Annual Report - 2023

National Institute of Co-operative Development
Polgolla

Contents

Message from the Chairman

It is with great pleasure that I, the Chairman of the National Institute of Cooperative Development, and the Additional Secretary (Development) of the Ministry of Trade, Commerce and Food Security, contribute my thoughts to the Annual Report of the Institute for the year 2023.

The National Institute of Cooperative Development, functioning under the Ministry of Trade, Commerce and Food Security, acts as a hub in the development of the Sri Lankan cooperative movement. It plays a key role in cooperative development and collaborates with national and international organizations in the cooperative sector.

The Institute is committed to nurturing sustainable cooperative entrepreneurs and recognizing the responsibilities involved in this process. It aims to become a self-sustaining institution by aligning with the government's policies and strategies, strengthening its stability through the diversification of courses, training programs, and services. The Institute is also developing plans to enhance its service efficiency and expand beyond the cooperative sector, thereby preparing to face future challenges. Our aspiration is to evolve into a self-sustaining educational institution that can withstand global economic, social, and technological disruptions, as well as government policies and their associated challenges and obstacles.

Furthermore, the Institute is actively involved in expanding research activities related to the cooperative sector and becoming a resource center for the sector. It is embracing modern technology and forging partnerships with higher education institutions to establish itself as a successful and competitive educational institute. The Institute launched a new publication, "Pivisuma," in conjunction with the 101st International Cooperative Day, under the theme of "Sustainable Development for Cooperative Development," in line with the 2023 Cooperative Day theme. We receive valuable guidance and unwavering support from the Ministry of Trade, Commerce and Food Security, ensuring successful navigation through existing challenges. Additionally, the Provincial Cooperative Development Departments, the Cooperative Employees Commission, the Sri Lanka National Cooperative Federation, and international cooperative organizations provide continuous support to ensure efficient and effective execution of the Institute's duties. We also receive immense support from the Institute's Management Board and Academic Board. It is our collective ambition to collaborate effectively with all stakeholders to cultivate a dynamic and thriving cooperative sector.

U.S.N. Fernando
Chairman (Acting)
National Institute of Cooperative Development

Director General's message

As the hub of cooperative education in Sri Lanka, the National Institute of Cooperative Development plays a leading role in the development of human resources in the cooperative sector in Sri Lanka.

In the face of global, social, economic and technological transformations, the cooperative movement has turned to a competitive approach, and the National Institute of Cooperative Development has now embarked on the challenging task of innovating the knowledge, skills and attitudes of the cooperative members in order proceed along the way efficiently and effectively.

It was possible to carry out the duties successfully, by adopting alternative strategies identifying the needs of conducting training programs through online methods rather than physical training programs, and developing the infrastructure and knowledge of the staff, based on the timely requirements.

It can be claimed that when the economic problems that existed in the past are slowly being overcome, the provision of various services such as library services, cooperative and non-cooperative training programs, conducting certificate and diploma courses, providing accommodation facilities, providing hall facilities, etc., is in a satisfactory condition.

Despite various government reforms, the support received from the Ministry of Trade, Commerce and Food Security, all Cooperative Development Departments, Cooperative Employees' Commissions, government institutions, cooperative societies and cooperative members is a tremendous support for the success of the institution.

Our sole objective is to dedicate ourselves to the betterment of the cooperative movement by overcoming global, economic and technological challenges as an indispensable institution for the cooperative movement.

H.A. Asha Hapuarachi
Director General and Chief Executive Officer
National Institute of Cooperative Development

1.

Introduction

1. Introduction

1.1 Institutional Background

The National Institute of Co-operative Development (NICD) which has played a key role in the development of the Co-operative Movement in Sri Lanka was functioning as the Sri Lanka Co-operative School under the Department of Co-operative Development from 1943 to 2001.Sri Lanka Co-operative School was re-structured as the National Institute of Co-operative Development with the aim of expanding and developing it as a more independent body under the National Institute of Co-operative Development (Incorporation) Act No, 01 of 2001.

The Institute was established in a 22-acre block of land near Mahaweli Diverting Dam at Polgolla Grama Niladhari Division in Pathadumabara Divisional Secretary's Division in the Kandy District where a conducive educational environment exists.

The main objective of the Institute is to develop knowledge and skills of the people who serve in the Co-operative Sector so that a more productive and efficient contribution to the field can be obtained. The tools that are used by the Institute to enhance and update their knowledge include conducting courses, workshops, counseling pograms, research and updating and maintaining co-operative data systems, providing facilities for information communication and the development of liaison among Co-operative Institutes.

In order to render a productive service, the National Institute of Co-operative Development possesses physical as well as human resources. The physical resources consist of the Mahinda Rajapaksha Auditorium with a seating capacity of 1120, lecture halls which include the main hall, student hostels, catering services, a computer laboratory, audio-visual press facilities, a well-equipped library and parking facilities and a staff consisting of 71 members are among them.

The National Institute of Co-operative Development has been functioning under the State Ministry of Trade Commerce and Food Security. The Board of Management, consisting of 07 members headed by the Chairman, directs the administration of institutional affairs and the Academic Board appointed by the Board of Management supervises the academic affairs of the institute. The Director General is the Chief Executive Officer of the institute.

The National Institute of Co-operative Development plays an important role in the activities of the State Ministry of Trade Commerce and Food Security in helping to overcome the present challenges being faced by the ministry. The institute has, in addition, been providing its services consistently during the last two decades, working in close collaboration with the Department of Co-operative Development, the Co-operative Employees' Commission and the National Co-operative Board.

1.2 Institutional Role

The institutional role as per the National Institute of Co-operative Development Act No. 01 of 2001 , is as follows:

i. Functioning as a centre for promoting and coordinating activities in the field of Co-operative Development.

ii. Providing training on Co-operative Development by using modern technological methods.

iii. Promoting research on Co-operative Development.

iv. Providing facilities for exchanging information and interacting with persons engaged in the Co-operative Development field.

v. Acting as a resource center for collecting data in the area of Co-operative Development and, collating and circulating such collected data through publications.

vi. Conducting academic and training courses related to Co-operative Development and awarding certificates and conferment of special awards for the people who get through the prescribed examinations.

vii. Accepting and training of Co-operative entrepreneurs who need management skills.

viii. Providing professional instructions to co-operative entrepreneurs.

ix. Establishing model Co-operative Villages, Co-operative Trade Centers and Provincial Centers.

x. Working collaboratively with other organizations which are locally or globally established, which perform similar functions to our Institute

1.3. Vision, Mission, Objectives, and Goals

1.3.1. Vision

A sustainably developed Sri Lanka

1.3.2. Mission

To conduct standard academic programs, collaborative research, and knowledge dissemination activities.

1.3.3. Objectives

1. Conducting Programs:

   A. Proposed Graduate Program (SLQF Level-05),
   B. Higher National Diploma in Entrepreneurship (SLQF Level-04),
   C. Diploma Programs (SLQF Level-03):

      i. Diploma in Business Management
      ii. Diploma in Auditing
      iii. Diploma in Bank Management
      iv. Diploma in Human Resource Management
      v. Diploma in Accounting
      vi. Diploma in Marketing
      vii. Diploma in Micro Finance Management
      viii. Diploma in Information and Communication Technology (DIP in ICT - NVQ Level 05)

   D. Certificates and Short-Term Courses
   E. Conduct research methodology courses in collaboration with university undergraduates to fulfill the Efficiency Bar Examination of Cooperative Development Grade 1 officers.

2. Develop a comprehensive data system for cooperative societies.
3. Facilitate consulting and experience-sharing programs led by individuals with extensive expertise in the Cooperative Sector to improve cooperative societies.
4. Conducting learning and training workshops, capacity development programs, and student exchange programs in affiliation with national and international institutions
5. Enhance the institutional image through social welfare programs, social media, targeted community programs and mass media.

1.3.4. Goals

1. Acting as a centre for promoting and coordinating activities related to cooperative development.
2. Providing a recognized education and training to those involved in the Cooperative Sector through modern technological methods.
3. Promoting research on Cooperative Development.
4. Serving as a knowledge hub for cooperative societies.
5. Providing management consulting services to cooperative enterprises.
6. Collaborating with organizations in Sri Lanka or abroad that performs similar tasks to the institute's functions.
7. Getting the income generated by the institution increased.

1.4 Divisions of the Institute and Their Functions

The National Institute of Co-operative Development tenders its services under 05 main Divisions as mentioned below.

1.4.1 Establishment Division

Affairs of the Board of Management, Establishment matters, Registration of students, Examination work, Procurement matters, Human and Physical resource development affairs, contractual services such as security and sanitary services, maintaining the website and general administration matters.

1.4.2 Academic Division

Planning, developing and conducting academic and training courses, development of course curricula, course evaluation, co-operative research activities, counseling services for co-operative enterprises, providing library facilities and maintaining the co-operative information system.

1.4.3 Finance Division

Preparing Annual Budgets, Monthly Accounts Summaries, Fixed Assets, Daily Finance Matters, Annual Final Accounts, answers to audit queries and keeping accounts for all income and expenditure are the duties undertaken by the Finance Division.

1.4.4 Hostel Division

Reservation of lecture halls including the Main Hall of the Mahinda Rajapaksha Auditorium, reservation of rooms in hostels and matters relating to income generated from the facilities provided, including meals for workshops and seminars are the functions of the Hostel Division.

1.4.5 Internal Audit Division

Preparing the Annual Internal Audit Plan, implementing it and attending to the affairs of the Audit Management Committee are the duties of the Division.

1.5 Staff and Organizational Chart

1.5.1 Approved Cadre

A cadre of 71 employees has been approved for the National Institute of Co-operative Development by the Department of Management Services of which the details are given below.

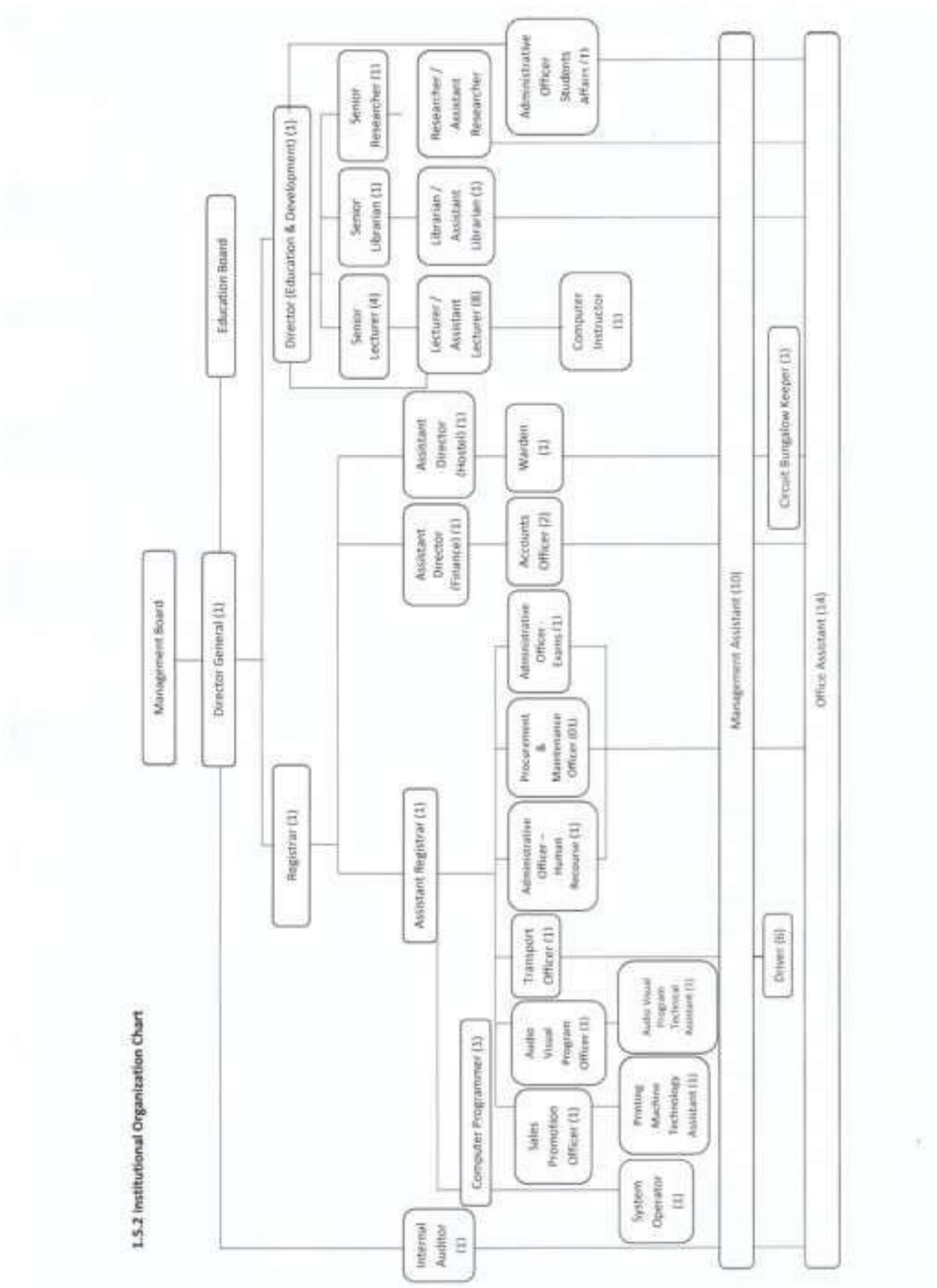
Post Category	Salary Code	Designation	No. of Positions
Senior Manager	HM 2-1	Director General	01
Senior Manager	HM 1-1	Registrar	01
		Director (Academic & Development)	01
Senior Academic and Research	AR – 2	Senior Lecturer	04
		Senior Librarian	01
		Senior Researcher	01
Academic and Research	AR – 1	Lecturer/ Assistant Lecturer	08
		Librarian/ Assistant Librarian	01
		Researcher/ Assistant Researcher	01
Management	MM 1-2	Assistant Director (Hostel)	01
		Assistant Director (Finance)	01
		Assistant Registrar	01
		Internal Auditor	01
Junior Management	JM 1-1	Accounts Officer	02
		Administrative Officer (Examinations)	01
		Administrative Officer (Administration/Human Resources))	01
		Procurement and Maintenance Officer	01
		Transport Officer	01
		Administration Officer (Student affairs)	01
		Marketing Promotion and Printing Officer	01
		Audio-visual Programming Officer	01
		Warden	01
Empowering/Operational/ Extension Officers	MA 5-3	Computer Programmer	01
Extension Officers/Operations	MA 4	Computer Instructor	03

Management Assistant (Technical)	MA 2-1	Audio-visual Technical Assistant	01
		Printing Machine Technical Assistant	01
		Systems Operator	01
Management Assistant (Non-technical)	MA 1-1	Management Assistant	10
Primary Level (Skilled Grade)	PL – 3	Driver	06
Primary level (Semi-Skilled Grade)	PL – 2	Circuit Bungalow Keeper	01
Primary Level (Non-Skilled Grade)	PL – 1	Office Assistant	14
Total			**71**

While the number of approved cadre of the Institute was 71, the actual number of cadre employed at the institution as at 31st December 2023 is 43. (Two Assistant Lecturers discharge the duties of the Senior Lecturer posts on the basis of carrying out duties). The number of vacancies as at the date above is 28.

Of the Development Officers recruited by the line ministry in addition to this own staff of this institute, seven have been attached under permanent attachment basis and three have been attached under temporary attachment basis on the months of February and September 2022. These officers have made an immense contribution to the activities of the institution.

1.5.2 Organizational Chart of the Institute



1.5.3. Existing Vacancies in the Institute

Even though the approved cadre for this institute is 71, the number of vacancies existing as at 31.12.2023 was 28.

Details of the approved posts and cadre as at 31.12.2023 are as follows.

