Annual Performance Report of the

Finance Commission - 2024

Expenditure Head No. 011

Finance Commission
No.03, Sarana Mawatha, Rajagiriya

Contents

Chapter - 01: Institutional Profile / Executive Summary

1.1 Introduction

1.1.1 Background

By the 13th Amendment to the Constitution of Democratic Socialist Republic of Sri Lanka enacted in 1987, provisions were made for the establishment of the Provincial Councils and the Finance Commission (FC). The Finance Commission was established to facilitate the process of resource transferring to the Provinces, and thereby enabling the service delivery of the Provincial Councils. As stated in the 13th Amendment to the Constitution, the main responsibilities of the Finance Commission are to make recommendations to the Government on resource needs and formulate principles on the apportionment of funds from the annual budget between the nine Provinces with the objective of achieving balanced regional development in the country.

1.1.2 Mandate of the Finance Commission

Article 154R of the Constitution of the Democratic Socialist Republic of Sri Lanka provides the provisions for the establishment of the Finance Commission and spells out its functions. The mandate of the Finance Commission as set out in Articles 154R (3), (4) and (5) of the Constitution is as follows.

Article 154R (3) The Government shall, on the recommendation of, and in consultation with, the Commission, allocate from the Annual Budget, such funds as are adequate for the purpose of meeting the needs of the Provinces.

Article 154R (4) It shall be the duty of the Commission to make recommendations to the President as to;

a) the principles on which such funds are granted, annually by the Government for the use of Provinces should be apportioned between the various Provinces; and

b) any other matter referred to the Commission by the President relating to Provincial Finance.

Article 154R (5) The Commission shall formulate such principles with the objective of achieving balanced regional development in the country, and shall accordingly take into account-

a) the population of each Province;

b) the per capita income of each Province;

c) the need, progressively, to reduce social and economic disparities; and

d) the need, progressively, to reduce the differences between the per capita income of each Province and the highest per capita income among the Provinces.

The Recommendations are submitted to the Hon. President by the Finance Commission adhering to the Constitutional requirements. Upon the receipt of the Recommendations of the Finance Commission, the Hon. President submits those to the Cabinet of Ministers seeking approval to table the same in Parliament. Thereafter, as required under Article 154R (7) of the Constitution the Hon. President causes those Recommendations to be laid before Parliament and to notify Parliament as to action taken thereon.

1.1.3 Members of the current Finance Commission

According to Article 154R(1), the Finance Commission is consisted of five Members and the current Members are as follows,

i. Mr. Sumith Abeysinghe - Chairman
ii. Dr. P. Nandalal Weerasinghe - Member (Ex-officio) and the Governor of the Central Bank of Sri Lanka
iii. Mr. K.M. Mahinda Siriwardana - Member (Ex-officio) and Secretary to the Treasury
iv. Mr. M. Vamadevan - Member
v. Mr. T. Naleen Ossen - Member

1.2 Vision, Mission, Objectives of the Institution

The Finance Commission has formulated its Strategic Plan and updated it for the period from 2021 to 2024 and its Vision, Mission and Objectives have been recognised and defined clearly in the Strategic Plan.

Vision:

A prosperous Sri Lanka through balanced regional development.

Mission:

Assess the needs and make recommendations with the principles on apportionment of funds for Provinces to achieve balanced regional development in the country.

Objectives of the Commission

1. To fulfill the mandate of the Finance Commission as prescribed by the Constitution.
2. To make recommendations to provide adequate funds available from the Treasury for the purpose of meeting the needs of the Provinces.
3. To make recommendations for rational distribution of financial resources among the Provinces aiming balanced regional development.
4. Sending Guidelines to the Provincial Councils to ensure that allocated funds are spent prudently.

1.3 Key Functions of the Finance Commission

In terms of the Constitutional mandate, the key function of the Finance Commission is to make recommendations to the Government on allocation of adequate funds from the annual national budget to meet the needs of the Provinces and to recommend the principles to the Hon. President as to how such funds should be apportioned among the nine Provinces, with the objective of achieving balanced regional development in the country.

In this process, the Finance Commission;

i. provides Guidelines to the Provincial Councils on the preparation and submission of their annual needs of funds.

ii. assesses the needs of the Provincial Councils after detailed discussions with Provincial Authorities.

iii. submits recommendations to the Hon. President on allocating funds required for Provincial Councils from the National Budget and the principles on the apportionment of such funds allocated from the budget among the Provinces.

iv. apportionment of the funds allocated by the National Budget among various sectors within the Province.

v. issues Guidelines pertaining to the formulation of Provincial Annual Development Plans with a view to improve the efficiency and effectiveness of use of funds.

vi. reviews the Provincial Development Plans with the participation of relevant stakeholders and grants concurrence to implementation, subject to certain amendments.

vii. provides recommendations to the Government on the management of the Provincial cadre.

1.4 Main Divisions of the Institution

The Finance Commission has been structured with the following functional and supportive divisions to perform the mandatory functions of the Commission and for its operations.

- Provincial Development Planning Division
- Provincial Revenue, Provincial Recurrent Needs and Cadre Assessment Division
- Policy, Studies and Reporting Division
- Administration Division
- Accounts Division
- Internal Audit Division

1.4.1 Functions of the Divisions in the Finance Commission

a. Provincial Development Planning Division

1. Issuing Guidelines to Provincial Councils to submit the annual provincial capital needs.
2. Assessment of Provincial capital needs for the inclusion in the recommendations of the Finance Commission and apportionment of funds allocated from the national budget among various sectors within the each province.
3. Issuing Guidelines for preparation of Provincial Annual Development Plans.
4. Issuing Guidelines for preparation and implementation of Maintenance Activity Plan.
5. Review the Provincial Annual Development Plans and granting concurrence for implementation of such plans.

b. Provincial Revenue, Provincial Recurrent Needs and Cadre Assessment Division

1. Issuing Guidelines to Provincial Councils to submit the provincial recurrent needs.
2. Assessment of recurrent needs of individual Provincial Councils, Local Government Institutions and Provincial Authorities and apportionment of grants among Provinces.
3. Recommendation of supplementary allocations as per the requirement of Provinces.
4. Liaison with the Department of Management Services (DMS) in determining number of Provincial cadre.
5. Liaison with the Department of Treasury Operations (TOD) in releasing imprest for Provincial needs.
6. Assessment of Provincial revenue and setting revenue targets.

c. Policy, Studies and Reporting Division

1. Assisting the Chairman and the Members of the Commission in the formulation of annual recommendations of the Finance Commission submitted to the Hon. President.
2. Preparation and submission of Annual Performance Reports of the Finance Commission to Parliament.
3. Identifying the fund allocation and apportionment principles.
4. Preparation of the other periodical reports as per the requirement.

d. Administration Division

1. Personal File matters of all officers in the Finance Commission - Recommendation and approving salary increment up to date, performance appraisals, collecting assets and liabilities of the relevant officials, WOP matters, pension matters and death gratuity matters, promotion matters and transfers.

2. Leave matters - Foreign and Local matters of the officials and Finance Commission members, Study Leave matters with pay or without pay, other relevant leave matters according to the Public Administration circulars and other government circulars.

3. Relevant maintenance matters of the office - Water, electricity, telephone, Internet, security service, cleaning service and building maintenance matters.

4. Approving all payments - salary, Graduate training allowance, overtime, one fourth payments and other payments.

5. All administration matters of the commission members.

6. Loan matters of the officials - Distress Loan, Festival Advance and Special Advance, Property Loans and Other Loans.

7. Human Resource Development Programs - sending officials to local and foreign trainings conducting and organizing training programs.

8. Other administrative matters - sending reports on times.

e. Accounts Division

1. Implementation of financial management in accordance with the provisions of financial regulations, government circulars and guidelines in relation to recurrent and capital budget of the office of the Finance Commission.

2. Performance of the activities in relation to procurement.

3. Implementation of Asset Management of the office of the Finance Commission.

4. Preparation and submission of annual financial statements, budget estimates.

5. Maintaining the advance B account of public officers within the prescribed limits and submission of annual reconciliation reports.

6. Coordination of Internal and General audit matters and Committed on Public Accounts matters relevant to the office of the Finance Commission.

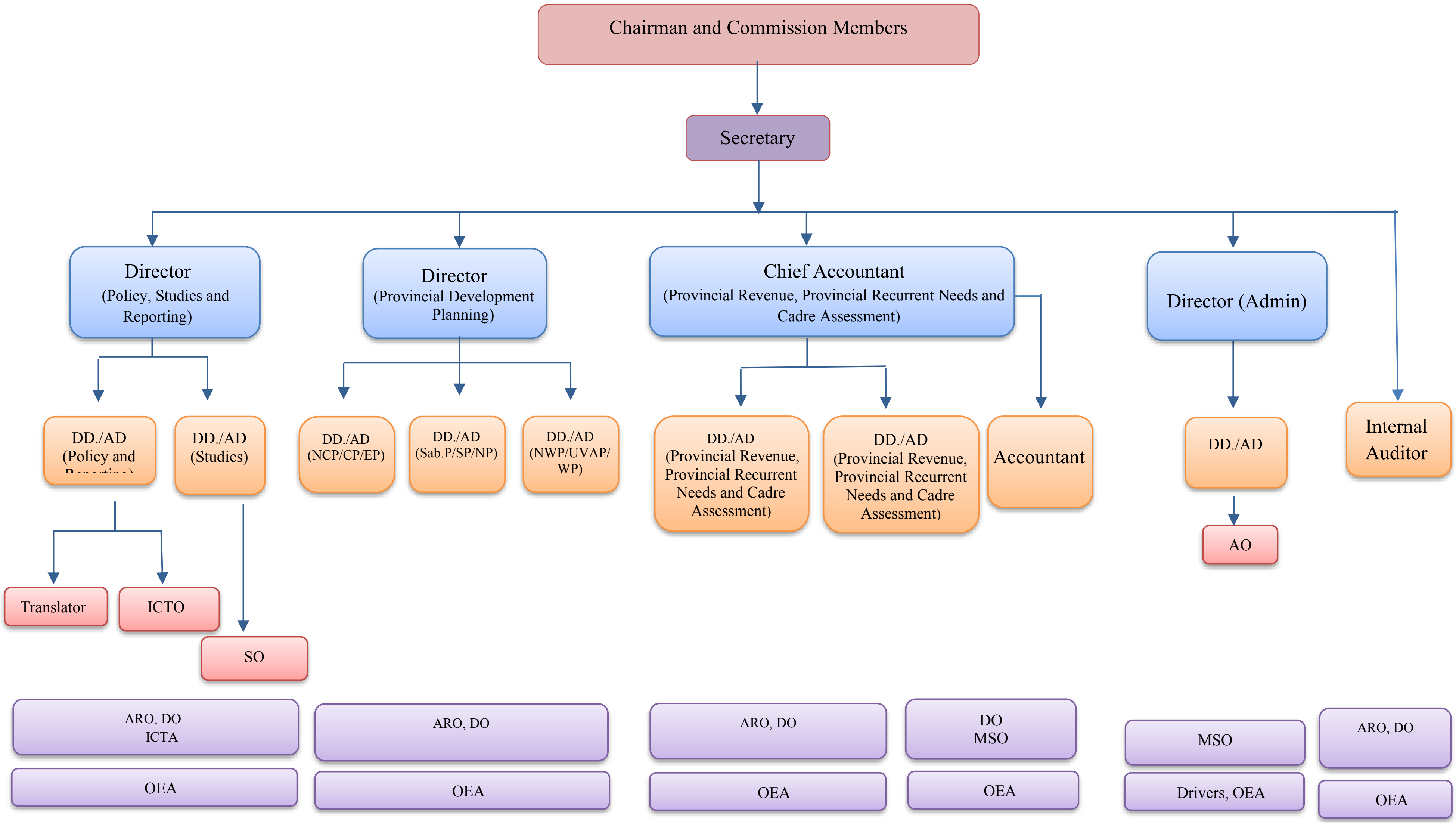
f. Internal Audit Division

1. Preparation of the Annual Internal Audit Plan.

2. Evaluation of the internal control system for managing the resources efficiently and effectively in order to achieve the expected objectives of the Finance Commission and suggesting good practices for the enhancement of the performance of such control systems.

