of Finance, Economic Stabilization and National Policy dated 19 May 2023, three senior officers had been appointed as Treasury representatives to the Authority within two years. But it was informed to the secretary that they had resigned saying that it was difficult dealing with the Board of Directors. And although it was asked to inform about the steps that can be discussed with the chairman of the Authority regarding these resignations, such notification had not been made until 15 August 2023. Thus, from October 2022 to August 2023, board meetings had been held without the representation of the Ministry of Finance and decisions had been taken regarding the transfer of land, changes in housing projects and the hiring of officials, and there was a problematic situation regarding the formality of these decisions.

(b)	Financial Regulations of the Democratic Socialistic Republic of SriLanka	
I	Financial Regulation 135	Although the delegation of financial authority should be revised once in a certain period, the authority had not revised the delegation of financial authority after the year 2016.
II	Financial Regulation 369	Actions had not been taken as per the mentioned regulations relating to cheques totaling to Rs.2.062 million issued from bank accounts of the Authority but not presented over six months period and two cheques totaling to Rs.77,666 had not been settled for 28 years.
(c)	Paragraph 9.4 of Management Services Circular No. 12 dated 30 May 2003	The employees of an organization cannot be released to the line ministry or any other organization without the approval of the cabinet, and if they are released on formal approval, no payment should be made during that period. But contrary to that, the authority had released 09 officers to Ministries , Corporations and Companies and salaries and allowances paid for 07 officers of them amounting to Rs. 3.6 million during the year had not been reimbursed by the Authority.
(d)	Guidelines in Public Enterprises Circular No. 01/2021 dated 16 November 2021	
I	Paragraph 2.3	A strategic plan had not been prepared for the authority and the action plan and annual budget prepared by the authority had not been submitted to the Director General of the Department of Public Enterprises or to the Director General of the National Budget Department.
II	Sentence (ix) of paragraph 3.4	An acting appointment should be made only as a temporary remedy until a permanent appointment is made , and if the post requires the services of a full-time officer, the permanent appointment should be made without delay. If the services of a full-time officer are not required, the duties should be distributed among other officers. But acting appointments had been made for 19 posts over a long period from 01 year to 03 years.
III	Sentence "H" of Paragraph 4.2	Audit and Management Committee should be met at least once a quarter and submit a report with its recommendations to the Board of Directors. However,

		the Authority had held only two Audit and Management Committee meetings during the year under review.
(e)	National Budget Circular No. 3/2022 dated 26 April 2022	
	Sentence 3	Non-essential and non-priority expenses such as ceremonies, openings, conferences held by government institutions were suspended and public funds were not to be used for them, but the National Housing Development Authority had spent a sum of Rs.2.272 million.
(f)	Public Finance Circular No. 402 dated 12 September 2022	Although the annual performance report should be prepared within 150 days after the end of the financial year and tabled in Parliament with a copy to the Auditor General, the authority had not yet arranged to table the annual reports for the years 2019 , 2020 and 2021 in Parliament even by 01 September 2023 .

2.2.3 to state that the Authority has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018, except for;

(a) There were 3,110 plots of land owned by the Authority of 125.18 hectares are being enjoyed by unauthorized residents, and the necessary legal procedures to regularize those lands had not been made.

(b) The foreign company named BAY SAT MBH (Pvt) LTD had been granted to construct a mixed development project with housing and commercial complex on the 01 acre and 26.5 perches land located at Darley Road, Colombo 10 owned by the Authority based on Cabinet approval dated 09 November 2005 without calling for public quotations. According to the agreement dated 23 June 2006 with that company, it had been agreed to recover the value of the land of Rs. 650 million on and give a dividend of Rs.162 million to the Authority after completion of the project within 06 years. However, BAY SAT MBH (Pvt) LTD had left the project in the year 2006 without carrying out the proposed development works and the work had been assigned to L & T Infrastructure Development Company. The Authority had entered into an agreement with this new company in 2016 without obtaining a new valuation report for the land and based on the valuation of Rs. 650 million obtained in 2006 that is before 10 years. Before payment of cash under the agreement, the ownership of this land had been transferred to the company on 05 May 2016 by deed number 983 and according to the agreement, a sum of Rs.712 million had to be paid in foreign currency. But contrary to that, a sum of Rs.800 million had been paid to the Authority in Sri Lankan rupees with two Sampath Bank cheques dated 05 May 2016 by lending money from Sampath bank mortgaging 03 no of land plots numbered 2,3 & 4.

However, proposed development works had not been carried out by L & T Infrastructure Development Company even by 31 October 2017. Meanwhile, the company had sold the lot number 05 of this land to the company called OAK through a deed and the OAK Street (PVT) company had mortgaged the said deed and obtained a loan amounting to Rs.950 million from People's Bank. The authority had canceled the deed of sale and OAK Street (PVT) had filed 3 cases against the Authority in the Supreme Court, the District Court and the Court of Appeal. The possession of the land was given to the OAK company until a decision was made by the Supreme Court. According to the above facts, it was observed that the Authority had not performed according to the terms of the upcoming agreements regarding the parties who do not perform the development works in providing land for the development works and had performed in favor of the parties who contract with the Authority.

