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ANNUAL REPORT AND ACCOUNTING
2020

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இலங்கை சமூகப் பாதுகாப்புச் சபை
SRI LANKA SOCIAL SECURITY BOARD

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Ministry of Finance
State Ministry of Samurdhi, Household Economy, Micro Finance,
Self Employment and Business Development

Preamble

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Sri Lanka Social Security Board

Vision

A proud nation secured with social security

Mission

Towards a sustainable development while incorporating strategic alliance with government and non-governmental organizations in place of the economic social and cultural security of the Sri Lankan citizens aligned to good governance practices through formulating, executing and regulating social security policies for building a proud nation....

Message from the Chairman

As per the definition of the International Labour Organization Social security is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner. In view of the rapidly growing elderly population of Sri Lanka, there is a growing need for a certain form of social security to protect senior citizens. In this context, the Pension and Social Security Benefit Scheme is able to ensure job security for employees, who do not claim for a government pension but play a major role in boosting the national economy, facilitate them a meaningful retirement life and successfully address the challenges confronted by the society and government due to rapid growth of the aging population.

The Social Security Board of Sri Lanka was established by the Social Security Board Act No. 17 of 1996 and the Amendment Act No. 33 of 1999 and it functions under the Ministry of Finance's purview and under the supervision of the State Ministry of Samurdhi, Household Economy, Micro Finance, Self Employment and Business Development. The role of the Social Security Board is to ensure the practical implementation of the social security policies of the current government and to guarantee pensions and social security benefits for citizens who are not entitled to a government pension and it further to grant of financial assistance in the event of someone becomes emergency incapacitated or someone dies.

The role of Sri Lanka Social Security Board is to provide pension payments and social security benefits to every Sri Lankan citizen who is not entitled to a government pension. So far, the self-employed persons, the employees in the private sector, the employees in the Cooperative Services, the employees in the statutory boards, professionals, artists, Ayurveda medical practitioner, foreign employees, priests, indigenous people and all the others who need the care and security of the government pension scheme and engage in various fields totaling to 776,993 persons have obtained the membership for the pension. 31,769 members among them receive the pension by now and more than 2402 members have obtained the entitlement to the partial disability gratuity, complete disability gratuity and death gratuity.

My expectation is to introduce the Saubhgya New Pension Scheme which is an opportune benefit scheme based on the implementation of "Visions of Prosperity and Splendour" Policy Statement of His Excellency the President and assurance of the improvement of Sri Lanka Social Security Board , promote social security benefit schemes via Facebook, set up a new computer system for providing an efficient and effective service, strengthen the island wide independent sales network and assurance of the well-being of the institution through effective implementation of 25 new development projects.

Under this, it is my intention to strengthen our fund through making various citizens who do not obtain a government pension including various institutions and various professional groups and popularize the pension and social security benefit scheme among the society.

Sri Lanka Social Security Board has continuously been in operation for 25 years to offer a continuous service to the people upon the high dedication and cooperation of all officers and I take this opportunity to express my gratitude to all officers who have contributed to reach our achievements.

Chairman
Sri Lanka Social Security Board

Saman Handaragama
Senior Lecturer – Social Services
Head of the Department
Department of Social Science
Sabaragamuwa University of Sri Lanka,
Belihuloya
31. 01. 2021.

Message from the General Manager

2020 was a challenging year for the Sri Lanka Social Security Board. A new Board of Directors was appointed in February 2020 under the chairmanship of Senior Lecturer Saman Handaragama. In the context of COVID -19 pandemic which began to spread in Sri Lanka from March 2020, the Board implemented new strategies to maintain uninterrupted continuation of its services. It further strengthened the foundation needed to develop the Board's services in the forthcoming years.

We were able enroll another 25,678 members to Pension Schemes of our Board, which consist of around 776,993 members in 2020. The Board was also able to pay Rs. 337,207,502.00 as pension and other benefits to the members of the pension schemes in the year 2020.

The work of setting up a new computer system was initiated in the year 2020 for functioning service activities more efficiently so as to members of the pension schemes are able to obtain the information on their account balances more easily. It was able to commence the activities of new recruitments while initiation of filling the vacancies which are around 20% of the approved cadre of the staff.

In addition to the permanent staff of the Board, It was initiated to expand activities of the independent sales network island-wide by way of engaging representatives from the private sector in marketing activities.

It was able to commence the activities of obtaining the service of the Department of Samurdhi Development and Regional Development Bank while initiating the work of broadening the bureaucracy of public officers who are engaged in the sales network of the Social Security Board.

In the year 2020, it was also able to initiate the activities to introduce new necessary amendments to the Social Security Board Act for broadening the legal base required for making the social security schemes more closer to the people, In addition to that, it was also able to commence the work of introducing a new gazette with new social benefit schemes in the year 2020.

In addition to the implementation of social security benefit schemes for individual persons , the methodology of enrolling employees in institutions, societies, associations and organizations was implemented. Accordingly, we were able to submit proposals for about 20 sectors such as the mining sector, private bus staff, shipping staff, Bar Association etc.

The methodology of paying socio-economic benefits, which was initiated with the Social Security Commission Reports in 1947, has more defined by the Sri Lanka Social Security Board Act 1996. With the foundation laid in 2020, there is no doubt, the Sri Lanka Social Security Board will be able to play a broader role in 2021.

I would like to take this opportunity to thank Hon. Shehan Semasinghe , State Minister - Samurdhi, Household Economy, Micro Finance, Self Employment, and Business Development, Officers leading Mr, Neel Hapuhinna, Secretary to the State Ministry, the Board of Directors including the Chairman of this Board, Technical Committee, Audit Committee, all staff and all Stakeholders of our Board for their commitment for reaching to our goals

K. A. S. P. Kaluarachchi
General Manager

Former Chairmen

Name	Duration		
Mrs. V. Jegarasasingham	01.01.1997	-	01.11.1999
Mr. S. Kariyawasam	08.11.1999	-	01.11.2000
Mr. K. Jayalath	24.11.2000	-	06.02.2002
Mr. R. M. D. B. Bogahakumbura	07.02.2002	-	25.01.2004
Mr. Ananda Gallearachchi	03.02.2004	-	01.06.2004
Mr. D. K. R. Weerasekara	15.06.2004	-	15.12.2005
Mr. Lakshman Hirimuthugoda	27.12.2005	-	18.09.2006
Mr. Sunil Samaraweera (Acting)	19.09.2006	-	11.10.2006
Mr. Sarath Keerthirathna	12.10.2006	-	05.05.2010
Mr. Nimal Chandra Amarasinghe	17.05.2010	-	31.12.2011
Attorney-at-low (Mrs) Sumana Ariyadasa	03.01.2012	-	21.01.2015
Mr. Sumathipala Kariyawasam	10.02.2015	-	07.12.2015
Mr. Keerthi Suranjith Mawellage	09.12.2015	-	15.05.2018
Mr. J. A. S. Jayakodi	18.05.2018	-	26.10.2018
Mr. P. M. Dewaka Weerasinghe	11.02.2019	-	06.12.2019

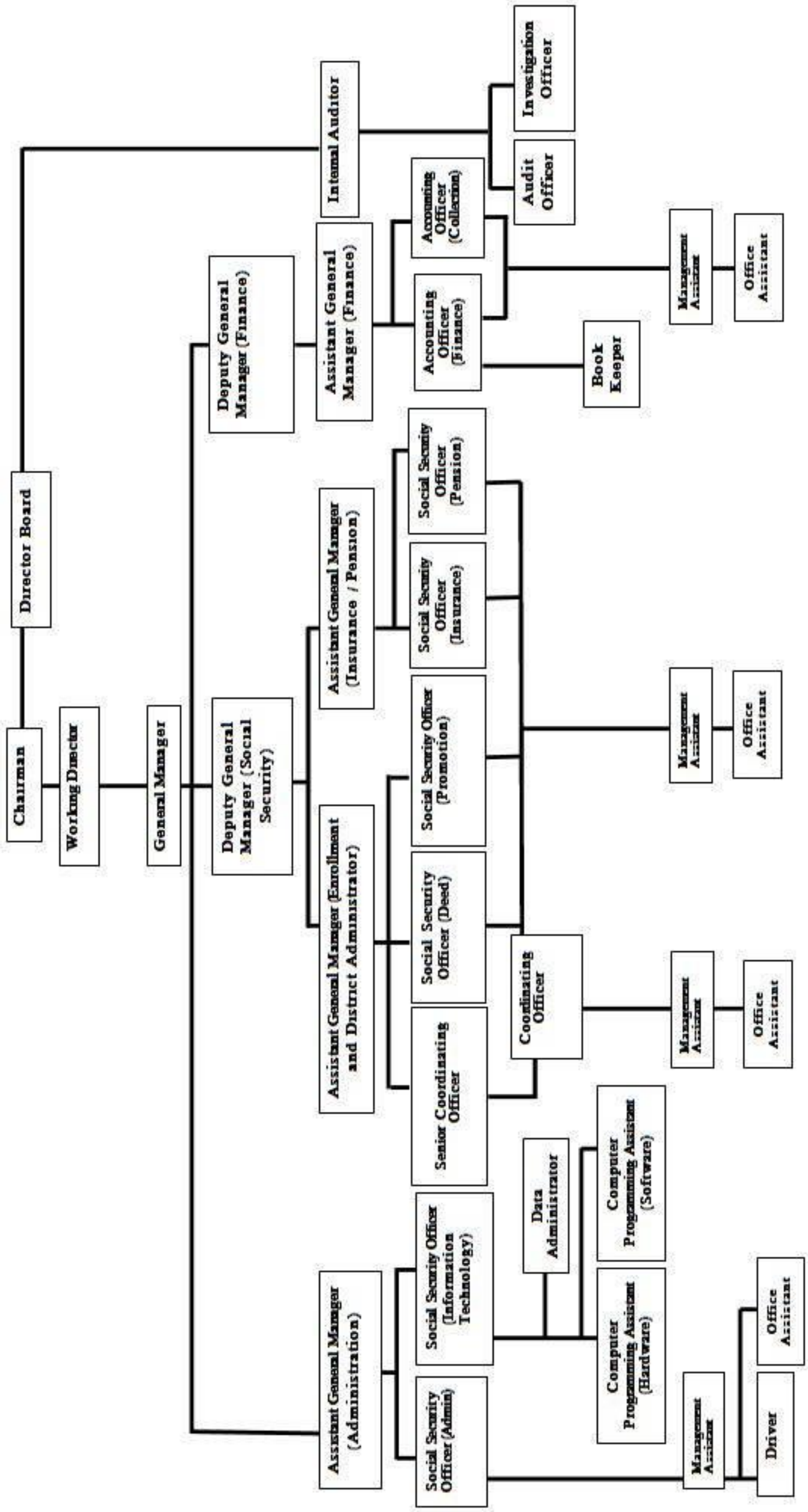
Former General Managers

Name	Duration		
Mr. Ranathunga Hemachandra	25. 09.1996	-	31.08.1998
Mr. Ashoka Peiris	01.09.1998	-	01.02.2000
Mr. B. A. Somapala	02.02.2000	-	16.08.2002
Mr. K. G. G. Wijewardhana	16.09.2002	-	31.12.2003
Mr. P. E. C. Nesaiyah	01.01.2004	-	12.10.2007
Mr. J. M. Wijayarathna	01.01.2008	-	23.07.2009
Mrs. N. J. Pathirana	24.07.2009	-	23.07.2010
Mr. K. N. J. Cooray	27.07.2010	-	26.01.2012
Mr. Dhammika Padukka	17.03.2014	-	09.11.2017
Mr.K. A. Thilakarathna	16.01.2018	-	15.07.2018
Mr.B.T.K.Nishshanka	02.12.2019	-	20.06.2020
Mr.Nimal Kotawalagedara	22.06.2020	-	22.12.2020

Board of Directors — 2020

Name		Designation
Senior Lecturer Saman Handaragama	-	Chairman
Mr. W.M Sunil Shantha Weerasekera	-	Working Director
Attorney-at-Law H.R. Parashakthi Senanayake	-	Director
Dr. Dhammika Dissanayake	-	Director
Attorney-at-Law Janaka Rathnayake	-	Director
Mr. Aruna Kumarawadu	-	Director
Mr. K. M. Kumarasiri	-	Director

Organization Structure of the Sri Lanka Social Security Board



Role of the Sri Lanka Social Security Board

The role of Sri Lanka Social Security Board is to provide pension payments and social security benefits to those who are not entitled to a government pension.