3. Assessing the compliance of functional and operational activities of the office of the Commission with respect to policies, procedures, circulars and regulations etc. and making recommendations for corrections and improvements.

1.5 Organizational Chart



DD./AD - Deputy Director / Assistant Director
AO - Administrative Officer
ICTO - Information and Communication Technology Officer
SO - Statistical Officer

ARO - Assistant Research Officer
DO - Development Officer
MSO - Management Services Officer
ITCA - Information and Communication Technology Assistant
OEA - Office Employees' Assistant

1.6. Institutions/Funds coming under the Finance Commission

No institution comes under the Finance Commission. The Finance Commission is one of the independent commissions specified in the Schedule to Article 41B of the Constitution.

1.7. Details of the Foreign Funded Projects (if any):

No foreign funded projects implemented by the Finance Commission

a) Name of the Project
b) Donor Agency
c) Estimated Cost of the Project - Rs. Mn.
d) Project Duration

Not Applicable

Chapter - 02: Progress and the Future Outlook

2.1 Progress

During the year 2024, the Finance Commission performed the following major functions which were mandated by the Constitution of the Democratic Socialist Republic of Sri Lanka and inline with the time frame of the Action Plan for the year.

2.1.1. Matters Pertaining to the Provincial Capital Budget

i. Issuing the Guidelines to the Provincial Councils for the preparation of capital needs for the year 2025

The Guidelines for the preparation and submission of capital needs for the year 2025 were sent to all Provincial Chief Secretaries on the 12th of February 2024. The Finance Commission under its Constitutional mandate assesses the financial needs of the Provincial Councils annually in order to make recommendations to the Hon. President and the Government on fund requirements to meet the needs of the Provinces.

ii. Reviewing the Provincial Annual Development Plans - 2024

The Finance Commission received the Provincial Annual Development Plans (ADPs) for the year 2024 from all the Provincial Councils by mid of February, 2024 which were prepared according to a common format inline with the guidelines issued by the Finance Commission. These Annual Development Plans submitted by each Provincial Council were studied by the Finance Commission and a series of detailed discussions were held via Zoom technology to get further clarifications on certain areas of the plans that required additional information. These meetings were chaired by the Chairman of the Finance Commission with the participation of the Secretary of the Finance Commission, along with the senior officers of the Department of National Planning and the Department of the National Budget, Provincial Chief Secretaries, Secretaries to the Provincial Ministries, Heads of the Provincial Departments and other relevant senior officials in the Provincial setup.

During the first quarter of the year, the Annual Development Plans for the year 2024 of all the Provincial Councils were reviewed, and the concurrence was granted in principle in respect of Broad Activity Areas of the ADPs for the year 2024 subject to amending the same inline with the observations made by the Finance Commission in the meetings on the list of activities of ADPs.

The details of the dates of the Provincial Annual Development Plans received, review meetings held and concurrence granted were as follows;

Table 01: The dates of the Provincial Annual Development Plans received, review meetings held and concurrence granted

Province	Date of the Annual Development Plan Received	Date of Review Meeting held	Date of Concurrence granted
Northern	31.01.2024	14.02.2024	06.03.2024
Western	01.02.2024	16.02.2024	29.02.2024
Central	05.02.2024	15.02.2024	01.03.2024
Uva	10.02.2024	21.02.2024	07.03.2024
Southern	16.02.2024	20.02.2024	27.02.2024
North Western	16.02.2024	26.02.2024	06.03.2024
Sabaragamuwa	16.02.2024	27.02.2024	11.03.2024
North Central	21.02.2024	01.03.2024	13.03.2024
Eastern	21.02.2024	05.03.2024	12.03.2024

iii. Reviewing the Provincial Maintenance Activity Plan - 2024

As capital grants are limited even for most of the essential development activities due to the current fiscal constraints experienced by the Government, the Finance Commission proposed to the government that at least funds to be provided for a proper maintenance of the existing capital assets of the Provincial Councils. Accordingly, the Finance Commission recommended a financial provision to be allocated for each Provincial Council for this purpose under the recurrent expenditure.

In response to this, Rs.15,000 million was allocated to nine Provincial Councils for maintenance of capital assets for the year 2024 by the Treasury. Capital assets maintenance plans for major sectors were prepared and submitted by each Provincial Council as per the Guidelines of the Finance Commission. The Maintenance Activity Plans for the year 2024 of all the Provincial Councils were reviewed and the concurrence were granted by the Finance Commission on the following dates.

Table 02: The dates of the Maintenance Activity Plans received and concurrence granted

Province	Date of the Maintenance Activity Plan Received	Date of Concurrence granted
Northern	12.02.2024	22.03.2024
Western	16.02.2024	13.03.2024
Eastern	21.02.2024	21.03.2024
North Western	29.02.2024	19.03.2024
Uva	05.03.2024	25.03.2024
North Central	07.03.2024	15.03.2024
Southern	02.04.2024	17.04.2024
Sabaragamuwa	02.04.2024	19.04.2024
Central	29.05.2024	10.06.2024

iv. Assessment of provincial capital needs submitted by the Provincial Councils for the year 2025

Assessment of the capital needs of the Provincial Councils for the ensuing year is a prerequisite of the preparation of Recommendations submitted to the Hon. President as per Article 154R (3) and (4) of the Constitution. Accordingly, the capital financial needs were prepared and submitted by the Provincial Councils as per the Guidelines issued by the Finance Commission. These requests were reviewed by June 2024 to make the rational recommendations to the Government on fund requirements for the Provincial Councils.

Table 03: The dates of the Provincial Capital Needs Received

Province	Date of the Provincial Capital Needs Received
Western	26.03.2024
Southern	02.04.2024
Eastern	08.04.2024
Central	17.04.2024
Uva	17.04.2024
Northern	26.04.2024
North Western	11.05.2024
Sabaragamuwa	05.06.2024
North Central	28.06.2024

v. Informing the allocations of capital grants in the Vote on Account for the year 2025 to the Provincial Councils

The Provincial Councils were informed the allocations of Capital Grants in the Vote on Account for the first four months of the year 2025 as, Provincial Specific Development Grants - Rs.21,000 million, CBG - Rs.2,000 million and Foreign Assisted Projects - Rs.2,000 million and completion of the activities under Nearest School is the Best School Project Rs.2,000 million. For the purpose of preparing Annual Development Plans and Maintenance Activity Plans, the Finance Commission informed expected allocations for each Province for the year 2025 assuming Rs.52,500 million for the Provincial Specific Development Grants and Rs. 25,000 million for the Maintenance Activities, will be allocated for nine Provincial Councils from the Appropriation Bill for the year 2025.

vi. Guidelines for the preparation of the Provincial Annual Development Plans (ADPs) - 2025

The Guidelines for preparation of the Provincial Annual Development Plans (ADPs) for the year 2025 with relevant formats were prepared and sent to all Provincial Chief Secretaries on 29th December 2024. These Guidelines assisted the preparation of ADPs for the utilization of funds allocated to Provincial Councils for the year 2025. Provincial ADPs were prepared inline with the Medium–Term Development Plans of respective Provincial Councils based on the National Policy Framework and development priorities of Provinces.

vii. Guidelines for the preparation of the Maintenance Activity Plan - 2025

Guidelines were prepared and sent to all Provincial Chief Secretaries on the preparation and implementation of Maintenance Activity Plans for the year 2025 on 31st December 2024. This allocation is to be used for maintenance activities which have direct benefits to the public linked with the development of the Provinces.

2.1.2. Matters Pertaining to the Provincial Recurrent Budget

i. Issuing the Recurrent Budget Guidelines for the year 2025

The process of provincial recurrent needs assessment commenced with the issuance of Guidelines on Recurrent Needs Assessment for the year 2025 to the Provincial Councils on 12th February 2024. These Guidelines were mainly based on assessing the Personal Emoluments, Other Recurrent Expenditure (ORE), Transfers to Local Authorities, and on estimating revenue of the Provinces. Along with the Guidelines, a set of relevant formats were also sent to the Provincial Councils to be filled in presenting their requests for grants.

ii. Assessment of Provincial Recurrent Needs for 2025

According to the time frame annexed to the Guidelines, Provincial Councils submitted their recurrent requirements in duly completed formats to the Finance Commission. Consequently, provincial recurrent needs for the year 2025 were assessed in consultation with provincial authorities. For this purpose, several meetings were held with the participation of provincial officers including Chief Secretaries, Deputy Chief Secretaries, Secretaries of the Provincial Ministries and the Directors of Budget. The officials representing the Department of National Budget, Department of Management Services, Department of Treasury Operations and the Department of National Planning also participated in these meetings.

The schedule of annual budget discussions conducted on recurrent needs assessment is shown below.

Table 04: The schedule of annual budget discussions conducted

Province	Dates on which discussions held
Central	13.06.2024
Western	14.06.2024
Southern	18.06.2024
North Western	19.06.2024
North Central	20.06.2024
Northern	24.06.2024
Sabaragamuwa	25.06.2024
Eastern	26.06.2024
Uva	27.06.2024

iii. Informing Recommendations on Recurrent Needs of the Provinces to the General Treasury

After having discussions with provincial authorities, the Provincial Recurrent Needs were finalized and sent to the General Treasury to be considered in preparation of National Budget of 2025. The Recommended Block Grant for Provincial Councils was informed to the Treasury on 27.08.2024 as Rs.578,084 million (including Revenue Transfer, Contingency Fund and requests for Advance B Account).

iv. Informing the allocated amounts to the Provinces for the first four months of the year 2025

For the uninterrupted continuation of Government operations pursuant to the approval of the Vote on Account for the first four months of the year 2025, the Finance Commission informed the Provincial Councils the amounts allocated in Vote on Account for Recurrent Budget on 21.12.2024. Accordingly, the total allocated recurrent amount was Rs.157, 696 million for the first four months of the year 2025 under the Vote on Account.

v. Supplementary Recommendations for the year 2024

Requests for supplementary allocations were made by the Provincial Councils mainly due to the revision of allowances, introduction of new allowances and attachment of cadre by the line Ministries and new recruitments after the budgetary allocations recommended to the General Treasury. In 2024, the recommended supplementary allocations are as follows;

Table 05: The recommended supplementary allocations - 2024

(Rs.'000)

Date	Recommended Supplementaries due to line Ministry attachments	New Recommendations for Supplementaries	Total Recommendations as Supplementaries
24.06.2024	531,094	47,396,149	47,927,243
11.10.2024	90,114	917,846	1,007,960
Total	**621,208**	**48,313,995**	**48,935,203**

vi. Assessment of Provincial Revenue for 2025

According to the Recurrent Budget Guideline issued by the Finance Commission on 12th February 2024, the Provincial Councils submitted their estimated revenue targets and those were analyzed and assessed by the Finance Commission.

The Finance Commission assessed the provincial revenue for 2025 based on the agreed provincial revenue targets and Government revenue transfers estimated by the Department of Fiscal Policy. In the meetings referred to table No.04 with the participation of respective provincial officers, the provincial revenue targets were reviewed by the Finance Commission for the purpose of assessing the Provincial Recurrent Needs for 2025.

vii. Recommending the imprest releases for recurrent and capital needs to the Provincial Councils

Since the Provincial Councils have been recognized as Special Spending Units as per the National Budget Circular No.05/2023 dated 29/12/2023, the Chief Secretaries are directly responsible to Parliament pertaining to budget activities and other consequential matters. Accordingly, as per the letter No. TO/BE4/01/07/06 dated 06/03/2024 of the Director General of the Department of Treasury Operations, the Finance Commission recommended the imprest releases for both recurrent and capital needs throughout the year 2024.