(c) An agreement had been made on Authority owned land named "Nawala Parangia paddy field" with 05 acres and 10 perches as per Cabinet decision with Eco Home Lanka Ltd in 2004 for the construction of a housing complex within 03 years and that land had been transferred via a conditional freehold deed at a value of Rs.75 million. However, terms on actions which should be taken at a non-performance of project tasks had not been included in the agreement. Furthermore at the transfer of those lands the valuation in 2003 amounting to Rs.75 million instead of valuation in 2004 amounting to Rs.121.5 million had been taken, thereon it was observed that a decrease in value amounting to Rs.46.5 million. However, the company had sold 29.44 perches from the land to Ceylinco Hospitals Service Limited in 2006 at a sum of Rs.196.5 million instead of implementing the development project as per the agreement. Meanwhile the rest of the land had been mortgaged to Seylan bank and obtained a sum of Rs.697.5. As per the Section 8(1) of the National Housing Development Authority Act No. 17 of 1979, the deed had been cancelled by the Authority on 26 June 2020 and a case had been filed against the company.

Further, this land had been given to a private company without any procurement process and contract agreement for a monthly rent of Rs.100,000 for maintaining a water supply equipment warehouse by the board decision No.15/2020 dated 01 September 2020. Its monthly rent had been increased up to Rs.500,000 from 01 October 2022 and the period had been extended till 31 January 2023. It was also observed that in addition to collect construction materials there, a large concrete mixer, a backhoe, and a generator had been left to rot on the land for many years.

Authority had not followed proper procurement methods in disposing of lands for projects , not included necessary conditions in preparing contract agreements correctly, not obtained proper valuations and not worked with proper supervision. It was observed that the project objectives could not be achieved due to these. But the Authority had not taken an action against responsible parties.

(d) A 5½ acres land from the land with 154 acres of 38 perches located at Rangirigama, Dambulla owned by the Authority had been given to a private company in 2007 without formal approval to build a paper factory and no written agreement was reached. Since the land used for paper industry was 2 acres in 2012, the authority had requested from the Dambulla Divisional Secretary to return the remaining 3 ½ acres to the Authority. Only the foundation of the building had been built on this land, and apart from the paper industry, the company had informed the Authority in 2013 that eco-friendly tourism, organic plantations and voluntary projects had to be carried out, but no approval was given for such projects. However, an agreement had been reached with the company in 2019 to recover the rental value after obtaining a valuation report from the valuation department for the land of 5 ½ acres in 2016 amounting to Rs. 2.13 million and a rent of Rs.85,000. According to the Condition 7 of the lease agreement, the leased property cannot be used for any purpose other than the paper industry , but the lessee had built a hotel building with 12 rooms on the leased land instead of the paper industry, and according to the 18th clause of the lease agreement, legal action should be taken when the terms of the agreement are violated. However, it was doubtful in the audit that a legal action had not been taken by the Authority.

2.2.4 to state that the resources of the Authority had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018, except for;

(a) Although there were 4199 no of vacant plots of land of 335.58 hectares owned by the Authority, the Authority had not identified them as investment properties and had not taken action to generate income.

(b) According to the guidelines for the implementation of the housing program "Obata Geyak Ratata Hetak" , selected low-income families will be given a maximum assistance amount of Rs.600,000 per house in 5 stages based on the progress of construction and construction should be completed 60 days after receiving the first assistance installment. However , according to an inspection of a sample , the authority had given only the first installment of Rs.1 lakh each to 767 beneficiaries who were selected to provide assistance in the districts of Matale, Gampaha, Nuwara Eliya, Kurunegala, Anuradhapura in the year under review. Thereon, even the construction works had been commenced by the beneficiaries, it had not been able to finish the work.

(c) There were 6 car parks belonging to the Maligawatta District Office, and Rs.1.308 million should have been charged from those A,B,C,D car parks from January to May 2014, and the same amount had not been collected at the end of the year under review. The car parks had been maintained by various people from time to time from 2016 to 2020, but lease agreements had not been entered into for that purpose. Further, there were 05 parking lots had been utilized without permission since 2020. According to the valuation report, the revenue lost to the Authority was Rs.46.5 million due to this. Moreover , it was also observed that due to not maintaining the rent files correctly and safely, it had not been able to collect the arrears. Although it was observed that the Authority could maintain these car parks in a proper way and earn high income, it was controversial that they had not performed accordingly.