Serial No.	Post	Approved Cadre	Actual Staff	Vacancies
1.	Director General	01	01(On Secondment Basis)	-
2.	Registrar	01	-	01
3.	Director (Academic & Development)	01	-	01
4.	Senior Lecturer	04	01	03
5.	Senior Librarian/Librarian	01	01	-
6.	Senior Researcher	01	-	01
7.	Lecturer/ Assistant Lecturer	08	08*	
8.	Assistant Librarian	01	01	-
9.	Assistant Researcher	01	01	-
10.	Assistant Director (Finance)	01	01	-
11.	Assistant Director (Hostels)	01	01	-
12.	Assistant Registrar	01	01	-
13.	Internal Auditor	01	01	-
14.	Administrative Officer (Admin./Human Resource)	01	01	-
15.	Administrative Officer (Student Affairs)	01	01	-
16.	Accounts Officer	02	02	-
17.	Administrative Officer (Examinations)	01	01	-
18.	Procurement and Maintenance Officer	01	01	-
19.	Transport Officer	01	-	01
20.	Marketing Promotion and Printing Officer	01	-	01
21.	Audio-Visual Program Officer	01	-	01
22.	Officer in-charge of Hostels	01	01	-
23.	Computer Programmer	01	-	01
24.	Computer Instructor	03	03	-
25.	Audio-Visual Technical Assistant	01	-	01
26.	Printing Machine Technical Assistant	01	01	-
27.	System Operator	01	-	01
28.	Management Assistant	10	06	04
29.	Driver	06	03**	03
30.	Circuit Bungalow Keeper	01	01	-
31.	Office Assistant	14	05	09
	Total	71	43	28

*Two Assistant Lecturers are currently performing the duties of Senior Lecturer on an acting/performing basis. One of these Assistant Lecturers is on a paid study leave abroad.

**One driver is on unpaid leave abroad.

1.6 Resources of the Institute

1.6.1 Human Resources

The cadre of the institute is categorized into two groups: academic and non-academic. Out of the approved workforce of 71 individuals, 51 are employed under the Non-academic Staff, while 20 are employed under the Academic Staff.

1.6.1.1 Academic Staff

The academic staff consists of the posts listed below, and there were 05 vacancies throughout the year 2023.

Serial No.	Post	Approved Cadre	Actual Staff	Vacancies
1.	Director (Academic and Development)	01	-	01
2.	Senior Lecturer	04	01	03
3.	Senior Librarian	01	01	-
4.	Senior Researcher	01	-	01
5.	Lecturer / Assistant Lecturer	08	08*	-
6.	Assistant Librarian	01	01	-
7.	Assistant Researcher	01	01	-
8.	Computer Instructor	03	03	-
	Grand Total	**20**	**15**	**05**

* Two Assistant Lecturers discharge the duties of Senior Lecturer Posts on the basis of acting/ carrying out duties.

This department is responsible for the design and development of study and training programs, conducting these programs, curriculum development, program evaluation, cooperative research activities, consultancy services for cooperative enterprises, library services, maintenance of the cooperative information system, and other related activities.

The department seeks external resource contributors for specialized subjects, including vocational courses, and specialized training programs. The information on external resource contributors who provided services during 2023 is as follows:

S/ No	Name/Position	Subject Area
01	Mr. Hasthika Niranjana – Visiting Lecturer	Financial Accounting, Management Accounting
02	Mr. A.B Bulathgama – Visiting Lecturer	Co-operative Law and Common Law
03	Mr. Meryl Sanjeewa – Visiting Lecturer	Financial Accounting and Analysis, Bank Management , Auditing
04	Mr. P.V.Pathirana – Visiting Lecturer	Banking Management, Micro Finance Management

05	Mr. Anuruddha Gamage – Visiting Lecturer	Bank Management
06	Mr. A.R.M. Bisthamin – Visiting Lecturer	Banking Management
07	Mr.H. Siripala – Visiting Lecturer	Practical Cooperative Accounting
08	Mr.E.M.S.E.B. Ekanayaka – Visiting Lecturer	Auditing
09	Mrs.D.D. Kanthi Irangani – Visiting Lecturer	Practical Cooperative Accounting
10	Mr. L.A Abeysinghe – Visiting Lecturer	Production Export Process /Special Lecture
11	Mrs. K.D.S.G. Kulathunga – Visiting Lecturer	Auditing
12	Mr. W.M. Saminda Wijekoon – Visiting Lecturer	Sales and Distribution Management
13	Mr. Asanka Weerasingha – Visiting Lecturer	Micro-Finance Accounting
14	Mr. S.M.S. K. Samarakoon –Visiting Lecturer	Strategic Planning and Budgeting
15	Mr. H.P.H.K.A. Karunarathna – Visiting Lecturer	Japanese Language
16	Mr.J.M.N.M. Jayalath – Visiting Lecturer	Loan Portfolio and Risk Management
17	Mr. D.M.D.M. Dissanayaka- Visiting Lecturer	Finance Management
18	Mr. I.P.A. Amarakeerthi – Visiting Lecturer	Micro - Financing
19	Mrs. B.S. Wijerathna – Visiting Lecturer	English
20	Mr. S.D.B. Jayathunga – Visiting Lecturer	(Computer Hardware & Networking)
21	Mrs. Nadeeka Kumari – Visiting Lecturer	Graphic Design
22	Mr. W.N.C. Bandaranayaka –Visiting Lecturer	Web Programming

1.6.1.2 Non-academic Staff

Of the 71 approved cadre, 51 are on the Non-academic Staff. There are 30 senior, tertiary and secondary level posts as follows:

As of December 31, 2023, 10 posts in the above staff had fallen vacant.

Serial No.	Posts	Approved Cadre	No. of Actual Staff	No. of Vacancies
1	Director General	01	01	-
2	Registrar	01	-	01
3	Assistant Director (Finance)	01	01	-
4	Assistant Director (Hostels)	01	01	-
5	Assistant Registrar	01	01	-
6	Internal Auditor	01	01	-
7	Accounting Officer	02	02	-
8	Administrative Officer (Administration/Human Resources)	01	01	-
9	Administrative Officer (Student Affairs)	01	01	-
10	Administrative Officer (Examination)	01	01	-
11	Procurement and Maintenance Officer	01	01	-
12	Transport Officer	01	-	01
13	Marketing Promotion and Press Officer	01	-	01
14	Audio-Visual Program Officer	01	-	01
15	Warden	01	01	-
16	Computer Programmer	01	-	01
17	System Operator	01	-	01
18	Audio-visual Technical Assistant	01	01	-
19	Printing Machine Technical Assistant	01	01	-
20	Management Assistant	10	06	04
	Grand Total	**30**	**20**	**10**

1.6.1.3 . Junior Staff

While 21 posts have been approved for the junior cadre and the posts and vacancies as at 31.12.2023 are as follows:

Serial No.	Post	Approved Cadre	Actual Staff	Vacancies
1.	Driver	06	03	03
2.	Circuit Bungalow Keeper	01	01	-
3.	Office Assistant	14	05	09
	Total	21	09	12

1.6.2 Physical Resources of the Institute

The National Institute of Co-operative Development is located in a block of land of 22 acres with sufficient facilities required for an educational institute. The office premises, auditorium, lecture halls, computer laboratories, hostels, cafeteria, library, official quarters, circuit bungalow, press, audio-visual facilities, and parking facilities are some of them to be mentioned. The details of the facilities available are as follows.

1.6.2.1 The Mahinda Rajapaksha Auditorium

The Mahinda Rajapaksha Auditorium is equipped with adequate facilities for holding workshops, conferences, (local as well as international) and special events. The facilities of this hall consist of an ultra-modern computerized audio systems and a lighting system. It also provides a seating capacity of 1120 with air conditioning. The Mahinda Rajapaksha Auditorium possesses two conference halls with 72 seats.

This auditorium also consists of a cafeteria with modern furniture and a car park which can accommodate 250 vehicles at a time. Even amidst the economic instability, the income generated in 2023 was Rs. 11,152,340.00.

Description	Space (Square Meters)
Whole Building	3723.63
Main Auditorium (Balcony and Lower Floor)	1505.5
Main Stage	259
Seating Capacity	1120
Visitors' Room	1000
Office Premises	240
Lecture Halls and space for Artists etc.	719.13

1.6.2.2 Main Hall (Vincent Subasinghe Hall)

The main hall which boasts facilities such as a theatre with a stage, a seating capacity of 450, and audio-visual facilities, is a suitable venue for holding stage dramas, seminars, prize giving events and workshops with practical sessions.

1.6.2.3 Lecture Halls

<u>Air-conditioned Lecture Halls</u>

Rathnayake Hall

An air-conditioned hall which possesses U shaped tables, 55 seats, audio visual facilities including an OHP, a white Board, a Clip Board, and a Chart Board, is suitable for holding training workshops and national as well as international seminars.

Rochdale Hall

An air –conditioned hall with a stage, consisting of 160 comfortable seats, (60 seats with tables and 100 seats without tables), and audio-visual facilities such as an OHP, a White Board, a Clip Board, Chart Board, etc., provides facilities for workshops, group activities and lectures.

C 1 Hall

An air-conditioned hall equipped with suitable facilities to deliver lectures and hold training workshops. It provides facilities such as a seating capacity for 40, a multimedia screen, an OHP, a White Board, a Clip Board, a Chart Board etc.

C2 Hall

An air –conditioned hall which is an ideal venue for lectures and training workshops. It possesses 40 comfortable seats, a multimedia screen, an OHP, a White Board, a Clip Board, and a Chart Board.

C3 Hall

An air –conditioned hall having 20 seats, a Multimedia Screen, an OHP, a White Board, a Clip Board, a Chart Board etc. It provides facilities to conduct lectures and training workshops etc.

Multipurpose Building – Lecture Hall No.04, 05 and Ground Floor

Actions are being taken to rent out the ground floor and halls of this complex to other institutes as an income generating source for the NICD fulfilling its objectives in accordance with the Act of the institute.

Lecture Halls without air conditioning

New Rochdale Hall

The facilities provided by this fall for training workshops and lectures include a seating capacity of 60 including tables, audio-visual equipment such as an OHP, a White Board, a Clip Board, a Chart Board, etc..

B Hall

This venue, having 80 comfortable seats, audio-visual equipment including an OHP, a White Board, a Clip Board, a Chart Board etc. provides facilities for lectures and training workshops.

Multipurpose Building – Lecture Hall No. 01

This venue, having 35 comfortable seats, and audio-visual equipment including an OHP, a White Board, a Clip Board, a Chart Board provides facilities for lectures and training workshops.

Multipurpose Building – Lecture Hall No. 2

This venue, having 30 comfortable seats, and audio-visual equipment including an OHP, a White Board, a Clip Board, a Chart Board,etc. provides facilities for lectures and training workshops.

Multipurpose Building – Lecture Hall No. 3

This venue having 40 comfortable seats and audio-visual equipment including an OHP, a White Board, a Clip Board, a Chart Board, etc. is suitable for lectures and training workshops.

1.6.2.4 Computer Laboratory

NICD Information Technology Centre located in the Central Province is one of the best computer training centers for the government and private sectors.

Located in the main premises dedicated for courses targeting scholars in Co-operative Sector, the Information Technology Centre which operates under two sections, provides learning opportunities with 51 computers.

A dedicated Information Technology (IT) Center has been established within the Multi-purpose Building, equipped with 34 computers for the use of students. This center caters to students who are pursuing school education as well as those who have completed their schooling and are seeking higher education programs in the IT field. The IT curriculum offered at the center covers a wide range of subjects, providing a comprehensive educational experience for students interested in pursuing careers in the IT industry.

1.6.2.5 Library

The library is considered as the most advanced library in the Co-operative Sector in the country. There is a collection of about Twenty-One Thousand books, and journals written on different subjects of national and international importance. There is a separate collection of books written in the Co-operative Sector and a collection newspaper articles and magazines are also maintained. The catalogue is being computerized at present. Readers can also use the internet facilities at the library.

1.6.2.6 Hostels

The institute owns 7 hostels capable of accommodating a total of 222 residents, offering both single and double rooms, with air-conditioned and non-air-conditioned options. In addition to the hostel facilities, the institution also possesses a fully equipped resort that provides accommodation for 8 individuals, catering to individuals from the cooperative, government, and private sectors.

Rathnayake Hostel

This fully air-conditioned hostel has 12 double rooms including 08 rooms with attached bathrooms and 04 rooms with common washroom facilities . The whole hostel can provide accommodation for 24 persons at a time.

New Rathnayake Hostel

The fully air-conditioned New Rathnayake hostel has 04 double rooms and 16 single rooms, with attached bathroom facilities every room. It can accommodate 24 people at a time.

Rathnayake Hostel

This home consists of 02 houses with 03 rooms each including attached bathroom facilities. The accommodation capacity is 14 persons at a time.

D/E/F/G/Hostels

This hostel cluster consists of 04 buildings where 72 rooms are available. Each building has common washroom facilities. It can accommodate 144 persons at a time.

H Hostel

This hostel has 6 triple rooms with a common bathroom. It can provide accommodation for 18 individuals at a time.

1.6.2.7 Cafeteria

The institute operates a catering service to provide hygienic food and beverages for participants attending workshops, meetings, conferences, and events, as well as for its internal trainees and staff. A dedicated team experienced in hospitality ensures catering services with both local and international recipes, taking into account individual preferences, for both lunch and dinner. The dining area, fully tiled and equipped with modern furniture, utilizes a buffet system for serving and is maintained to the highest standards of cleanliness. It has the capacity to accommodate and serve approximately 200 people at a time.

1.6.2.8 Circuit Bungalow

This vacation retreat, located just 8 kilometers from the historic Temple of the Tooth, is conveniently accessible via the Matale - Madawala - Wattegama road, near the Mahaweli Diversion Dam and the Mahinda Rajapaksa Auditorium.

The property features two air-conditioned master bedrooms, two double rooms with single beds, and an air-conditioned verandah with luxurious sofas and a dining table.

Set amidst the breathtaking Dumbara Valley, with its perpetual pleasant climate and the tranquil surrounding green meadows, the retreat offers a serene escape to unwind and spend quality time with family.

1.6.2.9 Press and Audio-visual Facilities

Press and Audio-visual Unit is equipped with a modern Offset printing machine and a Duplo printing machine and this unit meets the printing requirements of the Institute and the scholars.

The necessity to expand this unit as a Government, Co-operative and Private sector printing services provider has been identified. It provides facilities for courses conducted by the NICD and programs conducted by external institutes
It has projectors, multimedia facilities and other audio-visual systems for lectures. In addition, the unit has facilities for micro teaching systems using videography and screening video films. A collection of photographs of special occasions and different programs held at the National Institute of Co-operative Development is maintained in this unit.

1.6.2.10 Staff Quarters

The Institute possesses 19 official quarters to provide housing facilities for officers and other staff serving in the Institute. The houses have been categorized according to their size and type.

1.6.2.11 Parking Facilities

Parking facilities are available on the premises of the Mahinda Rajapaksha auditorium for 250 vehicles at a time. It can be entered through 03 access gates where security personnel are on duty. The premises around the Central Office provide parking facilities for about 100 vehicles of visitors who come to the Institute on official purposes.

In addition, a branch of the People's Bank and an (ATM) have been set up on the premises of the institute to make payment activities easier.

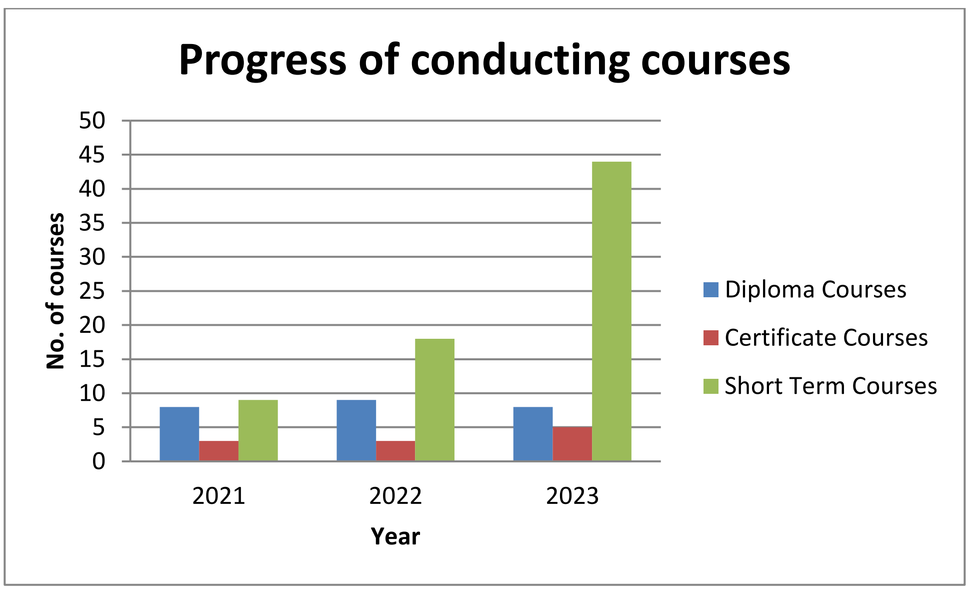
1.7 Courses of Studies of the Institute

Of the 71 courses of study planned by the National Institute of Cooperative Development in the following manner, 57 courses have been conducted within the year under review.