2.1.3 Noteworthy meetings and field visits conducted on some critical matters

* A discussion was held with the representatives of the International Monetary Fund (IMF) on local government revenue sources on 15th of February 2024.

* A meeting was held with the participation of the Secretary of the Finance Commission and other officials along with Deputy Chief Secretaries (Planning) of all nine Provincial Councils regarding the preparation of project proposals for allocations given under the Special Development Projects on 06th of March 2024 via Zoom technology.

* Representatives of the World Bank visited the Finance Commission to study the methodology utilized in assessing the personal emoluments of employees of the Provincial Councils on 26th of June 2024. Officials from the National Budget Department and the Management Services Department were also attended in the discussion.

* A discussion on the role of the Property Tax Revenue in Central and Local Governments was held on 28th of June 2024 with the participation of representatives from the Asian Development Bank (ADB).

* A discussion was held on foreign funded projects on devolved subjects with the participation of Director General, Additional Director General, other senior officials of Department of External Resources and Additional Director General of the Department of National Budget along with the Chairman, Secretary and relevant officials of the Finance Commission on 12th of August 2024 at the Finance Commission.

* A meeting was conducted to discuss some critical issues in Probation and Childcare sector with the participation of the Chairman, Secretary and relevant officials of the Finance Commission along with officials of the Department of Management Services and the Department of National Budget, the Commissioner of the Department of Probation and Childcare Services and Provincial Commissioners of Probation and Childcare Services of all nine Provinces on 22nd of November 2024 at the Finance Commission.

* A field visit was conducted to observe projects under the allocation of Special Development Projects in the Central Province with the participation of the Secretary, Finance Commission and other officials on 16th of August 2024.

* A field visit was carried out to the Horana Base Hospital on 13th of September 2024 with the participation of officials from the Department of Management Services and the Finance Commission, to assess the additional cadre requirement with its upgraded level from a Base Hospital to a District Hospital.

2.1.4 Submission of the Annual Performance Report - 2023 to Parliament

In compliance with the Public Finance Circular No. 02/2020 dated 28.08.2020, the Annual Performance Report of the Finance Commission for the year 2023 was submitted to the Presidential Secretariat on 28th of May 2024 to obtain the approval of Hon. Prime Minister in order to table the same in Parliament. Accordingly, with the approval of the Hon. Prime Minister, the report was submitted to Parliament on 18th of June 2024. The Performance Report included an overview of the Finance Commission, performance of the organization in the year 2023 with regard to its key functions, financial progress and the compliance report. This report was prepared as per the format introduced by the Department of Public Finance.

2.1.5 Matters pertaining to the Recommendations Submitted to the Hon. President

i. Preparation and submission of the Annual Recommendations of the Finance Commission to the Hon. President for the year 2025

The Finance Commission prepared the Annual Recommendations for the year 2025 and submitted it to the Hon. President on 30th December 2024 in terms of Article 154R (4) of the Constitution. This report embodied the recommendations pertaining to the assessed funding requirements of the Provincial Councils for the year 2025 and the principles on the apportionment of funds among the Provinces that will be allocated from the annual budget with the objective of achieving balanced regional development.

Accordingly, as per Article 154R (3) of the Constitution, the Finance Commission submitted its recommendations to the Government, with regard to fund allocations to be made on capital and recurrent needs of the Provincial Councils from the National Budget for the year 2025. It was recommended Rs. 133,681 million as the Provincial Specific Development Grants for the year 2025 after adjusting the predicted revenue, and Rs. 18,000 million as the Criteria Based Grants. Accordingly, the total amount of Capital Grants recommended for Provincial Councils for the year 2025 was Rs. 151,681 million, after the adjustment of forecasted revenue targets. The recommended Block Grant as the Recurrent Need was Rs. 578,084.02 million, after the adjustment of revenue targets which excludes Stamp Duty and Court Fines. Thus, the total amount of Capital and Recurrent Grants were amounted to Rs. 729,765.02 million.

At the same time, certain policy recommendations which are complimentary to the Government overall Development Strategy and adoption of which may facilitate the effective performance of the Provincial Councils were also included in this report.

Accordingly, the Policy recommendations submitted to the Hon. President for the year 2025 are briefly described below.

(1) Adopting a policy towards the rational allocation of resources in various regions by both national level entities and Provincial Councils

Though the Finance Commission recommends the funds for each Province on Devolved Subjects, through a scientific formula which has been developed by taking into consideration of key socio -economic factors, the line Ministries being spending agencies for the major portion of the entire budgetary allocation, do not follow rational fund allocation methodology over their respective subjects. Therefore, in the absence of such scientific methodology/formula used by the line Ministries, focusing on equitable resource allocation among regions, achieving the balanced regional development may not be realistic. Therefore, the Commission recommended that it would be more appropriate if the line ministries also could use a formula similar to the one used by the Finance Commission (not necessarily the same) in diverting funds for the development of different regions.

(2) The need to adopt a common and integrated planning mechanism in both national and provincial levels

In preparing Provincial Annual Development Plans, the development activities carried out by line Ministries and other agencies on similar subjects in each Province are identifying to avoid duplications. However, since the line Ministries do not follow such a practice in formulating their Development Plans, resource wastages are repeatedly noticed due to duplication of various development activities. Therefore, the Finance Commission recommended adoption of a common and integrated planning approach by the line Ministries with a focus on regional development, which is similar to the mechanism applied by the Provincial Councils.

(3) Inadequacy of capital grants given to the Provincial Councils

Although, an extensive list of subjects has been assigned to the Provincial Councils under the Devolved List of the Ninth Schedule to the Constitution, only 15% of the total capital expenditure incurred on Devolved Subjects are flowing through the Provincial Councils while the major portion is allocated through the line Ministries. As a result, the Provincial Councils are suffering from inadequate fund allocation on those Devolved Subjects despite the available technical and human resources for implementation of development activities. Therefore, the Finance Commission recommended the funds allocating to Line Ministries on Devolved Subjects be diverted to the Provincial Councils without any additional expenditure incurring. The Commission has requested the attention of the Hon. President on this matter.

(4) Need to fully incorporate the activities implemented under the various donor assisted projects in the Annual Development Plans of the Provincial Councils

Most of the time, development activities which come under the Devolved Subjects are implemented by line Ministries through different foreign fund sources incurring high expenditure on project offices and other required facilities, instead of utilizing available provincial level mechanisms and resources. Therefore, the Finance Commission recommended to integrate such development activities funded by foreign donors also with the Provincial Development Plans to implement them with relatively lower cost while avoiding duplication and wastage of resources.

(5) The need to revisit the present practice of granting direct contracts to the Community Based Organizations (CBOs) circumventing the tender procedure

Granting direct contracts in small scale development projects to Community Based Organizations was originated with the objective of value addition to the assets created through such projects compared to the estimated cost through the labour contribution and supervision of the rural community. However, subsequent increase of the contract ceiling from Rs. 2 million to the Rs. 5 million, number of eligible organizations to engage with such contracts from 8 to 13, and the direct involvement of local politicians a trend was emerged to segregate the projects illogically turning the process into a profit-oriented nature, resulting in poor quality outputs and wastage of public funds. Therefore, the Finance Commission recommended to revisit this practice of awarding small scale infrastructure projects to Community Based Organizations.

(6) Rational deployment of provincial cadre

Public service delivery of many institutions in the provincial level seriously hampered due to large number of existing vacancies, though it is noticed excess cadre in some other institutions. Therefore, the Finance Commission suggested to redeploy such excess cadre to fill the vacancies of required institutions. The Finance Commission recommended to revisit the man power requirement of the public sector through a comprehensive cadre review taking into consideration of recent developments and trends in the public service such as outsourcing of certain services, improved transport network and also rationalization of geographic locations of service delivery and impending adoption of new technology.

(7) Strengthening the legal framework of the local governance to enhance the revenue generation and the performance of Local Authorities

The Finance Commission recommended to strengthen the legal framework of the local governance to enhance the revenue generation and the performance of Local Authorities. Therein, it has been suggested to amend the Municipal Council Ordinance, Urban Council Ordinance and Pradeshiya Sabha Act which were heavily felt the need to be amended to address revenue issues, streamlining the procedures to enhance investor reliance, clear defining of power delegation by certain regulatory authorities such as Central Environment Authority, laws to enhance effective service delivery etc. The Finance Commission emphasized the need to pursue the draft bills submitted to Parliament several years ago, on legislations pertaining to the above mentioned local governance bodies, incorporating provisions for the direct transmission of court fines and stamp duty to Local Authorities without channeling through the Provincial Councils. Further, amending the legislation pertaining to the control of rabies and registration of dogs, reviewing the number of members of local authorities also suggested in the recommendations.

(8) Provincial schools without adequate number of teachers

It is observed that a critical disparity is existing among provincial schools and national schools in the availability of qualified and experienced teachers. Teachers with required professional qualifications and experience are concentrated in the national schools while there is a huge shortage of such teachers for provincial schools. Specially, in Science, Mathematics and English as well as in Advanced Level subjects, this issue has become very crucial and the temporary solutions applied by provincial schools are not viable. Even though, the transfer of excess teachers in the national level to the provincial level is the solution for the above issues, such transfer process has become extremely difficult with the demarcation of the subject of Education between the Provincial Council List and the Reserved List of the Constitution. Therefore, the Commission recommended following proposals;

(a) Taking a policy decision by the Cabinet of Ministers on balancing of teachers between national schools and provincial schools.

(b) Public Service Commission to delegate its authority to the provincial level, regarding the transfer of teachers from national schools to the provincial schools in terms of Article 57(1) of the Constitution subject to certain conditions and procedures determined by the Public Service Commission.

(c) Form a committee of relevant senior officials together with the representatives from the Attorney General's Department and the Public Service Commission to recommend more viable solutions to the above issue.

(d) Appointing of Provincial Boards of Education as per the provisions of the 9th item of the Appendix III to the Provincial Council List of the Constitution.

(9) The need to improve education facilities in the rural areas and plantation areas through reorganization of schools of lesser number of students

It is observed that schools with lesser number of students in rural and plantation areas should be provided with adequate facilities to enhance better education opportunities to the children. In the year 2022, it has been identified that there were 1402 schools with less than 50 students, and such schools were found even in sub urban areas of Colombo. However, sometimes those schools have high number of teachers than the number of students, leading to high cost per student in compared to the schools with large number of students, whereas the learning environment of such schools are in poor condition. Majority of those schools can be amalgamated with the nearby schools which are having large number of students and more facilities for better learning opportunities. Thereby, it is possible to release approximately

7,000 teachers to the vacancies in other rural schools. Therefore, the Finance Commission proposed to make a policy decision by the Government to re-organize the schools with lesser number of students to ensure better learning environment for students, while minimizing the cost and to make best use of teachers through rational deployment.

(10) Recommendations for the betterment of Institutionalized Children

In this recommendation, attention has been drawn to the children who are in the care of institutions managed by the Provincial Departments of Probation and Childcare and various non-governmental organizations, as well as the men and women in the various detention homes which comes under the purview of the Department of Social Services. Although, the Social Services and the Probation and Childcare are the Devolved Subjects under the Constitution, due to limited fund flows to the Provincial Councils, the fund availability to these subjects are also inadequate, resulting insufficient physical and human resources leading to poor service delivery of respective institutions.

