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கல்வி அமைச்சு
திறன்கள் அபிவிருத்தி, தொழில்கல்வி, ஆராய்ச்சி மற்றும் புத்தாக்க பிரிவு
Ministry of Education
Skills Development, Vocational Education, Research and Innovation Division

ජාතික ආධුනිකත්ව සහ කාර්මික පුහුණු කිරීම් අධිකාරිය
தேசிய பயிலுநர் மற்றும் கைத்தொழில் பயிற்சி அதிகாரசபை
National Apprentice & Industrial Training Authority

2023
වාර්ෂික වාර්තාව
வருடாந்த அறிக்கை
ANNUAL REPORT

971. ශ්‍රී ජයවර්ධනපුර මාවත, වැලිකඩ, රාජගිරිය.
971, ஸ்ரீ ஜயவர்த்தனபுர மாவத்தை,வெலிக்கடை, இராஜகிரிய.
971, Sri Jayawardanapura Mawatha, Welikada, Rajagiriya

National Apprentice and Industrial Training Authority

Annual Report
2023

Content

Chairman's Message ....

The National Apprentice and Industrial Training Authority which has had a journey of 52 years by the year 2023, widened its scope of education under the Tertiary and Vocational Education Act No. 20 of 1990 and successfully conducted the special programme of enrolling 3000 apprentices for the NVQ-3 short term courses during this year covering all district offices spread all over the island at the beginning of 2023.

A number of programmes were held during the year to make the Grama Niladharis aware about the apprenticeship training, with the aim of popularising the name of NAITA all over Sri Lanka. Also, certificate awarding was held at the district levels during the year to appreciate the youths who have successfully completed the NVQ courses in all districts.

Further, as the first step under the concept of appreciating the business community which provides training to our apprentices, an evening of appreciation was held at the Suisse Hotel Kandy premises for all government and private institutions dedicated to the development of skills with NAITA in the Kandy District. NVQ certificates were awarded to 575 who passes the final trade test in the fields of Agriculture, Fisheries and Industries under the RPL method in the Northern Province this year.

Under the special activities in 2023, the official handing over of the practical training centre for vocational chefs' course established by the S4IG programme implemented under Australian Aid to the Anuradhapura District Office on behalf of the National Apprentice and Industrial Training Authority was a significant event this year.

The commencement of the initial stage of the significant programmes such as the initial stage of the joint vocational guidance programme conducted by the National Apprentice and Industrial Training Authority in collaboration with the Sri Lanka Army to enhance the vocational education in the country, inaugurating the Diploma in Software Engineering course with the leadership of the Minister of Education, Hon. Dr. Susil Premajayantha, awarding certificates to the apprentices who have successfully completed the "Basik Skills for Hospitality Sector through Work Based Learning" course jointly inaugurated by Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL), International Labour Organization (ILO) and the National Apprentice and Industrial Training Authority (NAITA) with the aim of enhancing the skills of the youths who expect to go abroad and have returned from abroad and commencing the basic steps to enhance the quality of the Welders Course conducted jointly by our institution and Colombo Dockyard Ltd. with the aim of maintaining the quality of the course to match with the international labour market.

Further, various commemoratory programmes such as alms offering ceremonies and concerts, etc. have been successfully conducted at the end of this year at all district offices to commemorate the 52nd anniversary occurred this year. And I would like to take this opportunity to thank my friendly staff which was eternally dedicated to reach the goals of the institution, persistent in the face of obstacles and challenges and the government and private sector institutions provided training opportunities to our apprentices.

W. Ruchika Amarasekara
Chairman

VISION

To become the most efficient training providing organization effectively contributing to achieve prosperity in Sri Lanka through Human Resource Development

MISSION

Providing Vocational and Technical Training for the youth, to acquire employable skills through well formulated skills training programs with the highest professional standards to meet the skilled manpower requirements in the industry

Objectives of the Authority

According to the para 37 (1) of the act of establishment, the objectives of the Authority are as follows.

(a) Planning, organizing and providing vocational training.

(b) Determining the training standards related to vocational training.

(c) Conducting examinations related to vocational training and issuing certificates and other awards.

(d) Conducting the National Trades Test.

(e) Research and Development activities on vocational training.

(f) Conducting competitions to promote enhancement of various talents.

(g) Development of training capabilities of the Vocational training institutes and other institutions.

(h) Providing advice to the Vocational Training Commission regarding vocational training.

(i) Taking action for the recognition of Certificates, Diplomas and Degrees related to the institutions with similar objectives in Sri Lanka and abroad and accreditation.

Main Activities / Programmes of NAITA

(a) Providing enterprise-based apprenticeship training connecting with the public and private sector organizations and providing dual apprenticeship training by 03 National Institutes and Apprenticeship Training Centers established island wide.

(b) Providing On-the-Job Training for other vocational trainees by assigning them to various Institutions.

(c) Providing in-plant training to engineering undergraduates in the Universities of Moratuwa, Peradeniya, and Ruhuna and to the students of various diploma courses.

(d) Issuing National Vocational Qualification (NVQ) Certificates in accordance with the Recognition of Prior Learning (RPL) for the craftsmen who have skills acquired informally, issuing certificates in relation with the trades and conducting National Trade Tests.

(e) Providing training for the trainers in Vocational Training Institutes.

(f) Conducting Career Guidance Programmes for school students, school leavers and other targeted groups.

Introduction

Legal Structure

The institution inaugurated as the National Apprentice Board under the National Apprenticeship Act No. 49 of 1971, was established as the National Apprentice and Industrial Training Authority under the Tertiary and Vocational Education Act No. 20 of 1990.

According to section 14 of the Finance Act No. 38 of 1971, the authority has to prepare the annual report.

This report contains 03 parts and it has been prepared including the details of the progress of the training Programmes, the development activities related to the training, the summary report of annual accounts related to the year and the information included in the Auditor General's report

In order to prepare the 2023 annual report, the information provided by the managers of the 25 district offices operating throughout the island and the heads of institutions of the national institutions as well as the heads of the respective departments of the Head Office was based on the information. The information was analysed and this report was prepared and presented in brief.

Operational Process

The Authority activates its operational process According to the powers vested in the Authority by the Tertiary and Vocational Education Act No. 20 of 1990 and in order to fulfil the objectives set according to the Section 37 (1) of the said Act.

The industry related training is provided under the training concepts, with the contributions from 03 National Institutions, 25 District Offices, training related institutions and other public and private sector institutions.

The training operations are activated directly under a number of divisions including enrolment for training, supervision, monitoring and certification. Additionally, management and administration, staff training, development of infrastructure facilities, financial and auditing are also included.

Board of Management

1. Mr. Ruchika Amarasekara
   Chairman
   National Apprentice and Industrial Training Authority,
   971, Sri Jayawardenepura Mawatha,
   Welikada, Rajagiriya.

2. Mr. S.H. Harischandra
   Vice Chairman
   National Apprentice and Industrial Training Authority,
   971, Sri Jayawardenepura Mawatha,
   Welikada, Rajagiriya.

3. Dr. K.A. Lalithadheera
   Tertiary and Vocational Education Commission
   No. 354/2, Elvitigala Mawatha,
   Colombo 05.

4. Mr. Nevil Abeyratne
   President's Counsel,
   No. 137, Nagahawatta Road,
   Dalugama,
   Kelaniya.

5. Mr. D.R. Somawardhana
   Lecturer Grade I – ICBT Campus
   No. 345/12, 3rd Cross Street,
   Kotte Road.

6. Dr. Kanchana Silva
   Attorney-at-Law
   "Janahiru"
   No. 129/8 B,
   Anagarika Dhamapala Mawatha,
   Kandy.

7. A. Sidath Rohana Waidyasekara
   Director (Projects)
   No. 788/1/A, 3rd Lane,
   Muwanhelawatta,
   Malabe.

8. Mr. KG. Wimalasena
   Retired Principal – Dharmapala College Pannipitiya
   No. 262/1A, Temple Road
   Thalapathpitiya, Nugegoda.

9. Mr. Parakrama J.K.S.W. Wickramasinghe
   President's Ombudsman
   No. 32, Galmaduwawatta,
   Kundasale.

10. Mr. I.S.N. Perera
    Assistant General Manager
    (Accounting & Taxation)
    Bank of Ceylon
    Head Office, Colombo 01

11. Mr. Nipun Samarathunga
    Attorney-at-Law
    9/49, Saman Mawatha,
    Galawila Watta, Homagama.

12. Mr. Sampath Thrimawithana
    Director (Head Human Resources – Sri Lanka) Virtusa Private Limited
    752, Dr. Danister De Silva Mawatha,
    Colombo 09.