Diploma Courses	08
Certificate Courses	05
Short Term Courses	40
Free of Charge Training Programs	04
Total	57

1.7.1 Progress of Conducting Courses 2021 – 2023

Year	2021	2022	2023
Diploma Courses	8	9	8
Certificate Courses	3	3	5
Short Term	9	18	44
Total	**20**	**30**	**57**



Brief notes on each of the courses are presented as follows

1.7.2. Diploma Courses

A Co-operative Development Diploma Course for the Regional Co-operative Development Officers in the provinces of North Central and Southern Provinces, seven Diploma Courses for Co-operative Society Officers and a Diploma Course in Information Technology for Co-operative Workers and non-Co-operative workers were conducted during the year 2022.

1 Diploma in Business Management
2 Diploma in Auditing
3 Diploma in Bank Management
4 Diploma in Human Resource Management
5 Diploma in Accountancy
6 Diploma in Bank Management (Kuliyapitiya- Distance)
7 Diploma in Micro Finance Management (Matara – Distance and Institutional)

1.7.2.1 Diploma in Business Management

This program is designed to develop the knowledge, skills, attitudes, and practices required for executives, middle managers, and officers working in Sri Lankan cooperative enterprises to lead their organizations in a way that adapts to the volatile conditions prevalent in managing and making decisions related to their cooperatives and organizations.

1.7.2.2 Diploma in Auditing

Auditors play a crucial role in measuring the corporate good governance of Sri Lankan cooperatives. This diploma program is designed to develop the knowledge, skills, attitudes, and practices necessary for external and internal auditors, as well as cooperative development officers, to effectively carry out their duties in auditing. This program aims to enhance their capabilities in ensuring good governance within the cooperative sector.

1.7.2.3 Diploma in Bank Management

This course is designed to develop the knowledge, skills and attitudes of the officers Cooperative Development Department of the National Cooperative Development Agency and Executive and Middle Management level officers engaged in rural banking activities of cooperative societies. Accordingly, this course is expected to provide a foundation for officers working in cooperative rural banks, SANASA banks and other cooperative bank societies and officers of the financial officers to develop their professional skills.

1.7.2.4 Diploma in Human Resource Management

The effective performance of cooperative organizations hinges on the implementation of a formal human resource management system. Recognizing this need, a Human Resources Management Diploma Program has been designed specifically for officials working in Sri Lankan cooperative enterprises. The program aims to equip them with a comprehensive practical and theoretical understanding of human resource management.

1.7.2.5 Diploma in Accountancy

This Diploma in Accountancy can be introduced as an annual course organized with the aim of developing knowledge, skills and attitudes related to accounting tasks for the purpose of enhancing the quality of duties performed by accountants as Chief Executive Officers appointed by the National Institute of Cooperative Development in relation to the financial activities of cooperative societies and organizations.

1.7.2.6 Diploma in Marketing

This course has been introduced with the aim of further expanding the study and training activities entrusted as a key role of the National Institute of Cooperative Development. This course is designed to develop the knowledge, skills and attitudes of executives, middle management and supervisory level officials in the consumer sector of Multi-Purpose Cooperative Societies who are interested in this course and are employed in the cooperative and private sectors.

Accordingly, this course is expected to provide a foundation for senior managers, assistant managers, field officers and management assistants employed in the public and private sectors of primary, secondary and apex level cooperative societies registered under the Cooperative Act in the Department of Cooperative Development, to develop their businesses through marketing and build their professional level.

1.7.2.7 Diploma in Micro Finance Management (Distance)

In today's context, empowering human resources working in rural financial institutes with knowledge, skills, and attitudes is a key priority to efficiently meet rural credit needs and ensure the sustainable operation of these institutes. This aims to create a mechanism for transforming rural people into self-employed individuals by fulfilling their credit requirements. Furthermore, a key objective of this initiative is to move rural people away from informal lending channels and establish a formal credit culture among them.

1.7.2.8 Diploma in Bank management (Distance)

This institute offers diploma and certificate courses in various fields to meet the training needs of officers and staff working in co-operative societies and organizations in Sri Lanka. To facilitate the convenience of trainees, the institute as established remote learning centers and decentralized learning activities. The first such remote learning center is the Kuliyapitiya SANASA Society Ltd. The center has successfully completed two courses, a Diploma in Banking Management and a Diploma in Business Management. Following requests from cooperative societies and organizations in the North Western Province, a Diploma in Banking Management course was conducted as a distance diploma in the academic year 2023.

1.7.2.9 Diploma in Information & Communication Technology (Diploma in ICT NVQ Level 05)

This course is operated by the Computer Division of the National Institute of Cooperative Development with the necessary knowledge and skills in Information and Communication Technology (ICT) to facilitate the successful operation of cooperative societies and institutional operations. The course will also provide them with the ability to access timely information in various formats, using modern ICT methods, to enable informed and effective decision-making in all aspects of their operations. The course aims to contribute to the development of professional competence within the Computer Division.

1.7.3 Certificate Courses

1.7.3.1 Certificate Course in Office Automation

This course is designed by the Computer Section of the National Institute of Cooperative Development to enhance the practical skills of utilizing computer hardware and software for the daily tasks within the Cooperative Sector. It aims to provide participants with a thorough understanding and competency in using modern technology and software for their daily duties. Applications are open to anyone from the Cooperative Sector or any other individual who requires these skills.

1.7.3.2 Certificate Course in Computer Application Assistant (CAA – NVQ Level 03)

The Computer Division of National Institute Cooperative Development (NICD) offers a Computer Applications Assistant Certification Course under the National Vocational Qualification Level 03. Applications are open to those seeking to enhance their computer knowledge. This course aims to develop proficiency in using computer applications and to gain a recognized vocational qualification.

1.7.3.3 Certificate Course in English

The Computer Division of National Institute of Cooperative Development offers an English Certificate Course that is designed to equip participants with all the necessary skills to effectively communicate in English for daily work tasks, including understanding, speaking and writing. This course is ideal for individuals who wish to improve their English proficiency and is open to all applicants.

1.7.3.4 Information & Communication Technology Technician

This short-term course provides trainees with the necessary knowledge to effectively apply information technology as an Information and Communication Technology Technician. Twenty-one trainees participated in this course, which generated a revenue of Rs. 840,000.

1.7.3.5 Advanced Certificate Course in English

This course aims to enhance the ability to learn the language, including all the methods necessary to effectively use, understand, and write English. There are 12 trainees participating in this course, and the course revenue is Rs. 212,000.

1.7.4 Short Term Programs

In the year 2023, 21 out of 23 short-term courses included in the annual curriculum were conducted, and 19 short-term courses were conducted upon external request.

1.7.4.1 Training Workshop on Introduction of Bank Regularization

This course targets the staff of cooperative SANASA societies involved in Micro- finance Sector. The aim is to create a human community within these societies that has professional banking experience. Building trust among customers within a bank is crucial, and it is essential to ensure that their funds are well protected. They should also be able to access their money when needed. As these organizations are responsible for maintaining this situation over the long term, they need guidance to adopt bank-standard quality practices and follow a regulated system. Since the current officials in these societies already have some knowledge of professional banking, they need continuous training to stay updated on daily changes in the Micro- finance Industry. It's essential to emphasize that this knowledge needs to be constantly updated. With a participation of 28 individuals, this course generated approximately Rs. 168,000 in income during the year 2023.

1.7.4.2 Use of Excel for Advanced Excel 2 Accounting

This short online one-day training course aims to develop participants' knowledge of using MS Excel to collect, summarize, and analyze accounting data for everyday tasks. It will equip them with the practical skills to create and present accounting reports using Excel software, which are essential for the decision-making process of the association.

1.7.4.3 The Role of the Members of the Director Board in Creative Cooperative Management

This workshop has been organized with the objective of providing a theoretical and practical understanding of cooperative enterprise identity, values, and ethics for the chairmen, board members, and senior management officers of cooperative societies. It also aims to enhance their understanding of cooperative law, leadership styles, and internal control weaknesses. Nineteen participants have attended this workshop, and the course revenue generated is Rs. 119,700.

7.1.4.4 Training Programme on Managing Fuel Stations

The Fuel Sector is the second largest business sector in Sri Lanka after the Rural Bank Sector in all the Multi-Purpose Cooperative Societies. Accordingly, this training program was organized with the aim of gaining practical understanding of accounting forms and formal accounting processes in fuel stations, gaining an understanding of fuel station inventory management and management control, and highlighting the legal requirements for record keeping and the relationship between CEPETCO, IOC and Multi-purpose Cooperative Societies. 41 trainees participated in this program, generating revenue of Rs. 176,500.

1.7.4.5 Training Workshop on Marketing and Customer Care

This workshop was organized to educate consumer branch officers of Cooperative Bank Sectors on marketing strategies in order to identify and implement strategies for customer acquisition and retention in Multi-purpose Cooperative Societies. The online workshop was attended by 28 trainees and generated an income of Rs. 168,000.

1.7.4.6 Induction Training Workshop

This course is targeted at employees of various levels of Cooperative Societies, rural banks, and banking unions in the Cooperative Sector. Its primary aim is to provide training for newly recruited employees in the Cooperative Sector and those working in cooperative businesses without prior training. This training will empower them to better understand and organize their work environment. The course aims to educate employees, strengthen cooperative businesses, and cultivate a new generation of thinkers committed to promoting a structured and efficient work environment. Eleven trainees participated in this online program, generating a course revenue of Rs. 24,750.

1.7.4.7 Internal Audit Training Workshop- Rural Banks

The Internal Audit Division plays a key role in strengthening the internal control of the Rural Banking Sector of Multi-Purpose Cooperative Societies . In recent times, the Internal Audit Division has a huge task to minimize the weaknesses and fraud and corruption that exist in rural financial cooperatives. Therefore, this training program has been organized to make the human resources involved in internal auditing a perfect team with knowledge, attitude and skills in order to strengthen internal auditing. 70 trainees have participated in this program which was conducted online and earned Rs. 420,000.

1.7.4.8 Training Workshop on Empowering Arbitration and Award of Arbitration

This program was organized with the aim of developing theoretical and practical knowledge, skills, attitudes, and familiarity related to the decision-making process for departmental officers who oversee, regulate, and investigate legal procedures related to human resource problems and organizational issues that are a significant challenge to cooperative organizations in the present day. Twenty-two trainees participated in this program, generating a revenue of Rs. 202,400.

1.7.4.9 Database Management System (MS Access) Basic Course

This short-term online one-day training course aims to empower cooperative officers with the knowledge to accurately organize and manage everyday work-related data and information using MS Access. This will facilitate easy and instant access to this information in the future, enabling them to make informed management decisions. Additionally, the course aims to equip officers with the skills to generate, analyze, and present reports based on this information, and to ensure accurate and timely updates of this data for everyday use.

1.7.4.10 Training Programme of Executive Officers in Multi-purpose Cooperative Societies

This training workshop has been organized with the objective of improving the efficiency of executive and middle management officials in cooperative societies by promoting their professional knowledge, attitude, and skills development. The program was conducted for 32 trainees and generated an income of Rs. 201,600.

1.7.4.11 Training Workshop on Loan Management

The primary task of Rural Financial Institution is to manage member loans. The need to maintain a high-quality loan portfolio is a key factor in the sustainability of the institution. This course aims to equip field officers of rural financial institutions with the necessary knowledge to achieve this. The objective is to train and empower such officers to work effectively in the field. Furthermore, the course will discuss methods for fostering a strong loan culture within the financial institution, thereby gaining the trust of customers. Therefore, this course can be described as a crucial program for officers of rural financial institutions to learn and improve their skills. This will enable them to contribute to the sustainable development of the institution, facilitate its management, and enhance its governance. There were 43 trainees participating in the course, and the course income is Rs. 258,000.

1.7.4.12 Awareness Training Programme for Rural Bank Officers and Field Officers

Strengthening rural bank operations by streamlining the duties of rural bank managers and field officers is a timely and important issue. The Financial Sector plays a vital role in the economic stability of a country. Therefore, this short-term training workshop was organized at the request of several rural banks to strengthen rural bank governance and promote sustainable development within the banking system. 32 trainees participated in the program and the course revenue was Rs. 192,000.

1.7.4.13 Two Day Training Programme on Disciplinary Procedure for Cooperative Employees

The National Institute of Cooperative Development has organized a series of training programs for the year 2023 to improve the knowledge, skills, and attitudes of cooperative employees in Sri Lanka, who play a vital role in the cooperative sector. A key aspect of this training initiative is a program focused on Disciplinary Procedures for Cooperative Employees. This program addresses the critical need to enhance understanding regarding handling employee misconduct within Cooperative Societies. The existing awareness regarding disciplinary procedures is minimal, and there are variations in legal provisions related to this process at the provincial level. This lack of clarity creates confusion and makes it difficult for both employees and officers to navigate such situations. The training program aims to provide a comprehensive understanding of disciplinary procedures, enabling cooperative employees and officers to effectively handle misconduct cases. It is anticipated that this program will significantly contribute to the smooth functioning of Cooperative Societies and the maintenance of a professional work environment. The program had 19 trainees, and the course income was Rs. 119,700.

1.7.4.13 Training Programme on Attitude Development

This program aims to create a more efficient and productive cooperative workforce by improving the working environment of employees in various levels of Cooperative Societies, Rural Banks and SANANSA Societies. It seeks to enhance employee morale and productivity by addressing issues such as stress, job dissatisfaction, and work management difficulties. The program aims to foster a positive attitude and sense of belonging among employees, thereby contributing to the modernization and growth of the cooperative sector. 13 trainees followed the programme and it generated an income of Rs. 46,800.

1.7.4.14 Training Programme on Investment Portfolio for Cooperative Rural Banks and Financial Societies

This training program focuses on the importance of efficient and risk-free investment of surplus capital in rural banks belonging to Multi-purpose Cooperative Societies. The program targets key decision-makers within the Cooperative Societies, including the President, Board of Directors, General Manager, Bank Service Managers, and Rural Bank Staff. It aims to educate participants on effective management of rural bank investments, particularly emphasizing the strategic placement of excess funds in profitable external business units. The program also aims to guide participants in identifying suitable and unsuitable business units and financial instruments for investment. 17 trainees attended the program and generated an income of Rs. 107,100.

1.7.4.15 Training Programme on Pawn Management

Income from pawning interest is a major revenue stream in the Rural Banking Sector. However, due to the various challenges and complexities involved in this business function, the human resources involved in the lending field must be updated with knowledge and skills.

Specifically, as lending regulations and circulars are frequently changing, the related operational management must be updated accordingly. Moreover, when pawning gold items, it is crucial to follow proper procedures and standards. Failure to do so can lead to significant financial losses. To address these issues, a training program was conducted with 31 trainees, with the course income amounting to Rs. 195,300.

1.7.4.16. Accounting for SANASA Societiy

With over With over 8000 societies representing the SANASA movement in Sri Lanka, it is correct to say there is a SANANSA society in almost every village. A significant issue faced by these cooperatives is the weak bank operations. This is mainly attributed to poor financial management practices, including absence of a proper accounting system, weak book-keeping practices, inaccurate and outdated accounting records, accounting procedures that don't adhere to standard accounting guidelines. These shortcomings highlight the urgent need for training programs to enhance the knowledge and skills of cooperative staff who are actively involved in financial management. Such training programs are essential to improve the financial health and efficiency of these cooperatives. This particular training program, with 37 participants and a total cost of Rs. 550,500, is a step towards addressing these issues.

1.7.4.17 Advanced MS Access

The short-term course above aims to develop participants' ability to make managerial decisions easily within an organization, prepare necessary reports, present them analytically, and keep the information easily and accurately updated. 15 trainees participated in the course which generated a revenue of Rs. 15,000.

1.7.4.18 Internet & Email

The objective of the short-term course is to empower participants with the essential knowledge and skills needed for effective communication in the digital age, using the internet, email, and modern technological approaches. There were 13 participants, and the course revenue is Rs. 13,000.