In this backdrop, for the assurance of a better future for those institutionalized children, the Finance Commission observes the significance of the direct Government involvement. Therein following recommendations have been made by the Finance Commission;

i. To amend or integrate the laws related to this subject area such as Children and Young Persons Ordinance Act No. 48 of 1939, Ordinance of Adoption of Children No. 24 of 1941, National Child Protection Authority Act No. 50 of 1998, Vagrants Ordinance No. 04 of 1841 as amended by Act No. 02 of 1978, House of Detention Ordinance No.05 of 1907 etc.

ii. To relax the government policy on new recruitments and filling vacancies enabling to recruit well-experienced and professional matrons and supporting staff to above mentioned institutions to ensure the well -being of those institutionalized children.

iii. To provide a special budgetary allocation for the development and upgrading of those institutions which are currently functioning without even minimum level of essential facilities. Therein it was suggested that allocating funds to establish one certified school for two or more Provinces with required facilities would be more beneficial.

iv. To Provide at least one vehicle for each Province for the purpose of transportation of children and youth to the courts and also to provide transport facilities within the Province or between the Provinces.

v. To advise the national level institutions which are responsible for vocational trainings to provide quality vocational trainings for the institutionalized children similar to the other children in the society.

vi. To amend the laws enabling the children those who are completing the age of 18, to stay in the respective institutions under certain conditions, if those children are not in a position to reunite with their families or to be integrated with the society, in order to avoid being abused or victimized in socially immoral incidents.

vii. To give priority to the children those who will be reintegrated with the society, in providing housing facilities which are currently provided to low- income families by the National Housing Development Authority.

viii. To provide funds for the establishment of Centres such as Certified Schools for the children with autism or other mental retardation conditions for each Province or at least one Centre for two or more Provinces.

(11) Children of low - income families suffering from nutrition deficiencies

Even though, the Government has put some efforts to minimize the child malnutrition by providing Thriposha to the children between the age of 3 to 5, and through the meals supplied to registered pre-schools, still there are certain other categories of children suffering from malnutrition. Such as, (a) the children under the age of 3 do not receive either Thriposha or pre-school meals (they are not attending pre-schools); (b) children between the age of 3 to 5 who are not attending pre-schools; (c) children who are between the age of 3 to 5 who are attending the unregistered pre-schools; (d) children in the plantation sector who fall in to the above categories.

Therefore, the Finance Commission has proposed following recommendations to address the malnutrition issue of those categories of children;

(a) Providing incentives to the Thriposha Company to produce Thriposha by mixing rice and other nutritious grains instead of using maize which is suspected of containing Aflatoxins, and exploring the possibility of providing the "Suposha" nutritional supplement produced by the same company at an affordable price.

(b) Exploring the feasibility of replicating the nutritional intervention implemented in certain areas called “Sathumavu” which contains a mixture of nutritious grains, to other regions of the country.

(c) Facilitating the availability of eggs at a reasonable price.

(d) Introducing flexible working hours to Medical Officers of Health and Public Health Midwives working in plantation areas enabling working mothers in plantations to access those services conveniently.

(e) Establishing a committee with representatives from the line Ministry of Health and Provincial Health Authorities to expedite the process of taking over of hospitals and Health Centres in plantation areas which are operated by Plantation Companies to the Government in line with the Government policies.

(f) Being the preschool education and early childhood development are devolved subjects, it is proposed to implement the Pre-school Meal Program through the Provincial Councils or to closely coordinating with the provincial authorities, instead of current implementation mechanism through the National Secretariate of Early Childhood Development for its effective implementation.

ii. Submission of the Recommendations - 2025 to Parliament

A Cabinet Memorandum on Recommendations - 2025 of the Finance Commission was submitted to the Cabinet of Ministers by the Hon. President on 23rd of January 2025 seeking the approval for implementation of recommendations and to table the same in Parliament. Accordingly, the approval of the Cabinet to the recommendations was granted on 27th of January 2025 and same was submitted to Parliament on 07th of February 2025 for tabling.

2.1.6 Conducting quarterly Audit and Management Committee Meetings

The progress of the activities implemented in the Internal Audit Division as at 31.12.2024 of the year 2024 is as follows;

1. In accordance with the Financial Regulation 134(2), the Internal Audit Plan for the year 2024 was approved at the Audit and Management Committee and submitted to the Management Audit Department and the Auditor General on 28.03.2024.
2. According to the Management Audit Circular No.DMA /1 – 2019, the initial report was prepared and submitted to the Secretary of the Commission within the month of January 2024.
3. Obtaining replies to all internal audit queries within one month.
4. Copies of Internal Audit Reports were submitted to the Department of Management Audit in accordance with Sub-section 40(4) of the National Audit Act No. 19 of 2018.
5. Copies of Internal Audit Reports were submitted to the Auditor General in terms of the Financial Regulation 134(3).
6. Evaluation Reports were submitted to the Auditor General and Department of Management Audit at the end of every quarter of the year 2024.
7. Internal audit meetings for each quarter of the year 2024 were held on following dates;
   - First Quarter 28.03.2024
   - Second Quarter 27.06.2024
   - Third Quarter 30.09.2024
   - Fourth quarter 27.12.2024

2.2 Achievements of the Finance Commission

(i) Appointing the Chief Secretaries as the Chief Accounting Officer for each province

From the very outset of the establishment of the Provincial Councils in 1987, the Secretary to the Ministry of Provincial Councils was considered as the Chief Accounting Officer for the Government Funds allocated for each Province. However, the Finance Commission emphasized in many occasions that as per the devolution of powers and functions under the 13th Amendment to the Constitution, the Chief Accounting Officer of each Province should be the Chief Secretary of each respective Province.

This was well taken by the Government and the Treasury, and issued a letter stating that the Chief Secretary of each Province are appointed as the Chief Accounting Officer for the respective Province.

(ii) Higher recognition of the Finance Commission Recommendations in the Annual Budget 2025

Recommendations of the Finance Commission pertaining to the fund requirements of the Provincial Councils have been given a higher weightage in the Government Annual Budget for the year 2025.

Further, the policy recommendations presented by the Finance Commission on the Government overall Development Strategy, which has direct influence on the Provincial Development have also been highly recognized in the Government Annual Budget for 2025, with special reference given in the Budget Speech of the Hon. President.

Following are the areas referred to in the said Budget Speech;

- Establishment of Centres for the children with autism or other mental retardation
- Reviewing the school system to prepare a national plan to relocate schools taking into consideration of rural and remote area schools having lesser number of students
- Enhancing the welfare of children placed in probation-Renovation of Certified Schools/ Remand Homes and Childcare Institutions
- Establishing a child-friendly transport system for institutionalized children to and from courts-transportation of child victims
- Enhanced social security for orphaned children and youth;
    - Providing housing facilities to orphaned children,
    - Giving opportunity to get education from nearest national or provincial schools,
    - Providing NVQ Level 3 or 4 quality vocational/skills training,
    - Giving priority for housing assistance for institutionalized children when they are integrated to the society,
    - Amending relevant laws to allow individuals who are completed the age 18 to continue residing in the institutions under certain conditions where there is no suitable position to reintegrate into society.

(iii) Approval and special directions given by the Cabinet of Ministers for the recommendations submitted by the Finance Commission

The observations of the Hon. President, in the Cabinet Paper No. 25/0144/801/003 dated 23.01.2025 pertaining to the Finance Commission Recommendations for the year 2025, shows that the recommendations made by the Finance Commission will be well considered in the overall development strategy of the country. Those observations made by the Hon. President have been approved by the Cabinet Decision No. CP/25/0144/801/003 dated 27.01.2025. In brief the observations made by the Hon. President are as follows;

- The funds provided for the subjects devolved to the Provincial Councils, such as education and health, by multilateral institutions such as the World Bank and the Asian Development Bank, as well as the funds provided bilaterally will be made available to the Provincial Councils from 2025 onwards.
- It would be more appropriate if the line Ministries also could use a formula similar to the one used by the Finance Commission (not necessarily the same) in diverting funds for the development of different regions.
- It is appropriate that the Department of National Planning to explore the possibility of applying an integrated planning mechanism for all Government institutions by adopting a planning mechanism similar to the mechanism currently followed by Provincial Councils for development activities.
- The General Treasury to take necessary actions not to allocate funds for the line Ministries on devolved subjects.
- The Department of External Resources to take necessary measures on projects implemented under foreign-funded loans and grants on devolved subjects be implemented through Provincial Councils as they have sufficient capacity to carry out these activities.
- The Public Finance Department of the General Treasury to make appropriate recommendations on the proposal to revisit the present practice of granting direct contracts to the Community Based Organization (CBOs) circumventing the tender procedure.
- To submit a proposal on rational deployment of provincial cadre, for consideration by the Officials' Committee appointed in terms of the Cabinet Decision dated 30.12.2024 on the matter of cadre review.
- Directing the Secretary of the Ministry of Local Government to submit a report to the Cabinet through the Hon.Minister on any other necessary timely amendments deem necessary, other than the amendments contained in the relevant Bills submitted to Parliament in 2017 and 2021, and the proposal contained in the Finance Commission Recommendation to make arrangements for the direct transfer of court fines and stamp duties to Local Government institutions. Also, to give priority consideration to making arrangements to assign the responsibility for rabies control to a specific Government institution.

* Proposing to request the Hon. Prime Ministress' (Hon. Minister of Education) due consideration to the proposal on allocating adequate number of teachers to provincial schools.
* Directing for consideration of the Cabinet of Ministers to take a policy decision on the matter highlighted the necessity of improving education facilities in the rural areas and plantation areas through re-organization of schools of lesser number of students.
* Suggesting to pay due consideration of the respective authorities to the proposals submitted under the Policy Recommendation No. 10 of the Finance Commission's Recommendations, regarding the betterment of Institutionalized Children. Therein, proposing to direct the Secretaries of the Ministry of Women and Child Affairs, Ministry of Rural Development, Social Security and Community Empowerment to submit a joint report to the Cabinet of Ministers through the respective Ministers on the proposal to amend respective legislations mentioned in the Policy Recommendation No.10 (i).

  Further, proposing to direct respective authorities to take immediate action in respect of recommendations (ii) and (iv) in the Policy Recommendation No.10. i.e. regarding the cadre approval/filling vacancies of required experienced and professional staff to the respective institutions and providing vehicles /transport facilities for the transportation of institutionalized children.

  Requesting the Hon. Minister of Women and Child Affairs and Hon. Minister of Health and Mass Media to explore the possibility of implementing proposals made in the policy recommendation No. 11 of the Finance Commission Recommendations, in an appropriate manner with the involvement of other relevant Ministries.

2.3 Challenges and Future Outlook

After the worst economic crisis experienced during past few years, Sri Lankan economy is showing a tentative stability. Ensuring social security for people by addressing the welfare aspects while focusing on economic revival in production and service sector has become an overall challenge for Sri Lanka in the years to come. Therein, the effective intervention and contribution of the Provincial Council system on Devolved Subjects of the Constitution has become critical and necessary.

In these circumstances, the Finance Commission has a more conclusive roll in guiding and directing the Provincial Councils in preparation of Medium and Annual Development Plans and implementation of Projects in order to achieve economic growth and social wellbeing of the people. With limited resources allocated to the Provinces due to existing financial constraints, proper coordination between the line Ministries and Provincial Councils focusing on overall provincial development is necessary to avoid resource wastages by avoiding duplication and dualism while ensuring sustainable usage of development outputs. In this context, Finance Commission has to facilitate as a mediator between the national and Provincial Councils level agencies to reach the sustainable development of the country.