(d) From the land of 10.52 hectares in Dambalugama belonging to the Matale District Office of the Authority, 0.146 hectares for the Water Supply and Drainage Board, 2.21 hectares for the Matale Pradeshiya Sabha, 0.7763 hectares for the Urban Development Authority and 0.1014 hectares for the National Machinery Institute had been given for maintaining offices but no rent had been charged.

(e) There were 04 Pradeepa Festival Halls and 06 Community Halls maintained under the Maligawatta District Office of the Authority. Although the said Festival Halls and Community Halls had been accommodated to the Police, Air Force, Army, Kidney Transplant Institutions from time to time from the year 2020, the fees had not been charged and as a result Rs.3.6 million had lost as income. Further, since there was no written agreement with those institutions, the authority had to bear the water and electricity bills too. Moreover, Modara Pradipa Hall and 05 Community Halls had remained idled from January to June 2022 and an income had not been generated from 2 Maligawatta Pradeepa halls from January to May of the year under review and a sum of Rs.237,435 had been spent on maintenance.

(f) The authority had started 10 housing projects together with private investors by 31 December 2022 and a sum of Rs.180.70 million had been received by the Authority for providing lands and a sum of Rs.167.36 million had been received for the lands given between 2013-2017 period. Thus, although more than 5 years had been passed since the lands were given, the works of 08 projects had not been completed. Further, from the sum of Rs.291.47 million which had been given as contract advance, a sum of Rs.233.48 million had been given two years ago and a sum of Rs 57.61 million had been given more than 5 years ago. However, the advance money had not been able to recover since the contract work had not been commenced.

2.3 Other Matters

(a) According to Cabinet Decision No. 16/2040/701/032 dated 14 October 2016 under the Model Village Project in the year 2017, it was decided to build 500 housing projects consisting of 12,500 houses with 25 houses per village at an estimated cost of Rs.6,250 million. By 31 December 2022, 5 years have been passed since the project had started, but the number of completed model villages was 368 built under it by the end of the year under review. The total number of housing units was 10,070 but the number of habitable units was only 7577. The amount spent was Rs. 4,798 million. The necessary allocations had not been made available in the year under review for 2,430 housing units that were being constructed under this model village project, so the construction had not been done under those projects.

(b) An amount of Rs.291.9 million from the loan amount given under the Ten Lakh Housing Program implemented in 1984-1989 which had passed 33 years as at 31 December 2022, and an amount of Rs.192.5 million from the loan amount given under the Fifteen Lakh Housing Program implemented in the years 1990 to 1992 which had passed 30 years, had not been able to be recovered. Failure to carry out a proper inspection and take appropriate measures to recover the debt had directly affected this situation.

(c) A balance of Rs.6.32 million receivable for providing security services to exhibition stalls of other institutions in “Gam Udawa“ programs had remained under miscellaneous debtors out of which the institutional details of Rs.2.99 million had not been submitted to the audit and the remaining amount of Rs.3.3 million had not also been able to be recovered from the relevant institutions. The reason for this was that the Authority had not taken formal action regarding the recovery of the balance due.

(d) There was a balance of Rs.230.8 million as at 31 December 2022 which was due from National Machinery Institute, including a balance of Rs.44.86 million from 15 years ago. None of those balances had not been recoverable and balance confirmations had not been submitted for audit. Non-agreement regarding transactions with related parties had caused to this situation.

(e) Deposits mentioned in the financial statements amounting to Rs. 208.56 million include the deposits in 05 district offices which was Rs.1.49 million between 3 to 31 years and a total of Rs. 175.32 million remained for 2 years, but that money had not been taken into revenue as per the financial regulations. Not completing the project works on time had caused to this situation.

(f) The approved number of employees of the Authority as at 31 December 2022, was 2,164. The actual number of employees was 1,716. However in the analysis of each post there were 728 vacancies and 181 in excess.

(g) Action had not been taken to settle a sum of Rs.300.37 million was in the range of 3-5 years period and a sum of Rs.204.1million was in the range of more than 5 years period from which advances of Rs.504.50 million had been given for 72 no of contracts for renovation of housing complexes. Out of this Rs.145.21 million to the State Engineering Corporation, Rs.176.51 million to the Development and Construction Corporation and Rs. 182.82 million had also been given to other institutions and individuals. The non-fulfillment of contract works on time and poor project supervision had caused to this situation.

(h) There were 977 plots of land with a total of 3415.76 hectares as small adjacent lands that could not be used for the construction of existing houses adjacent to the housing schemes owned by the authority, but at the end of the year under review , no action had been taken to utilize those lands for productive activities .

(i) The authority had to pay late interest in case of delay in compensation for acquired land s. At the end of the year under review, the amount of compensation to be paid was Rs.41.2 million and the late interest amount to be paid was Rs.93.50 million . Thus, it was observed that due to the delay in paying the compensation in land acquisition, the authority had to pay more than twice the amount of compensation due .