13. Mrs. M.K.S. Jayasena
    Additional Director general
    Management Services Department
    Ministry of Finance

14. Dr. M.U.I Alahakoon
    Director (Development & Innvations)
    Ministry of Education

Officers of the Director Board

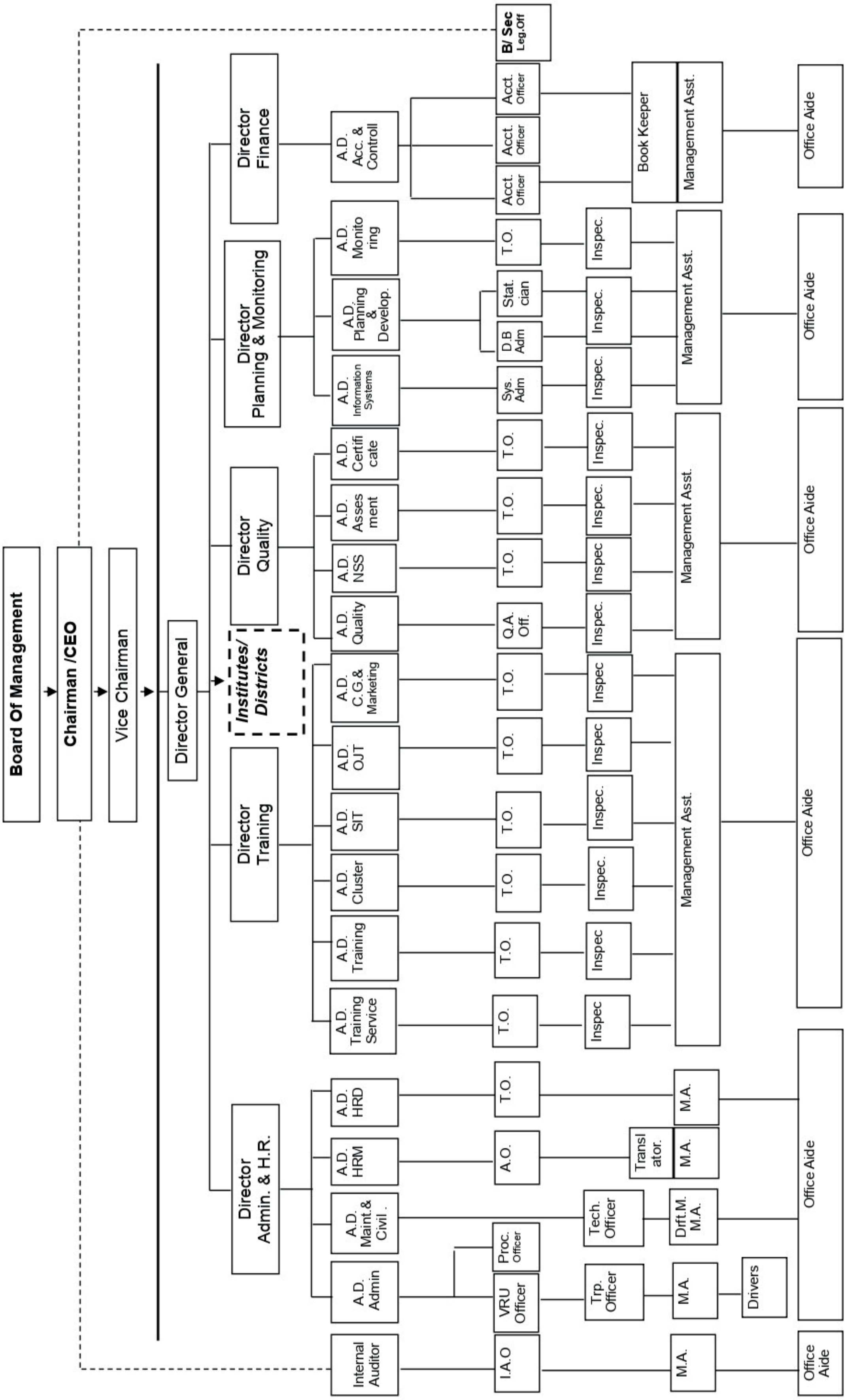
Mr. Ruchika Amarasekara	Chairman
Mr. S.H. Harischandra	Vice Chairman
Dr. W.M.S. Wijesinghe	Director General
Mr. P.R. Rodrigo	Director (Planning & Monitoring)
Mr. Sumedha Jayasinghe	Director (Administration & Human Resources)
Mr. W.M.A.K. Weerasekara	Director (Finance)
Mr. G.H.V.N.W. De Silva	Director (Training) Actg./ Deputy Director (Training)
Mr. C.P. Subasinghe	Director (Quality) Actg./Deputy Director (Planning)/ Information Officer (Right to Information Act.)
Mrs. N.W.N. Sandamali	Internal Audit (No-Pay Leave from 02.01.2023 to 01.01.2024)
Mr. S.V.P. Wickramasinghe	Asst. Director (Assessment)
Mr. W.A.K.S. Kumara	Asst. Director (On the Job Training)
Mr. A.J. Pathirana	Asst. Director (Information Technology)
Mr. M.L.P. Fernando	Asst. Director (Career Guidance & Marketing)
Mr. G.P. Sunil	Asst. Director (NSS) (Retired on 27.12.2023)
Mr. R.W.M.A.J. Ratnayake	Asst. Director (Clusters)
Mrs. U.M. Praboshini	Asst. Director (Accounts & Administration)
Mr. N.D.P. Usgodaarachchi	Asst. Director (Administration & Supplies)
Mr. A.H.S.P. Wijeratne	Asst. Director (Monitoring)
Mr. K.A.S.S. Jayasinghe	Asst. Director (Special On the Job Training)
Mrs. H.M.B.A.K Wijeratne	Asst. Director (Certificates)
Mr. S.K. Wickramaarachchi	Asst. Director (Human Resources Development) Covering/Training Officer – Grade III
Mr. D.R. Saputhanthri	Director/Principal – IET
Mrs. H.A.N.D. Kumari	Director/Principal/Asst. Director (Maintenance & Civil) Covering (Up to 31.08.2023)/Head of the Division (Higher Education) Up to 31.08.2023
Mr. M.H.N.P. Dharmasiri	Director/Principal (Covering) – IETI/Deputy Principal
Mr. D.L.A.K. Dissanayake	Director/Principal (Covering) – AETI/ Training Officer - Grade II

District Managers

Mr. S.D. Abeywickrama	Hambantota
Mr. Y.S. Jayathissa (Actg.)	Colombo
Mr. M.R.D.A.S. Gunarathne	Colombo (Up to 31.05.2023) Kalutara (From 01.06.2023)
Mr. T.G.S. Jayalath	Kalutara (Transferred to the Head Office from 01.06.2023)
Mr. U.M.K. Nanayakkara	Matara (Retired from 01.03.2023)
Mr. W.A.K. Chandrakumara (Covering)	Matara
Mr. P.K.P. Gunawardhana	Badulla
Mr. P. Narangoda	Galle
Mr. B.M.J.S.K. Ranaraja	Kegalle
Mr. S.A.S.M. Saleem Mawulana	Batticaloa
Mr. S.P.C.J. Maithreedasa	Monaragala
Mr. R.M.N.S.K. Rathnayake	Puttalam
Mr. R. Thirumuruban (From 01.08.2022)	Jaffna
Ms. K.K. Nishshanka	Kurunegala
Mr. O.K.G.A. Saman Kumara	Kandy
Ms. I.M.U.S.K. Illangakoon	Matale
Mr. S.S. Senevirathne	Anuradhapura
Mr. P.R. Kumarasinghe	Gampaha
Mr. S. Subash	Kilinochchi
Mr. Y.S. Piyathilaka	Ratnapura
Mr. K. Pathmanadan	Trincomalee
Mr. D.A.D. Suriyabandara (Covering)	Nuwara Eliya
Mr. M.C.M. Abeysundara	Ampara
Mr. Y. Yokeswaran (Covering)	Vavunia
Mr. S. Theepan (Covering)	Mannar

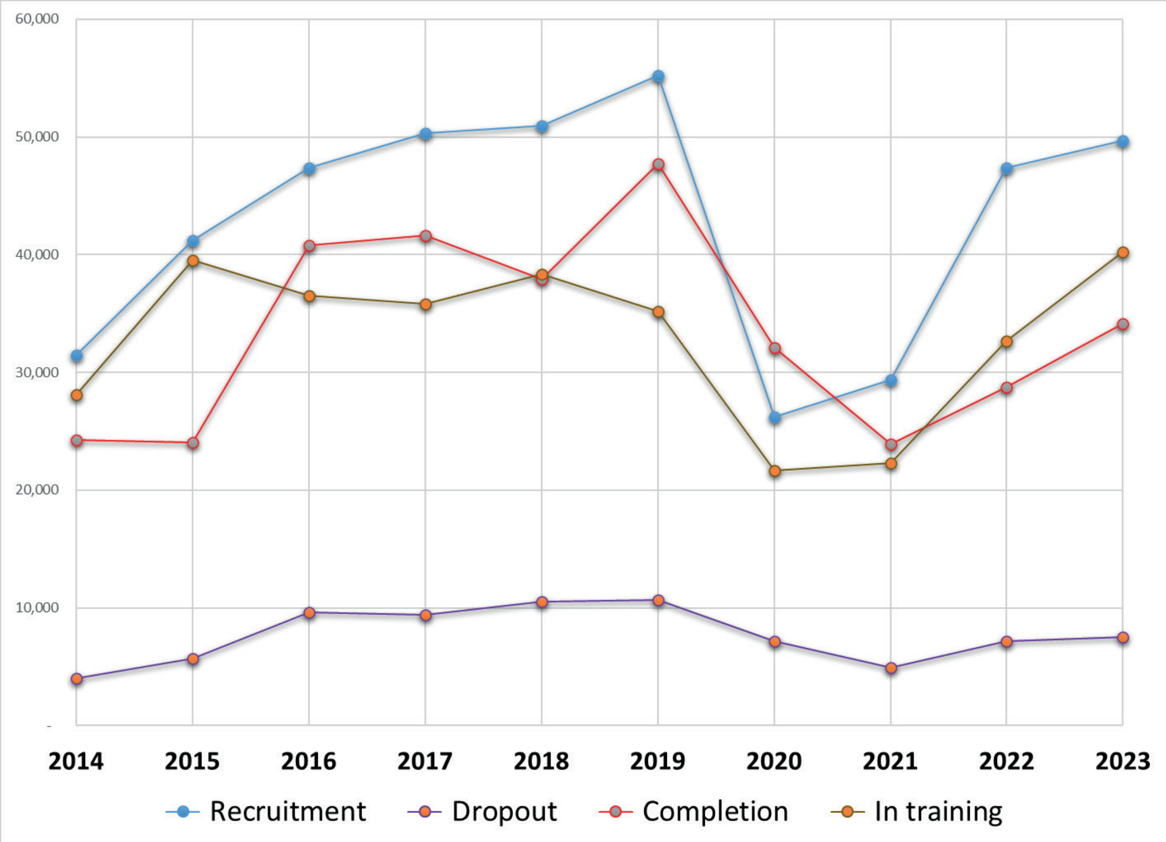
National Apprentice & Industrial Training Authority

Organizational Structure



Data Representation and Analysis

Graph 1: Summary of Training Activities (During 10 years)



The graph above presents a summary analysis of enrolments, training dropouts, training completion and the numbers in training of the organization over the past 10 years. Considering the enrolments, a continuous growth is shown in the previous years but with the Corona pandemic, it shows a rapid decline in the years 2020 and 2021. However, this year it was possible to achieve a rapid increase in enrolments again. Apprentices leaving training are at a normal level compared to previous years. Apprentices completing training and remaining in training show an increase compared to the previous year.