Chapter - 03: Overall Financial Performance for the Year ended 31st December 2024

3.1.Statement of Financial Performance

ACA -F

Statement of Financial Performance
for the period ended 31st December 2024

Revised Budget Allocations 2024 Rs.		Note	Actual 2024 Rs.	Actual 2023 Rs.	
-	**Revenue Receipts**				
-	Income Tax	1	-	-	ACA-1
-	Taxes on Domestic Goods & Services	2	-	-	ACA-1
-	Taxes on International Trade	3	-	-	ACA-1
-	Non Tax Revenue & Others	4	-	-	ACA-1
-	**Total Revenue Receipts (A)**		-	-	
-	**Non Revenue Receipts**		-	-	
-	Treasury Imprests		101,034,000	91,794,000	ACA-3
-	Deposits		142,220	617,496	ACA-4
-	Advance Accounts		3,998,693	3,917,880	ACA-5
-	Other Main Ledger Receipts		-	-	
-	**Total Non Revenue Receipts (B)**		**105,174,913**	96,329,376	
	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		**105,174,913**	96,329,376	
	Remittance to the Treasury (D)		**892,132**	1,768,043	
-	**Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)**		**104,282,781**	94,561,333	
	Less: Expenditure				
	Recurrent Expenditure				
62,910,000	Wages, Salaries & Other Employment Benefits	5	61,617,586	55,698,302	ACA-2(ii)
43,440,000	Other Goods & Services	6	40,101,413	33,813,632	ACA-2(ii)
650,000	Subsidies, Grants and Transfers	7	613,158	652,131	ACA-2(ii)
-	Interest Payments	8	-	-	ACA-2(ii)
-	Other Recurrent Expenditure	9	-	-	ACA-2(ii)
107,000,000	**Total Recurrent Expenditure (F)**		**102,332,157**	90,164,065	
	Capital Expenditure				
300,000	Rehabilitation & Improvement of Capital Assets	10	-	132,315	ACA-2(ii)
2,400,000	Acquisition of Capital Assets	11	1,666,431	2,706,110	ACA-2(ii)
-	Capital Transfers	12	-	-	ACA-2(ii)
-	Acquisition of Financial Assets	13		-	ACA-2(ii)
300,000	Capacity Building	14	297,505	239,825	ACA-2(ii)
-	Other Capital Expenditure	15	-	-	ACA-2(ii)
3,000,000	**Total Capital Expenditure (G)**		**1,963,936**	3,078,249	
	Deposit Payments		142,220	617,496	ACA-4
	Advance Payments		2,906,189	3,701,418	ACA-5
	Other Main Ledger Payments		-	-	
	Total Main Ledger Expenditure (H)		**3,048,409**	4,318,914	
	Total Expenditure I = (F+G+H)		107,344,502	97,561,228	
	Balance as at 31st December J = (E-I)		(3,061,721)	(2,999,895)	
	Balance as per the Imprest Adjustment Statement		(3,061,721)	(2,999,895)	ACA-7
	Imprest Balance as at 31st December		-	-	ACA-3
			-	-	

3.2. Statement of Financial Position

ACA-P

Statement of Financial Position
As at 31st December 2024

	Note	Actual 2024 Rs	2023 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	807,288,825	800,266,003
Financial Assets			
Advance Accounts	ACA-5/5(a)	8,201,144	9,293,648
Cash & Cash Equivalents	ACA-3	-	-
Total Assets		**815,489,969**	**809,559,651**
Net Assets / Equity			
Net Worth to Treasury		8,201,144	9,293,648
Property, Plant & Equipment Reserve		807,288,825	800,266,003
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	-	-
Unsettled Imprest Balance	ACA-3	-	-
Total Liabilities		**815,489,969**	**809,559,651**

Detail Accounting Statements in ACA format Nos. 2 to 7 presented in pages from 08 to 25 and Annexures to accounts presented in pages from 26 to 32 form an integral part of these Financial Statements. The Financial Statements have been prepared in accordance with the Government Financial Regulations 150 & 151 and State Accounts Guildline No. 06/2024, dated 16.12.2024 and hereby certify that figures in these Finacial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.

Chief Accounting Officer	Accounting Officer	Chief Accountant
20/02/2025		
Name :	Name :	
Designation :	Designation :	Name :
Date :	Date :	Date : 20/02/2025

A.T.M.U.D.B.Tennakoon
Secretary
Finance Commission
No. 03, Sarana Mawatha,
Rajagiriya.

Sandya Kumudini Kothalawala
Chief Accountant
Finance Commission
No. 03, Sarana Mawatha, Rajagiriya

3.3. Statement of Cash Flows

ACA-C

Statement of Cash Flows
for the Period ended 31st December 2024

	Actual 2024 Rs.	2023 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	3,139,735	2,652,986
Revenue Collected on behalf of Other Revenue Heads	-	
Imprest Received	101,034,000	91,794,000
Recoveries from Advance	3,826,779	4,151,714
Deposit Received	142,220	617,496
Total Cash generated from Operations (A)	**108,142,734**	**99,216,196**
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	101,537,599	89,398,859
Subsidies & Transfer Payments	613,158	652,131
Expenditure incurred on behalf of Other Heads	-	-
Imprest Settlement to Treasury	892,132	1,768,043
Advance Payments	2,993,689	3,701,418
Deposit Payments	142,220	617,496
Total Cash disbursed for Operations (B)	**106,178,798**	**96,137,947**
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	**1,963,936**	**3,078,249**
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
Less - Cash disbursed for:		
Capital Expenditure	1,963,936	3,078,249
Total Cash disbursed for Investing Activities (E)	**1,963,936**	**3,078,249**
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	**(1,963,936)**	**(3,078,249)**
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	**(0)**	-
<u>Cash Flows from Fianacing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
Less - Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	**(0)**	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4. Notes to the Financial Statements

Basis of Reporting

1) Purpose of Preparation

The Financial Statements have been prepared in accordance with the Government Financial Regulations 150 & 151 and State Accounts Guildline No. 06/2024, dated 16.12.2024.

2) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2024.

3) Basis of Measurement

The Financial Statements have been prepared on historical cost modified by the revaluation of certain assets and accounted on a modified cash basis, unless otherwise specified.

The figures of the Financial Statements are presented in Sri Lankan rupees rounded to the nearest rupee.

4) Recognition of Revenue

Exchange and non exchange revenues are recognised on the cash receipts during the accounting period irrespective of relevant revenue period.

5) Recognition and Measurement of Property, Plant and Equipment (PP&E)

An item of Property, Plant and Equipment is recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured.

PP&E are measured at a cost and revaluation model is applied when cost model is not applicable.

6) Property, Plant and Equipment Reserve

This reserve account is the corresponding account of Property Plant and Equipment.

7) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins in hand as at 31st December 2024.

8) Comparative information in the year 2023

The errors identified in the audit of the financial statements of the year 2023 have been corrected and comparative information has been presented in the financial statements of the year 2024.

3.5. Performance of the Revenue Collection

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs.)	As % of final revenue estimate
2002.02.99	Interest Income	-	-	372,835.78	-
2003.99.00	Other Income	-	-	392,585.02	-
2004.01.00	W & OP Fund	-	-	2,374,313.76	-

3.6. Performance of the Utilization of Allocations

Type of Allocation	Allocation (Rs.)		Actual Expenditure (Rs.)	Allocation utilization as a% of Final Allocation
	Original	Final		
Recurrent	107,000,000	107,000,000	102,332,156	96%
Capital	3,000,000	3,000,000	1,963,936	65%

3.7 In terms of F.R.208 grant of allocations for expenditure to this Department/District Secretariat/Provincial Council as an agent of the other Ministries/ Departments

Serial No.	Allocation revised from which ministry/department	Purpose of the allocation	Allocation		Actual Expenditure	Allocation utilization as a% of Final Allocation
			Original	Final		
-	N/A	N/A	N/A	N/A	N/A	N/A

3.8 Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per board of survey report as at 31/12/2024 (Rs.)	Balance as per financial position report as at 31/12/2024 (Rs.)	Yet to be accounted	Reporting progress as %
9151	Building and Structure	449,009,540.32	449,009,540.32	-	-
9152	Machinery and equipment	100,279,285.02	100,279,285.02	-	-
9153	Land	258,000,000.00	258,000,000.00	-	-
9154	Intangible Assets	-	-	-	-
9155	Biological Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Lease Assets	-	-	-	-

3.9. Auditor General's Report

ජාතික විගණන කාර්යාලය
தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No.	PIC/C/FC/2/24/02	ඔබේ අංකය / உமது இல. / Your No.		දිනය / திகதி / Date	2025 මැයි 30 දින

මුදල් කොමිෂන් සභාව
30 MAY 2025.
අංක. 03, සරණ මාවත, රාජගිරිය.

ප්‍රධාන ගණන් දීමේ නිලධාරී

මුදල් කොමිෂන් සභාව

ශීර්ෂය 011 - මුදල් කොමිෂන් සභාවේ 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන පිළිබඳව 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(1) වගන්තිය ප්‍රකාරව විගණකාධිපති සම්පිණ්ඩන වාර්තාව

1. මූල්‍ය ප්‍රකාශන

1.1 මතය

ශීර්ෂය 011 - මුදල් කොමිෂන් සභාවේ 2024 දෙසැම්බර් 31 දිනට මූල්‍ය තත්ත්වය පිළිබඳ ප්‍රකාශය, එදිනෙන් අවසන් වර්ෂය සඳහා වු මූල්‍ය කාර්යසාධන ප්‍රකාශය හා මුදල් ප්‍රවාහ ප්‍රකාශවලින් සමන්විත 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වු මූල්‍ය ප්‍රකාශන 2018 අංක 19 දරන ජාතික විගණන පනතේ විධිවිධාන සමඟ සංයෝජිතව කියවිය යුතු ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(1) ව්‍යවස්ථාවේ ඇතුළත් විධිවිධාන ප්‍රකාර මාගේ විධානය යටතේ විගණනය කරන ලදී. 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(1) වගන්තිය ප්‍රකාරව මුදල් කොමිෂන් සභාව වෙත ඉදිරිපත් කරනු ලබන මෙම මූල්‍ය ප්‍රකාශන පිළිබඳව මාගේ අදහස් දැක්වීම් හා නිරීක්ෂණයන් මෙම වාර්තාවේ සඳහන් වේ. 2018 අංක 19 දරන ජාතික විගණන පනතේ 11(2) වගන්තිය ප්‍රකාරව ප්‍රධාන ගණන්දීමේ නිලධාරී වෙත වාර්ෂික විස්තරාත්මක කළමනාකරණ විගණන වාර්තාව යථා කාලයේදී ඉදිරිපත් කරනු ලැබේ. ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආණ්ඩුක්‍රම ව්‍යවස්ථාවේ 154(6) ව්‍යවස්ථාව සමඟ සංයෝජිතව කියවිය යුතු 2018 අංක 19 දරන ජාතික විගණන පනතේ 10 වගන්තිය ප්‍රකාරව ඉදිරිපත් කළ යුතු විගණකාධිපති වාර්තාව යථා කාලයේදී පාර්ලිමේන්තුව වෙත ඉදිරිපත් කරනු ලැබේ.

මුදල් කොමිෂන් සභාවේ 2024 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශනවලින්, මූල්‍ය තත්ත්වය, මූල්‍ය කාර්යසාධනය හා මුදල් ප්‍රවාහ, මූල්‍ය ප්‍රකාශන වලට අදාළ සටහන් 1හි සඳහන් මූල්‍ය ප්‍රකාශන සකස් කිරීමේ පදනමට අනුකූලව සියලූම ප්‍රමාණාත්මකතාවයන් සම්බන්ධයෙන් සාධාරණ තත්ත්වයක් පිළිබිඹු කරන බව මා දරන්නා වූ මතය වේ.