1.7.4.19 MS Excel

The objective of this short-term course is to empower participants with the practical knowledge necessary to become proficient users of Microsoft Excel, enabling them to effectively summarize and represent accounting reports through the use of charts and graphs. Forty-one trainees have participated in this course, generating a total revenue of Rs. 41,000.

1.7.4.20 Computer Hardware and Networking

This course aims to provide practical knowledge for identifying, troubleshooting, and utilizing computer hardware in an office setting. Participants will gain an understanding of computer hardware components, network configurations, and general computer usage. The course is designed for 15 trainees and has a total revenue of Rs. 116,250.

1.8. Aspirations of the Institute

The National Cooperative Development Agency (Incorporation) Act, No. 01 of 2001, has entrusted the National Cooperative Development Agency with certain functions and duties. To effectively fulfill these responsibilities amidst existing challenges, the following expectations should be met:

I. **To become an institution that awards degrees by enhancing the quality of its courses.**
To raise the quality of existing certificate and diploma courses to SLQF standards and become a degree-awarding institution recognized by the higher education sector.

II. Transitioning to a Self-Funding Institution:
This involves reducing reliance on Treasury allocations by enhancing revenue generation through diversifying and expanding training programs. This includes developing and implementing strategies for increasing institutional revenue through income generation initiatives.

III. Directing Research Activities to the Cooperative Sector and Utilizing Recommendations for the Development of the Cooperative Field.
Research activities are conducted by utilizing cooperative development officers, targeting the problems faced by cooperative societies. The National Cooperative Development Institute acts as a facilitator, providing opportunities for graduate students engaged in entrepreneurial studies to conduct research in cooperative societies.

IV. Increasing the Training Percentage
The number of cooperative members referred for annual training is relatively low. This is due to the lack of sufficient financial resources from the Treasury, and the institutional income is also insufficient to cover the costs. We aim to increase the training percentage by effectively utilizing distance learning methods that are cost-effective and require minimal resources.

V. **Developing Trainees' Soft Skills**
The training program aims to equip trainees with theoretical and practical knowledge relevant to the cooperative field. Simultaneously, it focuses on diversifying training activities to foster the development of soft skills, contributing to the overall personal development of the trainees.

VI. **Detailed Data Basis on Cooperative Societies**

Recognizing the crucial role of the cooperative movement in Sri Lanka's development, a digital database for cooperative societies has been established. This database aims to maintain accurate data, enabling research activities such as analyzing business information, reports, and statistics. It also serves to enhance human capital through the promotion of cooperative knowledge, equipping individuals with skills and expertise

2.

Institutional Administration and Progress of Administration Affairs

2. Institutional Administration and Progress of Administration Affairs

The National Cooperative Development Institute's main administrative unit is the Corporate Management Board. The Institute's Academic Committee handles educational matters, while the Internal Audit Committee oversees the Institute's operations.

2.1.1. Composition of the Board of Management

The Board of Management of the Institute consists of the following members;

(a) Ex-officio Members

i. The Secretary of the Ministry or his/her nominee of the Ministry in – charge of the Subject

ii. The Commissioner/Co-operative Development in the Department of Co-operative Development

iii. The Chairman of the National Co-operative Development Board of Sri Lanka

iv. The Chairman of the Co-operative Management Institute of Sri Lanka (This Institution is not functional now)

v. The Director General of the Institute appointed under Section 16 of the Act

(b) The Members appointed by the Minister

i. Three persons competent in the field of the Co-operative Movement and Management, nominated by the Minister in – charge of the Subject

ii. One person from the Ministry of Education nominated by the Secretary of the Minster in charge of Higher Education

iii. One person attached to the Treasury, nominated by the Secretary of the Minister in charge of Finance

One person among the nominated members is appointed as the Chairman of the Board of Management by the Minister

2.1.1. Particulars on the members of the Management Board as at 31.12.2023

Se. No.	Name	Position	Appointed Member/Ex-officio Member
01	Miss. H.A. Hapuarachchi	Chairman(Actg)National Institute of Co-operative Development	Appointed member
02	Mrs. D.R. Piyadasa	Director General/ National Institute of Co-operative Development	Ex-officio member
03	Mrs. U.S.N. Fernando	Additional Secretary(Development), Ministry of Trade , Commerce and Food Protection	Ex-officio member
04	Mr. M.R.G.A.B Muthukude	Additional Director General (Acting) Audit Management Department, Ministry of Finance	Appointed Member
05	Mr. R.M.P.S. Abeyrathna	Deputy Director-Planning, Higher education Section, Ministry of Education	Appointed member
06	Mr. G.D.S Weerasiri	Chairman/ National Co-operative Board	Ex-officio Member
07	Mrs. A. Wineetha Samaraweera	Member of Board of Management (NICD)	Appointed Member
09	Mr. A. R. De Silva	Member of Board of Management (NICD)	Appointed Member

1.2.1 Progress of Affairs of Board of Management - 2023

The details of meetings and decisions arrived at by the Board of Management in 2023 are as follows:

Year	No. of meeting held	No. management Board Papers (KPI)	No. of decisions and Instructions given (KPI)
2022	**08**	**183**	**224**
2023	**11**	**213**	**259**

2.2. Academic Board and its Affairs - 2023

The Preparation of programs of training and research, the development of study courses and curricula, conducting examinations, making necessary recommendations for issuing examination results and issuing terms and conditions for offering certificates and scholarships are the affairs of the Academic Board in compliance with the decisions taken by the Board of Management.

2.2.1 Composition of the Academic Board

The composition of the Academic Board is as follows as per the Section 12 (1) of the National Institute Co-operative Development (Incorporation) Act No,01 of 2001.

i. The Chairman of the Academic Board should be the Director General of the Institute
ii. A member of the University Academic staff nominated by the University Grants Commission established in accordance with the University Act of No.16 of 1978.
iii. The Commissioner General of Examinations or his/her nominee
iv. A person nominated by the Commissioner of Co-operative Development, and
v A person competent in management skills, comes in the area of the Co-operative sector or in the private sector, to be appointed on the description of the Minister.

2.2.2. Representation of the Academic Board-2023

Se. No.	Name	Position	Nature of the Appointment
1.	Mrs. Dileepa Rupani Piyadasa	Director General,NICD (Chairman, Academic Board)	Ex- officio
2.	Prof. M.B Ranathilaka	Economics Department Faculty of Arts, University of Peradeniya, (Member of Academic Board)	Representative of the University Academic Staff nominated by University Grants Commission
3.	Mrs. K.D.G.M Abeygunasekera	Commissioner of Examinations (Research/ Development and Evaluation) Department of Examinations	Representative of the Commissioner General of Examinations
4	Mr. D. Jeewanadan	Commissioner/ Co-operative Development and Society Registrar(Central Government), Department of Co- operative Development – (Member of Academic Board)	Ex-officio
	Miss. Asha Hapuarachchi	Commissioner/ Co-operative Development and Society Registrar(Central Government), Department of Co- operative Development – (Member of Academic Board)	Ex-officio
5.	Mr. G.A. Nimal	-(Member of Academic Board)	Minister's Nominee

2.2.3 Progress of Academic Board Affairs-2023

Date	Participation	No of Matters Submitted	Number of Decisions/Instructions given
27/04/2023	04	11	11
16/08/2023	04	07	07
08/12/2023	03	04	04

2.3 Progress of Audit Management Committee and its Affairs

The Audit and Management Committee coordinates the activities of the internal auditor, and reviews and discusses observations made during the internal audit and the Auditor General's audit.

2.3.1 Composition of the Audit Management Committee

i. Three Members of the Board of Management
ii. Audit Superintendent of the National Audit Department
iii. Chief Internal Auditor of the relevant Ministry
iv. Internal Auditor of the Institute – Convener

2.3.2 Representation of the Audit Management Committee - 2023

Serial No.	Name	Position
01	Mr. M.R.G.A.B. Muthukude	Additional Director General- Department of Public Finance Policy
02	Mr. D. Jeewanadan	Co-operative Development Commissioner/ Co-operative Society Registrar (Actg)/ Co-operative Development Department
03	Mrs. U.S.N. Fernando	Additional Secretary
04	Mrs. L.A.G.N Liyanaarachchi	Director (Development) Co-operative Services, Marketing Development and Consumer Protection State Ministry
05	Mr. G.R.K.S. Ganegoda	Accountant, Higher Education, and High Ways State Ministry
06	Mrs. H.R.C.K Handagama	Audit Superintendent/National Audit Office
07	Mr. E.N.W.M.R.R.K. Nugapitiya	Chief Internal Auditor/Ministry of Trade, Commerce and Food Protection
08	Mrs. S.M. Rajapaksha	Chief Internal Auditor/Co-operative Services, Marketing Development, and Consumer Protection State Ministry and Trade, Commerce and Consumer Protection Ministry (Co-operative Sector)
09	Ms. R.A.A.H Premachandra	Internal Auditor, National Institute of Co-operative Development

2.3.3 Progress of the Affairs of Audit Management Committee - 2023

Date	**No. Participated**	**No. of Decisions Taken**
24.02.2023	06	35
27.07.2023	06	43
27.09.2023	05	33
15.12.2023	06	58
Total		169

2.3.4 Progress of Affairs of Internal Audit Division

All the sections such as establishment and administration, academic, finance, hostel, printing, examinations, library, information technology have been audited as per the Internal Audit Plan -2023 and the progress of the audit queries are included in the table below.

Serial No.	Division	No. of Queries	No. of Matters
01	Establishment and Administration	02	15
02	Academic and Development, and Research	05	13
03	Hostel	01	06
	Total	08	34

3.

Institutional Progress-2023

3. Progress of Establishment and Administration Division

The duties such as the affairs of establishment, procurement matters, updating of the website of the Institution, examination matters , vehicle matters, human resource development matters, and Board of Management affairs have been discharged by the Division. The following table shows the progress of this division.

3.1.1. Human Resource Development

Cadre approved	71
Staff as at 31.12.2023	43
No. of vacancies as at 31.12.2023	28
No. of officers directed for training in the year 2023	06
No. of officers directed for foreign training in the year 2023	02
No. of staff meetings held in the year 2023	08

3.1.2 .Physical Resource Development

Purchasing of machinery and office equipment Rs. 0.756 Rs. Million(UPS)

3.1.3. Procurement Matters

	Decisions taken	Financial Value (Rs. million)
Departmental Procurement	07	19.90
Minor Procurement	19	2.71
Total		22.61

• A revenue of Rs. 274,935.00 has been generated through a minor procurement decision by selling goods removed from use.
• The departmental procurement committee decisions related to the lease of portions of the multi-purpose building adjacent to the People's Bank premises and the open Mahaweli building for 05 years for Rs. 5,160,000.00 (Total revenue for 05 years) are also included in the financial value.

3.1.4. Conducting Examinations and Issuance of Results

3.1.4.1 The Progress of Issuance of Examination Results- 2023

	Course	Number Sat	Passes	Weak Passes	Failures	Other
01	Diploma in English 2022	20	15	-	3	2
02	Certificate Course in Co-operative Development-2021/2022 (Central/North Western)	43	39	2	-	2
03	Diploma in Co-operative Development 2022/2023(North Central/Southern)	42	36	2	-	4
04	Diploma in Cooperative Development 2021/2022 (Uva/Sabaragamu/Western/Central/ North Central/Central Government)	73	61	2	5	5
05	Diploma in Management and Accounting 2021	7	4	3	-	-
06	Diploma in Auditing 2022	25	19	1	-	5
07	Diploma in Accounting 2022	26	22	1	-	3
08	Diploma in Business Management – 2022	17	8	1	-	8
09	Diploma in Human Resource Development 2022	36	27	-	-	9
10	Diploma in Micro-finance Management 2021/2022	32	23	1	-	8
11	Diploma in Bank Management 2022	26	20	1	3	2
12	Higher Certificate in English 2023	12	12			
	Total	359	286	14	8	48

3.1.4.2 Issuance of Repeat Examination Results

Course	Number Sat	Passes	Weak Passes	Failures	Other
Diploma in Bank Management 2021	10	8	2	-	-
Diploma in Auditing 2021	3	3	-	-	-
Diploma in Accountancy 2020	6	5	1	-	-
Diploma in Business Management 2021 (Institutional)	3	3	-	-	-
Diploma in Business Management 2021 (Chilaw)	5	4	1	-	-
Diploma in Business Management 2021 (Kuliyapitiya)	8	8	-	-	-
Diploma in Information Technology 2020/2021	1	1	-	-	-
Higher National Diploma in Management 2020	7	2	5	-	-
Certificate in Cooperative Development 2021 (Western/Southern/Uva/North Central)	6	3	2	-	1
Diploma in Cooperative Development 2019/2020 (North Western/Western)	4	4	-	-	-
Diploma in Bank Management 2019/2020	1	1	-	-	-
Diploma in Cooperative Development 2021/2022 (Uva/Sabaragamu/Western/Central/ North Western/North Central/Central Government)	2	2	-	-	-
Certificate in Cooperative Development 2021/2022 (Central/North Central)	2	2	-	-	-
Diploma in Bank Management 2022	2	1	1	-	-
Diploma in Micro –finance Management 2021/2022	1	1	-	-	-
Diploma in Auditing 2022	1	1	-	-	-
Total	124	49	12	-	1

3.1.4.3. Progress of Conducting Examinations 2021-2023

	2021	2022	2023
No. of Examinations Held	**114**	**171**	**121**
No. of Students Sat	**2353**	**5348**	**3293**

The annual certificate awarding ceremony was grandly held on 28.07.2023 at the Mahinda Rajapakshe Theatre. 476 diploma holders and 512 certificate holders were qualified for this.

3.2. Progress of Academic Division

This section is responsible for administrative duties such as course design and delivery, research activities, advisory services, library services, and student affairs. The academic section functions under the Director (Academic and Development) and comprises academic and non-academic positions. Accordingly, the staff should consist of 28 members including an administrative officer (student affairs), 10 lecturers, and 2 researchers. However, in 2023, the section operated with only 23 staff members, including 9 senior lecturers and assistant lecturers, an administrative officer (student affairs), a senior librarian, an assistant librarian, an assistant researcher, 3 computer consultants, one management assistant, 3 development officers, and 2 office assistants.