Table 1: Progress of Enrolment of Apprentices for Centre-based, Enterprise-based Apprenticeship Training and National Institutes

Type of Training		Targets	Enrolments	Percentage of Training
Enterprise-based Apprenticeship Training				
National Vocational Qualification		15,000	19,680	**131.2%**
Craft Level		3,500	1,170	**33.4%**
Situational Level		550	774	**140.7%**
Village Level		220	477	**216.8%**
Special Training (ASTA, Prison, Disabled)		860	65	**7.6%**
13 Years of Continuous Education Programme		800	1,542	**192.8%**
Centre-based Apprenticeship Training				
Fulltime	NVQ	3,290	2,345	**71.3%**
	Non-NVQ	590	248	**42.0%**
Part Time		2,650	786	**29.7%**
National Institutes				
Fulltime		1,500	1,251	**83.4%**
Part Time		1,850	1,760	**95.1%**
Other				
Special Industrial Training		10,000	13,880	**138.8%**
On-the-Job training		15,000	7,248	**48.3%**
Total		**55,810**	**51,226**	**91.8%**

This table depicts the progress made by the institution in achieving the targets in the enrolment of students in the year under review for various training courses.

This year it was possible to meet an enrolment target of 91% enrolling a total number of 51,226 apprentices. Overall, it shows that over 50% of the expected target has been achieved for most training courses. The expected enrolment targets were exceeded in the National Vocational Qualification courses for the Enterprise-based Apprenticeship Training.

Table 2: Comparison of the Progress of the Training Activities with the Previous Year

2023		Enrolments		Training Dropouts		Training Completion		In Training	
		2022	2023	2022	2023	2022	2023	2022	2023
Enterprise-based Apprenticeship Training									
National Vocational Qualification		13,931	19,680	3,798	4,983	5,301	11,721	12,974	15,950
Craft Level		2,736	1,170	837	599	1,686	1,804	3,543	2,310
Situational Level		1,093	774	217	171	913	778	698	523
Village Level		510	477	138	83	408	346	216	264
Special Training (Prison, Disabled)		167	65	47	8	459	112	70	15
Centre-based Apprenticeship Training									
Full Time	NVQ	2,678	2,345	427	329	2,057	2,202	2,557	2,371
	Non - NVQ	245	248	79	43	188	272	208	141
Part Time			786	3	-	319	786	111	111
National Institutes									
Full Time		1,269	1,251	315	418	1,100	730	2,779	2,882
Part Time		983	1,760	1	238	809	1,487	167	202
Total		**24,003**	**28,556**	**5,862**	**6,872**	**13,240**	**20,238**	**23,323**	**24,769**
Other									
Special Industrial Training		13,561	13,880	-	-	8,812	9,182	7,312	12,010
On the Job Training		9,797	7,248	1,286	678	6,687	4,696	1,603	3,477
Total		**47,361**	**49,684**	**7,148**	**7,550**	**28,739**	**34,116**	**32,238**	**40,256**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

The above table depicts the comparison of progress of training work in different training methods. A total of 49,684 apprentices were enrolled showing a growth of 5% compared to the previous year. The training dropouts show a slight increase compared to the previous year. In the successful completion of training shows an increase of almost 19% compared to the previous year. 32,238 were engaged in training by the year 2022, and 40,256 apprentices are undergoing apprenticeship training related to the training courses in our institution by the end of 2023. As a whole, the year 2023 can be considered as a year which provided a successful apprenticeship training achieving the relevant goals, in comparison with the year 2022.

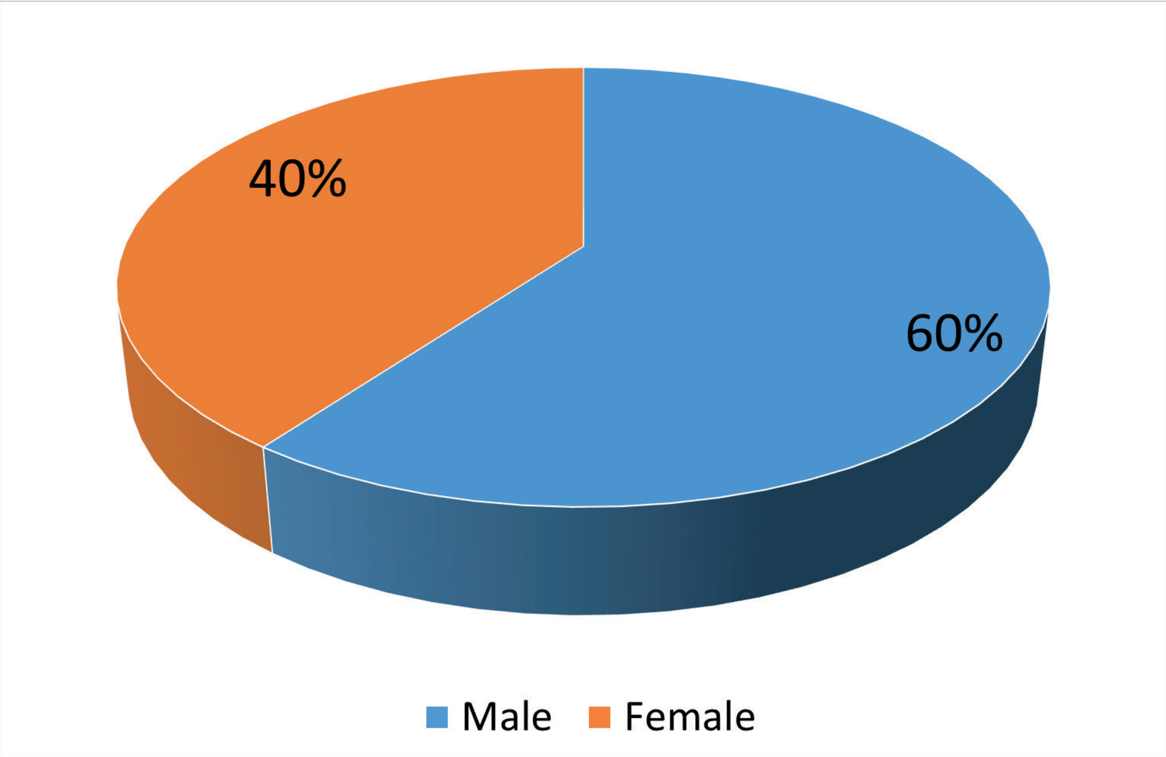
Table 03 – Summary of Training Activities (Various Training Categories) 2023

2023	Enrolments			Training Dropouts			Training Completion			In Training		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Enterprise-based Apprenticeship Training												
National Vocational Qualification (NVQ)	10,866	8,814	19,680	2,902	2,081	4,983	5,757	5,964	11,721	9,646	6,304	15,950
Craft Level	584	586	1,170	303	296	599	671	1,133	1,804	1,566	744	2,310
Situational Level	319	455	774	88	83	171	374	404	778	239	284	523
Village Level	6	471	477	2	81	83	24	322	346	-	264	264
Special Training (Prison, Disabled)	44	21	65	7	1	8	84	28	112	14	1	15
Total	**11,819**	**10,347**	**22,166**	**3,302**	**2,542**	**5,844**	**6,910**	**7,851**	**14,761**	**11,465**	**7,597**	**19,062**
Centre-based Apprenticeship Training												
National Vocational Qualification (NVQ)	793	1,552	2,345	168	161	329	620	1582	2,202	820	1,551	2,371
Non-National Vocational Qualification (Non-NVQ)	4	244	248	5	38	43	3	269	272	8	133	141
Part Time	202	584	786	-	-	-	204	582	786	28	83	111
Total	**999**	**2,380**	**3,379**	**173**	**199**	**372**	**827**	**2,433**	**3,260**	**856**	**1,767**	**2,623**
National Institutes												
Fulltime	1,093	158	1,251	360	58	418	594	136	730	2,442	440	2,882
Part Time	1,608	152	1,760	191	47	238	1,420	67	1,487	154	48	202
Total	**2,701**	**310**	**3,011**	**551**	**105**	**656**	**2,014**	**203**	**2,217**	**2,596**	**488**	**3,084**
Other												
Special Industrial Training	9,652	4,228	13,880	-	-	-	5,658	3,524	9,182	8,314	3,696	12,010
On-the-Job Training	4,691	2,557	7,248	361	317	678	2,581	2,115	4,696	2,245	1,232	3,477
Total	14,343	6,785	21,128	361	317	678	8,239	5,639	13,878	10,559	4,928	15,487
Full Total	**29,862**	**19,822**	**49,684**	**4,387**	**3,163**	**7,550**	**17,990**	**16,126**	**34,116**	**25,476**	**14,780**	**40,256**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