In accordance with the provisions made under the Sri Lanka Social Security Board Act No.l7 of 1996, six pension and social security benefit schemes were introduced by an extraordinary Gazette Notification of the Democratic Socialist Republic of Sri Lanka dated 25th September 2006 bearing the number 1464/5.

"Surekuma" scheme has been implemented by now with the objective of implementing economically effective schemes and providing high and safeguarded monthly pension payments to the contributory members.

All those who are in the ages of 18 to 59 years and not entitled to a government pension could be members for the schemes and be entitled to the possibility of drawing a monthly pension as desired to meet their requirements depending on the ability to pay the contributions to the Board.

"Arassawa" preplanned Social Security Benefit scheme was introduced alongside with the "International Day of the Girl-Child which was scheduled on 11 September 2012. According to the said scheme the parents or guardians could enroll the children who are below the age of l8 years under their guardianship. Once when the children complete their l8 years of age, their enrolments are transferred to "Surekuma" monthly pension payment scheme and they become entitled to a pension and the amount receivable depends on the balance accumulated on their behalf.

Benefits of the Scheme

- To provide a pension at the age of 60 years until the demise of the contributory members.
- At the demise of the contributory member the wife/husband is entitled to the pension up to the age of 80 years
- lf a contributory member becomes partially and permanently disabled he/she is entitled to a gratuity payment of Rs. 25,000/- calculated with respect to the member's age and after completing the payment of contributions he/she is entitled to the monthly pension when reaching 60 years of age.
- If a contributory member becomes permanently incapacitated he is entitled to a gratuity up to Rs. 50,000/- calculated with respect to the members age and his total contribution as at date or a monthly pension from the date on which the member is incapacitated.
- If a contributory member is deceased before the retirement the dependents are entitled to obtain a lump sum gratuity.

Anyone in the society could obtain the membership from the head office of the Sri Lanka Social Security Board, District offices and Divisional Secretariats or from Grama Niladhari Officers and from any other officer to whom the responsibility has been entrusted by the Board.

Installment payments could be made through this Office, Bank of Ceylon, People's Bank, National Savings Bank, Post offices and Grama Seva Offices who have been entrusted with authority.

1. Administration Division

1.1. Establishment, establishment of the office and subsequent changes

Social Security Board was first established by the Ministry of Health, Highways and Social Services at the Sawsiripaya under Act No: 17 of 1996. After the first meeting of the Board of Directors which was held on the 16th October 1996, activities of the Social Security Board were commenced. Thereafter the Social Security Board was set up in the office building of the department of Social Services at Borella under the purview of the Ministry of Social Services.

During the second stage of its establishment, the office of the Social Security Board was set up in a rented out building at No. 585, Galle Road, Colombo with effect from March 2007. Subsequently, the original Act was revised by the Social Security Board (Amendment) Act No: 33 of 1999. Then the office of the Sri Lanka Social Security Board was established at No: 150 A, Nawala Road, Nugegoda on 01/07/2003.

Later on, the Sri Lanka Social Security Board was moved under the purview of the Ministry of Finance and Planning with effect from 30-04-2010 and the head office was established at No: 125 Nawala Road, Narahenpita, Colombo 05 with effect from 0l-12-2010.

The office was permanently established at No. l8, Rajagiriya Road, Rajagiriya on 06.03.2018 in a four story building purchased by the Board and the premises is being named "Samaja Arakshana Piyasa" with possibilities of performing more and an essential service in a spacious building with all facilities. At present the services of the Board has been expanded to cover all districts of the island by establishing offices at every District Secretariat.

1.2. Approved cadre and vacancies

It had been recommended to recruit the staff, which had been requested, in few stages and to recruit the staff until it reaches to the size of 56 only in 1997 by the Chairman of the Salaries and cadre committee by his letter No. SR35/339 dated 11th July 1997 addressing the Secretary to the His Excellency the President. It had been approved by the Cabinet of Ministers at their meeting held on 03rd September 1997, and subsequently approval had been received to recruit the required staff up to 159 numbers. Accordingly, thereafter the General Treasury had approved the recruitment of employees up to 88 numbers.

Since the year 1999 due to their transfers and resignations, the number of vacancies prevailed throughout the period and 179 served in the permanent staff then. The organization structure as per positions of the employees is given below. As the anticipated progress of the organization is unable to reach the expected accomplishments and approval for the arrangements of expanding activities has been granted to increase the cadre to suit the requirements up to 198 in number. Accordingly schemes of recruitment have been drafted and forwarded to the Department Management Services on 14/09/2012 and these schemes of recruitment have been approved. At present there are 42 vacancies and the recruitments have been withheld by the Circular called DMS/ Policy/ Recruitments, issued by the Ministry of Finance. However, with the special approval of the Election Commission, Officers have been recruited to three posts of Deputy General Manager (Finance), Assistant General Manager (Finance) and Computer Program Assistant (Hardware) on the basis of exigency in service. Recruitment for other posts will be done after the receipt of instructions to re-recruit from the relevant Circular.

Analysis of the Staff - 2020
(As at 31. 12. 2020)

Sub Number	Designation	Approved Cadre	Present Cadre	Vacancies
1	General Manager	1	1	0
2	Deputy General Manager (Finance)	1	0	1
3	Deputy General Manager (Social Security)	1	1	0
4	Assistant General Manager (Finance)	1	1	0
5	Assistant General Manager (Enrollment and District Administration)	1	1	0
6	Assistant General Manager (Administration)	1	1	0
7	Assistant General Manager ((Pension /Insurance)	1	1	0
8	Internal Auditor	1	1	0
9	Manager (Administration)	1	1	0
10	Manager (Deed Services)	1	1	0
11	Manager (Insurance)	1	1	0
12	Accounting Officer (Finance)	1	1	0
13	Social Security Officer (Promotion)	1	1	0
14	Social Security Officer (Pension)	1	0	1
15	Social Security Officer (Information Technology)	1	0	1
16	Accounting Officer (Collections)	1	1	0
17	Senior Coordinating Officer	6	5	1
18	Audit Officers	2	2	0
19	Coordinating Officers	49	32	17
20	Investigation Officers	2	1	1
21	Data Base Administrator	1	1	0
22	Computer Networking Assistant	1	0	1
23	Assistant Computer Programming Assistant	1	1	0
24	Computer Programming Assistant (Hardware)	1	1	0
25	Book Keeper	2	1	1
26	Management Assistant	74	63	11
27	Driver	9	8	1
28	Office Assistant	34	28	6
Total		**198**	**156**	**42**

1.3. Increasing the approved cadre and filling of vacancies

In order to reach the targeted aims and objectives of the board, establishment of the required staff and improvement of their performance through the training and development are performed and steps are being taken to increase the approved staff strength from 198 to 561 through staff restructuring. At the same time, steps are being taken to expedite recruitments for vacant posts to achieve higher service productivity.

1.4. Resignations and retirements in 2020

Coordinating officers and management assistant who were recruited to sri lamka social security board have been resigned due to having Appointments to the government services which is entitled for a pension at the retirement. Number of staff resigned due to above reason is fourteen (14) coordinating officers and eleven (11) management assistants.

	Name		**Designation**		
01.	Mr. H. M. M. Sachinthana Doratiyawa	-	Social Security Officers (Information Technology)	-	Resignation
02.	Ms. Hiruni Nirasha 2	-	Coordinating Officer	-	Resignation
03.	Mrs. Tharanga Prabhashini	-	Coordinating Officer	-	Resignation
04.	Mr. H. M. P. M. Jayasena	-	Coordinating Officer	-	Retirement
05.	Mr. E.E. I. T. Gamage	-	Coordinating Officer	-	Resignation
06.	Mrs. D.B.K. Senevirathne	-	Coordinating Officer	-	Resignation
07.	Mr. S.M.M.N. Wijekoon	-	Coordinating Officer	-	Resignation
08.	Mr. K.H.S. Kurugamage	-	Coordinating Officer	-	Resignation
09.	Mrs. B. V. N. U. Udayananda	-	Book Keeper	-	Resignation
10.	Ms. M. G. C. Niroshani	-	Management Assistant	-	Resignation
11.	Mr. K. A. Vikasitha	-	Management Assistant	-	Resignation
12.	Ms. W. G.G. M. L. Godamunna	-	Management Assistant	-	Resignation
13.	Mr. M. Mayupan	-	Management Assistant	-	Resignation
14.	Mr. P. K. R. S. Wijesekera	-	Management Assistant	-	Resignation
15.	Mr. Nimalsiri Rajapaksha	-	Office Assistant	-	Resignation

1.5. Present Staff of the Administrative Division (As at 31.12. 2020)

Designation	No. of Officers
General Manager	1
Assistant General Manager (Administration)	1
Manager (Administration)	1
Management Assistant	7
Secretary to the Chairman (Management Assistant)	1
Office Assistant	1
Office Assistant who is attached to Chairman and Working Director	1
General Manager (Office Assistant)	0
Postal Affairs (Office Assistant)	1
Telephone Operator (Office Assistant)	1
Driver	8
Total	**23**

1.6 Main Functions of the Administration Division

1. Recruitment of staff and Maintenance of subject files until the retirement of the officers
2. Conduct of disciplinary investigations with regard to the general conduct of the staff
3. Conduct of efficiency bar examinations for evaluating the efficiency of officers
4. Conduct of trainings and workshops for the staff
5. Organizing of ceremonies such as the Social Security Awards Ceremony
6. Preparation of annual reports/corporate plan/action plan
7. Monitoring of activities required to hold monthly board meetings and preparing board papers.
8. Forwarding the reports, which to be sent monthly, quarterly and annually to the Ministry and other government institutions
9. Maintenance of buildings, machinery and vehicles and obtaining of vehicle facilities under long term lease
10. Making arrangements to obtain the loan facilities necessary for the staff such as ten month loan
11. Entering into annual agreements for obtaining the services of the security services, cleaning services, maintenance of other machineries and other contractual services
12. Taking necessary action to deliver the cheques issued to the monthly pensioners expeditiously on the due date.
13. Supervising all activities related to the computer network between the 25 district offices and the head office by the Information Technology Unit.

1.7. Physical Resources

Head office	-	The head office of the Board was established in a four storied building owned by the Board itself situated at No. 18, Rajagiriya Road, Rajagiriya with effect from 06th March 2013
District offices	-	Social Security district offices have been established in all District Secretariats in the country

1.8. Communication facilities

The organization had the telephone system and after shifting to the present premises, the system was further developed to cover all divisions by installing 3 more general lines along with fax facilities. In addition to this, the following officers have obtained the direct telephone facilities.

Chairman	-	One Direct phone line and Fax line
Working Director	-	One Direct phone line and Fax line
General Manager	-	One Direct phone line and Fax line
Deputy General Manager 02	-	One Direct phone line and two Fax lines
Assistant General Manager 03	-	03 Telephones
Internal Audit Officer	-	01 Telephone
Postal Affairs	-	02 Telephones
Hotlines	-	01 Telephone

In addition to the above telephone and fax facilities, all 25 district offices have also been provided with telephone facilities. A computer network has been established in the head office. Steps have been taken to connect district offices through VPN system and service functions have been carried in a very active and effective manner.

1.9. Transport Facilities

When the Board was formed, two vehicles were taken on loan from the Department of Social Services for its activities. Thereafter two additional vehicles were obtained from the Ministry of Social Services. 05 vehicles were purchased in the years 1997/98 by the Board. The Board had to incur a very heavy expenditure for repairs to maintain all these vehicles in running condition. The Board owned 07 vehicles only even at the end of the year 2006. They are in running condition even now. On several occasions the need of new vehicles was pointed out and after requesting from the Ministry of finance to provide a vehicle in 2008, it was instructed to obtain a vehicle cleared by customs. Accordingly a car was obtained. Subsequently a request made to the finance ministry in 2010 was approved and two vehicles were bought for the use of the Board from the Micro Company. So, 02 Micro Rhino vehicles were purchased.

The cab vehicle No. 250-6090, cab vehicle No. 253 -2818 , Path Finder vehicle No. 32-4987 and Micro Rhino KN – 0006 were in very feeble condition and they were sold in the auction.