1.2 මතය සඳහා පදනම

ශ්‍රී ලංකා විගණන ප්‍රමිතිවලට (ශ්‍රී.ලං.වි.ප්‍ර) අනුකූලව මා විගණනය සිදු කරන ලදී. මෙම විගණන ප්‍රමිති යටතේ වූ මාගේ වගකීම, මෙම වාර්තාවේ මූල්‍ය ප්‍රකාශන විගණනය සම්බන්ධයෙන් විගණකගේ වගකීම යන කොටසේ තවදුරටත් විස්තර කර ඇත. මාගේ මතය සඳහා පදනමක් සැපයීම උදෙසා මා විසින් ලබා ගෙන ඇති විගණන සාක්ෂි ප්‍රමාණවත් සහ උචිත බව මාගේ විශ්වාසයයි.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. இல. 306/72, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை. No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.
+94 11 2 88 70 28 - 34 +94 11 2 88 72 23 ag@auditorgeneral.gov.lk www.naosl.gov.lk

1.3 කරුණක් අවධාරණය කිරීම - මූල්‍ය ප්‍රකාශන සකස් කිරීමේ පදනම

මෙම මූල්‍ය ප්‍රකාශන සකස් කිරීමේ පදනම විස්තර කරන මූල්‍ය ප්‍රකාශනවලට අදාල සටහන් 1 කෙරෙහි අවධානය යොමු කරවමි. මූල්‍ය ප්‍රකාශන රජයේ මුදල් රෙගුලාසි 150 හා 151 සහ 2025 පෙබරවාරි 21 දින සංශෝධිත 2024 දෙසැම්බර් 16 දිනැති රාජ්‍ය ගිණුම් මාර්ගෝපදේශ අංක 06/2024 අනුව මුදල් කොමිෂන් සභාවේ, මහා භාණ්ඩාගාරයේ සහ පාර්ලිමේන්තුවේ අවශ්‍යතාවය සඳහා සකස්කර ඇත. එම නිසා, මෙම මූල්‍ය ප්‍රකාශන වෙනත් අරමුණු සඳහා සුදුසු නොවිය හැක. මගේ වාර්තාව මුදල් කොමිෂන් සභාවේ, මහා භාණ්ඩාගාරයේ සහ ශ්‍රී ලංකා පාර්ලිමේන්තුවේ භාවිතය සඳහා පමණක් අරමුණු කර ඇත. මෙම කරුණ සම්බන්ධයෙන් මගේ මතය විකරණය කරනු නොලැබේ.

1.4 මූල්‍ය ප්‍රකාශන සම්බන්ධයෙන් ප්‍රධාන ගණන්දීමේ නිලධාරීගේ වගකීම

රජයේ මුදල් රෙගුලාසි 150 හා 151 සහ 2025 පෙබරවාරි 21 දින සංශෝධිත 2024 දෙසැම්බර් 16 දිනැති රාජ්‍ය ගිණුම් මාර්ගෝපදේශ අංක 06/2024 අනුකූලව සියලුම ප්‍රමාණාත්මකතාවයන් සම්බන්ධයෙන් සාධාරණ තත්ත්වයක් පිළිඹිබු කෙරෙන පරිදි මූල්‍ය ප්‍රකාශන පිළියෙල කිරිම හා වංචා සහ වැරදි හේතුවෙන් ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන්ගෙන් තොරව මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකි වනු පිණිස අවශ්‍යවන අභ්‍යන්තර පාලනය තීරණය කිරීම ප්‍රධාන ගණන්දීමේ නිලධාරීගේ වගකීම වේ.

2018 අංක 19 දරන ජාතික විගණන පනතේ 16(1) වගන්තිය ප්‍රකාරව මුදල් කොමිෂන් සභාව විසින් වාර්ෂික හා කාලීන මූල්‍ය ප්‍රකාශන පිළියෙල කිරීමට හැකිවන පරිදි ස්වකීය ආදායම්, වියදම්, වත්කම් හා බැරකම් පිළිබඳ නිසි පරිදි පොත්පත් හා වාර්තා පවත්වා ගෙන යා යුතුය.

ජාතික විගණන පනතේ 38(1)(ඇ) උප වගන්තිය ප්‍රකාරව මුදල් කොමිෂන් සභාවේ මූල්‍ය පාලනය සඳහා සඵලදායි අභ්‍යන්තර පාලන පද්ධතියක් සකස් කර පවත්වා ගෙන යනු ලබන බවට ප්‍රධාන ගණන්දීමේ නිලධාරී සහතික විය යුතු අතර එම පද්ධතියේ සඵලදායිත්වය පිළිබඳව කලින් කල සමාලෝචනයක් සිදු කර ඒ අනුව පද්ධතිය ඵලදායි ලෙස කරගෙන යාමට අවශ්‍ය වෙනස්කම් සිදු කරනු ලැබිය යුතුය.

1.5 මූල්‍ය ප්‍රකාශන විගණනය පිළිබඳ විගණකගේ වගකීම

සමස්ථයක් ලෙස මූල්‍ය ප්‍රකාශන, වංචා හා වැරදි හේතුවෙන් ඇතිවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගෙන් තොර බවට සාධාරණ තහවුරුවක් ලබාදිම සහ මාගේ මතය ඇතුළත් විගණන වාර්තාව නිකුත් කිරීම මාගේ අරමුණ වේ. සාධාරණ සහතිකවීම උසස් මට්ටමේ සහතිකවීමක් වන නමුත්, ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනය සිදු කිරීමේදී එය සෑම විටම ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන් අනාවරණය කර ගන්නා බවට වන තහවුරු කිරීමක් නොවනු ඇත. වංචා සහ වැරදි තනි හෝ සාමූහික ලෙස බලපෑම නිසා ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශනයන් ඇති විය හැකි අතර, එහි ප්‍රමාණාත්මක භාවය මෙම මූල්‍ය ප්‍රකාශන පදනම් කර ගනිමින් පරිශීලකයන් විසින් ගනු ලබන ආර්ථික තීරණ කෙරෙහි වන බලපෑම මත රඳා පවතී.

ශ්‍රී ලංකා විගණන ප්‍රමිති ප්‍රකාරව විගණනයේ කොටසක් ලෙස මා විසින් විගණනයේදී වෘත්තීය විනිශ්චය සහ වෘත්තීය සැකමුසුබවින් යුතුව ක්‍රියා කරන ලදී. මා විසින් තවදුරටත්,

- ප්‍රකාශ කරන ලද විගණන මතයට පදනමක් සපයා ගැනීමේදී වංචා හෝ වැරදි හේතුවෙන් මූල්‍ය ප්‍රකාශනවල ඇති විය හැකි ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන් ඇතිවීමේ අවදානම් හඳුනාගැනීම හා තක්සේරු කිරීම සඳහා අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලැසුම් කර ක්‍රියාත්මක කරන ලදී. වරදවා දැක්වීම් හේතුවෙන් සිදුවන ප්‍රමාණාත්මක සාවද්‍ය ප්‍රකාශයන්ගෙන් සිදුවන බලපෑමට වඩා වංචාවකින් සිදුවන්නා වූ බලපෑම ප්‍රබල වන්නේ ඒවා දුස්සන්ධානයෙන්, ව්‍යාජ ලේඛන සැකසීමෙන්, චේතනාන්විත මඟහැරීමෙන්, වරදවා දැක්වීමෙන් හෝ අභ්‍යන්තර පාලනයන් මඟ හැරීමෙන් වැනි හේතු නිසා වන බැවිනි.

- අභ්‍යන්තර පාලනයේ සඵලදායිත්වය පිළිබඳව මතයක් ප්‍රකාශ කිරීමේ අදහසින් නොවුවද, අවස්ථාවෝචිතව උචිත විගණන පරිපාටි සැලසුම් කිරීම පිණිස අභ්‍යන්තර පාලනය පිළිබඳව අවබෝධයක් ලබා ගන්නා ලදී.

- හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල ව්‍යුහය සහ අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණ අයුරින් මූල්‍ය ප්‍රකාශනවල ඇතුළත් බව ඇගයීම.

- මූල්‍ය ප්‍රකාශනවල ව්‍යුහය හා අන්තර්ගතය සඳහා පාදක වූ ගනුදෙනු හා සිද්ධීන් උචිත හා සාධාරණව ඇතුළත් වී ඇති බව සහ හෙළිදරව් කිරීම් ඇතුළත් මූල්‍ය ප්‍රකාශනවල සමස්ත ඉදිරිපත් කිරීම අගයන ලදී.

මාගේ විගණනය තුළදී හඳුනාගත් වැදගත් විගණන සොයාගැනීම්, ප්‍රධාන අභ්‍යන්තර පාලන දුර්වලතා හා අනෙකුත් කරුණු පිළිබඳව ප්‍රධාන ගණන්දීමේ නිලධාරී දැනුවත් කරමි.

2. වෙනත් නෛතික අවශ්‍යතා පිළිබඳ වාර්තාව

2018 අංක 19 දරන ජාතික විගණන පනතේ 6(1)(ඈ) වගන්තිය ප්‍රකාරව පහත සඳහන් කරුණු මා ප්‍රකාශ කරමි.

(අ) මූල්‍ය ප්‍රකාශන ඉකුත් වර්ෂය සමඟ අනුරූප වන බවට,

(ආ) ඉකුත් වර්ෂයට අදාළ මූල්‍ය ප්‍රකාශන පිළිබඳව මා විසින් කර තිබුණු නිර්දේශ ක්‍රියාත්මක කර තිබුණි.

3. මූල්‍ය සමාලෝචනය

3.1 වියදම් කළමනාකරණය

මුදල් රෙගුලාසි 50 ප්‍රකාරව වියදම් ඇස්තමේන්තු තාත්විකව පිළියෙල කර නොතිබුණු අවස්ථා පහත පරිදි නිරීක්ෂණය විය.

(අ) අංක 11- 1-1-2003 (වාහන) වැය විෂයය සඳහා මූලධන වියදම් යටතේ රු.300,000 ක අයවැය ඇස්තමේන්තු ප්‍රතිපාදන සලසාගෙන තිබුණද, සමාලෝචිත වර්ෂයේදී එම ප්‍රතිපාදන උපයෝජනය නොකර සම්පූර්ණ ප්‍රතිපාදනයම ඉතිරි කර තිබුණි.

(ආ) වැය විෂයයන් 03 ක අයවැය ඇස්තමේන්තු ප්‍රතිපාදන ප්‍රමාණවත් නොවීම නිසා එකතුව රු.8,245,000 ක් මු.රෙ. 66 යටතේ අතිරේක ප්‍රතිපාදන සලසාගෙන තිබුණි. එය එම වැය විෂයයන්ගේ මුල් ඇස්තමේන්තු ප්‍රතිපාදනයෙන් සියයට 22 සිට සියයට 127ක් දක්වා පරාසයක විය.

(ඇ) වැය විෂයයන් 04 කින් එකතුව රු.2,885,000 ක් වූ ප්‍රමාණයක ප්‍රතිපාදන මු.රෙ. 66 යටතේ වෙනත් වැය විෂයයන් සඳහා මාරු කර තිබුණි. එය එම වැය විෂයයන්ගේ මුල් ඇස්තමේන්තු ප්‍රතිපාදනයෙන් සියයට 20 සිට සියයට 80 ක් දක්වා පරාසයක විය.

3.2 තත්ත්කාර්ය අතුරු අග්‍රිම නිකුත් කිරීම හා පියවීම

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) සංශෝධිත මුදල් රෙගුලාසි 371(5) ප්‍රකාරව අතුරු අග්‍රිමයක් නිකුත් කිරීමෙන් පසු අදාල කාර්යය අවසන් කර දින 10 ක් තුළ එම අතුරු අග්‍රිමය නැවත පියවිය යුතු බව දක්වා තිබුණද, 2024 වර්ෂයේදී අවස්ථා තුනකදී නිලධාරීන් වෙත ලබාදුන් එකතුව රු.170,000 ක අතුරු අග්‍රිම පියවීම සඳහා දින 13 සිට දින 48 ක් අතර කාල පරාසයක් ගතකර තිබුණි.

(ආ) නිශ්චිත හා අවශ්‍ය නොවන කාර්යයන් සඳහා අග්‍රිමයන් ලබා නොගත යුතු වුවද, අත්තිකාරම් මුදල් ලබාගෙන අදාල කාර්යය ඉටු නොකර දින 31 සිට දින 88 දක්වා කාලයක් අතේ රඳවාගෙන නැවත පියවා ඇති අවස්ථා 03 ක් විගණනයට නිරීක්ෂණය විය.