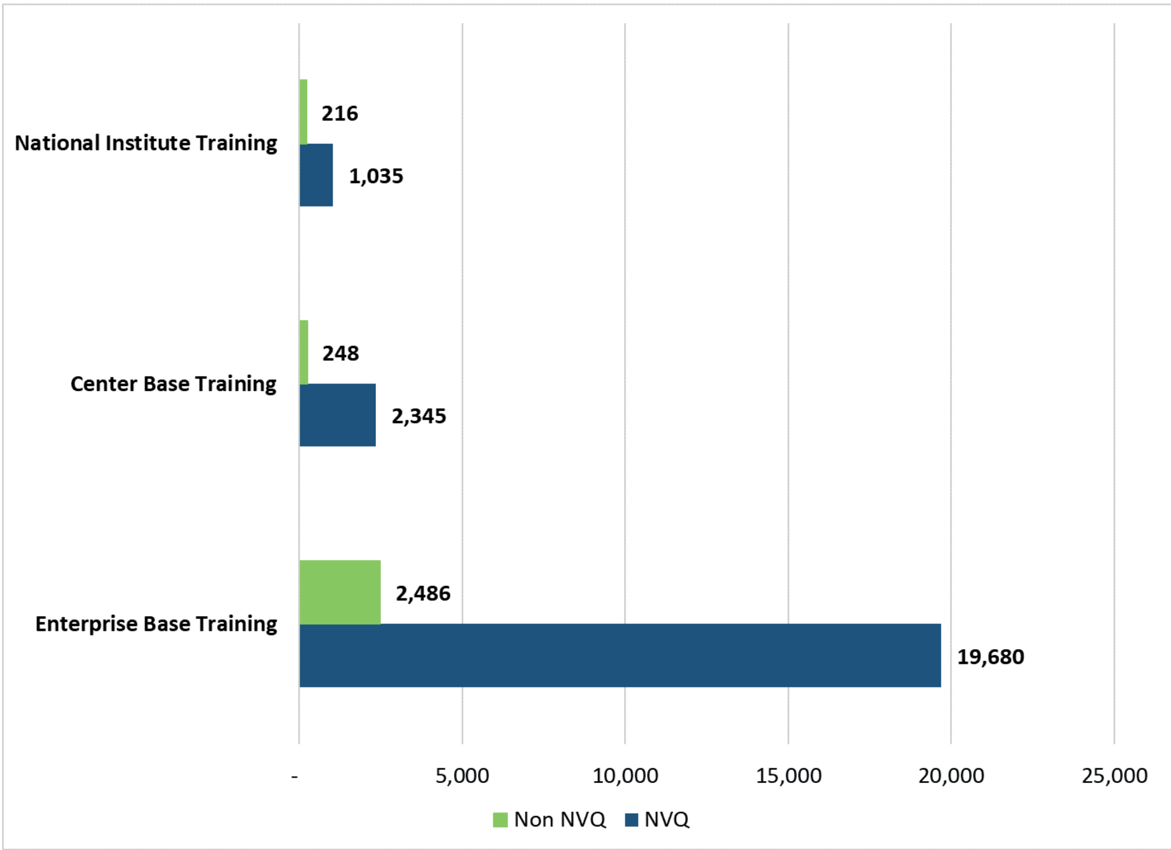
The table shows the distribution of apprentices enrolled, training dropouts, completion of training and in training according to gender under different training methods during the year under review. A total of 49,684 apprentices have been enrolled this year out of which, 29,862 are male apprentices and 19,822 are female apprentices. There is no significant difference in the enrolment of female and male apprentices under industrial training, but the participation of male apprentices has decreased significantly under the Centre-Based apprentice training system. 3,011 apprentices have been enrolled this year for National Institutes. A total of 7,550 apprentices have dropped out and 34,116 have successfully completed the training. It was a main goal to enrol female apprentices for Enterprise-based Apprenticeship Training. It was possible to achieve that to a certain extent, during this year.

Graph 02 – Enrolments Based On Gender



This Graph depicts the enrolment based on gender during the year under review. Out of the total number of apprentices, 60% are males while 40% are females.

Graph 03 – National Apprenticeship Training NVQ & Non NVQ (Excluding Part-Time Apprenticeship Training)



The graph depicts the enrolment of apprentices under National Vocational Qualification and Non- National Vocational Qualification in the year 2023. Overall, the graph shows that apprentices have a greater tendency to adhere to training methods under the National Vocational Qualification. 19,680 apprentices have joined our institution to train under the National Vocational Qualification through the Enterprise-based training system. It is 85% as a percentage.

It shows that the demand for the National Vocational Qualification (NVQ) is increasing.

Table 4: Progress of the National Institutes (Full Time Courses)

District	Targets	Enrolments			Training Dropouts			Completion of Training			In Training		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Automobile Engineering Training Institute - Orugodawatta	300	578	16	594	240	7	247	70	8	78	950	20	970
Industrial Engineering Training Institute- Katubedda	700	382	59	441	78	31	109	231	53	284	678	58	736
Institute of Engineering Technology - Katunayake	500	133	83	216	42	20	62	293	75	368	814	362	1176
Total	**1,500**	**1,093**	**158**	**1,251**	**360**	**58**	**418**	**594**	**136**	**730**	**2,442**	**440**	**2,882**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

The table shows the number of apprentices enrolled, dropped out, successfully completed training and continuing in training under the three national institutions during the year under review. This year, the Industrial Engineering Training Institute has enrolled the highest number of apprentices, which is 47% of the total number of 1251 apprentices enrolled for National Institutes. New courses were started at the National Institutes this year and a modernisation of the curricular were also done.

Table 5: Summary of Enterprise-Based and Centre-Based Apprenticeship Training (Excluding Part-time Apprenticeship Training)

District	Targets	Enrolments			Dropouts			Training Completion			In Training as at 31.12.2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Colombo	2,945	1,469	640	2,109	266	169	435	563	535	1,098	2,250	781	3,031
Gampaha	1,420	1,066	443	1,509	342	146	488	372	269	641	1,094	385	1,479
Kalutara	980	537	293	830	273	96	369	323	254	577	408	187	595
Kandy	1,090	722	566	1,288	220	170	390	386	482	868	695	372	1,067
Matale	530	315	340	655	140	122	262	146	215	361	240	244	484
Nuwara Eliya	520	206	420	626	70	79	149	127	374	501	152	230	382
Galle	1,535	825	943	1,768	222	254	476	399	664	1,063	919	737	1,656
Matara	1,360	759	852	1,611	174	178	352	321	606	927	742	719	1,461
Hambantota	920	445	572	1,017	65	92	157	360	558	918	304	398	702
Jaffna	950	315	538	853	69	124	193	280	429	709	316	449	765
Mannar	555	87	296	383	1	-	1	209	144	353	140	380	520
Vavuniya	620	275	329	604	84	60	144	215	304	519	153	199	352
Mullaitivu	460	146	376	522	2	54	56	158	389	547	131	249	380
Kilinochchi	685	217	389	606	46	42	88	217	313	530	171	246	417
Batticaloa	1,320	492	549	1,041	95	69	164	591	418	1,009	552	464	1,016
Ampara	1,060	736	487	1,223	118	46	164	606	376	982	696	359	1,055
Trincomalee	1,220	515	544	1,059	76	75	151	496	728	1,224	546	511	1,057
Kurunegala	1,040	559	521	1,080	285	193	478	249	414	663	496	375	871
Puttalam	780	427	591	1,018	148	187	335	202	347	549	405	346	751
Anuradhapura	620	657	460	1,117	196	94	290	294	314	608	471	339	810
Polonnaruwa	650	267	144	411	49	31	80	154	112	266	166	105	271
Badulla	655	335	532	867	117	134	251	168	319	487	227	372	599
Monaragala	470	258	243	501	56	74	130	207	241	448	150	115	265
Ratnapura	930	550	699	1,249	180	166	346	280	613	893	578	433	1,011
Kegalle	695	436	376	812	181	86	267	210	284	494	291	286	577
Total	**24,010**	**12,616**	**12,143**	**24,759**	**3,475**	**2,741**	**6,216**	**7,533**	**9,702**	**17,235**	**12,293**	**9,281**	**21,574**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

This shows the summary of Enterprise-Based and Centre-Based Apprenticeship Training at District Level. The total number of apprentices enrolled from the 25 districts is 24,759 which is 103% as a percentage, exceeding the expected target enrolment. The largest number of apprentices have been enrolled from the Colombo District. The total number of apprentices who have completed training is 17,235.

Table 6: Centre-Based Full-Time Apprenticeship Training at the District Level (Excluding National Institutes)

District	Enrolments			Training Dropouts			Completion of Training			In Training		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Colombo	91	75	166	-	-	-	27	62	89	114	115	229
Gampaha	4	13	17	-	-	-	11	27	38	4	13	17
Kalutara	50	67	117	15	9	24	43	44	87	53	67	120
Kandy	128	33	161	29	7	36	116	66	182	138	32	170
Matale	22	70	92	-	7	7	12	60	72	22	66	88
Nuwara Eliya	17	100	117	2	17	19	16	124	140	17	100	117
Galle	34	123	157	5	10	15	26	119	145	39	118	157
Matara	1	56	57	-	4	4	6	82	88	1	68	69
Hambantota	34	86	120	9	27	36	25	113	138	30	54	84
Jaffna	16	28	44	1	2	3	15	59	74	14	27	41
Mannar	-	-	-	-	-	-	-	39	39	-	-	-
Vavuniya	7	25	32	2	-	2	22	43	65	6	25	31
Mullaitivu			-			-			-			-
Kilinochchi	73	88	161	20	4	24	44	95	139	73	88	161
Batticaloa	20	54	74	-	1	1	25	23	48	20	53	73
Ampara	8	153	161	-	-	-	-	105	105	8	62	70
Trincomalee	17	43	60	11	3	14	29	46	75	16	43	59
Kurunegala	132	158	290	54	29	83	96	120	216	121	143	264
Puttalam	30	103	133	3	23	26	21	88	109	30	102	132
Anuradhapura	41	115	156	7	16	23	14	103	117	54	112	166
Polonnaruwa	7	34	41	-	1	1	9	38	47	7	33	40
Badulla	33	83	116	13	17	30	12	67	79	29	79	108
Monaragala	1	33	34	-	4	4	21	65	86	1	32	33
Ratnapura	17	126	143	2	5	7	17	144	161	17	126	143
Kegalle	14	130	144	-	13	13	16	119	135	14	126	140
Total	**797**	**1,796**	**2,593**	**173**	**199**	**372**	**623**	**1,851**	**2,474**	**828**	**1,684**	**2,512**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

The above table depicts the summary of Apprentice enrolment for the Full Time courses in Centre-Based Dual Training during the year under review. Kurunegala District is leading by enrolling the highest number of apprentices in terms of Centre-Based Training at the district level. At the district level, 2,474 apprentices have successfully completed the training.