The Board also bought 10 motorcycles in 2011, a Nissan Juke in 2013, a Bajaj three-wheeler, a 16-seater Toyota Hi-Ace van and a scooter in 2014.

The Board has obtained two cars, one double cab and one jeep by operational lease mmethod in year 2017 and the relevant agreements will expire on 30.06.2022 and 22.11.2022 respectively.

1.10. Details of Vehicles which are existed at present (As at 31.12. 2020)

Vehicle No.	Model	Date of first registration	Very good	Good	Repaired and currently in running condition	Feeble	Condemned
250 - 6095	Double Cab	24.10.1997			√		
252 - 5463	Double Cab	14. 08.1998			√		
KH- 4506	Car	30.09.2000		√			
KX- 0914	Nissan Juke Car	17.10.2013		√			
NB - 8428	Toyota Hiace Van	18.08 2014	√				
SP CAU-7691	TOTOTA - AXIO G Type Car	29.06.2017	√				
SP CAU-7694	TOTOTA – AXIO	29.06.2017	√				
SP PH-9137	Double Cab FORD RANGER Type	29.06.2017	√				
WPCAH- 4984	Jeep TOYOTA- FORTUNER Type	21.11.2017	√				
WP AAG - 9346	Bajaj Three Wheeler	18.04.2013		√			
WP WK-3810	Bajaj Motorcycle	06.04.2011		√			
WP WK-3806	Bajaj Motorcycle	06.04.2011		√			
WP WK-3789	Bajaj Motorcycle	06.04.2011		√			
WP WK-3880	Bajaj Motorcycle	06.04.2011		√			
WP WK-3815	Bajaj Motorcycle	06.04.2011				√	
WP WK-3795	Bajaj Motorcycle	06.04.2011		√			
WP WK-3801	Bajaj Motorcycle	06.04.2011		√			
WP WK-3882	Bajaj Motorcycle	06.04.2011		√			
WP WK-3787	Bajaj Motorcycle	06.04.2011		√			
WP WD-5580	Kinetic Motorcycle	31.12. 2010				√	
WP BAR-3240	Bajaj Motorcycle	27.01.2014		√			
WP BAR-3263	Bajaj Motorcycle	27.01.2014		√			
WP BAR-3250	Bajaj Motorcycle	27.01.2014		√			
WP BAU-0765	Scooter	19.03.2014		√			
WP BAU-0769	Scooter	19.03.2014		√			

1.11. Matters to be drawn the special attention

1. After receiving the approval for the personnel Assessment and Scheme of Recruitment from the Department of Management Services, actions have been taken to fill in the vacancies.
2. When expanding social security island wide through the execution in village level, It was confirmed via the study of staff restructuring, that the staff of the field officers are not sufficient. In subsequence, as the need arose to attach Social Security Officers to the Divisional Secretariats, it was forwarded to the Ministry for future activities to recruit 332 Officers for the Divisional Secretariats with the approval of the Board of Directors.

Shortages of physical resources

1. Majority of the vehicles in the vehicle pool are very old and therefore, new vehicles have been purchased as high cost to be incurred for repairing
2. Fulfilling the human and physical resources in order to decentralize the activities of the Board towards the district offices
3. As there is no facility to hold staff meetings in the head office building at present there is a need to construct an auditorium, although all the work for that has been completed in the year 2019, the signing of the agreement was suspended as per Circular No. 5/2019 issued by the Ministry of Finance. Construction work was not carried out as the capital provisions for the year 2020 were not approved.
4. District offices have been set up for this Board and when conducting the operation activities, there is no sufficient number of vehicles to meet the transport duty requirements of the Officers, hence, taking actions to make such facilities.

• 1.12. Information Technology Unit

Main Functions

1. Carrying out activities related to the installation of new pension information management software systems
2. Submitting necessary reports to top management for new changes and other tasks to be done in the organization
3. Taking necessary steps to keep the computer network up to dat
4. Maintaining and ensuring the security of the computer programs installed in the head office without any break down
5. Ensuring data security of existing software systems and take further steps.

1.13. Functions performed by the Information Technology Unit in 2020

1. Preparation of a new detailed software specification report for the proposed software system.
2. Installation of the data base of the computer systems belonging to the finance division of the head office on the main server
3. Providing computers and accessoires to district offices and facilitating repairs when in need
4. Taking steps to increase the capacity of the email server.
5. Providing access to Epic Lanka Technologies (Pvt) Ltd for installation of the proposed software system on the Lanka Government Cloud
6. Paying pension without delay even in the pandemic situation and providing technical contribution for daily official activities
7. Taking steps to include all members of the head office in the Lanka Governement Network Project.

1.14. Staff of the Computer Technology Unit

Designation		Number of Officers
Social Security Officer (Information Technology))	-	0
Database Administrator	-	1
Computer Programming Assistant (Software)	-	1
Computer Programming Assistant (Hardware)	-	1
Total	-	3

2. Social Security Division

2.1. Main Functions

1. Planning and monitoring the propaganda and promotional activities on the pension and social security benefit scheme.
2. Increasing awareness among targeted community and the officers who implement the said scheme in order to implement the social security pension scheme.
3. After increasing the awareness on the scheme, taking necessary actions to grant the membership.
4. Having done the required guidance for the payments of the premiums, providing the pass books and bank deposit receipts, which are needed to make the payments

5. Resolving the member issues and providing required provisions for activating the accounts of dormant members
6. Taking steps to streamline the service activities by administering the Social Security Division of the head office and 25 district offices
7. Adopt all possible procedures to implement the pension and social security schemes of the Board with coordination of institutions, officers and community organizations

2.2. Payment of benefits

1. Providing an uninterrupted monthly pension effective from the date on which the member reaches to the age of 60 years and it pays until the demise of the contributory member.

2. At the demise of the contributory member before reaching to the age of 60 years, dependants are paid benefits and payment of partial disability allowances and complete disability allowances

3. Payment of additional benefits under "Arassawa" pre-planned pension scheme

2.3. Service Units and district offices

All service activities namely deed services, pension payments, insurance and promotional functions pertaining to pension and social security schemes are implemented by 04 service units of the head office and 25 offices established in all districts.

2.4. The officers who are involved in the implementation of the Pension and Social Benefits Scheme

District Coordinating Officers and subordinate staff have been appointed for all district offices and these officers perform operational, coordination activities and direct recruitments.

Action has been taken to obtain the mediation of officers in various Ministries, Departments and Organizations for the implementation of the pension and social security benefit schemes of the Board in a combined approach.

2.5. Staff of the Social Security Division

Staff of the head office

Designation		No. of officers
Deputy General Manager (Social Security)	-	01
Assistant General Manager (Recruitments and District Administration)	-	01
Assistant General Manager (Pension/Insurance)	-	01
Managers / Coordinating Officers		
Manager (Deed services)	-	01
Manager (Insurance)	-	01
Manager (Pension)	-	Vacancy (01)
Manager (Promotions)	-	01
Coordinating officers	-	01
Management Assistant	-	17
Office Assistant	-	03
Total		**27**

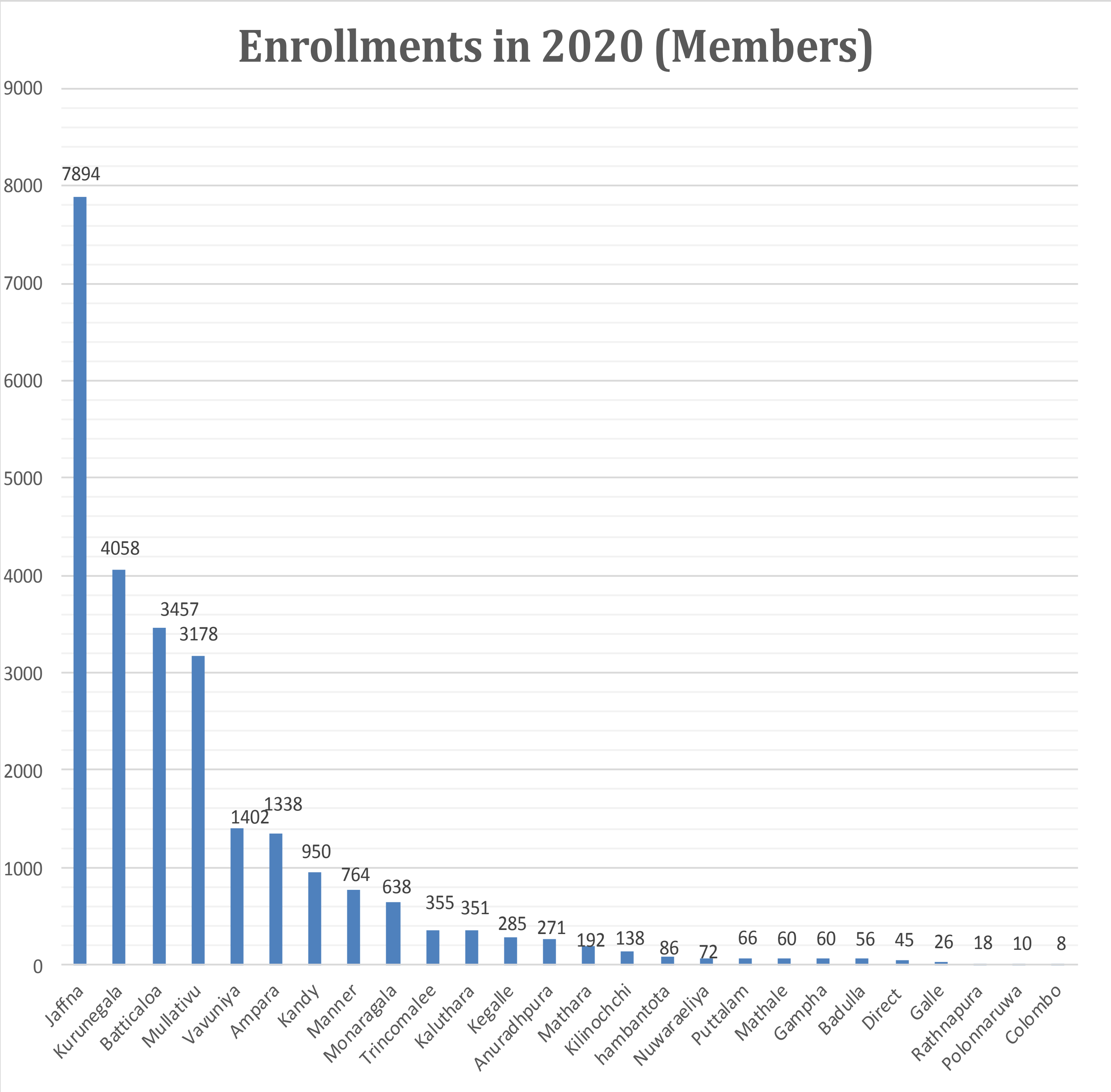
Staff of district offices

Designation		No. of officers
Senior Coordinating Officers	-	05
District Coordinating Officers	-	27
Management Assistant	-	24
Office Assistant	-	18
Total		**74**