(j) At the end of the year under review, out of Rs.1,554.3 million which was stated as sundry creditor balance, there was also a sum of Rs.13.31 million payable to the Livestock Development Department , and it has been left 13 years and action had not been taken to adjust the revenue with formal approval. During the year, the creditor balance of Rs.75.51 million in Maha Nuwara Estate Housing Account had not been settled and the said balance had increased from 2017 to 2021. Details about this had not been submitted to the audit.

(k) Among the housing loan and assistance programs that were implemented in the year under review, under the assistance program "Obata Geyak Ratata Hetak" for the construction of 8,153 houses brought forward from the year 2021, a sum of Rs. 2,589 million had been allocated . In the year 2022, 5,878 no of houses had been completed at a cost of Rs. 388 million and the construction of 6353 no of houses had not been completed . Thus , it was planned to provide assistance to 1485 no of houses under this program in 2022 without completing the old constructions, of which only 19 houses had been completed. In the year 2022, for the newly started housing loan program under internal financial allocation, Rs.600 million has been allocated to build 1000 no of houses but only 391 no of houses had been built at a cost of Rs.147.42 million.

(l) Although it was planned to be completed the works of 557 no of houses brought forward from the year 2021 under the program "Mihindu Niwasa" in the year 2022 at a cost of Rs.92.23 million, only 210 no of houses had been built. In the year 2022, a sum of Rs.39.5 million had been allocated to start works of 77 no of new houses and finish the construction of 21 houses. However, a sum of Rs.17.83 million had been spent and only 08 houses had been built. Further, under the Sevana aid program, a sum of Rs. 75 million had been allocated to build 100 houses in the year 2022. However, a sum of Rs.32.18 million had been spent on 94 houses and the construction of only one house had been completed.

(m) A sum of Rs.84 million had been allocated to build 346 no of houses for disabled persons in Kegalle district during the year under review. However, only 118 houses had been built at a cost of Rs.37.8 million. Further, under housing program "Viru Sumituro" it was planned to build 946 no of houses at an allocation of Rs 1027.5 million, but only 850 no of houses had been built at a cost of Rs.890.75 million.

(n) It was planned to build 2400 no of houses under the Indian Housing Assistance Program which had been started in 2017 and 2019 on the allocation of Rs.1200 million. There were 820 no of houses had been planned for construction on the allocation of Rs.242 million in the year 2022 under that. However, only 138 no of houses had been built at a cost of Rs.41.67 million. Moreover, the repair works had not been commenced, although a sum of Rs.51 million had been paid to the Water Supply Board from the total allocation of Rs.76 million made to repair sewage system at Gampaha Himbutu Uyana Housing Complex under the repair of old housing complexes.

(o) The vehicle bearing the number PE 1538 valued at a sum of Rs.7.50 million which had been received to the Authority in the year 2012 under finance lease, had met with an accident in the year 2014 and had so damaged that it could not be used again and it had been handed over to the insurance company. Despite obtaining full insurance coverage for this vehicle, only a claim of Rs.5.74 million had been received from the Sri Lanka Insurance Corporation in the year 2021. While the Authority had not taken steps to calculate the loss caused by this vehicle accident and recover it from the responsible parties, the insurance compensation received had not used to buy a vehicle but had used for the rehabilitation expenses of the Authority. Moreover, it was informed by the letter no. BD/GPS/130/09/Com/2020 dated 20 May 2023 that the lease payment for this vehicle had been made by the Department of Budget and repay that amount to that Department. However, action had not been taken to pay that amount by the Authority.

(p) According to the 2030 Agenda for Sustainable Development , the authority had not identified sustainable development goals and indicators related to its scope.

(q) A sum of Rs.4458.39 million had been allocated to implement 7 major projects by the Authority during the year under review, but actually a sum of Rs.3,352.92 million had only been received. No action had not been made on planned 2 projects named “Siyapatha”, and the construction work of 2 projects was at the level of 22 percent and 29 percent and the progress of another 3 projects was in the range of 5 to 8 percent.

(r) It was stated in the financial statements to be received from the Treasury, although no indication was made in writing that it would be given from the Treasury regarding the amount spent in the years 2018 and 2019 for the projects of Grama Shakthi, Viru Sumithuro, Purity and Drinking Water, Janasevana implemented by the Hambantota District Office amounting to Rs. 61.47 million.

(s) Arrears housing rental income as at 31 December 2022 had been a sum of Rs. 216.76 million. Out of which a sum of Rs.192.59 million or 88 percent had been due for more than 5 years and the loan balance of the head office of Rs. 25.05 million had also been included in this amount. The balance due from 3 to 5 years period had been a sum of Rs.5.51 million.

Sgd/ W.P.C. Wickramaratne

Auditor General

Ministry of Urban Development and Housing

National Housing Development Authority

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