Table 7: Enterprise-Based Full-Time Apprenticeship Training at the District Level (Excluding National Institutes)

District	Enrolments			Training Dropouts			Completion of Training			In Training		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Colombo	1,378	565	1,943	266	169	435	536	473	1,009	2,136	666	2,802
Gampaha	1,062	430	1,492	342	146	488	361	242	603	1,090	372	1,462
Kalutara	487	226	713	258	87	345	280	210	490	355	120	475
Kandy	594	533	1,127	191	163	354	270	416	686	557	340	897
Matale	293	270	563	140	115	255	134	155	289	218	178	396
Nuwara Eliya	189	320	509	68	62	130	111	250	361	135	130	265
Galle	791	820	1,611	217	244	461	373	545	918	880	619	1,499
Matara	758	796	1,554	174	174	348	315	524	839	741	651	1,392
Hambantota	411	486	897	56	65	121	335	445	780	274	344	618
Jaffna	299	510	809	68	122	190	265	370	635	302	422	724
Mannar	87	296	383	1	-	1	209	105	314	140	380	520
Vavuniya	268	304	572	82	60	142	193	261	454	147	174	321
Mullaitivu	146	376	522	2	54	56	158	389	547	131	249	380
Kilinochchi	144	301	445	26	38	64	173	218	391	98	158	256
Batticaloa	472	495	967	95	68	163	566	395	961	532	411	943
Ampara	728	334	1,062	118	46	164	606	271	877	688	297	985
Trincomalee	498	501	999	65	72	137	467	682	1,149	530	468	998
Kurunegala	427	363	790	231	164	395	153	294	447	375	232	607
Puttalam	397	488	885	145	164	309	181	259	440	375	244	619
Anuradhapura	616	345	961	189	78	267	280	211	491	417	227	644
Polonnaruwa	260	110	370	49	30	79	145	74	219	159	72	231
Badulla	302	449	751	104	117	221	156	252	408	198	293	491
Monaragala	257	210	467	56	70	126	186	176	362	149	83	232
Ratnapura	533	573	1,106	178	161	339	263	469	732	561	307	868
Kegalle	422	246	668	181	73	254	194	165	359	277	160	437
Total	**11,819**	**10,347**	**22,166**	**3,302**	**2,542**	**5,844**	**6,910**	**7,851**	**14,761**	**11,465**	**7,597**	**19,062**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

The table depicts the data analysis of Enterprise-Based Full-Time courses at the district level. Colombo District has recruited the highest number of apprentices at the district level. 22,166 apprentices have been enrolled at the district level. The number of apprentices who have successfully completed the training is 14,761. The Enterprise-Based Training shows a significant development during this year.

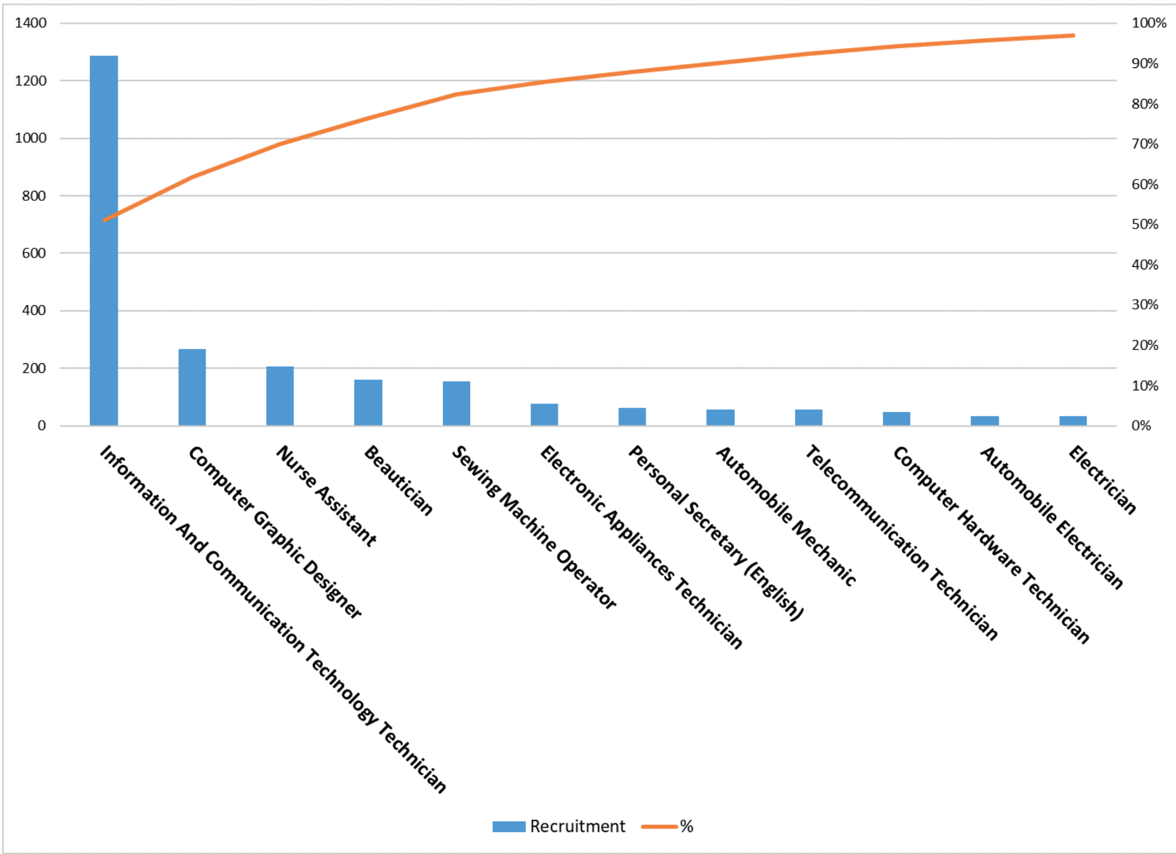
Table 8: Part Time Training Courses

District	Enrolments			Training Dropouts			Completion of Training			In Training		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Gampaha	6	18	24	-	-	-	6	18	24	-	-	-
Kalutara	7	38	45	-	-	-	25	74	99	-	-	-
Kandy	28	37	65	-	-	-	13	30	43	15	7	22
Matara	3	21	24	-	-	-	2	15	17	3	21	24
Vavuniya	6	17	23	-	-	-	11	32	43	-	-	-
Kurunegala	27	77	104	-	-	-	26	65	91	1	12	13
Anuradhapura	7	51	58	-	-	-	7	51	58	-	-	-
Puttalam	42	88	130	-	-	-	42	88	130	-	-	-
Badulla	11	59	70	-	-	-	16	74	90	-	-	-
Ratnapura	48	136	184	-	-	-	39	93	132	9	43	52
Kegalle	17	42	59	-	-	-	17	42	59	-	-	-
Total	**202**	**584**	**786**	**-**	**-**	**-**	**204**	**582**	**786**	**28**	**83**	**111**
Industrial Engineering Training Institute- Katubedda	632	103	735	36	16	52	525	60	585	71	27	98
Automobile Engineering Training Institute - Orugodawatta	972	2	974	150	-	150	895	2	897	82	-	82
Institute of Engineering Technology - Katunayake	4	47	51	5	31	36	-	5	5	1	21	22
Total	1,608	152	1,760	191	47	238	1,420	67	1,487	154	48	202
Full Total	**1,810**	**736**	**2,546**	**191**	**47**	**238**	**1,624**	**649**	**2,273**	**182**	**131**	**313**

*** The Completion of Training and Dropouts include the number of apprentices enrolled during the previous years.

The above table shows the summary of training of Apprentices enrolled for the Part-Time courses available at the district level and National Institutes. Part-time courses were conducted in 11 districts and 786 apprentices have been enrolled at the district level this year. The number enrolled by the three National Institutes is 1,760. The number of apprentices who completed the training at the district level is 786 and 1,487 through the National Institutions. Since increasing the income of the institution was a major requirement this year, a number of Part-Time courses were commenced at the district and national level.

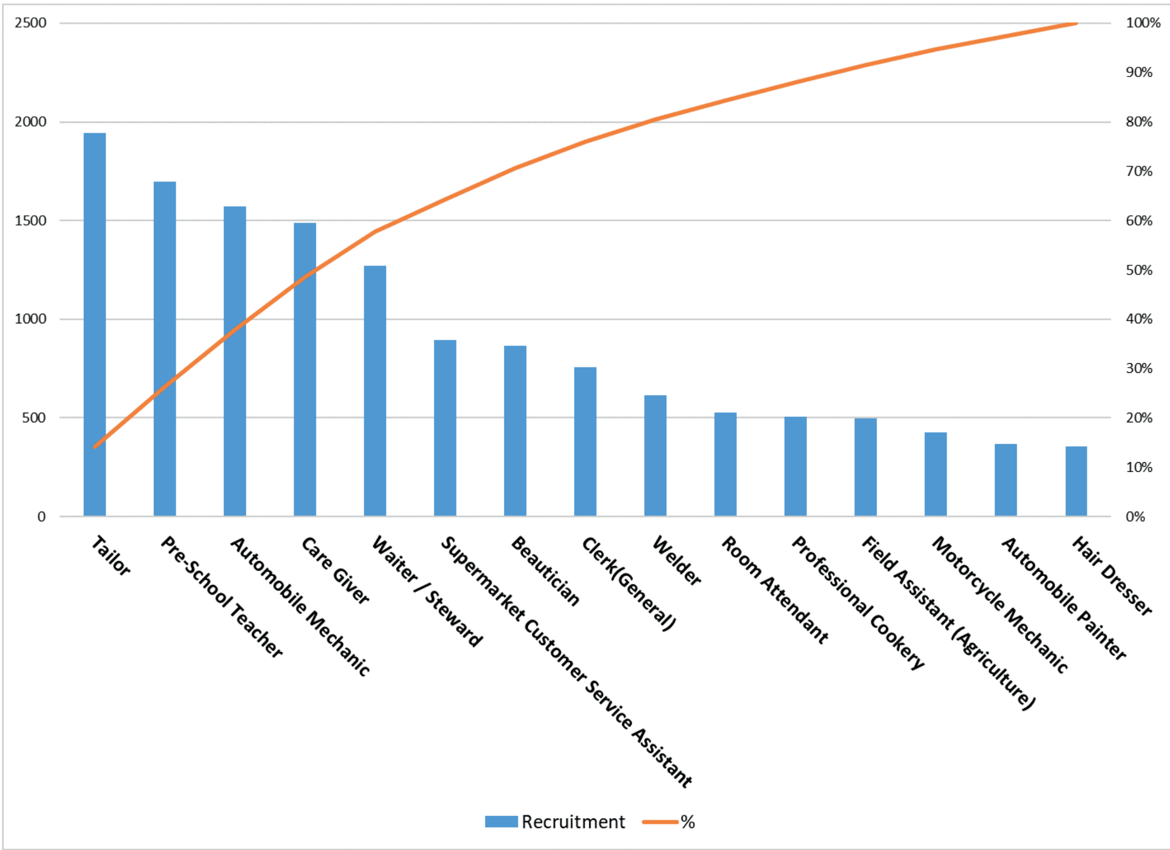
Graph 4: Parato Analysis (Centre-Based Training)



This Parato Analysis depicts the demand of the apprentices for the Centre-Based Training courses in the districts.