2.6. Progress of enrolling new members in 2020

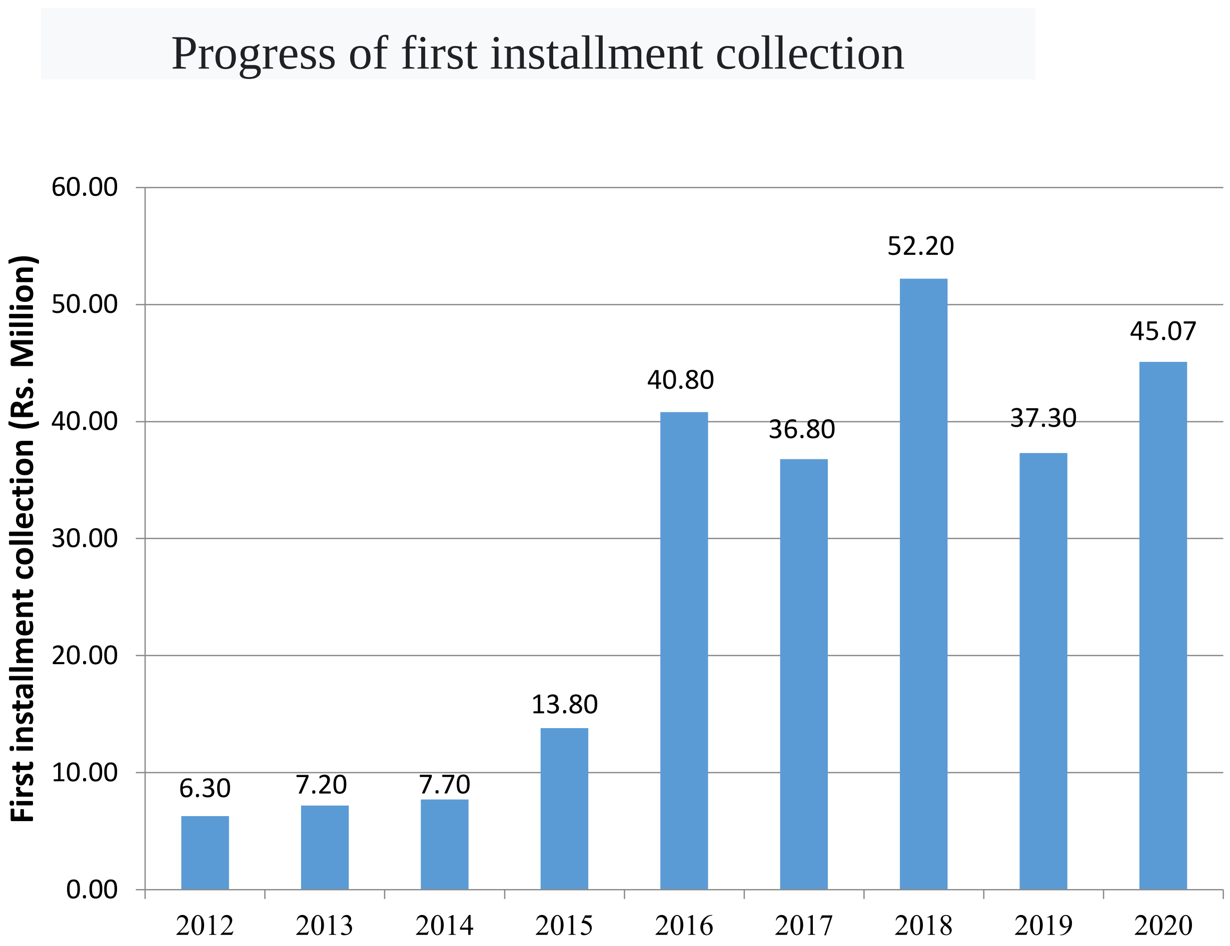
Progress of enrolling new members to the Social Security Pension Scheme in district level in 2020.

Serial No.	District	Enrollments in 2020 (members)
01	Jaffna	7894
02	Batticaloa	3457
03	Kurunegala	4058
04	Vavuniya	1402
05	Monaragala	638
06	Kandy	950
07	Mullaitivu	3178
08	Anuradhapura	271
09	Trincomalee	355
10	Badulla	56
11	Kegalle	285
12	Mannar	764
13	Ampara	1338
14	Nuwaraeliya	72
15	kalutara	351
16	Matara	192
17	Matale	60
18	Gampaha	60
19	Hambantota	86
20	Kilinochchi	138
21	Galle	26
22	Puttalam	66
23	[illegible]	45
24	Ratnapura	18
25	Polonnaruwa	10
26	Colombo	8
	Total (Members)	**25778**


Enrollments in 2020 (Members)
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
7894
4058
3457
3178
1402
1338
950
764
638
355
351
285
271
192
138
86
72
66
60
60
56
45
26
18
10
8
Jaffna
Kurunegala
Batticaloa
Mullativu
Vavuniya
Ampara
Kandy
Manner
Monaragala
Trincomalee
Kaluthara
Kegalle
Anuradhpura
Mathara
Kilinochchi
hambantota
Nuwaraeliya
Puttalam
Mathale
Gampha
Badulla
Direct
Galle
Rathnapura
Polonnaruwa
Colombo

Annual progress of enrolling new members

No.	Year	No.of New Enrollments	First installment amount (Rs.)	Annual premium collections (Rs.)
01	2012	9184	6,346,406.00	186,449,481.42
02	2013	8769	7,241,924.00	150,372,576.64
03	2014	15995	7,659,336.00	148,994,244.54
04	2015	21599	13,785,940.00	146,383,038.09
05	2016	72351	40,810,755.00	148,869,233.52
06	2017	63141	36,836,723.00	170,959,008.83
07	2018	83362	52,184,761.00	190,456,670.73
08	2019	38543	37,259,390.00	198,042,947.06
09	2020	25778	45,069,707.00	180,257,958.78



2.6.1 Special moments of some programs held in the year 2020

01. "Podu Jana Sarani" Mobile Service program- Monaragala (25.02.2020)

Pension and Social Security Benefit Schemes were promoted at the "Podu Jana Sarani "Mobile Service program, which was conducted by the Ministry of Women & Child Affairs and Social Security so as to cover Monaragala district.

02. "Podu Jana Sarani" Mobile Service program- Ratnapura (29 .02. 2020)

The program held at the Batugedara Maha Vidyalaya of Ratnapura District under "Podu Jana Sarani" Mobile Service program series.

03. Discussion held with public officers of Sabaragamuwa Province (04.03.2020)

Special Discussion and awareness program headed by the Governor of the Sabaragamuwa Province with the participation of public officers of Sabaragamuwa Province.

04. Preliminary discussion conducted for the introduction of the social security pension scheme for the foreign employments (19. 05. 2020)


05. Awareness and Discussion Program on the Implementation of Social Security Pension Scheme for Sailors (10.07.2020)


06. Program conducted at the Auditorium of the Ministry of Plantation Industries and Export Agriculture to introduce the benefits of the Social Security Pension Scheme for Sugarcane Growers (15. 07.2020).



07. Discussion conducted by officers of our Board with officers of Lanka Sugar Company (Private) Limited at the Sugar Company premises (Pelwatta) for introduction of benefits of social security pension schemes for sugarcane growers (28.07.2020)

08. Ceremony conducted under the leadership of Jaffna and Batticaloa District Social Security district offices for grant of scholarship benefits for member children of " Arassawa" pension scheme (19. 08. 2020).

09. Special discussion on introduction of benefits of social security pension scheme for self-employed persons (19.08.2020).

10. Hon. Shehan Semasinghe, Minister of State and Mr. Neil Bandara Hapuhinna Secretary to the Ministry who participated in a field visit in our Board. (04. 09.2 020)


11. Awareness program conducted for the implementation of pension and social security benefit scheme for officers served in the National Institute of Education, Maharagama (18.09.2020).



12. Special discussion conducted for preparation of a pension scheme for monks and parents of monks (28.09.2020).


13. Businessman is granted the membership of the social security pension scheme by the Chairman in concurrence with the opening of the Business Service Centre of Monaragala District. (10. 11. 2020)

14. Discussion held for the introduction of a Social Security Scheme for Lawyers in collaboration with the Bar Association of Sri Lanka (16.11. 2020)

15. Discussion held at the premises of the Central Environmental Authority on the implementation of the Pension and Social Security Benefit Scheme for the officers serving in the Central Environmental Authority (14. 12. 2020)

2.7. Payments of Benefits in 2021

Description	Number	Expenditure (Rs)
Payment of Pension	31,769	331,553,954.76
Payment of death gratuity	63	2,135,828.14
Disability Gratuity Payment	27	589,719.00
Additional payments of benefits - 5th grade scholarship G. C. E. (O/L) / G. C. E. (A/L)	294	2,928,000.00
Total	**32,153**	**337,207,501.90**

Repayment of net contributions	**Number**	**Amount (Rs.)**
	1014	27,946,174.00

2.8. Collection of membership contributions in 2021

Enrolment and Collection of premiums	Amount of Receipt (Rs)
Enrolments, amount of first premium	45,105,716,.36

2.9. Training and Mobile Awareness Programs conducted in 2020

Description	Number	Expenditure (Rs)
Pension and Social Security Promotion Programs	06	46,600.00

2.10. Issues in the Social Security Division

1. As a result of the assignment of officers to district offices is limited they are not in a position to actively participate in the awareness among people with respect to the pension and social security benefits schemes, enrolments, and collections of premiums, and the Board has been compelled to obtain the services of officers who do not come under the direct control of the Board.

2. As a result of the trained and experienced field officers are frequently resigning from the service, the employee turnover is unavoidable and the Board is compelled to recruit new officers and train them where necessary and employ them accordingly. There were 17 vacancies for Coordinating Officers who were attached to the offices in district levels to implement the pension schemes throughout the year 2020.

3. Due to spread of COVID 19 virus outbreak throughout the year 2020, we found it difficult to achieve the desired targets in the year 2020 because of the implementation of travel restrictions, isolation of areas, restriction of mobilization activities with social distance and declining income levels of the people.

03. Finance Division

Functions

- Preparation of annual budget document.
- Preparation of annual procurement plan
- Preparation of Monthly Imprest Reports (Based on Annual Budget Provisions)
- Preparation of annual financial statements in accordance with the provisions of the Finance Act No.38 of 1971 and forwarding such reports to the Auditor General.
- Preparation of financial reports required for the General Treasury, line Ministry and Management activities at time to time
- Updating of all accounts pertaining to the Finance Division
- Maintenance of bank accounts systematically related to all transactions and preparation of bank comparison reports
- Making of monthly pension payments and all other payments and bringing those to accounts
- Investment of money obtained from subscribers in effective manner.
- Preparation and submission of reports on fixed assets of the institution through conduct of annual stock verification surveys
- Preparation of monthly salaries for the staff and preparation of relevant reports.
- Providing formal and accurate information to the management in order to take the necessary decisions
- Acceptance and banking of member deposits related to the pension schemes

3.1. General Matters

Writing of cheques, preparation of accounts and salaries have been computerized and about Rs. 331 Million is annually paid out to the members as pension payments, and these pension payments are paid from the 2000 Co-operative Rural Banks scattered all over the island.

At present contributions are collected from the members by the People's Bank, Bank of Ceylon and National Savings Bank and Post Offices all over the island. The Board has also opened a resident foreign currency account (RFC) in Peoples Bank on behalf of the employees who are employed in abroad, to collect the contributions through such RFC accounts.

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3.2 Assets of the Social Security Board

Serial No.	Description	Value as at 31.12.2020 (Rs.)
01	Buildings	88,541,347.00
02	Lands	97,050,000.00
03	Motorcars	14,610,077.00
04	Office Equipments	8,361,931.00
05	Computers	3,816,007.00
06	Communication equipment	40.00
07	Computer Software	621,642.00
08	Other	168,435.00
09	Machinery and office equipment	680,321.00
	Total	**213,855,800.00**

3.3 Provision received from the General Treasury in 2020

Recurrent

Provision received from the Treasury (2020)	Expenditure
121,777,365.00	**123,555,443.00**

Capital

Provision received from the Treasury (2020)	Expenditure
400,000.00	**400,000.00**

3.4 Staff of the Finance Division

Designation		Number of officers
Deputy General Manager (Finance)	-	0
Assistant General Manager (Finance	-	1
Accounting Officer (Finance)	-	1
Accounting Officer (Collection)	-	1
Book Keeper	-	1
Management Assistant	-	12
Office Assistant	-	2
Total	-	**18**

4. Internal Audit Division

4.1. Subject Scope

- Identifying the limits of the internal administrative line up and the boundaries of authority and evaluating the proficiency of administrative functions as well as activities pertaining to duties of the staff and the quality of functions
- Examining adherence of implementation of transactions, finance control and budget to the rules and regulations
- Evaluating the efficiency and success of operation process and promoting activities
- Control of assets and evaluating the security
- Evaluation of the progress of performance of new programs and projects as per the Annual Action plan

4.2. Functions

Inspection of administrative and financial affairs

- Inspection of job specifications and job descriptions and approved number of employees (cadre)
- Recruitment of staff and inspection of personal file
- Arrival and departure of staff and inspection of leaves taken by officers
- Employee welfare and inspection of motivational actions
- Inspection of employee disciplinary control and disciplinary actions
- Running conditions of vehicles and inspection of maintenance activities
- Inspection of maintenance activities, sanitation and security services
- Inspection of the receipt of Treasury provision and premium contributions
- Inspection of procurement activities
- Inspection of all recurrent and capital expenditures
- Inspection of bank accounts and preparation of bank reconciliations
- Inspection of investment activities
- Preparation and inspection of account reports and financial statements