3.2.1 Progress of Conducting Courses

The progress of the courses conducted by the institute is as follows:

3.2.1.1. Progress of Courses (over 3 months)

Courses Commenced in 2023

Serial No.	Title of the Course	No. of Times held	Participation	Income Generated (Rs.)
01	Diploma Course in Co-operative Development (Central Government/Western/Central/ Southern/Uva/Sabaragamuwa) 2022	01	67	1,177,840.00

3.2.1.2. Progress of Courses Commenced in 2022

Serial No.	Title of Course	No. of Times held	Participation	Course Income (Rs.)
Diploma Courses				
1.	Diploma in Business Management-2023	01	45	1,047,500.14
2.	Diploma in Auditing 2023	01	31	825,000.00
3.	Diploma in bank management 2023	01	27	797,500.00
4.	Diploma in Human Resource Development 2023	01	21	666,500.00
5.	Diploma in Accountancy 2023	01	32	837,500.00
6.	Diploma in Micro –finance (Distance) 2023 Institutional	01	99	2,215,000.00
7.	Diploma in bank management Distance 2023	01	37	904,750.00
Certificate Courses				
8.	ICTT 2023 NVQ Level 4	01	20	765,000.00
9.	Advance Certificate Course in English	01	12	252,500.00
10.	Certificate Course in English	01	17	272,000.00
11.	Certificate Course in Office Automation	01	16	102,333.00
12.	Computer Application Assistant - (CAA – NVQ Level 03)	01	21	849,500.00
13.	Japanese Language	01	06	70,000.00
	Total	**14**	**384**	**10,782,923.14**

Courses which Commenced in 2022 and continued up to 2022

Serial No.	Title of Course	Participation	Total Course Income Received in Cash (Rs.)
1.	Diploma in Auditing 2023/2022	25	600,500.00
2.	Diploma in Accountancy 2023/2022	24	630,000.00
3.	Diploma in Bank Management2023/2022	22	624,000.00
4.	Diploma in Business Management2023/2022		305,000.00
5.	Diploma in Human Resource Development	27	763,000.00
6.	Diploma in Marketing Management2023-2022	13	139,500.00
7.	Diploma in Communication Technology	19	571,000.00
	Total	130	3,633,000.00

3.2.1.2. Progress of Conducting Short Term Courses

S/ No	Title of the Course	No. of Times held	Participation	Income Generated (Rs.)
01	Internet and E-mail (Online)	01	13	13,000.00
02	Training Program on Regulation of Banks	01	28	168,000.00
03	Training Workshop on Rural Bank Mangers and Field Officers	01	32	192.000.00
04	Training Programme on Loan Management	01	43	258,000.00
05	Accounting for SANASA Societies (Online)	01	37	55,500.00
06	Advanced Access (Online)	01	15	21,000.00
07	Induction Training Programme	01	11	24,750.00
08	Marketing and Customer Care	01	28	168,000.00
09	MS EXCEL (Online)	01	41	41,000.00
10	Training Programme on Preparation of Research Thesis	01	64	918,720.00
11	Role of Director Board Members in Creative Cooperative Management	01	19	119,700.00

12	Training Programme on Empowering Arbitration and Arbitration Awards	01	22	202,400.00
13	Training Programme on Performance Enhancement of Chief Executive Officers and Managers of Multi-purpose Cooperative Societies	01	32	201,600.00
14	Two Day Training Programme on the Disciplinary Procedure of Cooperative workers	01	19	119,700.00
15	Training Programme on Filling Station Management	01	41	176,500.00
16	Training Programme on Attitude Development	01	13	46,800.00
17	Advanced Computer Hardware and Networking for Professionals	01	15	116,250.00
18	Training Programme on Investment Portfolio Management for Cooperative Rural Banks and Financial Societies	01	17	107,100.00
19	Training Programme on Pawning Management	01	31	195,300.00
20	Internal Training Programme of Rural banks (Online)	01	70	420,000.00
21	English Activity Camp	01	24	156,000.00
22	Hardware and Networking	01		114,000.00
23	Procurement Procedure	01	17	42,500.00
	Total	**23**	**632**	**3,959,820.00**

Progress of Conducting Courses

Serial No.		No. of Sessions Held	Participation	Course Income Rs.
01	Programme on Training Teacher Leaders in the Bengamuwa Zone	01	41	232,237.77
02	International Training Programme on Management of Customer Cooperative Societies	01	27	878,152.65
03	One Day Training Programme on Pawn Management	01	59	114,000.00
04	International Training Programme on Creation of Case Studies for Learning Teaching Programme	02	27	699,529.78
05	Staff Training Workshop on Bank Activities and Loans (Cooperative Society of Small and Medium Scale Entrepreneurs – SME Dambulla)	01	45	243,489.62
06	Training Workshop on Internal Auditing Staff of Matara District SANASA Society Federation Ltd.	01	30	181,756.65
07	Financial Analysis Procedure of a Sustainable Financial Institute	01	25	202,545.00
08	Training Programme of General Assembly Representatives of Katugampola Multi-purpose Cooperative Society Ltd.	01	33	165,400.00
09	Training Programme for Director Board of Ahugoda SANASA Society Ltd.	01	43	191,959.25
10	Short Term Training Workshop on Use of Modern Technology for Office Work	01	37	57,950.00
11	Training of Director Board of Morawakkoralaya Tea Producers Society Ltd	01	18	427,777.71
12	Training of staff of Morawakkoralaya Tea Producers Society Ltd	01	32	
13	Training of Committee of Credit and Thrift Society –SANASA Society, Polgahawela	01	36	111,600.00
14	Executive Officer and Committee Member Training of SANASA Society Ltd, Polgahawela	01	43	266,600.00

15	Training Programmes held at Computer Laboratory on Rent Basis	01	70	131,300.00
16	Performance Development Training Workshop of Honorary Chairmen of Cooperative Societies affiliated to Gampaha Rural Bank Association Ltd	01	17	123,885.00
17	Two Day Workshop on the Preparation of Annual Development Plan and Budget for Multi-purpose Cooperative Societies	01	51	200,300.00
18	Two Day Training Workshop on Acts and Related Procedures Pertaining to Cooperative Subject Governor's Secretariat	01	10	141,981.32
19	Two Day Workshop on the Preparation of Annual Development Plan and Budget for Multi-purpose Cooperative Societies	01	40	161,100.00
	Total	**19**	**684**	**4,531,564.75**

3.2.2. Development in Research in the Co-operative Sector

The National Institute of Cooperative Development, in accordance with Section 4 (a) of the National Cooperative Development Agency Act, has played a significant role in promoting cooperative development research in 2023. The following activities were undertaken during the year:

Publication of the Research Journal of the Institute

The Research Journal of the institute ‚Sri Lanka Journal of Co-operative Studies", was published this year as both a print and electronic journal, featuring research papers on four topics relevant to the cooperative sector.

Promoting Research in the Cooperative Sector Through Cooperative Development Officers

A three-day residential workshop was conducted at the institute from August 16th to 18th, 2023, with the aim of providing knowledge to Cooperative Development Officers on the preparation of research dissertations, considered a crucial step in their professional development. The program was attended by 65 officers representing the Central, Southern, Northwestern, Uva, Central Government, and Western provinces. The participants are currently engaged in research under the themes of Cooperative Management and Vision, Cooperative Finance/Accounting and Auditing, Cooperative Human Resource Management, and Cooperative Marketing Management.

• **Research conducted by the National Cooperative Development Agency.**

The National Institute of Cooperative Development launched two research projects in 2023, one of which was a study to identify global market trends in higher education. This research found that digitalization and artificial intelligence will be a global market trend in higher education in the future. It also revealed that there will be a growing need for people to learn and develop skills throughout their lives, a high future demand for data analysts, and a high future demand for degrees in computer science and information technology. The second research conducted by the National Institute of Cooperative Development was a study on the feasibility of developing the Karandeniya Multi-Purpose Cooperative Society Ltd as a cinnamon-based production cooperative society. This research resulted in several recommendations for the society, including, developing a program to attract local cinnamon producers and processors as members of the cooperative. Creating an environment conducive to developing the society through cinnamon-based products,introducing a suitable loan scheme for cinnamon processors through the rural banking sector and initiating a project for value-added cinnamon production and export.

Research Conference Representation

In order to enhance the institution's reputation and foster collaboration with other research institutions, a research conference was represented in 2023. A research paper was presented at the 2023 Multidisciplinary Research Conference organized by KIU Campus, a higher education institution. The paper, titled "Factors Contributing to the Failure of Coconut Producers' Cooperative Societies: A Study of Coconut Producers' Cooperative Societies in Puttalam District, North Western Province," presented a summary of the research.

Research Grant Program

Under a research grant program, three students from the University of Sabaragamuwa conducted research projects that were successfully completed in 2023. The research topics undertaken by these students are listed below:

1. Do the Transaction Cost Determinants Affect the Livelihoods of SANASA Beneficiaries? A Case of Colombo District, Sri Lanka.
2. Effect of Financial and Non-financial Benefits on Performance of Co-operative Employees.
3. The impact of microfinance services on livelihood success of the members of cooperative rural banks in the Hikkaduwa area, Sri Lanka.

3.2.3. Progress of Library Facilities

The library of the National Institute of Cooperative Development serves as a specialized study library. It houses a unique collection of resources relevant to the cooperative sector, catering to students' academic needs and their pursuit of successful completion of their programs. This collection encompasses various subjects, including, Commercial Science**,** Accounting, Economics, Banking, Management, Marketing, Research Methodology, Law, Sociology, and Social Work, Counseling, Positive Thinking, Vocational Education, and Social Welfare. This comprehensive collection provides students with the necessary knowledge base to excel in their respective fields.

In 2021, a library automation program was initiated. Additionally, the Kadiya library software was installed for book inventory purposes, and books are being computed through this software.

The library currently houses an extensive collection of approximately 23,646 volumes covering a wide range of subjects. These include domestic and foreign periodicals, newspapers, dissertations, research reports, translated articles, literary works, indexes, and electronic publications in Sinhala, Tamil, and English. The library also boasts a valuable collection of encyclopedias and dictionaries, along with relevant legislation such as ordinances, acts, draft bills, commission reports, sessional papers, annual reports, and a collection of rare books, making it an invaluable resource for research.

The library operates in two branches: Lending and Research, with the library collection organized according to the internationally recognized Dewey Decimal Classification.

Knowledge resources related to the cooperative movement are organized as a separate special collection.

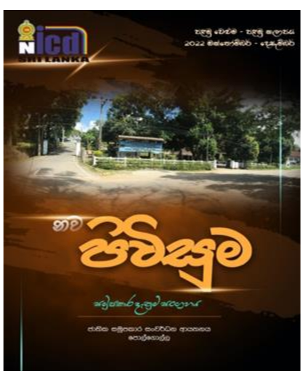
The institute has implemented Koha software, incorporating modern technology to expand and ease access to library and information center services, and has automated the library by creating a database in accordance with the Library Automation system, enabling the collection of detailed data on cooperative societies online.

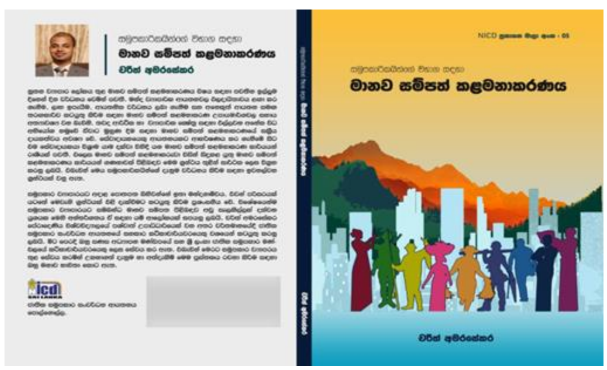
Furthermore, the publication project is very successful, having published books such as Human Resource Management for Examinations and Historical Background of the Cooperative Credit Union Movement in Sri Lanka, and has also taken steps to republish the journal "Pivisuma."

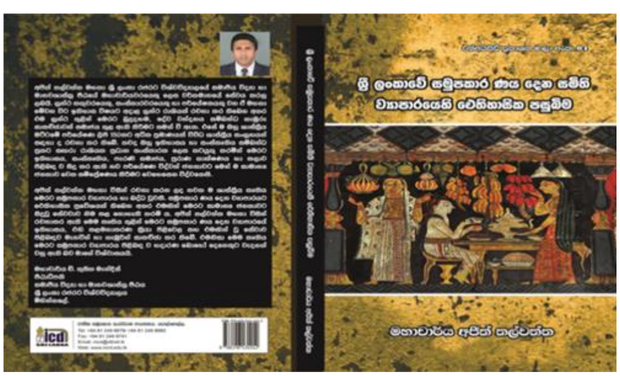
Library Membership

• All students of the National Cooperative Development Institute
• Teaching Staff of the National Cooperative Development Institute
• Non-teaching Staff of the National Cooperative Development Institute
• External Lecturers associated with the National Cooperative Development Institute
• Provision of investigation services to individuals representing various fields in the country, upon approval of the Director General.

Orientation sessions have been conducted at the beginning of each course to familiarize students with library resources.







3.3. Progress of the Hostel Division

The Hostel Division is managed by the Assistant Director (Hostel). This sector provides facilities including residential and dining services for the institute's educational and training programs as well as conferences and workshops conducted by external organizations.

The Mahinda Rajapaksa Auditorium, owned by the institute, with 1120 seats and modern facilities, is also operated under this division.

3.3.1. Progress of the Hostel Division and Auditorium Reservation activities in 2023

	Income (Rs.)
Provision of Hostel Facilities	15,362,468.00
Remittances of Food & Beverage supply- commission	2,531,078.00
Circuit Bungalow	792,000.00
Auditorium (Including Taxes)	11,152,340.00
Audio-Visual	1,451,525.00
Other	1,456,089.80
Total	**32,745,500.80**

3.3.2. Progress of the Hostel Division 2021-2023

Description	Income Up to 2022.12.31 (Rs)	Income Up to 2023.12.31 (Rs)	Difference between 2022 and 2023
Auditorium	4,877,250.00	11,152,340.00	6,275,090.00
Providing Hostel and Auditorium Facilities	10,224,240.00	15,362,468.00	5,138,228.00
Commission for Food and Beverages	1,656,165.00	2,531,078.00	874,913.00
Audio-Visual Facilities	831,275.00	1,451,525.00	620,250.00

3.4. Progress of the Finance Division

The Accounts Division of the institute operates under the supervision of the Assistant Director (Finance), and in 2023, it carried out its duties with a staff of 6.
To ensure the sustainability and growth of the institute's operations and functions, the Accounts Division undertakes activities including financial planning, financial management, reporting, providing financial information, taxation, and constitutional matters related to the financial sector.
The following table presents the financial summary for the recent five years.

Financial Progress Report

Description	2019	2020	2021	2022	2023	2023 (Estimated)
Income						
Institutional Earnings						
Course Income	**19,360,480**	**7,935,390**	**10,685,718**	**10,462,717**	**16,668,286**	**23,537,309**
Rent income of lecture halls, houses, buildings and income of HodtelmDivision	**15,466,340**	**6,103,677**	**6,711,731**	**15,463,412**	**21,401,875**	**17,018,700**
Income of Mahinda Rajapaksha Auditorium	**2,963,909**	**1,687,500**	**480,000**	**4,685,250**	**11,152,340**	**6,463,000**
Other Income	**3,582,354**	**2,197,898**	**2,345,751**	**5,671,281**	**8,516, 787**	**8,181,040**
Total Income of Institute	**41,373,083**	**17,924,465**	**20,223,200**	**36,282,660**	**57,739, 288**	**55,200,049**
Recurrent Grants -						
Treasury provisions	**32,536,208**	**30,348,055**	**45,729,500**	**55,995,000**	**55,650,000**	**55,655,000**
Cooperative funds provisions	**185,340**	**72,000**	**150,000**	**648,409**	**290 ,000**	
Total Income	**74,094,631**	**48,344,520**	**66,102,700**	**92,926,069**	**114,100,248**	**110,855,049**
Expenditure						
01 Employee emoluments						
a) salaries and wages	**26,396,567**	**26,200,636**	**33,187,238**	**46,714,634**	**49,109,454**	**50,353,307**
b) Overtime and holiday pay	**1,169,585**	**909,197**	**1,062,218**	**1,542,463**	**1,803,045**	**1,825,000**
c) Lectures fees and other expenditure	**8,404,152**	**4,463,735**	**5,293,246**	**4,344,882**	**3,643,489**	**5,613,055**
02.Travelling expenses	**370,070**	**113,725**	**136,459**	**286,873**	**219,426**	**250,000**
03.Stationeries and other supplies	**5,687,070**	**2,684,933**	**3,839,580**	**9,798,777**	**12,135,848**	**12,326,969**

04.Maintenance expenses	**3,994,186**	**1,611,279**	**3,159,966**	**4,511,011**	**3,869,340**	**5,424,000**
05.Contractual services	**22,735,377**	**18,398,395**	**16,541,409**	**20,157,670**	**25,660,407**	**27,160,050**
06.Other expenses	**2,165,297**	**722,994**	**1,153,276**	**1,016,508**	**1,521,718**	**1,971,000**
Total expenditure	**70,922,304**	**55,104,894**	**64,373,392**	**88,372,818**	**97,962,727**	**104,923,381**
Capital grants	**13,000,000**	**5,000,000**	**11,500,000**	**6,470,000**	**-**	**-**

Report on Financial Position

Description	2019	2020	2021	2022	2023
Assets					
Non-Current Assets Property, plant and equipment	840.95	813.35	793.59	770.57	750.74
Other financial and non-financial assets	5.58	6.02	5.99	5.71	5.72
	846.53	819.37	799.58	776.28	756.46
Current Assets					
Current investments	22.00	16.26	27.48	25.87	39.97
Trade and other debtors	40.98	38.02	38.15	37.71	37.14
Stock	1.07	1.89	1.17	1.74	1.96
Money in bank	41.90	37.46	32.76	15.70	15.77
Total Assets	**952.48**	**913.00**	**899.14**	**857.30**	**851.30**
Capital	146.40	137.53	136.19	130.26	132.30
Reserves	696.09	673.96	658.45	662.71	654.20
Non current liabilities	30.16	27.77	9.8	11.23	11.73
Current liabilities	79.83	73.74	94.70	53.11	53.07
Total equities and liabilities	**952.48**	**913.00**	**899.14**	**857.30**	**851.30**

4.