It could be identified that there is a higher trend among the apprentices for the Information Technology courses. Further, there is a higher tendency for the apprentices to incline mainly towards the Computer Graphic Designer, Beautician, Sewing Machine Operator and Nursing Assistant courses.

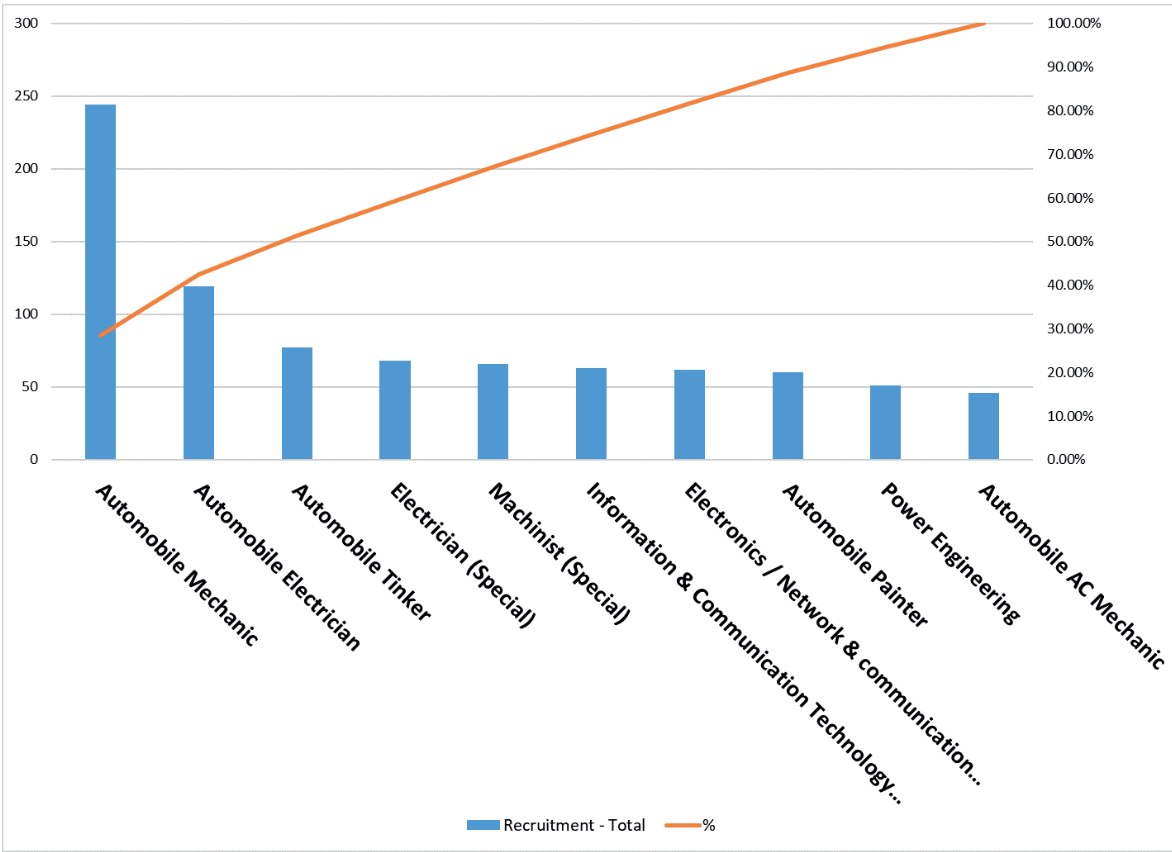
Graph 5: Parato Analysis (Enterprise-Based Training)



This Parato Analysis depicts the variations in the demand for the Enterprise-Based apprenticeship training courses at the district level.

There is a higher demand for the Dressmaker course while there is a higher tendency among the apprentices to tur towards the courses of Pre-School Teacher, Automobile Mechanic and Attendant.

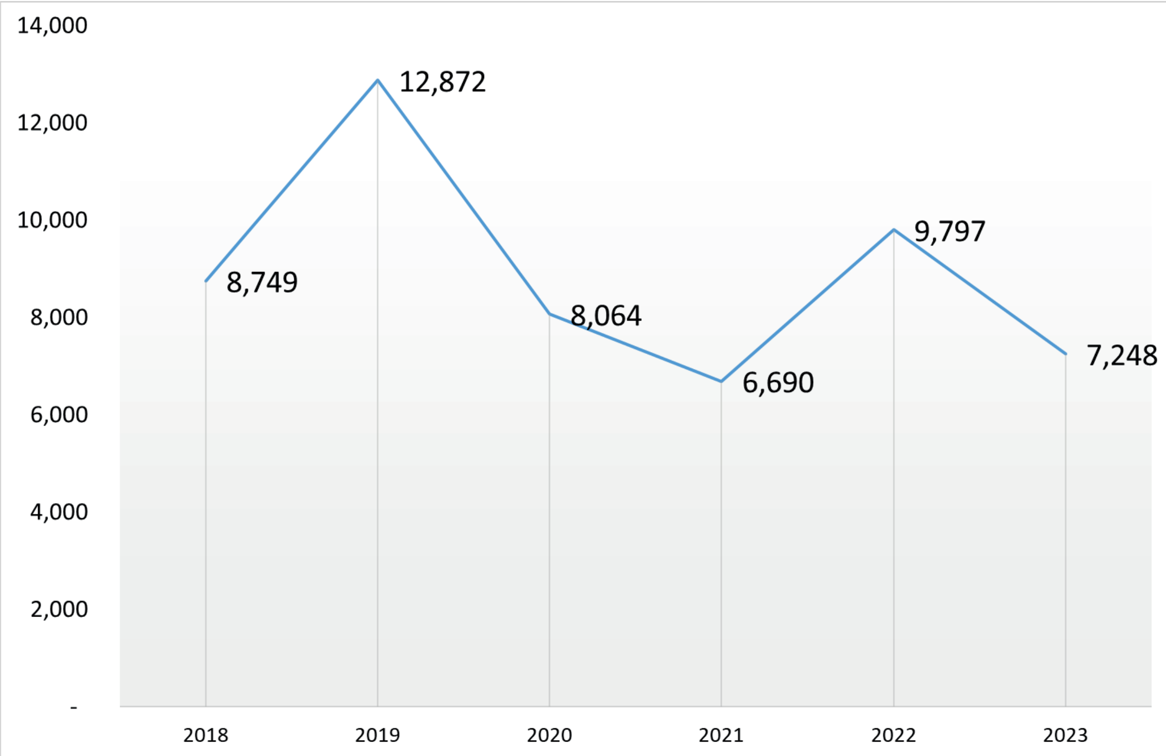
Graph 6: Parato Analysis (National Institutes)



The above Parato Analysis provides an understanding of the courses at the National Institutes for which there is the highest demand.

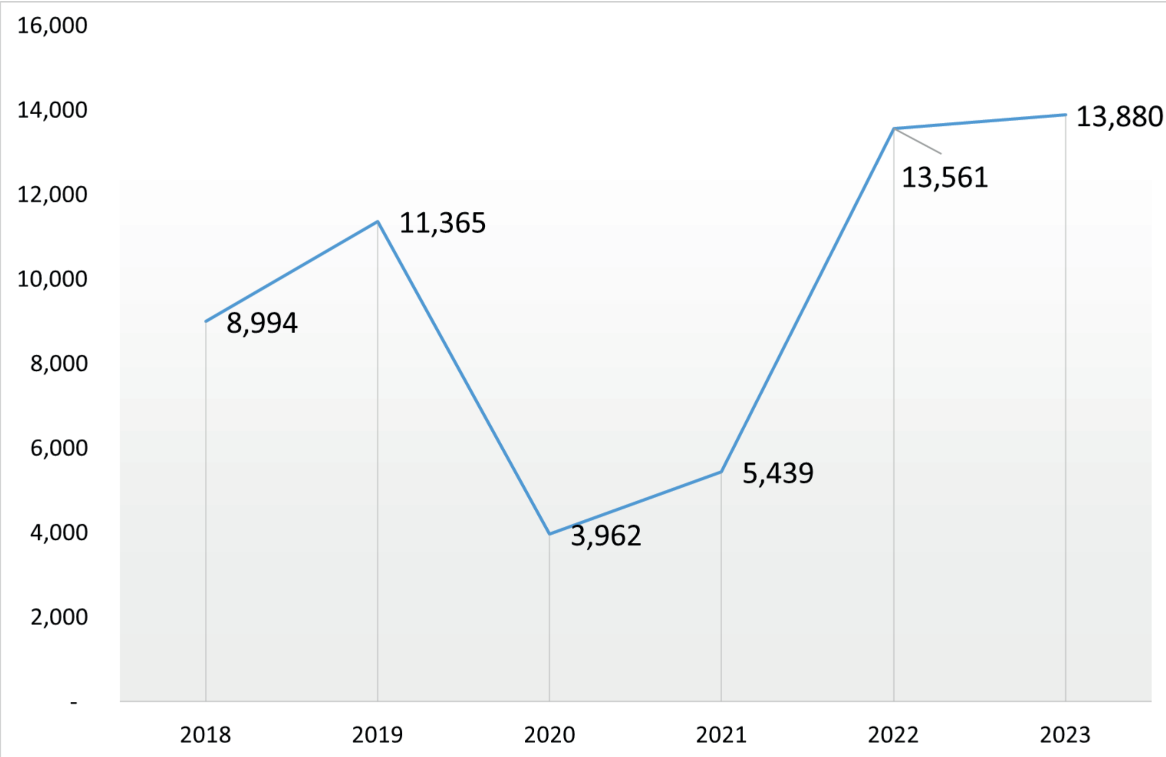
Here, the Automobile Mechanic course shows the highest demand.