Inspection of Operational Activities

- Inspection of the enrolment of members for pension and social security schemes, computerization of applications and issuance of deeds
- Levying the premiums, remittance and inspection of accounts
- Inspection of the payments of pensions and other benefits
- Inspection of payments at the occasions of leaving the membership
- Inspection of promotional activities and progress of programs

Other Functions

- Special assignments
- Coordination of the answering the audit queries of the Auditor General’s Department

4.3. Audit and Management Committee Meetings

Dates on which Audit and Management Committee meetings held in the year 2020

- 29 June 2020
- 23 September 2020
- 23 December 2020

4.4. Internal Audit Reports submitted in the year 2020

	Subject of Internal Audit Reports	Date of submission
01	Analysis of cash flow generated by the operating process	09. 01. 2020
02	Member enrollments and computerization	03. 01. 2020
03	Preparation of annual plans	03. 02. 2020
04	Control of fixed assets	07. 02. 2020
05	Establishment of the Computer System, which was handed over to Epic Lanka (Pvt) Ltd for preparation	04. 03. 2020
06	Investments	24. 06. 2020
07	Bank reconciliations and unidentified deposits	22. 07. 2020
08	The pension scheme for artists	31. 08. 2020
09	Enrollment of members and issuance of deeds	15. 09. 2020
10	Use of SSB 02 receipt books	25 .11. 2020
11	Execution of independent sales promotion network	25 .11. 2020

- **Inspection of district offices**

	Inspection of district offices	Date of submission of the report
01	Inspection of Galle district office	28 .05. 2020

- **Other reports which were presented**

1. Special assignment reports assigned by the Board of Directors - (Report on retention of files by the General Manager)
2. Reports on the current progress of the Auditor General's Reports for the year 2018

4.5. Staff of the Internal Audit Division

Designations	Number of officers
Internal Auditor	01
Audit Officer	02
Investigation Officer	01
Total	**04**

Expressions of gratitude

For the purpose of assuring the elderly hood of the Sri Lankan citizens, social security pension scheme is implemented in order to certify the monthly pension and other social security benefits to those citizens. We would like to express our gratitude for all that you all have done in every ways and means such as administration, operation, coordination and etc. We are really very much grateful for your support. Thank you for taking the time to help us, we really do appreciate it.

- Ministry of Finance
- State Ministry of Samurdhi, Household Economy, Micro Finance, Self Employment and Business Development
- Auditor-General's Department
- Ministry of Public Administration and Home Affairs
- District Secretaries, Divisional Secretaries
- Social Services Officers / Grama Niladhari Officers
- Peoples' Bank, Bank of Ceylon, National Saving Bank
- Department of Posts
- Co-operative Rural Banking network
- To all who supported us through every aspect

Sri Lanka Social Security Board
Samaja Arakshana Piyasa
No. 18,
Rajagiriya Road,
Rajagiriya.

2020

FINAL ACCOUNTS

Sri Lanka Social Security Board

Ministry of Finance
State Ministry of Samurdhi, Household Economy, Micro Finance, Self Employment and Business Development

Samaja Araksana Piyasa,
No : 18, Rajagiriya Road,
Rajagiriya.

Website : www.ssb.gov.lk
E-mail : info@ssb.gov.lk

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2020

ACCOUNTING POLICIES

1. CORPORATE INFORMATION

1.1. Domicile and Legal Form

Sri Lanka Social Security Board established by Act No. 17 of the year 1996 by the parliament of Domestic Socialist Republic of Sri Lanka which had been revised by act no.33 of the year 1999 and while expanding its are of services further, under the Ministry of Women, Child Affairs & Social Security. The head office is located at No. 18, Rajagiriya Road, Rajagiriya, Sri Lanka.

1.2 Principal Activities and Nature of Operations

The main function of Sri Lanka Social Security Board is to certify the provision of a monthly pension and social security benefits for those citizen of Sri Lanka who are not entitled a government pension and through this system of pension and social security benefits scheme, arrangements are well instituted for the payment of a monthly pension, partial and total incapacitation benefits and death gratuity.

1.3 The Number of Employees

The number of employees at the end of the year was 154

2 BASIS OF PREPARATION

2.1 Statement of Compliance.

The financial statements of Sri Lanka Social Security Board comprise the Statement of Financial Position, Statement of Financial Performance, Cash Flow Statement, Statement of Changes in Reserves and notes to the financial statements. These statements are prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAs) laid down by the Institute of Chartered Accountants of Sri Lanka (ICASL).

2.2. Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost basis except for revalued assets, available for sale financial assets that have been measured at fair value.

No adjustments have been made for inflationary factors in the financial statements

2.2 Functional and presentation Currency.

These financial statements are presented in Sri Lankan Rupees, which is the Sri Lanka Social Security Board functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

These accounting policies set out bellow have been applied consistently to all periods presented in these financial statements.

3.1. Property, Plant and Equipment

The cost of property, plant and equipments is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use. Subsequent to the initial recognition as an asset at cost, revalued assets are carried at revalued amount less any subsequent deprecation thereon. All other property, plant and equipments are stated at cost less accumulated depreciation. Where an item of property, plant and equipments comprises major components having different useful lives, they are accounted as separate items of property, plant and equipments.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Property, Plant and Equipment- Received as Grant

Property, plant and equipment acquired under any grant are capitalized at cost.

Property, plant and equipment other freehold land are stated at cost less accumulated depreciation. Free hold land is stated at cost.

Depreciation is charged on all property, plant and equipment other than freehold land to write off the cost over the estimated useful lives.

Depreciation has been provided for the year on pro-rata basis.

Property, plant and equipment are depreciated on straight line method as mentioned below, further, that the all property, plant and equipment have been accounted at cost method as prescribe in the **SLPSAS 7 – Property, Plant & Equipment**.

1.	Motor vehicles	20%
2.	Plant Machinery & Equipment	25%
3.	Computer and other fixed assets	25%
4.	Communication	20%
5.	Furniture & Office Equipment	10%
6.	Building	4%
7.	Others	10%.
8.	Soft Ware	25%

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on de-recognition of the asset. **(**Calculated as the difference between the net disposal proceeds and the carrying amount of the asset**)** is included in the income statement in the year the asset is derecognized.

Expenditure incurred on repairs or maintenance of Property, Plant and Equipment in order to restore or maintain the future economic benefit expected from originally assessed standard of performance is recognized as an expense when incurred.

3.2 Inventories

The inventories used during the financial year had been charged to the income & expenditure statement at cost.

Balance stock has been valued at cost, selling price or net realizable value whichever is lower.

3.3. Short Term Investment

Investments in money market instruments with a maturity less than one year are treated as short term investment and are stated at cost.

3.4. Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand and held at bank.

3.5. Cash flow Statement

Cash flow Statement has been prepared using the indirect method.

3.6. Liabilities and Provisions

Liabilities are recognized in the balance sheet when there is a present obligation as a result of past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable at the demand of the creditors or within one year of the balance sheet date are treated as current liabilities in the Balance sheet.

Provision is recognized if, as a result of a past event, the Sri Lanka Social Security Board has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.7. Taxation

Tax expenses reported in the financial statement and computed in accordance with the provision of the Inland Revenue Act No.10 of 2006 and its amendments thereto.

3.8 Employee Benefits

I. Define Contribution Plan.

Obligation to define contribution plan are recognized as an expenses in the income statement as incurred. The Sri Lanka Social Security Board contributes 12% and 3% of gross emoluments of employees to Provident Fund and Trust Fund respectively.

II. Define Benefit Plan

Gratuity is a define benefit plan. The Sri Lanka Social Security Board is liable to pay gratuity in terms of the relevant statute. In order to meet this liability , a provision is carried forward in the balance sheet, equivalent to an amount calculated base on a half month's salary of the last of the financial year of all employees for each completed year of service, commencing from the first year of service.

Provision is made for retirement gratuity for all employees in respect of gratuity payable under the payment of gratuity Act No. 12 of 1983. This item is grouped under non current liabilities in the balance sheet.

According to The Treasury, a fund is not necessary, as they will grant the funds when required.

3.9. Revenue Recognition

3.9.1 Revenue Recognition

Enrollment fees and premium from contributors are accounted on receipt basis whilst interest and all other income is accounted on accrual basis.

3.9.2 Expenditure

All expenditure incurred in the running of the board has been accounted on accrual basis and all expenditure incurred in the acquisition, extension or improvement of assets of a permanent nature in order to carry on or increase the earning capacity of the Board has been treated as capital expenditure.

3.10. Comparative information

Where necessary, comparative figures have been rearranged to conform to the current year presentation.

3.11. Events occurring after balance sheet date

All material post balance sheet events have been considered and where appropriate adjustment or disclosures have been made in respective note to the financial statement.

3.12. Commitments and contingencies

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Sri Lanka Social Security Board's control.

3.13. Accounting of Grants

i. Government Grants

The accounting policy adopted for Government Grants including the methods of presentation are as follows.

a. Government Grants for purchase of assets are recognized as income over the periods of useful life of the assets.

b. Other grants received from Fund as well as expenses thereon have been incorporated in the Profit & Loss.

3.14.1 Investment

Investment in fixed deposit and short term deposit has been stated at cost. Income from such investments has been accounted on accrual basis.

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SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2020

	NOTE	2020 Rs	2019 Rs
ASSETS			
CURRENT ASSETS			
CASH IN HAND AND BANK	9	27,094,773	14,678,445
DEPOSITS	10	76,000	76,000
ADVANCES	11	50,725	26,770
STAFF LOAN	12	10,936,230	11,717,395
OTHER ASSETS	13	669,516,323	468,453,672
TOTAL CURRENT ASSETS		**707,674,052**	**494,952,282**
NON CURRENT ASSETS			
INVESTMENT	14	1,860,252,676	1,982,009,885
PROPERTY PLANT & EQUIPMENT	15	213,855,801	200,860,251
TOTAL NON CURRENT ASSETS		**2,074,108,477**	**2,182,870,136**
TOTAL ASSETS		**2,781,782,529**	**2,677,822,417**
LESS:			
LIABILITIES			
CURRENT LIABILITIES			
OTHER LIABILITIES	16	58,606,756	59,168,139
TOTAL CURRENT LIABILITIES		**58,606,756**	**59,168,139**
NET CURRENT ASSETS		**649,067,296**	**435,784,142**
CURRENT & NON CURRENT LIABILITIES	17	32,625,648	28,223,812
TOTAL LIABILITIES		**91,232,404**	**87,391,951**
TOTAL NET ASSETS		**2,690,550,125**	**2,590,430,467**
FINANCED BY			
ACCUMILATED FUND	18	(50,072,636)	(39,282,738)
REVALUATION RESERVE	19	42,792,509	19,479,200
S.L. SOCIAL SECURITY PENSION FUND	20	2,492,353,672	2,405,497,232
ELDERS FUND ACCOUNT	21	1,174,509	1,334,700
GOVERNMENT GRANTS & FUND	22	204,302,072	203,402,072
		2,690,550,125	**2,590,430,467**

"The Accounting policies on pages 1 to 5 and notes on pages 10-17 form an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf."