4 මෙහෙයුම් සමාලෝචනය

4.1 කාර්යසාධනය

4.1.1 සැලසුම් කිරීම

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) 2020 අගෝස්තු 28 දිනැති අංක 02/2020 දරණ රාජ්‍ය මුදල් චක්‍රලේඛයේ 03 ඡේදය ප්‍රකාරව ඉදිරි වර්ෂය සඳහා වන වාර්ෂික ක්‍රියාකාරී සැලැස්ම ප්‍රවර්ථන වර්ෂයේ දෙසැම්බර් 15 දිනට පෙර සකස් කර ප්‍රධාන ගණන්දීමේ නිලධාරියා වෙත ඉදිරිපත් කර අනුමැතිය ලබාගත යුතු වුවද විගණනයට ඉදිරිපත් කර තිබුනේ 2024 ජුනි 12 දින අනුමත කරන ලද 2024 වර්ෂයට අදාල ක්‍රියාකාරකම් (Activity) පමණක් ඇතුලත් කරන ලද සැලැස්ම පමණි.

(ආ) 2020 අගෝස්තු 08 දිනැති රාජ්‍ය මුදල් චක්‍රලේඛ අංක 02/2020 හි සඳහන් මාර්ගෝපදේශ අංක 12 ප්‍රකාරව වාර්ෂික ක්‍රියාකාරී සැලැස්මට ඇතුලත් විය යුතු මාර්ගෝපදේශ අංක 12(අ), 12(ඇ), 12(ඉ) සහ 12 (ඊ) හි කරුණු අන්තර්ගත වන සේ සකස්කර නොතිබුණි.

4.1.2 කාර්යභාරය ඉටු කිරීම

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) ආණ්ඩුක්‍රම ව්‍යවස්ථාමය ප්‍රතිපාදන අනුව මුදල් කොමිෂන් සභාවේ ප්‍රධාන කාර්යය වනුයේ රටතුල ප්‍රාදේශීය සංවර්ධනයක් ළගා කර ගැනීම පිණිස පළාත් අවශ්‍යතා සඳහා ජාතික අයවැයෙන් ප්‍රමාණවත් අරමුදල් වෙන් කර ගැනීම හා එම අරමුදල් පළාත් නවය අතර බෙදාහැරීමට අදාල ප්‍රතිපත්ති පිළිබඳ නිර්දේශ රජය වෙත ඉදිරිපත් කිරීම වන අතර මෙම ක්‍රියාවලියේදී මුදල් කොමිෂන් සභාව විසින් කාර්යයන් 08ක් ඉටුකල යුතුව තිබුණි.

එසේ වුවද ප්‍රාග්ධන ප්‍රදාන යටතේ යෝජිත සංවර්ධන සැලසුම් අනුමත කරමින් ඒවා ක්‍රියාත්මක කිරීම සඳහා පළාත් සභා වෙත අරමුදල් ලබාදීම සිදුකලද, එම අරමුදල් ආයෝජනය කිරීම පිළිබඳ අධීක්ෂණය, සමාලෝචනය හා පසු විපරම් සිදුකර සැලසුමේ සඳහන් නිමවුම් හා ප්‍රතිඵල ඇගයීමේ ක්‍රමවේදයක්, වර්තමානයේදී වගකීම පැවරුණු ස්වාධීන ආයතනයකින් හෝ පාර්ශවයකින් සිදු නොවන අතර ඒ පිළිබඳව දැක්විය යුතු නිර්දේශ, සමාලෝචිත වර්ෂයට අදාලව ජනාධිපතිතුමා වෙත ඉදිරිපත් කරනු ලැබූ නිර්දේශ පිළිබඳ වාර්තාවේ සඳහන් වීමක් සිදු වී නොතිබුණි.

(ආ) පළාත් නිශ්චිත සංවර්ධන ප්‍රදාන යටතේ පළාත් සංවර්ධන වැඩසටහන් ක්‍රියාත්මක කිරීම සඳහා මුදල් කොමිෂන් සභාවේ නිර්දේශ මත අයවැය මඟින් 2022, 2023 හා 2024 වර්ෂ වෙනුවෙන් පිළිවෙලින් රු.මි.10,111 ක්, රු.මි.16,900 සහ රු.මි.25,500 ක් අයවැය මඟින් වෙන්කර දී තිබුණද ඊට අදාලව අක්මුදල් නිදහස් කිරීම් පිළිවෙලින් රු.මි.5,055ක්, රු.මි.8,600 ක් සහ රු.17,889 ක් හෙවත් අයවැය ප්‍රතිපාදනයෙන් පිළිවෙලින් සියයට 50 ක්, සියයට 51 ක් සහ සියයට 72 ක් පමණක් විය.

මේ අනුව පළාත් සංවර්ධන වැඩසටහන් සඳහා මුදල් කොමිෂන් සභාවේ නිර්දේශ මත අයවැය ප්‍රතිපාදන ලබාදුන්නද ප්‍රමාණවත් පරිදි භාණ්ඩාගාරය විසින් අක්මුදල් නිදහස් නොකිරීම නිසා සැලසුම්කල පරිදි පළාත් සංවර්ධන වැඩසටහන් ක්‍රියාත්මක කිරීමට නොහැකි වනවා මෙන්ම ප්‍රාදේශීය තුලිත සංවර්ධනය ඇති කිරීමේ අරමුණද ඉටුනොවන බව නිරීක්ෂණය කෙරේ.

4.2 ප්‍රසම්පාදනයන්

ශ්‍රී ලංකාව තුල රාජ්‍ය විද්‍යුත් ප්‍රසම්පාදන පද්ධතිය ක්‍රියාත්මක කිරීම පිළිබඳව නිකුත් කර තිබූ 2024 පෙබරවාරි 06 දිනැති රාජ්‍ය මුදල් චක්‍රලේඛ අංක 08/2019 (ii) මඟින් 2023 අප්‍රේල් 19 දිනැති අංක 08/2019(i) හා 2019 දෙසැම්බර් 17 දිනැති අංක 08/2019 වෙත අවධානය යොමු කරමින්, මිල සැඳහුම් ක්‍රමය (Shopping Method) යටතේ භාණ්ඩ ප්‍රසම්පාදනය සඳහා e – Gp පද්ධතිය සංවර්ධනය කර ඇති බැවින් රාජ්‍ය ප්‍රසම්පාදන අස්ථිත්ව හා සම්බන්ධීකරණ නිලධාරීන් e – Gp පද්ධතියේ ලියාපදිංචිය, සැපයුම්කරුවන් ලියාපදිංචිය, වාර්ෂික ප්‍රසම්පාදන දැන්වීම් ප්‍රසිද්ධ කිරීම හා ප්‍රසම්පාදන ප්‍රදානයන් කිරීම, e – Gp පද්ධතිය හරහා සිදු කළ යුතුබව දක්වා තිබුණද, කොමිෂන් සභාව විසින් 2024 වර්ෂයේදී අවස්ථා 06 කදී එකතුව රු.905,765 ක් වූ භාණ්ඩ ප්‍රසම්පාදනයන් e – Gp පද්ධතිය භාවිත කිරීමෙන් තොරව සිදුකර තිබුණි.

4.3 වත්කම් කළමනාකරණය

පහත සඳහන් නිරීක්ෂණයන් කෙරේ.

(අ) 2024 දෙසැම්බර් 31 දිනට තොග පොත සහ CIGAS පරිගණක පද්ධතියෙහි ස්ථාවර වත්කම් යටතේ වන BOS Report එකිනෙක හා සැසඳීමේදී වත්කම් අයිතම 45 කට අදාලව වත්කම් 399 ක වෙනසක් නිරීක්ෂණය විය.

(ආ) CIGAS මෘදුකාංගයේ සහ තොග පොතෙහි සඳහන් වත්කම් අයිතම නාමකරණ එකිනෙක හා නොගැලපීම හේතුවෙන් CIGAS පද්ධතිය හරහා ලබාගන්නා වාර්තා භාණ්ඩ වට්ටෝරු පොත සමඟ සැසඳීමට නොහැකි විය.

(ඇ) 2023 වර්ෂයේ භාණ්ඩ සමීක්ෂණ මණ්ඩල වාර්තාවේ තාක්ෂණික භාණ්ඩ පිළිබඳ නිර්දේශ 2024 වර්ෂයේ භාණ්ඩ සමීක්ෂණය සිදුකරන අවස්ථාව වන විටත් ක්‍රියාත්මක කර නොතිබුණු අතර එය 2024 භාණ්ඩ සමීක්ෂණ වාර්තාවේ නිර්දේශ යටතේද ඇතුලත් කර තිබුණි.

(ඈ) 2024 වාර්ෂික භාණ්ඩ සමීක්ෂණ මණ්ඩල වාර්තා අනුව භාණ්ඩ අයිතම 03ක අතිරික්තතා සංඛ්‍යාව 07ක් පැවතුණි.

5. මානව සම්පත් කළමනාකරණය

පහත සඳහන් නිරීක්ෂණයන් කරනු ලැබේ.

(අ) 2023 නොවැම්බර් 30 දිනැති අංක 02/2018 (I) දරන රාජ්‍ය පරිපාලන චක්‍රලේඛයේ ඇමුණුම I සිට ඇමුණුම X දක්වා වූ ආකෘතිපත්‍ර පදනම් කරගෙන මානව සම්පත් සංවර්ධන සැලැස්ම සකස්කල යුතු වුවද, මුදල් කොමිෂන් සභාව විසින් 2024 වර්ෂයට අදාලව පිළියෙල කර තිබූ මානව සම්පත් සංවර්ධන සැලැස්ම මෙම චක්‍රලේඛය ප්‍රකාරව සකස්කර නොතිබුණි.

(ආ) කොමිෂන් සභාවේ 2024 දෙසැම්බර් 31 දිනට අනුමත සේවක සංඛ්‍යාව 86 ක් වුවද, තත්‍ය සේවක සංඛ්‍යාව 70 ක් වූයෙන් නිලධාරීන් 16 ක පුරප්පාඩු පැවතුණි. එයින් ජ්‍යෙෂ්ඨ මට්ටමේ පුරප්පාඩු 06 ක් වූ අතර එය අනුමත සංඛ්‍යාවෙන් සියයට 37 ක් විය. මෙසේ පුරප්පාඩු පැවතීම කොමිෂන් සභාවේ කාර්යසාධනය කෙරෙහි අහිතකරව බලපාන්නේ නම් කඩිනමින් පුරප්පාඩු පිරවීම හෝ එසේ නොවන්නේ නම් අනුමත කාර්ය මණ්ඩලය සංශෝධනය කිරීම සිදුකල යුතුබව නිරීක්ෂණය කෙරේ.