Final Accounts of Institute as at 31.12.2023

NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2023

	NOTE	AS AT 31.12.2023 Rs.	AS AT 31.12.2022 Rs.	SCHEDULE No.
ASSETS				
NON CURRENT ASSETS				
Property, Plant & Equipment	2	750,741,380	770,572,348	
Other non-current financial assets	3	2,582,500	2,270,000	
		753,323,880	772,842,348	
Other Receivable	4	396,549	601,866	
Differed expenditure on Transformer		2,845,045	2,948,940	
Less: Amotisation of differed expenditure		(103,895)	(103,895)	
Balance differed expenditure	5	2,741,150	2,845,045	
CURRENT ASSETS				
Current Investment	6	39,973,475	25,870,533	
Trade & other Receivable	7	37,137,749	37,710,406	
Stock	8	1,967,673	1,748,362	
Cash at Bank	9	15,779,772	15,704,222	
		94,858,669	**81,033,522**	
TOTAL ASSETS		**851,320,248**	**857,322,780**	
EQUITY & LIABILITIES				
CAPITAL & RESERVES				
Capital	10	233,254,215	233,254,215	
Accumulated Profit / (Loss)	11	(100,953,649)	(102,992,269)	
		132,300,566	**130,261,946**	
RESERVES				
Capital Grant from Treasury	12	334,610,883	353,134,233	
Capital Grant from Ministry	13	13,512,611	11,746,651	
Revaluation Reserve		295,447,205	288,531,910	
Publication Fund		10,633,273	9,305,502	
		654,203,971	**662,718,296**	
NON CURRENT LIABILITIES				
Provision for Gratiuty		11,730,348	11,231,350	
Loan From Co-operative Fund			-	
		11,730,348	**11,231,350**	
CURRENT LIABILITIES				
Creditors & Accrued Expences	14	20,620,006	19,120,675	
Loan From Co-operative Fund		19,000,000	19,000,000	
Retention Money		13,465,357	14,990,513	1
		53,085,364	**53,111,187**	
TOTAL EQUITY & LIABILITIES		**851,320,248**	**857,322,780**	

Note: Submission of the financial statements is responsibility of the management of the Institute, and certify that the Annual financial statements are true and correct.

U.S.N. Fernando Chairman	H.A.Asha Hapuarachchi Director General/CEO	K.D.Anil Asst.Director -Finance

NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2023

	NOTE	ACTUAL 2023	ACTUAL 2022	Revised Budget 2023
REVENUE		Rs	Rs	Rs
GRANT FOR RECURRENT EXPENDITURI	15	55,940,000	56,643,409	55,655,000
AMOTIZATION ON CAPITAL GRANT		19,163,141	20,515,184	-
INCOME EARNED BY NICD	16	58,160,248	36,801,525	55,621,009
		133,263,389	**113,960,118**	**111,276,009**
LESS : EXPENDITURE				
01. PERSONNEL EMOLUMENTS	17	54,976,926	52,978,127	57,791,362
02. TRAVELLING	18	218,148	286,873	250,000
03. SUPPLIES	19	12,135,848	9,798,777	12,326,969
04. MAINTENANCE	20	3,869,340	4,511,011	5,424,000
05. CONTRACTUAL SERVICES	21	25,661,707	20,157,670	27,160,050
06. OTHERS	22	1,596,978	1,016,508	1,971,000
07. DEPRECIATION	2	31,697,113	30,654,691	-
08. AMOTIZATION OF DIFFERED EXPENDITURE		*103,895*	*103,895*	-
		130,259,954	**119,507,552**	**104,923,381**
Surplus or (Deficit) over the expenditure from ordinary activity before Taxation		**3,003,434**	**(5,547,435)**	**6,352,628**
Less: Taxation		-	-	-
Net Surplus or (Deficit) for the period		**3,003,434**	**(5,547,435)**	**6,352,628**
Other Comphrensive Income				
-Gain/(loss) on Revaluation of property ,plant and equipment		6,915,295	-	0
- Actuarial Gain/(Loss) on defined benefit plans		0	0	0
- Gain /(loss) on available -for-sale financial assets		0	0	0
-Other comprehensive income for the year		0	0	0
Total comprehensive income for the year		**9,918,729**	**(5,547,435)**	**6,352,628**

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NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

			2023		2022
	Net Surplus /(Deficit) for the period		3,003,434		(5,547,435)
	Adjustments for				
Add:	Depreciation	31,697,113		30,654,691	
	Amortization of differed expenditure	103,895		103,895	
	Prior year Adjustment -Addition	64,759		433,201	
	Profit on sale of Fixed Assets	-		-	
	Provision for Bad debtors	68,760		-	
	Depreciation -priorn year adjustment	316,640		-	
	Provision for gratiuty	1,226,893		1,427,428	
Less:					
	Profit on sale of Fixed Assets	-		-	
	Amortisation of Capital grant	(19,163,141)		(20,515,184)	
	Interest Income				
	Gratuity Payment	(604,145)		-	
	Retention	-		-	
	Depreciation -prior year adjustment	(12,470)		-	
	Prior year Adjustment -Deduction	(1,029,574)		(817,601)	
	Over Provision for doubtful debts		12,668,730	142,718	11,429,148
	Operating Profit/(loss) before working capital changes		**15,672,164**		5,881,713
	Changes in working capital				
	Decrease/(Increase) in debtors, & Receivables	498,897		297,868	
	(Decrease) /Increase in cred:& accrued expences	1,499,331		(22,751,000)	
	Decrease/(Increase) in stock	(219,311)	1,778,917	(572,715)	(23,025,847)
	Net cash flow from operating activities				**(17,144,134)**
	Cash flows from investing activities				
	Retention money	(1,345,293)		(1,364,275.12)	
	Purchase of - property , plant & equipment	(91,350)		(5,047,745.60)	
	- Land Development	-		-	
	-Building	(2,923,838)		(2,318,985.06)	
	- Furniture & Fittings	-		(74,654.60)	
	- Vehicle Addition	-		-	
	- Library books	(9,995)		(442,744.85)	
	- Other Equipment	(3,050)		(59,099.00)	
	Investment in capital work - in - progress			-	
	(Investment)/ withdrawal - Fixed Deposit	(14,012,317)		1,650,713.40	
	Sale proceeds on Fixed Assets			-	
	(Recovery of E.P.F) Other Receivable	205,317		294,755.19	
	Interest receipt		(18,181,426)		**(7,362,036)**
	Net cash flow from investing activities				
	Cash flows from financing activities				
	Capital grant Received from treasury	-		6,470,000	
	Capital grant Received from Ministry	-		-	
	Distress loan	(521,875)		(153,125)	
	Publication Fund	1,327,771		1,134,945	
	Repayment of Co-op Fund loan	-	805,896		7,451,820
	Net cash flow from financing activities				
	Net Increase in cash flows within the Year		**75,550**		**(17,054,349)**
	Cash & cash equivalents at the beginning of the period		15,704,222		32,758,571
	Cash & cash equivalents at the end of the period		15,779,772		**15,704,222**

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NICD-POLGOLLA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

DESCRIPTION	CAPITAL	PROFIT/(LOSS)	CAPITAL RESERVE-TREASURY	REVALUATION SERPLUS	CAPITAL RESERVE MINISTRY	FUNDS	TOTAL
Balance as at 01.01.2022	233,254,215	(97,060,434)	366,540,790	288,531,910	12,380,629	8,170,555	811,817,665
Less: Dep. On F/A purchased from Govt. Grant	-	-	(19,876,556)	-	(638,629)		- (20,515,185)
Profit/(Loss) for the period	-	(5,547,435)	-	-	-	1,134,946	(4,412,489)
Adgustments -addition		433,201		-	4,650	-	437,851
Adgustments -Deduction	-	(817,601)	-	-		-	(817,601)
Invested within the period		-	6,470,000	-	-	-	- 6,470,000
							- -
Balance as at 31.12.2022	**233,254,215**	**(102,992,269)**	**353,134,234**	**288,531,910**	**11,746,650**	**9,305,501**	**792,980,241**
Balance as at 01.01.2022	233,254,215	(102,992,269)	353,134,234	288,531,910	11,746,650	9,305,501	792,980,241
Less: Expenses made &Dep. on F/A purchased from Govt. Grant	-	-	(18,523,350)	-	(639,791)	-	- (19,163,141)
Profit/(Loss) for the period	-	3,003,434	-			1,327,771	4,331,205
Adjustment-Addition		64,759	-	6,915,295	2,405,750	-	9,385,804
Adjustments - Deduction	-	(1,029,574)	-			-	(1,029,574)
Invested within the period			-	-	-	-	- -
							-
Balance as at 31.12.2023	**233,254,215**	**(100,953,649)**	**334,610,884**	**295,447,205**	**13,512,610**	**10,633,272**	**786,504,536**

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NOTES TO THE ACCOUNTS AS AT 31ST DECEMBER 2023

NOTE : 01

ACCOUNTING POLICIES

1.1 GENERAL ACCOUNTING POLICIES

1.1 Accounting Conventions

The Financial statements of the Institute comprise Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Equity, Cash Flow statement, Presentation of Budget information in financial statement, Accounting Policies and Notes to the Accounts. The financial statements of the Institute prepared on the historical cost basis and in accordance with Sri Lanka Public Sector Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka. According to the circular No:265/2018 & dated on 10.05.2018 issued by the department of Public Accounts, Ministry of Finance of Mass Media. These standards are applying w.e.f.01.01.2019 .

1.2. . Format of Accounts

The Financial Statements are presented in accordance with the format issued by the Institute of Chartered Accountants of Sri Lanka. Previous year figures and phrases are re-arranged wherever necessary to conform to the current year's presentation.

1.3. Post Balance Sheet Events

All material events occurring after the date of Financial Position are considered and where necessary adjustments and disclosures are made in the Financial Statements.

2 ASSETS AND BASES OF THEIR VALUATION

2.1 Property, Plant & Equipment

The cost of Property, Plant & Equipment is the cost of purchased or constructed value together with any incidental expenses thereon. These are accounted at cost or revalued amount less accumulated depreciation which is provided on the basis specified below.

Land and Building have been revalued in 2018 by the Department of Valuation. Motor vehicle, Plant & Machinery, Audio Visual Equipment, Computers, Printers & Accessories, Office Equipment have been revalued in 2019 by the committee including an officer of the Department of Valuation appointed by Director General of National Institute of Co-operative Development.

All the values of Revalued Assets have been taken into the Accounts. Furniture and Fittings Library books, Cutlary items are not revalued and their values have been shown in the Account at their cost. .

2.2 Depreciation

The provision for depreciation is calculated on the cost or re-valued amount of the Property, Plant & Equipment so as to write off such cost over the estimated useful lifetime of the assets by equal annual installments as follows.

Asset	Useful Lifetime
Building & Structures	40 years
Motor Vehicles	04 years
Furniture & Fittings	10 years
Books and Manuals	04 years
Plant & Machinery - Generators	20 years
Plant & Machinery - Auditorium A/C plant	10 years
Plant & Machinery - other than above	05 years
Cutlery items & others	03 years
Revalued Fixed Assets	Estimated useful lifetime

Depreciation is provided for the fixed assets on periodical bases.
Expenditure made on 2 Nos of Transformer worth of Rs. 4,155,818.00 provided by C.E.B. has been differed and written off the cost over a period of 40 years.

Depreciation is not calculated in the year of Assets purchased or Re -valuation, but in the year of sale of the assets, depreciation is calculated for the entire year.

3 LIABILITIES AND PROVISION

3.1 Provision for Gratuity

Provision is made for the payment of retirement gratuities payable under the Gratuity Act No. 12 of 1983 in respect of all eligible employees, whose service periods are more than one year at the Balance Sheet date.

Employees are eligible for Employee's Provident Fund contributions and Employee's Trust Fund contributions in line with the respective statutes and regulations. The Institute contributes 15% for the employees who engaged before 01.01.2020 and 12% for employed after 2020.01.01 and 3% on their basic salary, cost of living allowance and holiday payment to EPF and ETF respectively.

3. 2 Provisions for Bad Debtors

5% provision has been made for Bad Debtors.

3.3 Other Liabilities

3.3.1. Legal action has been taken to recover the due house rent with penalty sum of Rs.645,122.00 from ex– employee who occupied the quarters. However he has passed away on 10th October 2016 and hence there is a suspicion if NICD could recover the 3.3.2. outstanding house rent. Ex- employees have filed 02 cases against the institute.

4 INCOME & EXPENDITURE ACCOUNT

4.1 Revenue Recognition

- All Fees for services rendered are accounted on accrual basis
- Fees for Diploma courses, certificate courses and Interest earned on Investment are accounted on periodical basis that services rendered (accrual basis on basis of services rendered)

4.2 Expenses

All expenses except premium of Insurance and motor vehicle license fee and Maintenance agreement charges are accounted on accrual basis and those expenses are accounted on periodical basis.

5.GOVERNMENT GRANTS

5. 1 Capital Grants

Government grants received in the capital nature are treated as reserves in the statement of Financial Position and Depreciation made on the Fixed Assets purchased out of the grant is deducted from the reserves and credited to statement of Financial Performance as amortization on capital grant.

5.2 Recurrent Grants

Treasury grant is treated as an Income in the year in which it was received, in the Statement of Financial Performance and unused recurrent grant other than Treasury grant is shown as a liability in the statement of financial position.

No grant received during the year under review from People's Bank. But Rs.150,608/= received as a grant from People's Bank for the Training Programs in previous year was remained in the account as unutilized grant as at 31.12.2023 and Unutilized grant has been mentioned under creditors.

6. Preparation and submission of financial Statements is the responsibility of the Management of the institute.
7. Balances of goods in the stores as at 31.12.2023 were calculated according to "Average Method" while the balance of publications for sale/printing were valued according to their cost.
8. Cash Flow Statement was prepared according to Indirect Method.

9. 43 Nos of permanent employees were there in this institute as at 31st December 2023 in addition to that 10 Nos of Development officers from Line Ministry had been assigned to the NICD. and in addition to that 03 Nos of Multiduty Assistant have been assigned to NICD by the Multipurpose Development Task Force.
   9.1 However, 7 development officers have been transferred and only 3 are working as at 28th Feb.2024. One officer of the institute is abroad on study leave,and a driver is abroad on no pay leave. Currently, two multi-tasking officers are working and one officer has been recruited as a driver in the NICD permanent staff.

10 Line Ministry has given a grant sum of Rs. 3.4 Mn. Initially to form a fund for publishing the publications related to the Co-operative subject.

11 And formulated this fund is to be published the publications on Co-operative subject. Line Ministry has been given the advice to maintain the separate set of books to carry out this works. Accordingly kept the records separately for this purpose and Financial Performance for the year 2023 and Statement of financial Position as at 31.12.2023 are attached herewith.

12 During the year 2023, Interest earned from the investment of the Publication Fund is Rs.1,463,237/=. This interest has been credited to the same Funds through the Financial Performance

13 Line Ministry and NICD jointly conducted the consultancy programs with volunteer consultants to the Co-operative Societies during the year 2021,2022 and 2023.
Volunteer Consultants were selected by the Line Ministry by publishing advertisement on newspaper and they pay to meet their expenses incurred to the consultancy service given by them such as transport cost, accommodations, meals, stationaries, etc.
Department of Co-operative (Central Government) has given Rs. 5.00 Mn as an advance from Co-operative Development fund reimburse their expenses. And this advance has been credited to consultancy services control A/C and payments are being made through this control account.
During the year 2021 and 2022 Rs.5.00Mn have been received as an advance, and sum of Rs 4,923,028.00 has been spent as the balance amount is Rs.76,972.00. This is shown under the creditors in the Final Accounts.