24/02/2021		24/2/2021	
W.S.P.Fernando	**K.A.S.P.Kaluarachchi**	**K.M.Kumarasiri**	**Saman Handaragama**
Assistant General Manager (Finance)	**General Manager**	**Director**	**Chairman**

SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

	NOTE	2020 Rs	2019 Rs
REVENUE	1	122,772,562	151,689,892
TOTAL REVENUE		**122,772,562**	**151,689,892**
OPERATING EXPENSES			
PERSONAL EMOLUMENTS	2	96,796,137	105,139,922
TRAVELLING EXPENSES	3	733,780	1,873,751
SUPPLIES & CONSUMABLE ITEMS	4	4,726,064	7,497,815
MAINTENANCE	5	2,582,193	3,662,683
CONTRACTUAL SERVICES	6	17,340,218	20,801,510
OTHER EXPENDITURE	7	1,377,052	6,522,298
DEPRECIATION	8	11,258,357	12,839,445
TOTAL EXPENSES		**134,813,800**	**158,337,422**
SURPLUS / (DEFICIT) FOR THE PERIOD		**(12,041,238)**	**(6,647,530)**

SRI LANKA SOCIAL SECURITY BOARD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.12.2020

CASH FLOW FROM OPERATING ACTIVITIES		2020 Rs	2019 Rs
Surplus / (Deficit) for the year		(12,041,238)	(6,647,530)
Less :			
	Profit on sale of fixed assets	(11,747)	(16,556)
	Amortization of Capital Grant	-	(10,473,037)
	Previous Year Adjustment	1,251,339	579,368
Add :	Depreciation for the year	11,258,357	12,839,445
	Provision for gratuity	4,795,056	7,591,673
Operating Deficit before Working Capital		**5,251,767**	**3,873,363**
	Increase of Inventories	725,971	(607,257)
	Decrease of trade & other receivables	(201,007,458)	(208,655,837)
	Increase of pre payments	(23,955)	(26,770)
	Decrease of Accrued Expenses & Payables	(561,384)	12,398,141
	Gratuity paid during the year	(393,220)	(1,166,588)
		(201,260,046)	**(198,058,312)**
Net Cash Flow From Operating Activities		**(196,008,279)**	**(194,184,949)**
Cash Flow From Investing Activities			
	Purchase of Fixed Assets	(951,794)	(13,560,213)
	Proceeds from sale of fixed assets	22,945	25,073
	Investment	121,757,208	50,536,417
Net Cash Flow from Investment Activities		**120,828,359**	**37,001,277**
Cash Flow From Financing Activities			
	Net Receipt of Internal Funds	87,196,248	127,782,880
	Capital Grants	400,000	12,980,000
Net Cash Flow From Financing Activities		**87,596,248**	**140,762,880**
NET CASH USED		**12,416,328**	**(16,420,791)**
Cash & Cash Equivalents as at 01/01/2019		14,678,445	31,099,236
Cash & Cash Equivalents as at 31/12/2019		27,094,773	14,678,445

SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Funds	Grants	Accumulated Fund & Reserves	Total
Balance as at 1st January 2019	2,281,814,653	197,440,666	(27,603,919)	2,451,651,400
Prior year adjustments	3,318,180	-	14,447,912	17,766,092
Transfer during the year	121,699,098	5,961,406	(6,647,530)	121,012,974
Balance as at 31st December 2019	**2,406,831,931**	**203,402,072**	**(19,803,537)**	**2,590,430,466**
Balance as at 1st January 2020	2,406,831,931	203,402,072	(19,803,537)	2,590,430,466
Prior year adjustments	2,794,706	-	24,564,649	27,359,355
Transfer during the year	83,901,542	900,000	(12,041,238)	72,760,304
Balance as at 31st December 2020	**2,493,528,179**	**204,302,072**	**(7,280,126)**	**2,690,550,125**

NOTES

NOTE 01 INCOME	2020 Rs	2019 Rs
1.1 - INTEREST INCOME NOTE 01 (I)	**901,939**	**1,023,482**
1.2 - GRANTS NOTE 01 (II)	**121,777,365**	**139,991,052**
1.3 - OTHER INCOME NOTE 01 (III)	**93,259**	**10,675,358**
TOTAL INCOME	**122,772,562**	**151,689,892**

NOTE 01 (I) INCOME	2020 Rs	2019 Rs
1.1 - INTEREST INCOME		
INTEREST - DISTRESS LOAN - I	94,037	107,125
INTEREST - SPECIAL ADVANCE	3,397	3,670
INTEREST - OTHER INCOME	130,607	323,933
INTREST - INCOME SYSTEM	673,898	588,754
TOTAL INCOME	**901,939**	**1,023,482**

NOTE 01 (II) INCOME	2020 Rs	2019 Rs
1.2 - GRANTS		
GOVERNMENT GRANT - RECURRENT	121,777,365	134,503,000
TRANSER ACCOUNTS A/C 213	-	5,488,052
TOTAL INCOME	**121,777,365**	**139,991,052**

NOTE 01 (III) INCOME	2020 Rs	2019 Rs
1.3 - OTHER INCOME		
SUNDRY INCOME	81,511	185,765
SALE OF CONDEMNED & CAPITAL ITEMS	11,747	16,556
DIFFERED REVENUE	-	10,473,037
TOTAL INCOME	**93,259**	**10,675,358**

NOTE 02 PERSONAL EMOLUMENTS	2020 Rs	2019 Rs
SALARIES & WAGES	77,267,873	80,290,273
EPF	9,273,310	9,469,296
ETF	2,315,256	2,367,087
OVERTIME & HOLIDAY PAYMENT	745,737	1,369,441
OTHER ALLOWANCES	2,398,905	3,237,877
GRATUITY	4,795,056	8,405,947
TOTAL	**96,796,137**	**105,139,922**

NOTE 03 TRAVELLING EXPENSES	2020 Rs	2019 Rs
TRAVELLING - DOMESTIC	733,780	1,418,178
TRAVELLING - FOREIGN	-	455,573
TOTAL	733,780	1,873,751

NOTE 04 SUPPLIES & CONSUMABLE ITEMS	2020 Rs	2019 Rs
PRINTING & STATIONERY	3,301,978	5,406,614
FUEL & LUBRICANT	860,940	1,338,117
ENTERTAINMENT	241,575	312,288
NEWS PAPERS	4,870	7,760
UNIFORM	136,000	172,000
SUPPLY OTHERS	180,701	261,035
TOTAL	4,726,064	7,497,815

NOTE 05 MAINTANANCE	2020 Rs	2019 Rs
MAINTENANCE EXPENDITURES - BUILDING & STRUCTURE	324,446	143,672
MAINTENANCE EXPENDITURES - PLANT, MACHINERY & EQUI	1,610,985	1,580,308
MAINTENANCE EXPENDITURES - VEHICLES	646,761	1,938,702
TOTAL	2,582,193	3,662,683

NOTE 06 CONTRACTUAL SERVICES	2020 Rs	2019 Rs
TRANSPORT	15,785	26,188
TELECOMMUNICATION	2,433,888	2,794,685
POSTAL CHARGES	1,813,736	2,940,034
ELECTRICITY & WATER	2,534,823	2,881,752
CLEANING CHARGES	954,405	903,160
SECURITY CHARGES	1,320,812	1,588,778
ADVERTISING	893,507	1,530,587
RENTAL & LOCAL TAXES	100,887	112,300
AUDIT CHRGERS	300,000	-
VEHI.PRO.UN.OPER.LEASING METHOD	6,972,375	8,024,025
TOTAL	17,340,218	20,801,510

NOTE 07 OTHER EXPENDITURE	2020 Rs	2019 Rs
PROMOTION EXPENCES	1,289,347	3,645,670
OTHER RECURRENT EXPENCES	87,706	2,670,839
WITH HOLDING TAX	-	205,788
TOTAL	1,377,052	6,522,298

NOTE 08 DEPRECIATION	2020 Rs	2019 Rs
BUILDING	3,471,772	6,401,898
MOTOR VEHICLES	3,732,400	2,805,815
COMPUTERS	1,861,751	1,778,552
FURNITURE & OFFICE EQUIPMENT	1,503,434	1,385,794
SOFTWARE DEVELOPMENT	374,010	340,462
COMMUNICATIONS	928	1,460
PLANT & MACHINERY	245,852	57,253
OTHERS	68,210	68,210
TOTAL	11,258,357	12,839,445

NOTE 09 CASH IN HAND AND BANK	2020 Rs	2019 Rs
PB - C/A - 174100120350213	4,752,106	955,682
PB - C/A - 174100140350212	(15,678,454)	(8,963,994)
PB - S/A - USD - 174402140350212	10,261	9,781
PB - JANAJAYA CALL DEPOSITS - 174200210350	27,962,809	15,275,071
BOC - C/A - 228073	(159,000)	51,000
BOC - CALL DEPOSITS - 3532598	8,512,299	3,035,432
NSB - S/A - 101110107557	57,825	2,181,101
PB - 174100230350212	1,636,927	2,134,371
TOTAL	27,094,773	14,678,445

NOTE 10 DEPOSITS	2020 Rs	2019 Rs
REFUNDABLE DEPOSITS - FUEL	75,000	75,000
REFUNDABLE DEPOSITS - OTHERS	1,000	1,000
TOTAL	76,000	76,000

NOTE 11 ADVANCES	2020 Rs	2019 Rs
POSTAL	50,725	26,770
TOTAL	50,725	26,770

NOTE 12 STAFF LOAN	2020 Rs	2019 Rs
DISTRESS LOAN 1	1,873,192	1,850,372
DISTRESS LOAN 2	230,680	260,244
DISTRESS LOAN 3	8,807,859	9,592,279
FESTIVAL ADVANCE	24,500	14,500
SPECIAL ADVANCE	-	-
TOTAL	10,936,230	11,717,395

NOTE 13 OTHER ASSETS	2020 Rs	2019 Rs
INTETEST RECEIVABLE - FIXED DEPOSITS	642,256,252	446,243,886
INTEREST RECIVABLE F.D -CULTURA	23,235,487	17,531,493
INTEREST RECIVABLE SYSTEM	90,990	41,092
STOCKS	2,404,898	3,130,869
STAFF RECEIVABLES	1,252,912	1,335,805
INSURANCE PREPAID	135,487	170,526
RENTAL & TAX PREPAID	102,366	-
INTEREST RECIVABLE JALAYA	37,932	-
TOTAL	669,516,323	468,453,672

NOTE 14 INVESTMENTS	2020 Rs	2019 Rs
INVESTMENT - FIXED DEPOSITS	1,741,510,030	1,870,775,003
INVESTMANT-CULTURAL	102,832,557	99,139,357
INVESTMANT SOFTWEAR	12,910,088	12,095,524
INVESTMENT -JALAYA	3,000,000	-
TOTAL	1,860,252,676	1,982,009,885

NOTE 15

SRI LANKA SOCIAL SECURITY BOARD

FIXED ASSETS AS AT 31ST DECEMBER 2020

PARTICULARS	BUILDING	MOTOR VEHICLE	FURNITIURE & OFFICE EQUIPMENT	COMPUTERS	COMMUNICATION	PLANT & MACHINERY	SOFTWARE	OTHERS	LAND	TOTAL
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
COST AS AT 01 JANUARY 2020	**161,241,180**	**18,662,000**	**24,242,302**	**28,994,842**	**4,737,540**	**10,945,387**	**25,491,318**	**1,066,105**	**47,854,000**	**323,234,673**
REVALUATION	**74,449,000**	-	-	-	-	-	-	-	**97,050,000**	**171,499,000**
TRANSFER (FROM REVALUATION ADJ)	**138,151,000**	-	-	-	-	-	-	-	**47,854,000**	**186,005,000**
ADDITIONS	911,244	-	5,950	34,600	-	-	-	-	-	**951,794**
DISPOSALS	-		227,147		-	-	-	-	-	**227,147**
COST AS AT 31 DECEMBER 2020	**98,450,424**	**18,662,000**	**24,021,104**	**29,029,442**	**4,737,540**	**10,945,387**	**25,491,318**	**1,066,105**	**97,050,000**	**309,453,320**
ACC. DEP. AS AT 01 JANUARY 2020	**44,256,615**	**313,523**	**14,371,689**	**23,351,684**	**4,736,572**	**10,019,214**	**24,495,667**	**829,460**	-	**122,374,422**
TRANSFER (FROM REVALUATION ADJ)	**37,819,309**	-	-	-	-	-	-	-		**37,819,309**
REVALUATION	-	-	-	-	-	-	-	-	-	-
DEPRECIATION	3,471,772	3,732,400	1,503,434	1,861,751	928	245,852	374,010	68,210	-	**11,258,357**
DISPOSALS	-	-	215,950	-	-	-			-	**215,950**
ACC.DEP. AS AT 31 DECEMBER 2020	**9,909,077**	**4,045,923**	**15,659,173**	**25,213,435**	**4,737,500**	**10,265,066**	**24,869,676**	**897,670**	-	**95,597,520**
W.D.V AS AT 01 JANUARY 2020	**116,984,565**	**18,348,477**	**9,870,613**	**5,643,158**	**968**	**926,173**	**995,652**	**236,645**	**97,050,000**	**200,860,251**
W.D.V AS AT 31 DECEMBER 2020	**88,541,347**	**14,616,077**	**8,361,931**	**3,816,007**	**40**	**680,321**	**621,642**	**168,435**	**97,050,000**	**213,855,801**