Graph 7: Comparison of On-the-Job Training with the previous years



The above Graph depicts the variations in the enrolment of apprentices for the On-the-Job training courses during the previous years. What happens here is providing On-the-Job training for the apprentices who are in the other institutions in the field of vocational training. Our institution has provided On-the-Job training to 7248 apprentices during this year.

Graph 8: Comparison of In-plant Training with the previous years



The above Graph depicts the progress in the enrolment of apprentices for In-plant training. What happens here is providing In-plant training for the undergraduate and diploma students. Our institution has provided In-plant training to 13,880 students during this year.

Table 9: Examinations, Evaluations and Issue of Certificates

Certificate Category		Number Tested		No. Passed the Final Vocational Test		Number of Certificates Issued	
		2022	2023	2022	2023	2022	2023
National Vocational Qualification	Enterprise Based	2,661	11,796	2,643	7,417	6,332	6,925
	Centre Based	2,534	2,542	2,532	2,146	2,128	3,216
	Recognition of Prior Learning	8,559	12,260	8,235	11,908	7,908	12,119
National Institutes (National Vocational Qualification)		859	966	827	935	990	1,067
Craft Level	Centre based	139	197	113	156	-	2,058
	Enterprise Based	2,487	1,997	2,291	1,874	2,389	
Situational Level		865	626	836	609	805	927
Village Level		307	261	299	259	382	361
Special Industrial Training (KDU/NDT/HND)		8,812	9,182	8,812	9,182	502	1,295
Other (NCICT/NDICT/CELV/SLCCL/ NTT/ED/Part Time NI/Other)		1,074	4,451	820	3,822	992	3,714
Multi-purpose Development Task Force						33,138	1,486
Total		**28,297**	**44,278**	**27,408**	**38,308**	**55,566**	**33,168**

The above table depicts a brief analysis of conducting tests and examinations and issue of certificates. 44,278 apprentices have sat for the Final Trade Test and 38,308 of them have passed. At the end of the year 2023, it was possible to issue a total number of 33,168 certificates to the apprentices who successfully completed training.

Table 10: Progress of National Competency Standards and Curriculum Development

Activity	2022			2023		
	Number Developed	**Number validated**	**Number Reviewed**	**Number Developed**	**Number validated**	**Number Reviewed**
National Competency Standards and Curricula	17	44	26	22	85	21
Assessment Resources	2			10		
Training Standards / Research Paper	9			6		
Learning Guide Textbooks				1		
NAITA Curriculum for Centre Based Apprenticeship Training				7		
Total	**28**	**44**	**26**	**46**	**85**	**21**

This table depicts the progress in the National Competency Standards and Curricula, validation and review in comparison with the previous year. 46 National Competency Standards and Curricula have been developed during the year under review. Accordingly, 42 Competency Standards were validated during this year.

Special Programmes and information for the year 2023

During this year, awarding certificates to the apprentices who have successfully completed the District Level NVQ courses of the National Apprentice and Industrial Training Authority was completed successfully completed in the districts of Ratnapura, Matara, Kegalle and Nuwara Eliya. Also, certificates were awarded to the students who have successfully completed the Caregiver and Waiter NVQ Level 3 courses jointly conducted in the Tissamaharama Divisional Secretary's area by our Hambantota District Office and the Outreach Project.

An awareness programme was launched for painters with the participation of JAT Holdings PLC and the District Manager of NAITA Mr. Sarath Piyathilaka, with the aim of providing NVQ certificates to the painters under the RPL method.

NVQ Level 3 Pre-Learning assessments have been commenced for 546 mosquito control field assistants working in the MOH offices all over the island. Under the second stage of the programme, Pre-learning tests were conducted at the NAITA Kenimadala Auditorium under the supervision of Assistant Director (Assessment) Mr. Sujeewa Wickramasinghe for 160 mosquito control field assistants in the Gampaha and Kalutara districts.

Sri Lanka Army Commander General Wikum Liyanage and the Chairman of the National Apprentice and Industrial Training Authority Mr. Ruchika Amarasekara made the initial plans to conduct a joint undertaking by the Sri Lanka Army and National Apprenticeship and Industrial Training Authority for the placement of professional heavy vehicle drivers of Sri Lanka in the foreign job market.

The inauguration ceremony of the Diploma in Software Engineering course introduced by the National Apprentice and Industrial Training Authority (NAITA) opening a clear path for the youths of Sri Lanka to enter the local and global Information Technology job market was held in the dignified manner at the Kenimadala Auditorium with the leadership of the Minister of Education Hon. Dr. Susil Premajayantha.

An MOU was signed between the National Apprentice and Industrial Training Authority and the ICBT institute with the aim of providing a 06 month On-the-Job Training for the students learning at NAITA.

An MOU was signed between the National Apprentice and Industrial Training Authority and the International labour Organization (ILO) with the aim of providing NVQ certificates under the RPL method for 1500 workers who expect to go abroad.

An MOU was signed between the National Apprentice and Industrial Training Authority and the Lions Centennial Vocational Training Centre - District 306 B2 with the aim of providing vocational training to the persons seeking jobs after school education, disabled youths and the persons involved in jobs giving priority to a number of fields such as Soft Skill Development, Information Technology and Computer Skills Development and Computer Hardware Skills Development, etc.

A special discussion was held with the officers of the Embassy of Japan in Sri Lanka, Japan International Cooperation Agency (JICA) and the Toyota Lanka Company with the aim of developing the Educational and Training activities of the courses currently conducted at the Orugodawatta Automobile Engineering Training Institute.

The official handing over of the Practical Training Centre for the Professional Chef's course established under the S4IG Programme under Australian Aid to the Anuradhapura District Office was held.

A special discussion was held with a group of GIZ representatives with the leadership of the Chairman Mr. Ruchika Amarasekara regarding implementing various programmes for the capacity building of the apprentices as well as the NAITA executive staff. Also, a programme was held regarding the internal audit process in order to make the staff of NAITA aware of auditing and awareness programmes were held to make the staff aware of the improvements required to maintain the quality management system of the institution and the related matters and the good results.

Statement of Corporate Social Responsibility (CSR)

The Bakmaha Ulela New Year Festival, the Bathi Gee Saraniya singing of devotional songs and the Bath Dansala alms giving were also held this year, with the participation of the staff.

Programmes and goals for the year 2024

1. Enrolling 3,685 apprentices under Centre Based Training.
2. Enrolling 19,500 apprentices under Enterprise Based Training.
3. Enrolling 3,455 to the National Institutes.
4. Enrolling 10,000 apprentices under On-the-Job Training.
5. Enrolling 16,275 apprentices under Special Industrial Training.
6. Implementing 8,000 assessments under National Vocational Qualification – RPL method.
7. Implementing 2,500 assessments under National Trade Test method.
8. For the National Competency Standards and Curriculum Development 2024, It was proposed to work in a several selected fields including GIS Analyst, Drone Pilot, Radiography Assistant, Logistic Management, Assistant Gemmologist, Full Stack Software Developer, etc.
9. Planning to commence a new research titled "Identifying the factors affecting for the mismatch between the training delivery and skills demand from the industry" under the Research and Development Division.
10. It was proposed to award NVQ certificates under the RPL method for a several fields of Factory Officer – Tea, Rubber Tapper, Phlebotomist, Dental Nurse Assistant, Ayurvedic Therapist, Physical Fitness Trainer, etc.
11. Conducting tests in the fields of Nail Technician, Fashionable Hair Dresser and Hair Colour Technician under the National Trade Test (NTT) method.
12. It has been proposed for 2024 to commence new Part-time Courses by Institute of Engineering Technology in the fields of Diploma in Surveying and Geometrics, Higher Diploma in Civil Engineering, Certificate Programme for AutoCad 2D, Professional Diploma in Surveying Technology, Diploma in CAD & Drafting for Civil Engineering and Higher Diploma in Civil Engineering Technology & Building Construction, to commence new Part-time Courses by the Automobile Engineering Technology Institute in the fields of Automobile Mechanic, Auto Electrical Technology, lathe & Milling machine, Gas Air Conditioning Mechanic, Automobile Air Conditioning Mechanic and Safe, Scientific and Economical Driving Techniques.
13. Also, it has been proposed to commence new Part-time courses of Industrial Motor Control, Lathe Machine Operation, Gas & Electrical Arc Welding, Wood Work Basic Hand Tools with joints and Safe machine Operation by the Industrial Engineering Training Institute, Katubedda.

Table 11: Staff Details

Post	Approved Cadre	Existing Staff (Permanent) as at 31.12.2023	Existing Staff (Contract Basis) as at 31.12.2022
Director General	1	1	-
Director	5	3	-
Deputy Director/ Assistant Director	18	14	-
Internal Auditor	1	1	-
Director/ Principal	3	2	-
Deputy Principal	6	3	-
Lecturer	49	29	3
District Officer	25	22	-
Training Officer	62	36	-
Administrative Officer	8	3	-
Secretary/ Legal Officer	1	0	-
Accounts Officer	6	2	2
Internal Audit Officer	1	-	-
Service Officer of the Vehicle Repair Unit	1	-	-
Quality Assurance Officer	4	4	-
Procurement Officer	1	1	-
Systems Administrator	1	-	-
Database Administrator	1	-	-
Statistician	1	1	-
Inspector	462	318	17
Instructor	122	51	1
Librarian	3	-	-
Systems Analyst	3	2	-
Transport Officer	1	-	-
Technical Officer	1	1	-
Language Translator	2	-	-
Instructor Assistant	44	-	-
Book Keeper	4	1	-
Audiovisual Technician	3	1	-
Technical Designer	3	-	-
Draftsman	1	-	1
Laboratory Assistant	12	6	-
Management Assistant	260	207	18
Computer Designer	2	2	1
Hostel Keeper	2	-	-
Driver & Office Assistant	40	31	9
Litho Machine Operator	4	3	0
Printing Machine Operator	2	0	0
Book Binder & Cutter	4	4	0
Skilled Mechanic	21	14	0
Office Assistant	71	51	17
Total	**1,262**	**814**	**69**

The Table depicts the brief details of the cadre of the institution during the year under review. The approved cadre of the Authority is 1262. By the end of the year 2023, a cadre of 814 were working in our institution fulfilling 65% of the approved cadre.