NOTE:02

PROPERTY,PLANT & EQUIPMENT -2023

Cost / Valuation	Balance As 01.01.2023	Removed Items	Prior Year		Balance After Adjustments	Additions during the year	Adjustments Addition	Adjustments (Deduction)	ACTUAL 31.12.2023 RS	Schedule
			Additions	Deductions						
Land	201,536,976.69	-	-	-	201,536,976.69	-		-	201,536,976.69	
Building & Structures	618,017,936.43	-	-	-	618,017,936.43	2,923,838.27	-	(179,863.00)	620,761,911.70	2
Plant,Machenary & Equi:	101,115,166.32	-	-	-	101,115,166.32	91,350		(2,186,700)	99,019,816.32	3
Vehicles	10,200,838.00	-	-	-	10,200,838.00	2,400,000	11,925,000	(10,196,250)	14,329,588.00	4
Furnitures	46,282,181.27	-	-	-	46,282,181.27	-		(1,870,300)	44,411,881.27	5
Library Books	3,120,440.80	-	-	-	3,120,440.80	15,745.00			3,136,185.80	6
Curtain ,Cutlary items & Others	2,193,519.25	-	-		2,193,519.25	3,950.00		-	2,197,469.25	7
Total	**982,467,058.76**	-		-	**982,467,059**	**5,434,883**	**11,925,000**	**(14,433,113)**	**985,393,829.03**	

Accumulated Depreciation	Balance As AT 01.01.2023	Removed Items As At (01/07/01)	Prior Year Adjustments		Balance After Prior Year Adjustments	Additions during the year	Adjustments Addition	Adjustments (Deduction)	ACTUAL 31.12.2023 RS	
			Additions	Deductions						
Building & Structures	91,285,009.75	-	-	(12,470)	91,272,539.75	20,344,101		-	111,616,640.75	8
Plant,Machenary & Equipment	73,862,340.56	-	-		73,862,340.56	6,520,374		(2,186,700)	78,196,014.56	9
Vehicles	3,640,952.00	-	316,640	-	3,957,592.00	1,233,540		(5,186,545)	4,587.00	10
Furnitures	38,477,704.91	-		-	38,477,704.91	3,389,385		(1,870,300)	39,996,789.91	11
Library Books	2,536,946.09	-	-	-	2,536,946.09	178,530			2,715,476.09	12
Cutlary items & Others	2,091,758.00		-	-	2,091,758.00	31,183			2,122,941.00	13
Total	**211,894,711**	-	**316,640**	**(12,470)**	**212,198,881**	**31,697,113.00**	-	**(9,243,545)**	**234,652,449**	
Gross Book Value	**982,467,059**		-	-	**982,467,059**				**985,393,829**	
Accumulated Depreciation	**211,894,711**			**(12,470)**	**212,198,881**				**234,652,449**	
Net Book Value	**770,572,347**			**12,470**	**770,268,177**				**750,741,380**	

Capital work-in- Progress Contract No:	Balance As AT 01.01.2023	Removed Items As At (01/07/01)	Prior Year Adjustments		Balance After Prior Year Adjustments	Additions during the year	Adjustments Addition	Adjustments (Deduction)	ACTUAL 31.12.2023 RS	
			Additions	Deductions						
		-								
Transfer the WIP to Fixed Assets	-	-	-	-	-	-		-	-	
Work in Progress - Quarers	0				0.17				0	
	0	-		-	0	-	-	-	0	
Carrying Value	**770,572,348**			**12,470**	**770,268,178**				**750,741,380**	

Note- 5

Deffered Expenditure for the year 2023

Year	Description	Deffered Expenditure (Opening	Amount of amortised upto the year 31.12.2022	B/F balance deffered Exp. As at 01.01.2023	Amount of amortization for 2023	Accumilated amortized amount as at 31.12.2023	C/F Balance deffered Exp as at 31.12.2023
2013	Payment for expansion of Transformer	758,000	170,550	587,450	18,950	189,500	568,500
2009	Tow Nos. of transformer	3,397,818	1,140,223	2,257,595	84,945	1,225,168	2,172,650
	Total	**4,155,818**	**1,310,773**	**2,845,045**	**103,895**	**1,414,668**	**2,741,150**

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NOTE : 03.	ACTUAL 2023 Rs.	ACTUAL 2022 Rs.	SCHEDULE No.
Other non-current financial assets			
Deposit with Electricity board	813,750	813,750	14
Distress Loan -staff	1,768,750	1,456,250	15
	2,582,500	2,270,000	
NOTE : 04			
Other Receivable			
E.P.F Receivable from Employees	396,549	601,866	16
	396,549	601,866	
NOTE: 06			
Current Investment			
Investment in Fixed deposit	39,054,725	25,042,408	17
Distress Loan - staff	918,750	828,125	15
	39,973,475	25,870,533	
NOTE: 07			
Trade and Other Receivable			
3501-3512 Course Fee Rceivable (Schedule: 7A)	220,115	456,658	18
3504 Receivable on Programme Fee-Out Side	2,362,360	1,256,531	19
3513 Receivable on Printing Service	252,153	-	
3514 Receivables on Other services	94,969	17,545	20
3402 Advances to Contractors	-	-	
3403 Deposit with supplier	78,000	100,000	21
3515 Interest Receivable on Investment	1,332,011	1,998,156	22
3518 Hostel fee Receivable	41,440	175,000	23
3520 House rent receivable	652,173	645,122	24
3522 Library Fee & Exam Fee	-	2,633	
3523 Advance to suppliers	-	8,400	
3524 Staff food supply control A/C	6,770	20,295	25
3526 Receivable Fine	3,437	21,671	26
3527 Festival advance receivable	3,750	42,000	27
3532 Advance to staff	16,824	-	
3533 over payment	-	900	
3538 Recoverable of salary & EPF,ETF	90,148		28
3537 Fund transfer Receivable	-	-	
3539 Vat	33,026,774	33,026,774	
3540 WHT payment	-	-	
3544 NICD Distress Loan	481	-	
3545 Cheque Return Control A/C	-	13,100	
3547 Pre-paid insuarance Premium & Other payments	452,183	452,085	29
3548 Receivable bus hire	-	15,000	
3549 Building & Land rent receivable	130,000	170,000	30
3551 Receivable Income from Garden	135	420	31
3552 Receivable of election duty payment	-	-	
3553 E.P.F Receivable from employees	252,188	313,945	16
3554 Research evaluation fee receivable	-	-	
3555 Receivable Co-op Fund	-	448,409	
4072 Dayasiri Bakers	-	135,164	
3556 ReceivableCo-op Fund - Province	-	200,000	
Publication II Trade & Other Receivables	-	-	
Less: Provision for bad debts -Shedule 07 B	(1,878,162)	(1,809,402)	32
Specific Provision for bad debtor	-		
	37,137,749	**37,710,406**	
NOTE:08			
Inventories			
3301 Stationery stock	843,249	567,497	
3302 Printing Material stock	69,842	260,618	
3303 Building Material	182,703	308,100	
3304 Audio visual	6,552	6,552	
3305 Sundry stock	563,938	500,382	
Publication ii - Book Stock	**301,390**	105,213	
Publication ii - printing Material Stock	-	-	
	1,967,673	**1,748,362**	
NOTE:09			
CASH AT BANK (People's Bank katugastota)			
Training & Education 0089-1001-32648143	4,621,506	1,823,469	
Savings Accounts	634,926	326,760	
Government 0089-1001-92648140	8,643,539	11,928,180	
Service Charge Account 0089-1001-50002158	128,385	500,805	
Gratiuty Fund Account 0089-2001-90030993	1,037,097	390,063	
Publication Account ii 0089-1001-50018442	714,320	734,945	
	15,779,772	**15,704,222**	

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	ACTUAL 2023 Rs.	ACTUAL 2022 Rs.	SCHEDULE No.
NOTE:10			
CAPITAL	233,254,215	233,254,215	
Add/Less:Adjustments to statement of affairs	-	-	
	233,254,215	**233,254,215**	
NOTE: 11			
ACCUMULATED PROFIT/(LOSS)			
Balance as at 01st of January of the year	(102,992,269)	(97,060,434)	
Add/Less: adjustments			
Others - Addition	64,759	433,201	33
Others - (Deduction)	(1,029,574)	(817,601)	34
	(964,815)	**(384,400)**	
Accumulated profit after prior year adjustment	**(103,957,083)**	**(97,444,834)**	
Add: Surplus / (Defecit) for the year	3,003,434	(5,547,435)	
	3,003,434	**(5,547,435)**	
Balance as at 31st of December of the year	**(100,953,649)**	**(102,992,269)**	
NOTE: 12			
CAPITAL GRANTS FROM TREASURY			
Balance on 01.01.	353,134,233	366,540,789	
Add:Adjustment	-	-	
	353,134,233	**366,540,789**	
Add:Received for the Year	-	6,470,000	
	353,134,233	**373,010,789**	
Less:Depreciation of Assets purchased from capital grants	(18,523,350)	(19,876,556)	35
	334,610,883	**353,134,233**	
NOTE: 13			
CAPITAL GRANTS FROM MINISTRY & CO-OPERATIVE FUND & OTHERS			
Balance on 01.01.	29,331,759	29,327,109	
Add:Received for the Year	2,405,750	4,650	
	31,737,509	**29,331,759**	
Less:Depreciation of Assets purchased from capital grants	(18,224,898)	(17,585,107)	36
	13,512,611	**11,746,651**	

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NOTE :14	ACTUAL 2023 Rs.	ACTUAL 2022 Rs.	SCHEDULE No.
CREDITORS & ACCRUED EXPENCES			
4001 Telecommunications	72,512	75,723	
4002 Water	3,703	85,519	
4003 Electricity	546,555	336,495	
4004 Lecture Fees	60,100	12,000	37
4005 Other accrued expences	475,743	1,876,169	38
4008 Subsistance Control A/c	-	-	
4015 Govt. Audit Fee payable	880,000	666,000	
4016 Payable to Treasury	11,841	43,927	
4018 Advance received for programme - Outside	870,306	268,910	39
4019 Security Services	373,798		40
4020 Janitorial Services	726,658	724,976	41
4021 Laundry services	-	3,880	41
4022 Building Constructors -(CECB & Others)	9,923,923	9,923,923	41
Received in Advance as per (Schedule: 14A)	3,276,310	2,038,708	42
4027 Payable to suppliers	-	253,965	
4029 Transfer funds Received	-	-	
4035 Salary control a/c Casual	-	15,250	
4040 Refundable course fee	34,500	106,625	43
4041 Productivity Control A/C	110,811	114,711	
3901 Other Retention	-	68,931	
3902 Security Deposit	656,960	316,039	44
3906 Key Money	243,000	-	
4043 VAT payable Account	-	-	
3903 Refundable Tender Deposit	180,000	391,748	45-i
4069 Payable to food supplier	-	-	
4049 Fuel bill payable-	-	-	
4057 People bank grant received	150,608	150,608	
4059 Payable to aat on publication	-	-	
4062 NBT Payable	-	-	
4063 Received in advance for Hostel Fee	2,450	-	45-ii
4065 Payable WHT	-	-	
4064 Payable Consultancy Fee	108,451	809,321	46-i
4068 Payable Stamp Charges	7,275	7,700	
4070 Hostel fee payable	429,930	702,635	46-ii
4071 Consultancy Service Control A/c	76,972	100,252	
4072 Dayasiri bakers	56,390	-	
4073 Our Nation Food supplier	1,089,058	-	
Publication II Creditors	252,153	26,660	
	20,620,006	**19,120,675**	

NOTE: 15

RECURRENT GRANTS			
1021 From Treasuary	55,650,000	55,995,000	55,655,000
1020 From Co-op Dept. - Co-operative fund	290,000	648,409	-
1030 From People's Bank Co-operative fund	-	-	-
	55,940,000	**56,643,409**	**55,655,000**

NOTE: 16 OTHER INCOME GENERATED FROM	ACTUAL 2023 Rs.	ACTUAL 2022 Rs.	REVISED BUDGET-2023 Rs.	SCHEDULE No.
1001 -1011 Course Fee - (Shedule 16-A)	16,502,548	9,895,601	23,273,809	47
1012 Room Charges	9,973,558	8,615,940	8,350,000	48
1014 Lecture hall Fee	5,388,910	3,306,900	3,460,700	49
1014 Auditorium hall Charges	11,152,340	4,685,250	6,463,000	49
1015 House rent	864,570	962,333	840,000	
1023 Printing Service	294,449	146,113	30,000	
1024 Library Fees	100,500	62,500		
1025 Exam .Fees	65,238	504,616	263,500	
1026 Fixed Deposit,Savings Interest & Security Deposit Interest	3,830,533	2,539,060	5,560,000	50
1027 Interest on staff Loan	111,901	99,989	100,000	
1035 Non Rufundable Tender Deposit	91,750	46,000	70,000	
Opportunity cost Interest on concessionary staff Loan	420,960	376,148	-	
1036 Sales of Fixed Assets	274,935	-	275,000	
Other income - (Shedule 16-B)	5,369,308	2,840,120	3,667,000	
1043 Commission on food supply	2,531,078	1,663,964	2,000,000	
1069 Rent Income on Building	1,187,669	914,275	1,268,000	
1063 N.B.T				
Over provisions for doubtful debtors	-	142,717		
	58,160,248	**36,801,525**	**55,621,009**	

NOTE:17

PERSONNEL EMOLUMENTS				
101 Salaries & Wages	40,974,547	38,455,602	42,219,629	
104 Allowance	1,352,082	922,545	1,350,000	
105 E.P.F.(Institution Contribution)	4,126,635	4,261,391	4,120,142	
106 E.T.F.Contribution	897,191	931,013	903,344	
114 Acting pay			-	
118 Gratiuty	1,318,868	1,702,048	1,200,000	51
119 Pension Contribution	440,134*	442,034	560,192	
	49,109,454	46,714,634	50,353,307	
Overtime & Holiday pay				
103 Over Time	1,079,751	941,940	1,075,000	
112 Holiday Pay	723,294	600,523	750,000	
	1,803,045	1,542,463	1,825,000	
Lecture Fee & Other Allowance				
151 Lecture Fees	2,389,340	2,374,315	3,759,150	52
153 Exam Supervision Fees	143,050	275,886	256,240	
154 Course Cordinating Fee			-	
110 Sitting allowance for Board of Directors	300,000	276,000	324,000	
115 Allowance for Audit Committee	120,000	90,000	120,000	
155 Question Paper preparing	384,835	498,920	449,600	
156 Paper Marking Fee	56,777	604,171	338,815	
158 Instructing fee	55,688	6,000	-	
159 Course Administrative fee			-	
161 Research Report Evaluation	57,000	152,500	60,000	
162 Assignment Evaluation Fee	86,750		257,750	
533 Question paper Type Setting Charges	50,050	67,090	47,500	
534 Curriculum Development	-	-	-	
Employement benefit on concessionary staff Loan	420,960	376,148	-	
	4,064,449	**4,721,030**	**5,613,055**	

NOTE-18

TRAVELLING EXPENCES			
201 Domestic	219,426	286,873	250,000
202 Foreign	-	-	
	219,426	**286,873**	**250,000**

NOTE-19	ACTUAL 2023	ACTUAL 2022	REVISED BUDGET-2023
SUPPLIES & OFFICE REQUISITION	Rs.	Rs.	Rs.
301 Stationary & Office Requisition	969,844	819,567	1,000,000
302 Fuel & Lubricants	6,237,571	4,236,519	5,946,969
303 Printing Materials	862,354	725,657	950,000
304 Newspapers & Periodicales	84,070	60,640	80,000
306 Meals for Training programme	2,935,568	2,612,718	3,000,000
307 Mechanical & Electrical goods	214,114	343,224	500,000
310 Other supplies	549,167	607,453	550,000
313 Cost of water bottle	283,160	393,000	300,000
	12,135,848	9,798,777	12,326,969

NOTE 20			
MAINTENANCE EXPENCES			
401 Vehicle	1,984,162	2,166,497	1,989,000
402 Plant ,Machinary & Equipment	503,013	909,551	2,110,000
403 Building & Structures	1,273,745	1,355,828	1,200,000
404 Furniture	57,270	65,000	100,000
405 Computer Item	-	-	-
406 Motor Vehicle Licence	51,150	14,135	25,000
	3,869,340	4,511,011	5,424,000