NOTE 16 OTHER LIABILITIES	2020 Rs	2019 Rs
ACCURED EXPENSES - OTHER ALLOWANCE	63,000	143,500
ACCURED EXPENSES - OVERTIME	81,547	90,627
ACCURED EXPENSES - TRAVELLING	63,844	157,517
ACCURED EXPENSES - STATIONERY	577,997	75,095
ACCURED EXPENSES - FUEL	44,294	111,195
ACCURED EXPENSES - SUPPLY OTHERS	210,496	1,620
ACCURED EXPENSES - MAINTENANCE VEHICLES	1,150	101,600
ACCURED EXPENSES - MAINTENANCE PLANT & MACHINERY	30,530	31,000
ACCURED EXPENSES - TRANSPORT	5,475	-
ACCURED EXPENSES - TELECOMMUNICATION	215,803	305,626
ACCURED EXPENSES - POSTAL CHARGES	14,902	11,093
ACCURED EXPENSES - ELECTRICITY & WATER	244,688	260,943
ACCURED EXPENSES - CONTARACTURAL SERVICES OTHERS	1,691,994	964,537
ACCURED EXPENSES - ETF	825	-
ACCURED EXPENSES - SALARY	35,373	-
ACCURED EXPENSES - GRATUITY	103,560	656,931
ACCURED EXPENSES - EPF	5,497	-
ACCURED EXPENSES - AUDIT CHARGES	649,140	850,080
ACCURED EXPENSES - WITH HOLDING TAX	33,104,517	33,823,839
ACCRUTED EXPENSES WITHHOLDINH TAX PAYBLE-CULTURA	1,384,373	1,395,714
ACCRUTED EXPENSES VEHI.PRO.UN OPER.LESING METHOD	580,000	610,400
ACCURED EXPENSES - OTHER RECURRENT	439,928	1,067,449
ACCRUTED EXPENSES - HOLYDAY PAY	-	11,333
INCENTIVE PAYMENT PAYABLE	8,265,632	7,053,097
RETENTION PAYABLE	95,210	349,435
SECURITY DEPOSIT PAYABLE	25,000	25,000
CLEANING DEPOSIT-1 PAYABLE	25,000	25,000
STAFF PAYABLE	219,748	240,328
REFUNDABLE DEPOSITS PAYABLE	30,000	30,000
SALARIES CONTROL A/C	-	-
EPF CONTROL A/C	-	-
WITHHOLDING TAX PAYBLE SYSTEM	-	2,055
DISTRESS LOAN I	-	250,000
DEPOSITS TO BE IDENTIFIED (NOTE 24)	10,397,234	10,523,125
TOTAL	**58,606,756**	**59,168,139**

NOTE 17 CURRENT & NON CURRENT LIABILITIES	2020 Rs	2019 Rs
GARUAITY PAYABLE (Note 17 (1))	32,310,448	27,908,612
INVESTMENT - ARASSAWA - RASHMI NIMESHA	255,000	255,000
INVESTMENT - ARASSAWA - RASANI DILINIKA	50,200	50,200
INVESTMENT - ARASSAWA - 100 ART COMPETITORS	10,000	10,000
TOTAL	**32,625,648**	**28,223,812**

NOTE 17 (I) GRATUITY	2020 Rs	2019 Rs
BALANCE AT THE BEGINNING OF THE YEAR	27,908,612	21,483,527
PRIOR YEAR ADJUSTMENT	-	-
CHARGE FOR THE YEAR	4,795,056	7,591,673
GRATUITY PAID DURING THE YEAR	393,220	1,166,588
TOTAL	**32,310,448**	**27,908,612**

NOTE 18 ACCUMILATED FUND	2020 Rs	2019 Rs
OPENING BALANCE	(39,282,738)	(33,214,576)
PRIOR YEAR ADJUSTMENT	1,251,339	579,368
SURPLUS / (DEFICIT) FOR THE YEAR	(12,041,238)	(6,647,530)
TOTAL	**(50,072,636)**	**(39,282,738)**

NOTE 19 REVALUATION RESERVE	2020 Rs	2019 Rs
OPENING BALANCE	19,479,200	5,610,656
PRIOR YEAR ADJUSTMENT	23,313,309	13,868,544
WRITE OFF VALUE	-	-
TOTAL	**42,792,509**	**19,479,200**

NOTE 20 S.L. SOCIAL SECURITY PENSION FUND	2020 Rs	2019 Rs
OPENING BALANCE	2,311,497,232	2,186,314,876
PREVIOUS YEAR ADJUSTMENT	2,793,206	3,308,623
THIS YEAR ADJUSTMENT		
TRANSFER DURING THE YEAR	84,063,233	121,873,733
MINISTRY OF CULTURAL AFFIARS FUND		
OPENING BALANCE	94,000,000	94,000,000
TRANSACTION DURING THE YEAR	-	-
PAYMENT FOR PENSOINERS	-	-
	2,492,353,672	**2,405,497,232**

NOTE 21 ELDERS FUND ACCOUNT	2020 Rs	2019 Rs
OPENING BALANCE	1,334,700	1,499,779
PREVIOUS YEAR ADJUSTMENT	1,500	9,557
INTEREST DURING THE YEAR	51,308	48,865
PAYMENT FOR SENIOR CITIZENS	(213,000)	(223,500)
TOTAL	**1,174,509**	**1,334,700**

NOTE 22 **GOVERNMENT GRANTS & FUND**	2020 Rs	2019 Rs
CAPITAL- GOVERNMENT	37,105,344	36,705,344
VEHICLE- GOVERNMENT	-	-
CAPITAL GRANT MINISTRY AUDITRIO	540,000	540,000
CAPITAL GRANT MINISTRY PRO.PROM	2,725,600	2,225,600
CAPITAL -FUND	163,931,128	163,931,128
TOTAL	**204,302,072**	**203,402,072**

NOTE 22 (I) **CAPITAL BALANCES B/F TO DEVELOP SOCIAL SECURITY PENSION MANAGEMENT INFORMATION SYSTEM**	2020 Rs	2019 Rs
OPENING BALANCE	12,511,000	12,511,000
THIS YEAR ALLOCATION	-	-
TOTAL	**12,511,000**	**12,511,000**

NOTE 23

SRI LANKA SOCIAL SECURITY BOARD
DETAILS OF UNIDENTIFIED DEPOSITS FROM 2004 - 2020
AS AT 31st December 2020

Year	Bank	Total Value of Deposits To Be Identified As At 31-12-2020	Total Value of Unidentified Deposits Identified & Accounted up to 10-01-2020	Balance to Be Identified	Details of Unidentified Deposits As At 31-12-2020		
					Unidentified As Data Destroyed By Banks	Unidentified As The Depositor Didn't Put Any Detail In The Banking Slip To Recognize the Contributor	Remained To Be Identified Except Reasons Mentioned In (f) & (g)
(a)	(b)	(c)	(d)	(e) = (c) - (d)	(f)	(g)	(h)
		Rs	Rs	Rs	Rs	Rs	Rs
2004 -2009	Bank of Ceylon	289,641	85,209	204,432	204,432	-	-
	Peoples Bank	939,621	190,581	749,040	749,040	-	-
	National Savings Bank	160,521	128,021	32,501	32,501	-	-
2010	Bank of Ceylon	159,351	106,254	53,097	-	-	53,097
	Peoples Bank	412,822	412,822	-	-	-	-
	National Savings Bank	527,443	520,440	7,003	-	-	7,003
							-
2011	Bank of Ceylon	210,389	201,168	9,220	-	-	9,220
	Peoples Bank	8,544,430	8,535,026	9,404	-	-	9,404
	National Savings Bank	601,099	599,848	1,251	-	-	1,251
							-
2012	Bank of Ceylon	4,324,890	4,323,470	1,420	-	-	1,420
	Peoples Bank	716,631	716,631	-	-	-	-
	National Savings Bank	4,250,578	4,247,906	2,672	-	-	2,672
							-
2013	Bank of Ceylon	3,139,542	3,137,201	2,341	-	2,341	-
	Peoples Bank	4,461,355	4,459,335	2,020	-	2,020	-
	National Savings Bank	1,037,101	1,025,231	11,870	-	11,870	-
							-
2014	Bank of Ceylon	1,672,105	1,670,453	1,652	-	1,652	-
	Peoples Bank	6,500,041	6,493,491	6,550	-	6,550	-
	National Savings Bank	823,583	822,063	1,520	-	1,520	-
							-
2015	Bank of Ceylon	16,177,682	16,154,571	23,111	-	23,111	-
	Peoples Bank	9,927,670	9,902,724	24,946	-	24,946	-
	National Savings Bank	1,218,604	1,205,044	13,560	-	13,560	-
							-
2016	Bank of Ceylon	22,375,693	22,336,773	38,920	-	17,583	21,337
	Peoples Bank	11,364,867	11,364,507	360	-	-	360
	National Savings Bank	773,205	773,205	-	-	-	-
							-
2017	Bank of Ceylon	30,234,011	30,197,125	36,886	-	33,908	2,978
	Peoples Bank	15,590,484	15,577,671	12,813	-	-	12,813
	National Savings Bank	467,308	467,308	-	-	-	-
							-
2018	Bank of Ceylon	37,225,295	35,967,286	1,258,009	-	40,287	1,217,722
	Peoples Bank	12,204,785	11,532,003	672,782	-	-	672,782
	National Savings Bank	357,918	357,918	-	-	-	-
							-
2019	Bank of Ceylon	38,917,698	33,418,442	5,499,256	-	-	5,499,256
	Peoples Bank	9,949,601	9,116,087	833,514	-	-	833,514
	National Savings Bank	151,412	151,412	-	-	-	-
							-
2020	Bank of Ceylon	17,208,016	16,554,285	653,731	-	-	653,731
	Peoples Bank	10,077,668	9,848,282	229,386	-	-	229,386
	National Savings Bank	77,795	73,827	3,968	-	-	3,968
							-
	Total	**273,070,855**	**262,673,621**	**10,397,234**	**985,973**	**179,348**	**9,231,914**

Remarks:-

Column (1 There is an unidentified value of Rs 985,973.00 from 2004 - 2009 as banks destroyed details of deposits. This amount can be identified when the contributor comes for applying pensions, refunds, sending letters of activation and conducting awareness programmes.

Column (g There is an unidentified value of Rs.179,348.00 as the depositor didn't put any detail to recognize the enrollment number.
This amount can be identified when the contributor comes for applying pensions, refunds, sending letters of activation and conducting awareness programmes.

Column (1 Entering applications to the computer system needs a considerable time period. Because of that there is an unidentified value of Rs 8,260,762.00 till data enter to the computer system. It is been scheduled to enter all applications before end of 31/12/2021

Column (1 Letters already sent to all bank branches to identify this amount.