ජී.පී.ජී. හෙල්මිණි
ජ්‍යෙෂ්ඨ සහකාර විගණකාධිපති
විගණකාධිපති (වැ.බ.) වෙනුවට

Chapter - 04: Performance Indicators

4.1. Performance Indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100%- 90%	**75%-89%**	**50%- 74%**
Issued Need Assessment Guidelines on Provincial Capital expenditure for 2025	√		
Issued Need Assessment Guidelines on Provincial Recurrent expenditure for 2025	√		
Assessed Provincial Capital expenditure needs for 2025.	√		
Assessed Provincial Recurrent expenditure needs for 2025.	√		
Submitted Recommendation for the year 2025 to the Hon. President.	√		
Issued Guidelines on preparation of the Provincial Annual Development Plan for the year 2025	√		
Issued Guidelines on preparation and implementation of Maintenance Activity Plan for the year 2025	√		
Reviewed Provincial Annual Development Plans - 2024 and Granted concurrence.	√		
Managed the financial matters & Administration of the office.	√		
Submitted Annual Performance Report of the Finance Commission 2023 to Parliament.	√		

Chapter - 05: Performance of the achieving Sustainable Development Goals

5.1. Indicate the Identified Respective Sustainable Developments Goals (SDGs)

Goal / Objective	**Targets**	**Indicators of the achievement**	**Progress of the Achievement to date**		
			0% - 49%	**50%- 74%**	**75%- 100%**
Goal 1: End poverty in all its forms everywhere	**1.4** By 2030, ensure that all men and women, in particular the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance 1.a Ensure significant Mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions 1.b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender- sensitive development strategies, to support accelerated investment in poverty eradication actions	• Finance Commission Recommendations			√
		• Guidelines for Preparation of the Provincial Annual Development Plan (PADP)			√
		• Assessment of Annual Provincial Capital Needs			√
		• Provincial Recurrent Need Assessment			√
		• Guidelines for Preparation and Implementation of Maintenance Activity Plan			√
		• Guidelines for the School Nutritional Food programme			√

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	**8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro -,small-and medium-sized enterprises, including through access to financial services	• Finance Commission Recommendations • Provincial Annual Development Plan (PADP) Guidelines • Guidelines for Preparation and Implementation of Maintenance Activity Plan • Provincial Recurrent Need Assessment			√ √ √ √
Goal 10: Reducing inequality within and among countries	**10.3** Ensure equal opportunities and reduce inequalities outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	• Finance Commission Recommendations • PADP Guidelines • Assessment of Annual Provincial Capital Needs • Provincial Recurrent Need Assessment			√ √ √ √

5.2. Briefly explain the achievements and challenges of the Sustainable Development Goals (SDGs)

Although, the Finance Commission itself does not directly implement development programs to achieve the Sustainable Development Goals, it contributes significantly across a broad spectrum of subjects towards achieving these goals through the fulfillment of its constitutional mandate. Therein, recommending funds for Provinces from the Annual Budget of the Government through the assessment of provincial needs, apportionment of such allocated funds among the Provinces with the objective of achieving the balance regional development as well as issuing Guidelines to prepare Annual Provincial Development Plans, the Finance Commission plays a important role in achieving the Sustainable Development Goals through the Provincial Councils.

Many of the Sustainable Development Goals cover a broad spectrum of social, economic and environmental sectors and most of them entrusted to subjects devolved to the Provincial Councils. Through the issuance of Guidelines for preparing Annual Development Plans as well as the Guideline for Preparing and Implementing Maintenance Plans the Finance Commission directs the Provincial Councils to focus their attention on achieving these goals through their development efforts.

Accordingly, Provincial Councils prepare Annual Development Plans across the following sectors, and during the review of these plans also the Finance Commission emphasizes the importance of achieving Sustainable Development Goals before granting concurrence for respective plans.

* Education
* Western Medicine
* Indigenous Medicine
* Sports
* Probation and Childcare
* Social Services
* Cultural and Religious Affairs
* Co-operative Development
* Early Childhood Development

* Provincial Roads
* Estate Infrastructure
* Transport
* Housing
* Rural Development
* Local Government
    - *Local Authority Road*
    - *Community Water Supply*
    - W*aste Management*
    - *Others Services*

* Land Development
* Irrigation
* Agriculture
* Livestock
* Inland Fisheries
* Small Industries
* Tourism
* Rural Electrification (within the scope of item no.34 of the Provincial Council List)

However, due to limited financial resources, the amount of funds actually allocated to the Provincial Councils by the Government annually is relatively low compared to the amounts recommended by the Finance Commission. This has become a challenge in achieving the aforementioned objectives. As a result, even though, the Provincial Councils have well trained and experienced staff, the lack of sufficient funding has forced them to limit their expected development activities, which in turn impacts the achievement of the Sustainable Development Goals.

Even though, the Finance Commission presents Recommendations to the Government on the apportionment of funds among the Provinces based on a scientific methodology as prescribed in the constitutional provisions, in order to minimize regional disparities and to ensure all citizens receive the benefit of the development, due to a larger amount of fund allocated to the line Ministries through the Annual Budget compared to the allocated funds for Provinces, and also in the absence of following any scientific methodology as above, in utilizing such funds by their institutions, achievement of balance regional development and also the Sustainable Development Goals have become a challenge.

Chapter - 06: Human Resource Profile

6.1. Cadre Management

Category	Approved Cadre	Existing Cadre (as per the date of 31.12.2024)	Vacancies / (Excess)
Senior	16	09	07
Tertiary	05	04	01
Secondary	47	33	14
Primary (including MDTF)*	18	14	04

***MDTF- Multipurpose Development Taskforce**

6.2. Briefly state how the shortage or excess in human resources has been affected to the performance of the institute

The existing staff of the Finance Commission has to work extra hours to accomplish its functional and operational activities. However, the quality of the output may be affected due to high workloads for the available staff. At the same time, meeting deadlines of the action plan is sometimes challengeable due to capacity of the officers is limited.

6.3. Human Resource Development

No	Name of the Program	No. of staff trained	Duration of the program	Total Investment		Nature of the Program (Abroad/Local)	Output / Knowledge Gained
				Local	Foreign		
01.	The series of training programs conducted at the district level through the on-the-ground method to develop the knowledge of the human resource in the public sector - Phase 1	02	05 Days	-	-	**Local**	Enhanced knowledge about the human resource management in the Public Sector
02.	Government Property	01	01 Day	Rs .7000.00	-	**Local**	Enhanced knowledge on managing public properties
03.	Advanced "B" account	01	01 Day	Rs .7000.00	-	**Local**	Enhanced knowledge about Advanced "B" Account how it used
04.	Staff Programme (Beyond office life)	48	01 Day	Rs.4,000.00	-	**Local**	Developed attitudes and skills beyond office task
05.	Hospitality of Government officers	45	01 Day	Rs.4,800.00	-	**Local**	Enhanced knowledge and skills on the Hospitality
06	Staff Programme (Awareness about the new Audit Act)	48	01 Day	Rs.3,600.00	-	**Local**	Enhanced knowledge on the Audit Act
07.	Diploma in English	01	01 Year	Rs. 60,000.00	-	**Local**	Improved English knowledge for performing works well
08.	Advanced Certificate Course in Organizational Work Procedures	01	04 Months	Rs. 36,000.00	-	**Local**	Improved knowledge on organizational work procedures
09.	Secretarial Practices	01	04 Days	Rs. 25,000.00	-	**Local**	Improved knowledge and skills on secretarial works of the office
10.	Government Payroll system	01	03 Days	Rs. 18,000.00	-	**Local**	Improved knowledge and skills on Government Payroll system

No	Name of the Program	No. of staff trained	Duration of the program	Total Investment		Nature of the Program (Abroad/Local)	Output / Knowledge Gained
				Local	Foreign		
11.	Diploma in English	01	01 Year	Rs. 46,000.00	-	**Local**	Improved English knowledge for working
12.	Duties and Responsibilities of Office Employee Assistants	03	02 Days	Rs. 39,000.00	-	**Local**	Improved knowledge about duties and responsibilities of Office Employee Assistants
13.	International Labour standards and promotion of gender Equality at the workshop	01	19 Days	Rs.124,464.37	-	**Foreign**	Knowledge gained about Gender equation and Labour standards
14.	Capacity building programme for the public service professional of Sri Lanka	01	15 Days	Rs.110,623.77	-	**Foreign**	Enhanced capacity for carrier development
15.	Capacity building programme for the public service professional of Sri Lanka	01	15 Days	Rs.110,623.77 and Rs.30,096.25 (warm Clothes Allowance)	-	**Foreign**	Enhanced capacity for carrier development
16.	Seminar on governance capacity and social development for belt and Road countries	01	09 Days	Rs.114,874.88	-	**Foreign**	Enhanced Knowledge and capacity to perform duties effectively and efficiently
17.	First mid career training programme for Island service officers	01	12 Days	Rs.99,459.75	-	**Foreign**	Overall knowledge of administrative structure of India and how ICT is used in service delivery in the Public Sector
18.	24th Global Child Nutrition Forum	01	04 Days	Rs.28,235.17 (warm Clothes Allowance)	-	**Foreign**	Participated as a country representative

Chapter - 07: Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief explanation for Non Compliance	Corrective actions proposed to avoid non-compliance in future
01	**The following Financial statements/accounts have been submitted on due date**			
1.1	Annual Financial Statements	Complied		
1.2	Advance to Public Officers Account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	N/A		
1.4	Stores Advance Accounts	N/A		
1.5	Special Advance Accounts	N/A		
1.6	Others	N/A		
02	**Maintenance of books and registers (FR445)**			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards have been maintained and updated	Complied		
2.3	Register of Audit Queries has been maintained and updated	Complied		
2.4	Register of Internal Audit Reports has been maintained and updated	Complied		

2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and updated	Complied		
2.7	Inventory Register has been maintained and updated	Complied		
2.8	Stocks Register has been maintained and updated	Complied		
2.9	Register of Losses has been maintained and updated	Complied		
2.10	Commitment Register has been maintained and updated	Complied		
2.11	Register of Counterfoil Books (GA – N20) has been maintained and updated	Complied		
03	**Delegation of functions for financial control (FR 135)**			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls have been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
04	**Preparation of Annual Plans**			
4.1	The Annual Action Plan has been prepared	Complied		
4.2	The Annual Procurement Plan has been prepared	Complied		
4.3	The Annual Internal Audit Plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		

4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	**Audit Queries**			
5.1	All the audit queries have been replied within the specified given time by the Auditor General	Complied		
06	**Internal Audit**			
6.1	The Internal Audit Plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134 (2) DMA/1-2019	Complied		
6.2	All the internal audit queries have been replied within one month	Complied		
6.3	Copies of all the Internal Audit Reports have been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of Internal Audit Reports has been submitted to the Auditor General in terms of Financial Regulation134(3)	Complied		
07	**Audit and Management Committee**			
7.1	Minimum 04 meetings of the Audit and Management Committee have been held during the year as per the DMA Circular 1-2019	Complied		
08	**Asset Management**			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		

8.5	The disposal of condemn articles carried out in terms of FR 772	Complied		
09	**Vehicle Management**			
9.1	The daily running charts and monthly summaries of the pool vehicles have been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles have been disposed within a period of less than 6 months after condemning	N/A		
9.3	The vehicle logbooks have been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books have been transferred after the lease term	Complied		
10	**Management of Bank Accounts**			
10.1	The bank reconciliation statements have been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that have existed in the year under review or since previous years settled	N/A		
10.3	The action has been taken in terms of Financial Regulations regarding balances that had been disclosed through Bank Reconciliation Statements and for which adjustments were made, and balances were settled within one month	Complied		
11	**Utilization of Provisions**			
11.1	The provisions allocated have been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		

12	**Advances to Public Officers Account**			
12.1	The limits have been complied with	Complied		
12.2	A time analysis has been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year have been settled	Complied		
13	**General Deposit Account**			
13.1	The action has been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits has been updated and maintained	Complied		
14	**Imprest Account**			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests have not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account has been reconciled with the Treasury books monthly	Complied		
15	**Revenue Account**			
15.1	The refunds from the revenue have been made in terms of the regulations	N/A		
15.2	The revenue collection has been directly credited to the revenue account without credited to the Deposit Account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	N/A		

16	**Human Resource Management**			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	Duty Lists for all members of the staff have been issued in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	**Provision of information to the public**			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right to Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi - annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	**Implementing citizens charter**			
18.1	A Citizens Charter/Citizens Client's Charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018 (1) of Ministry of Public Administration and Management	N/A		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens Client's Charter as per paragraph 2.3 of the circular	N/A		

19	**Preparation of the Human Resource Plan**			
19.1	A Human Resource Plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the afore said Human Resource Plan	Complied		
19.3	Annual Performance Agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	N/A		
19.4	A senior officer was appointed and assigned the responsibility of preparing the Human Resource Development Plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	**Responses Audit Paras**			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

END