NOTE-21			
CONTRACTUAL SERVICES			
501 Transpotation	1,313,999	1,182,343	1,394,000
502 Telecommunications	1,520,442	1,492,927	1,529,450
503 Postal Charges	287,977	211,690	375,000
504 Electricity	5,102,066	2,365,625	5,500,000
505 Water	733,957	435,306	800,000
506 & 511 Hire Charges & tax charges	265,506	297,994	250,000
508 Audit Fee	880,000	666,000	675,000
509 Consultancy Fee	70,000	241,000	200,000
510 Advertisement/Publicity	583,193	183,645	1,000,000
512 Security Services	4,353,605	4,497,663	4,727,600
513 Janitorial Services	7,750,803	6,638,561	7,686,000
514 Laundry Services	773,742	337,156	600,000
515 Gardening	42,930	96,754	50,000
516 Insuarance	758,606	457,844	1,000,000
517 Translations fee	90,788	135,193	100,000
519 Uniform allowance	20,000	20,000	30,000
520 Staff Training (Local / Foreign)	84,736	465,282	125,000
521 Subcription & Membership fees	348,432	6,000	375,000
523 Other Expenses (Miscellanious) (21 A)	216,530	64,836	250,000
524 Printing - (Printing Section,Audio Visual Section)	280,732	197,302	315,000
525 Charges -Audio Visual	31,000	-	-
526 Stamp charges	7,875	6,700	8,000
530 Hall charges	40,000	35,500	90,000
531 Accomadation charges	21,000	66,600	30,000
535 Research fee	32,250	55,750	50,000
536 Valuation charges	50,240	-	-
	25,660,407	20,157,670	27,160,050

NOTE-22			
OTHER EXPENCES			
601 Legal fees	109,500	75,000	110,000
605 Compensation	-	-	-
607 Entertainment - Staff & Visitors	1,168,524	843,314	1,621,000
703 Bank Charges	42,429	30,707	40,000
705 Loan interest of Staff	-	67,487	-
707 N.B.T & WHT payment	201,265	-	200,000
610 Provision for bad debts	75,260	-	-
713 Exchange Losses	-	-	-
	1,596,978	1,016,508	1,971,000

Schedule: 7-A Course Fee Rceivable	ACTUAL 2023 Rs	ACTUAL 2022 Rs	REVISED BUDGET-2023 Rs.	SCHEDULE No.
3501 Diploma in Co-Operative	60,167	30,708		18-I
3502 Coopative Certificate course	-	403,850		18-II
3503 Workshop	34,365	13,600		18-III
3505 Short term IT Training programme	-	-		18-IV
3506 Short term Others Courses	-	-		18-V
3507 Professional courses	-	8,500		18-VI
3508 NICD IT Diploma	118,833	-		18-VII
3509 Diploma in business Management	-	-		18-VIII
3511 Course fee receivable for English course	6,750	-		18-IX
	220,115	456,658		
Schedule: 14-A				
Course Fee Received in Advance				
4023 Diploma Courses in Co-Operative	2,624,435	1,356,708		43-i
4024 Work shop	37,167	13,000		43-ii
4025 Others Courses	614,708	669,000		43-iii
4042 Professional courses	-	-		
	3,276,310	2,038,708		
Shedule: 16-A				
Course Fee Income				
1001-1 Diploma - Co-operatives	6,363,071	5,409,054	9,428,708	47-I
1001- 2 Diploma - Business Devèlopment	-	140,000		47-II
1002 NICD IT Diploma	441,833	249,000	1,450,000	47-III
1003 Certificate course - Computer	1,283,792	537,500	1,837,000	47-IV
1004 -iCertificate in English	531,250	217,750	571,000	47-V
1004-ii Japan Language course	70,000		239,500	47-VI
1005 Professsional Course				
1005-01 Course fee for AAT	-	-		
1005-02 Chartered Course fee	-	-		
1005-06 Higher Diploma in Accountancy	-	-		
1007 Certificate Courses - Co-operative	-	545,028	719,231	
1008 Short Term Courses - Workshop	3,146,070	1,118,400	4,847,000	47-VII
1009 Short Term Courses - IT	413,533	220,650	420,500	47-VIII
1010 Short Term Courses -	4,252,998	1,458,218	3,760,870	47-IX
	16,502,548	9,895,601	23,273,809	
Shedule: 16-B				
Other Income				
1016 Income from Garden	83,420	87,725	100,000	
1018 Service Charges	630,744	77,904	-	
1032 Staff Allowance	472,000		700,000	
1034 Hostel Manager fee	-	-	-	
1038 Photocopy charges	-	3,010	-	
1040 Hire of Equipment	1,461,274	1,162,938	700,000	
1044 Water bottle	353,346	451,145	400,000	
1045 Registration of suppliers	192,000	126,000	150,000	
1047 Fines/Fanalty	63,613	29,220	5,000	
1048 Book Binding	1,225	450	2,000	
1051 Miscellanious Income (details as per 16- B-1	873,621	43,301	875,000	
1056 Income from bus	706,240	441,445	700,000	
1061 Additional income	56,242	-	-	
1062 Unclaimed Deposit	444,808	356,243	-	
1080 Commission on aat publications	-	-	-	
1071 Sale of News papers & other unserviseable Item	24,875	-	35,000	
1086 Recoveries for damages/Losses	5,900	52,739	-	
1087 Unrecognised Deposit	-	-	-	
1088 Research Evaluation Charges	-	8,000	-	
1089 Course awareness Programme	-	-	-	
	5,369,308	2,840,120	3,667,000	

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PUBLICATION FUND - NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 20223

In Rupees

	2023			2022
ASSETS				
NON CURRENT ASSETS			-	
CURRENT ASSETS				
Current Investment		9,399,975		7,775,000
Trade & Other receivables	-		-	
Interest Receivable	469,741		717,004	
Stock - Row Materials			-	
- Publication	301,389.55		105,213	822,217
Cash at Bank	714,319.81	1,485,450.58		734,945
TOTAL ASSETS		**10,885,425.58**		**9,332,162**
EQUITY & LIABILITY				
Publication Fund as at 01.01.2014		3,417,038.83		3,417,038.83
Accumulated Profit /(Loss) as at 01.01	5,888,463.09		4,753,517	
Adjustment	-		-	
Proft for the year	1,327,770.66		1,134,946	
Accumulated Profit /(Loss) as at 31.12.		7,216,233.75		5,888,463
Accumulated Fund as at 31.12		10,633,272.58		9,305,502
CURRENT LIABILITIES				
Creditors & Accrued Expenses	252,153.00		25,960	
Received in Advance	-	252,153.00	700	26,660
Total Equity & Liabilities		**10,885,425.58**		**9,332,162**

PUBLICATION FUND - NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2023

In Rupees

	2023			2022
Revenue				
Sales of Publications	99,645			40,630
Less:				
Cost of Goods sold	(41,006)			(19,597)
Gross Profit		58,640		21,033
Add: Other Revenue				
Commission			3,440	
Interest on Fixed Deposit	1,463,237		1,112,973	
Unclaimed dues	26,660	1,489,897		
				1,116,413
Total Revenue		1,548,537		1,137,446
Less: Expenditure				
Royalty	76,800		-	
Discount	3,470		2,500	
WHT payment	85,525			2,500
Evaluation of publication	30,000			
Donations	14,971			
Type setting charges	10,000	220,766		
Net Profit		1,327,771		1,134,946

5.

Auditor General's Report

NATIONAL AUDIT OFFICE

My No. **CPCG/KD/BI/NICD/01** **Your No.** **Date. 27 th May 2024**
FA/2023/11

Chairman
National Institute of Cooperative Development

Report of the Auditor General in terms of Section 12 of the National Audit Act No. 19 of 2018 on Financial Statements and Other Legal and Regulatory Requirements of the National Institute of Co-operative Development for the year ending 31st December 2023

1. **Financial Statements**

1.1. Qualified Opinion

The Financial Statements of the National Institute of Cooperative Development for the year ending on 31st December 2023 comprising the Financial Situation Report as at 31 st December 2023 and the Financial Performance Report, Statement of Title Change for the year ending by that date and the Financial Flow Statement and Notes pertaining to the Financial Statements containing information relevant to the Quantitative Accounting Policies as at the year ending by that date was audited under my order as per the provisions included in the Constitution 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka, which must be read together with the National Audit Act No. 19 of 2018.

I hold the view that except for the effects of the matters described in the basis for my qualified opinion in my report, I am of the opinion that the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards.

1.3 Basis for Credit Opinion

(a) As per Public Sector Valuation Standard No. 42 of 07 ,Rs. 56,667 depreciated in the previous year relating to 06 assets which have exceeded their useful life on the last day of the year under review had been indicated as depreciation in the year under review without recalculation.

1.4 Even though the fixed deposit interest due on the last day of the year under review was Rs. 1,531,479 it had been entered in accounts Rs. 199,468 less as Rs. 1,332, 011

1.5 As of the last day of the year under review, there was a difference of Rs. 102,636,939 when
1.6 comparing the values of 02 subject of assets, one subject of liability and one claim balance with the relevant schedules.
1.7 According to the notes related to fixed assets in the financial statements, as particulars on the disposed assets relating to machines and machinery worth Rs. 2,186,700 and furniture and equipment worth Rs. 1,870,300 indicated as disposals in the year under review had not been presented for the audit, the accuracy of the assets balances were not confirmed.

(f). Due to non- submission of fixed assets documents, documents confirming balances or files relating 08 assets subjects totaling Rs.59.551:366 and 05 liability subjects totaling Rs.14,373,315 , they could not be satisfactorily verified in the audit.

1.8 There was a difference of Rs.8,660,090 when comparing the balance of two subjects of liability stated in the financial statements as at the last day of the year under review with the documents of confirming the balances related thereto.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SRI). My responsibility under auditing standards is further described in the section the auditor's responsibilities for the audit of financial statements in this report. I believe that the audit evidence obtained by me for providing a basis for the qualified opinion is sufficient and appropriate.

1.3 Other information included in the Annual Report of the Institute-2023

Other information means the information included in the Annual Report-2023 expected to be delivered to me after the date of this audit report but not included in the financial statements and the auditor's report accordingly. Management is responsible for this other information.

My opinion on the financial statements does not cover the other information and I do not express any guarantee or opinion thereon.

My responsibility regarding my auditing on financial statements is to read the other information mentioned above when it is available and while doing so, to see whether other information does not quantitatively match with the financial statements and my knowledge gained in auditing and otherwise.

If I identify any quantitative misrepresentation when reading the Annual Report-2023 of the institution , the same should be communicated to the parties in charge of administration for correction. If there are further uncorrected errors, they will be included in the report to be tabled in Parliament.

1.4 Responsibilities of Management and Administration Parties towards Financial Statements

It is the responsibility of the management to determine the internal controls to enable the preparation and fair presentation of financial statements in accordance with public sector accounting standards of Sri Lanka and to prepare financial statements free from material misstatements that may result from fraud or errors.

In preparing management, it is the management's responsibility to determine the continuity of the institute, and to disclose matters related to the institution’s continued existence unless management intends to liquidate or cease operations when there is no other option.

Administration parties are responsible for checking the financial reporting process of the institute.

In terms of Sub-section 16(1) of the National Audit Act No. 19 of 2018, the institution must maintain proper books and records of its income, expenditure, assets and liabilities so that annual and periodic financial statements can be prepared.

1.5 Auditor's Responsibility in Relation to the Audit of Financial Statements

As a whole, my objective is to provide a justifiable confirmation that the financial statements are devoid of misstatements resulting from fraud and error and to issue the Audit Report containing my opinion. Although a fair is a guarantee of high level , it will not always be a guarantee of a disclosure of a quantitative disclosure of a misstatement when conducting the audit in accordance with the Sri Lanka Auditing Standards. Gross misstatements can occur due to over-inaccurate damages or collective effects, and its quantity depends on the extent to which these statements are based on the effects on the economic decisions of users.
In auditing, I have acted with professional judgment and professional suspicion in terms of the Sri Lanka Audit Standards.

Appropriate audit procedures were planned and performed as appropriate to identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error in providing a basis for the expressed auditor's opinion. The effects of fraud are stronger because they are caused by collusion, forgery, intentional avoidance and circumvention of internal controls.

Although not with a view to expressing an opinion on the effectiveness of internal control, an understanding of contingency controls was obtained in order to plan opportune audit procedures as appropriate.

Appropriateness of accounting policies used fairness of the accounting estimates and related disclosures made by management.

The applicability of using the institute's basis of accounting for accounting was determined based on the audit evidence obtained as to whether there is a quantitative uncertainty about the existence of an entity due to human or animal causes. If I conclude that a sufficient uncertainty exists, my audit opinion should be modified to include the related disclosures in the financial statements. However, it may cease to exist due to certain events or circumstances.

Presentation of the financial statements including the structure and interpretation of the underlying transactions and the fair inclusion and disclosure of the underlying transactions were assessed.

Parties concerned with administration were made aware of the important audits findings, key internal control weaknesses and other matters identified during my audit.

2. **Report on Other Legal and Regulatory Requirements**

2.1 The National Audit Act No. 19 of 2018 contains special provisions regarding the following requirements.

21.1 I have obtained all the information and explanation necessary for the audit in accordance with the requirements of Section 12 (4) of National Account No. 19 of 2018, excluding the effects of the matters described in the section Basis for Audited Opinion of my report, and my investigation has shown that the institution had maintained proper financial records.

2.1.2 The financial statements of the institution are consistent with the previous year as per the requirement mentioned in section 6(1)(d) (iii) of the National Audit Act No.19 of 2028.

2.13 The recommendations made by me last year are included in the submitted financial statements as per the requirement mentioned in Section 6(1)(d)(iv) of the National Audit Act No. 19 of 2018.

2.2 Upon the actions taken and the evidence obtained and within confinement to the material facts, nothing came to my attention to the extent of making the following statements.

2.2.1 According to the requirement mentioned in section 12 (d) of the National Audit Act 19 of 2018, any member of the Governing Board of the institution is directly or indirectly related to any agreement with the institution outside of the normal course of business.

2.2.2 In accordance with the requirement mentioned in Section 12 (f) of the National Audit Act No.19 of 2018, acting in non-compliance with any relevant written law or other general or special directives issued by the governing board of the institution.

2.2.3 As per the requirement mentioned in Section 12(g) of the National Audit Act No. 19 of 2018, not acting in compliance with the powers, duties and functions of the institute.

2.2.4 According to the requirement mentioned in Section 12 (h) of the National Audit Act No. 19 of 2018, apart from the following observations, the resources of the institution have not been procured and used in accordance with the relevant norms in a timely manner, efficiently and effectively.

(a) In the inspection on 09 hostels with 120 rooms, there was an underutilization of the rooms in the hostels since only 4 to 20 percent utilization was observed in relation to the number of days rooms could have been utilized during the first 06 months. 02 hostels consisting of 38 rooms were not used in the month of April and 02 hostels consisting of 06 rooms were used only for one day in the month of January.

(b) A section consisting 3564 square feet on the ground floor of the Multi-purpose Building , had been closed down without utilization and due to the temporary stoppage of the courses of the Vocational Section conducted therein, that section too had not been used for income generation purposes. It was also observed that rooms A13 and A12 in the old office building were underutilized.

(c) Even though the course income of the Vocational Section in the year 2019, 2020 was 33 percent of the total course income, due to the temporary closure of this section from the year 2021, a course income that could have been earned had been lost.

(d) According to the Management Board decision dated July 31, 2020, although an internal lecturer should conduct lectures for a minimum of 60 hours per month, due to not planning and conducting a sufficient number of courses, 09 lecturers were employed for lectures for less than 60 hours during the period from January to June of the year under review. Three lecturers were not assigned to a single lecture in 03 months. In addition, While 03 lecturers had not submitted to the audit their hours of lecturing in 02 months, 04 lecturers had not submitted to the audit their hours of lecturing in one month.

(e) When there were internal lecturers for certain subjects and those lecturers had not lectured up to their maximum hours of lecturing on weekdays, Rs. 1,227,850 external lecture fees in respect of the period from January to June of the year under review had been paid due to the engagement of external lecturers.

2.3 **Other Matters**

(a) Total of 02 balances due on December 31 of the year under review was Rs.3,014,533 of which Rs. 790,462 which had been there for over 05 years had not been recovered.

(b) The 02 balances payable as at 31st December of the year under review totaled 10,032,374 of which Rs. 108,451 relevant to a period from 01 to 05 and Rs. 9,923,923 relevant to a period over 05 years remained unsettled.

(c) On 17th November 2022, one of the vans of the institution met with an accident in the Kollupitiya area and a complaint was lodged with the Kollupitiya Police on that day but a copy of the complaint was not obtained. Even though a private garage estimated the cost of repairs to be Rs.45,000, actions had not been taken to carry out an investigation on the accident as at the date of audit in terms of the Financial Regulations 104(3) 104(4) and to recover the loss from those responsible for the loss or from the relevant insurance company. The van had not been repaired as at 20 th September 2023.

Signed illegibly
W. P. C. Wickramaratne
Auditor General