SRI LANKA SOCIAL SECURITY BOARD

INVESTMENT SCHEDULE- As at 31.12.2020

Investee/ Bank	Certificate No.	Investment			Period	Int. Rate P.A	Total Interest Receivable	Maturity Value	Interest Receivable			WHT Payble		
		Date of		Invested Amount										
		Investment	Maturity						2018	2019	2020	2018	2019	2020
Boc	995718 Dep.Culter Affears	0 6-Jan-2017	0 6-Jan-2022	40,000,000	60 M	14.50%	29,000,000	69,000,000	5,800,000	5,800,000	5,800,000	464,000	464,000	-
NSB	2/0111/02/88012	31-Jul-2017	31-Jul-2022	388,624,537	60 M	13.00%	252,605,949	641,230,486	50,521,190	50,521,190	50,521,190	4,041,695	4,041,695	-
SMIB	SMIB/FD/000787	23-Aug-2017	23-Aug-2022	216,269,869	60 M	15.00%	162,202,402	378,472,271	32,440,480	32,440,480	32,440,480	2,595,238	2,595,238	-
SIMB	SMIB/IFD/000811 Elders Pen	0 9-Oct-2017	0 9-Oct-2022	460,000,000	60 M	14.50%	333,500,000	793,500,000	66,700,000	66,700,000	66,700,000	5,336,000	5,336,000	-
HDFC	999202000013/1	8-Dec-2017	0 8-Dec-2022	113,000,000	60 M	15.50%	87,575,000	200,575,000	17,515,000	17,515,000	17,515,000	1,401,200	1,401,200	-
PB	174600100021179-7	18-Oct-2018	18-Oct-2023	271,481,506	60 M	14.00%	190,037,054	461,518,561	7,809,742	38,007,411	38,007,411	390,487	1,900,371	-
HDFC	999206000014/31	9-Jan-2020	0 9-Jan-2021	21,553,121	12 M	11.00%	2,370,843	23,923,964			2,318,880			115,944
HDFC	999201000115/8	15-Jul-2020	14-Jul-2021	20,151,000	12 M	8.50%	1,712,835	21,863,835			797,759			-
HDFC	999201000115/9	13-Aug-2020	13-Aug-2021	10,681,000	12 M	7.50%	801,075	11,482,075			309,456			-
HDFC	999201000115/11	4-Sep-2020	4-Mar-2021	176,061,000	6 M	6.25%	5,456,685	181,517,685			3,587,544			-
HDFC	999201000115/12	22-Oct-2020	22-Jan-2021	11,200,000	3 M	5.50%	155,266	11,355,266			119,825			-
HDFC	JALA-999201000115/13	22-Oct-2020	22-Oct-2021	3,000,000	12 M	6.50%	195,000	3,195,000			37,932			-
PB	174600100025589-2	9-Nov-2020	9-Feb-2021	52,488,000	3 M	5.25%	694,567	53,182,567			400,131			-
HDFC	System-999201000115/16	13-Nov-2020	13-Feb-2021	12,910,089	3 M	5.25%	170,838	13,080,926			90,990			-
PB	Culture	16-Dec-2020	16-Mar-2021	62,832,557	3 M	4.75%	735,916	63,568,473			130,829			-
Total				1,860,252,679			1,067,213,430	2,927,466,110	180,786,412	210,984,081	218,777,427	14,228,621	15,738,504	115,944

SRI LANKA SOCIAL SECURITY BOARD
INCOME & EXPENDITURE STATEMENT- PENSION FUND
YEAR ENDED 31ST DECEMBER 2020

Description	2020 Rs	2019 Rs
Member's Contribution		
Postal Collection	144,789,355	143,491,961
Bank & Other Collection	76,086,465	92,169,394
Total Contribution (a)	**220,875,820**	**235,661,355**
Add- Interest Income		
Fixed Deposits	238,562,470	259,919,300
Savings Deposits	1,232,094	2,236,219
Other (Distress Loan II)	4,240	10,033
Other (Distress Loan III)	724,042	950,911
Interest of cultural Fund	7,321,309	6,215,142
Intrest Income Jalaya	37,932	
Total Interest (b)	**247,882,087**	**269,331,605**
Less- Expenditure		
Pension Payment	331,553,955	312,727,588
Refund Payment	27,946,174	25,304,571
Gratuity Payment	2,135,828	2,103,055
Disability Payment	589,719	657,064
Beneficiary Payments to Contributors	2,928,000	2,775,394
Postal Charges	(24,360)	825
Incentive Payment	11,188,589	15,649,535
S.S Development Exp.	-	-
Staff Insurance	752,000	755,000
Vehicle Rent	-	-
Bank Charges	22,720	59,289
Postal Commission	7,301,104	-
Others	185,000	
Withholding Tax - Fund	115,944	17,008,980
Withholding Tax - Saving	-	114,532
Withholding Tax- Culture	-	475,342
Transfer Account A/C 212	-	5,488,052
Total Expenses (c)	**384,694,673**	**383,119,227**
Net Balance (a) + (b) - (c)	**84,063,233**	**121,873,733**

Remarks:

Total cash collection from 01.01.2020 to 31.12.2020 is Rs 231,273,054.12
From this amount total value of unidentified deposits is Rs 10,397,234.00
It is been stated as current liability in the balance sheet (Note 23)

NATIONAL AUDIT OFFICE

Chairman
Sri Lanka Social Security Board

Report of the Auditor General on the Financial Statement and other legal and regulatory requirements of the Sri Lanka Social Security Board for the year ended 31 December 2020 in terms of Section 12 of the **National Audit Act, No.19 of 2018**

1. **Financial Statements**

1.1 Qualified Opinion

This Report declares the Financial Statement of the Sri Lanka Social Security Board as at 31st December 2020 and Financial Performance for the year then ended, Statement of Title Change and Financial Flow Statement & Notes on Financial Statements, Financial Statements for the Year ended December 31, 2020 comprising a summary of important accounting principles and my comments and observations which I consider that should be published with the annual report of the Sri Lanka Social Security Board in pursuance of provisions of the Finance Act No 38 of 1971 and National Audit Act No 19 of 2018 that should be read in conjunction with Article 154(1) of the constitution of the Democratic Socialist Republic of Sri Lanka. This report will be tabled in Parliament in terms of Article 154 (6) of the Constitution.

In my opinion, except for the effects of the matters described in paragraph ' Qualified Opinion' in this report, the financial statements give a true and fair view of the financial position of the Sri Lanka Social Security Board as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basic for Opinion

(a) Even though assets which are expected to be realized during 12 months after the date of reporting, should be stated under the current assets in accordance with Chapter 76 of Sri Lanka Public Sector Accounting Standards No. 01, fixed deposits of Rs. 370,876,767 /- which were due to become maturity within less than one year, exited at the end of year under review had been shown in noncurrent assets.

(b) In accordance with Chapter 90 of Sri Lanka Public Sector Accounting Standards No. 07, despite the fact that, the relevant information related to revaluations in financial statements should be revealed when a class of plant, property and equipment has been declared to the said revaluation values, the details of land and buildings which had been revaluated into Rs. 97,050,000 and Rs. 74,449,000 respectively by the Board in the year under review had not been revealed in terms of the standard. Further in accordance with Chapter 49 of Standards No. 07, when it is revalued an item of plant, property and equipment, the whole class of assets, in which, the said asset belongs, should be totally revalued, however, it was observed that among buildings to the cost of Rs. 161,241,180 /- belonging to the Board as at 01st January 2020, only the buildings to the cost of Rs. 138,151,000 /- had been revaluated.

(c) Relevant details of the paid amount of contribution of Rs. 10,397,234/-which had been paid by the contributors enrolled into the scheme from 2004 to year under review as at 31 December 2020 under the Pension and Social Security Benefit Scheme, had not been presented to the audit to be identified separately as per the amount of contributions paid by the relevant contributors.

(d) Rs. 1,251,339 which had not been relevant to the cash flow receipt from operation activities had been adjusted to the operation profit contradictory to the Sri Lanka Public Sector Accounting Standards No. 02.

I conducted the audit in accordance with Sri Lanka Auditing Standards. My responsibility under these audit standards is further described in the section "Auditor's Responsibility in Auditing Financial Statements" in this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide the basis for my audited opinion.

1.3 Other information included in the Annual Report 2020 of the Board

The information, which has been included in the annual report 2020 of the Board but has not been included in my audit report regarding the same, before the date of this audit report, means the other information. The management should responsible for this other information.

Other information has been covered from my opinion in connection with the financial statements and I do not express an opinion or assurance in any manner in this regard.

With regard to my audit on financial statements, my responsibility is to read the same when it is unable to obtain other information identified above and to consider material incompatibility as per my knowledge obtained in reading the other information with financial statements or in the audit or in another manner.

Upon the information obtained by me before the date of this audit report and on the basis of tasks performed by me, if I conclude that other information has wrongly been shown in material, the said matter is essential to be reported by me. I do not have anything to report in this regard.

1.4 Responsibilities of the managing and governing parties on financial statements

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

It is the responsibility of the management to determine the continuity of the Board, in preparing the financial statements. It is also a responsibility of the management to disclose matters relating to the continuation of the Board and to keep accounts on a continual basis, unless the management intends to liquidate the Board or cease operations when there is no other option.

The responsibility for the financial reporting process of the Sri Lanka Social Security Board is borne by the governing parties.

The Board shall maintain proper books and records of its income, expenses, assets and liabilities in order to prepare annual and periodic financial statements, subject to the subsection 16 (1) of the National Audit Act No. 19 of 2018.

1.5 Responsibility of the Auditor in the Audit of Financial Statements

My intention is to issue the audit report with my opinion and to give reasonable assurance that at the financial as a whole are free from quantitative false statements resulting from fraud and error. While fair certification is a high-level guarantee, it does not always mean that the auditing conducted in pursuance of Sri Lanka Audit Standards always discloses quantitative misstatement while auditing. Frauds and errors can result in quantitative misstatements, either individually or collectively and it is expected that this will affect the economic decisions made by the users based on these financial statements.

This audit was conducted by me in accordance with Sri Lanka Auditing Standards with professional judgment and professional ambivalence. Further,

- My opinion is based on obtaining appropriate and adequate audit evidences to avoid risks of fraud and error, by designing appropriate audit procedures while identifying and assessing the risks of financial statements that may occur due to fraud or error. The effect of fraud is stronger than the effect of a quantitative false statement and, collusion, forgery, intentional avoidance or avoidance of internal control lead to fraud.

- Although an understanding on the internal administration of the Board was adopted as, appropriate to design appropriate audit procedures. However, it does not intend to express an opinion on the effectiveness of internal administration.

- The fairness of accounting policies and accounting estimates applied and the appropriateness of the related disclosures made by the management was evaluated.

- The relevance of using the foundation of organization's continuity for accounting was determined based on audit evidence obtained as to whether there is quantitative uncertainty about the continuity of the Board due to events or circumstances. If I conclude that there is sufficient uncertainty, my audit report should focus on relevant disclosures in the financial statements. If that disclosure is inadequate, my opinion must be modified. However, continuation can end on future events or circumstances.

- The presentation, structure and content of the financial statements, which include disclosure, were evaluated and the transactions and events based on are recognized in the financial statements as appropriate and fair.

The controlling parties were briefed on key audit findings, key internal control deficiencies and other issues identified during my audit.

2. Report on other legal and regulatory requirements

2.1 Special provisions are included in the National Audit Act No. 19 of 2018, concerning the following requirements.

2.1.1 In accordance with the requirements set out in Section 12 (a) of the National Audit Act No. 19 of 2018, I have obtained all necessary information and clarifications for the audit, excluding the impact of the matters described in the section on the audited opinion of my report. My investigation shows that the proper financial records were maintained by the "Board".

2.1.2 The financial statements of the Board are compatible with the previous year in accordance with the requirements of section 6 (1) (c) (111) of the National Audit Act No. 19 of 2018.

2.1.3 The recommendations I made last year are included in the submitted financial statements, except for the observation set out in paragraph 1.2 (b) (i) of this report in accordance with the requirements of section 6 (1) (c) (iv) of the National Audit Act No. 19 of 2018

2.2 On the procedures followed and on the evidence obtained and in limiting quantitative matters I found none of the facts were significant enough to make the following statements.

2.2.1 In accordance with the requirements of Section 12 (c) of the National Audit Act, No. 19 of 2018, any member of the Board of Governors of the Board have any agreement relating to the Board is in any way directly or otherwise outside the normal business context.

2.2.2 Act of non-compliance with any applicable written law or other general or special directives issued by the Board of Governors, except for the following observations as required by Section 12 (f) of the National Audit Act No 19 of 2018.

Reference to Laws, Rules and Regulations	Observations
(a) Chapter 4.2 of the Government Procurement Guideline 2006	Even though the main procurement plan to be prepared for anticipated procurement activities in detail for minimum three (03) years, the procurement plan had not been prepared as per this.

Acted non-compliance with the powers, functions and functions of the Board in accordance with the requirements of Section 12 (g) of the National Audit Act No 19 of 2018,

3. **Other audit observations**

(a) Distress Loan had been given to the employees of the Board with an interest of 9.5 % from the money collected under the Pension and Social Security benefit Scheme and the receivable balance as at 31 December 2020 had been Rs.9, 038,538.

(b) Even though the target had been set as to enroll 35,000 members to the pension scheme of the Board within the action plan on the name 'preparation a methodology for securing the future of low income earners', the actual enrollment in the year had been 25,678 members. The number of pension beneficiaries had been 31,769 under the Sri Lanka Social Security and Pension Scheme as at 31 December 2020.

(c) The main objective of the Board is to provide a pension to those who engage in self-employments in sectors other than agriculture and fisheries. Members are enrolled into these schemes through coordination officers. Although 49 posts of coordination Officers had been approved to the Board, there had been 17 vacancies for around 2 years. It had been observed that the said situation was one reason for the reduction of enrolling new members.

W. P. C. Wickramaratne
Auditor General