National Apprentice and Industrial Training Authority

STATEMENT OF THE CHAIRMAN ON BEHALF OF THE BOARD

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2023
NATIONAL APPRENTICE AND INDUSTRIAL TRAINING AUTHORITY

The financial statements of the National Apprentice and Industrial Training Authority of Sri Lanka for the financial year ended 31st December 2023 have been prepared in accordance with the Sri Lanka public sector Accounting Standards and in the form and manner specified by the Tertiary and Vocational Education Commission Act No: 20 of 1990 and the Finance Act No 38 of 1971.

Financial rules & regulations, policies prescribed by the National Apprentice and Industrial Training Authority of Sri Lanka is complied with Sri Lanka Public sector Accounting Standard. The systems of control have been maintained as far as practicable to endure and safeguard the assets and effectiveness of the transactions to best of our knowledge. The Financial Statements for the year ended 31st December 2023 have been prepared in accordance with the applicable financial reporting frame work and exhibits the financial position & the performances of the National Apprentice and Industrial Training Authority of Sri Lanka.

W. Ruchika Amarasekara
Chairman
National Apprentice &
Industrial Training Authority

....
Mr. W Ruchika Amarasekara
Chairman/CEO
On behalf of the Board of Directors
National Apprentice and Industrial Training Authority of Sri Lanka
Date: 28/03/2024

....
Mr. D R Somawardhana
Member of the Board of Directors

....
Mr. Nipun Samaratunga
Member of the Board of Directors

NATIONAL APPRENTICE & INDUSTRIAL TRAINING AUTHORITY
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

ASSETS	Notes	2023 (Rs.)		2022 (Rs.)	
NON-CURRENT ASSETS					
Property,Plant and Equipment	2	3,486,229,490.90		2,444,683,684.54	
Intangible Assets	2	40,212,376.08		15,584,752.46	
Capital Work In Progress	3	71,192,776.20	3,597,634,643.18	61,232,419.42	2,521,500,856.42
CURRENT ASSETS					
Inventories	4	72,655,147.63		24,275,812.66	
Receivables	5	104,621,896.28		131,348,069.29	
Deposits,Prepayments, Advances & Staff loans	6	83,249,702.62		48,520,999.64	
Short Term Investments	7	99,249,247.15		96,185,462.10	
Cash and Cash Equivalents	8	290,824,672.12	650,600,665.80	212,981,832.33	513,312,176.02
TOTAL ASSETS			4,248,235,308.98		3,034,813,032.44
EQUITY & LIABILITIES	10				
NAITA Fund		2,561,515,448.77		1,141,688,768.88	
Accumulated Surplus/(Deficit)		(347,585,994.85)		-265,990,037.17	
Accumulated Surplus Part Time		-		42,671,516.72	
Government Grant - Capital		7,231,251.52		7,231,251.52	
Government Grant - SSDP		62,789,506.99		62,789,506.99	
Differed Liability		727,792,742.25		812,473,591.64	
RESERVES	11				
Aid Received		153,886,950.63		153,886,950.63	
Capital Requirement Fund		11,148,914.78		11,148,914.78	
Land Transfer -AETI		290,860,815.72		290,860,815.72	
Motor Cycle Revenue Reserve/Revolving Fund		7,415,059.28		7,415,059.28	
Motor Vehicle Revaluation Reserve				95,257,959.29	
Obligatory Fund		5,902,130.56		5,902,130.56	
Revaluation Reserves		281,250,155.35	3,762,206,981.00	184,113,282.06	2,549,449,710.90
NON-CURRENT LIABILITIES					
Provision for Gratuity	12	259,547,425.14	259,547,425.14	256,184,549.12	256,184,549.12
CURRENT LIABILITIES					
Accounts Payable	9	226,480,902.84	226,480,902.84	229,178,772.42	229,178,772.42
TOTAL EQUITY AND LIABILITY			4,248,235,308.98		3,034,813,032.44

The Significant Accounting Policies and the notes from pages 7 to 19 form an integral part of this financial Statements.

Certification

It is certified that the Financial Statement have been prepared in compliance with the requirement of financial Act no: 38 of 1971 and Public Sector Accounting Standard of Sri Lanka

The board of management is responsible for the preparation and presentation of this Financial Statements and the Financial Statements were approved by the Board of Management and signed on their behalf.

W M A K Weerasekara
Director (Finance)

W. M. A. K. Weerasekara
Director (Finance)
National Apprentice &
Industrial Training Authority

W R Amarasekara
Chairman/ CEO

W. Ruchika Amarasekara
Chairman
National Apprentice &
Industrial Training Authority

Mr. Nipun Samaratunga
Member of the Directors Board

Mr. D R Somawardhana
Member of the Directors Board

NATIONAL APPRENTICE & INDUSTRIAL TRAINING AUTHORITY
STATEMENT OF FINANCIAL PERFORMANCE AND COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2023

	Notes	2023 (Rs.)	2022 (Rs.)
REVENUE			
Revenue from Non Exchange Transactions			
Government Grant - Recurrent	13.1	1,087,500,000.00	1,188,500,000.00
		1,087,500,000.00	1,188,500,000.00
Government Grant - Capital	13.1	3,000,000.00	67,950,000.00
	13.1	**1,090,500,000.00**	**1,256,450,000.00**
Other Grant from Ministry - Recurrent	13.2	96,086,282.25	
Other Grant from Ministry - Capital	13.2	3,620,026.57	
	13.2	**1,190,206,308.82**	**1,256,450,000.00**
Revenue from Exchange Transactions			
Recurrent Revenue - Exchange	14	532,606,119.28	256,551,759.49
Total Revenue		**1,722,812,428.10**	**1,513,001,759.49**
OPERATION RESULTS			
Recurrent Revenue - Non Exchange	13.2	1,183,586,282.25	1,188,500,000.00
Recurrent Revenue - Exchange	14	532,606,119.28	256,551,759.49
Total Recurrent Revenue (Non capital)		**1,716,192,401.53**	**1,445,051,759.49**
Expenses — Current (Non capital)			
Training Consumables	15	11,973,025.13	14,901,561.15
Other Training Expenses	16	267,302,981.95	249,011,364.03
Staff Cost- Personal Emoluments	17	828,296,312.49	835,468,760.28
Staff Cost-Other	18	11,537,282.06	45,763,394.74
Transportation & Communication	19	83,632,918.35	87,485,755.87
Supplies & Office Requisites	20	18,638,419.76	18,227,472.65
Printing Material & Printing Cost	21	25,549,548.27	1,613,529.86
Repair & Maintenance	22	25,467,888.80	8,357,623.81
Premises Maintenance	23	189,771,839.92	161,659,549.36
Finance & Other expenses	24	15,264,260.90	4,569,673.11
Part time Course	25	56,825,348.41	-
Project/Programme related Expenses	26	6,607,883.31	-
Student welfare Expenses - National Institutes	27	9,615,509.78	-
Total Expenses		**1,550,483,219.13**	**1,427,058,684.86**
Current surplus/(deficit) for the period		**165,709,182.40**	**17,993,074.63**
Non Exchange revenue — Capital Grant (Cash)		3,000,000.00	120,579,414.01
Non Exchange revenue — Capital Grant, Ministry (Cash)		3,620,026.57	
Non Exchange Revenue - Differed income	13.3	84,680,849.39	84,680,849.39
Non Exchange Revenue - Capital Grant (Assets)	13.3	59,162,803.19	12,755,731.58
Depreciation and amortization expenses	28	(397,768,819.23)	(229,293,332.66)
Impairment of property, plant and equipment			-
Surplus/(deficit) for the period after accounting for capital Grant		**316,172,861.55**	**236,009,069.61**
Total surplus/(deficit) for the period		**(81,595,957.68)**	**6,715,736.95**

NATIONAL APPRENTICE & INDUSTRIAL TRAINING AUTHORITY
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st DECEMBER 2023

Description	2023 (Rs.)		2022 (Rs.)	
Operating Activities				
Surplus/(Deficit) for the period		(81,595,957.68)		6,715,736.95
Adjustment for:				
Depreciation / Amortization	397,768,819.23		229,293,332.66	
Deferred Income	(84,680,849.39)		(84,680,849.39)	
Capital Aid Received - Non Exchange	(59,162,803.19)		(12,755,731.58)	
Loss on disposal of Assets	5,429,432.81		-	
Profit on disposal of Assets	(492,980.83)		(13,683.53)	
Provision for Bad debts - Staff Loan			377,797.00	
Provision for Bad Debts - Sundry Debtors	-		(345,970.21)	
Interest Received from FD & Saving Deposits	(17,228,132.94)		(2,237,367.30)	
Prior year adjustments to NAITA Fund	(1,261,690.61)		-	
Provision For Gratuity	44,333,507.73		19,240,212.00	
Gratuity Payments	(37,391,761.62)		(14,189,499.50)	
Incr./(Decr.) in Inventories	(48,379,334.97)		(12,646,299.14)	
Incr./(Decr.) in Receivables	26,726,173.01		(30,623,922.77)	
Incr./(Decr.) Deposits, Advances, staff loan, Pre payment	(34,728,702.98)		(5,317,156.41)	
Incr./(Decr.)in Short Term Investments	-		(11,035,939.90)	
Incr./(Decr.) in Payables	2,347,983.33	193,279,659.58	30,931,398.48	105,996,320.41
Net cash flow from operating activities		**111,683,701.90**		**112,712,057.36**
Investing Activities				
Purchase of Plant and Equipment	(42,175,247.46)		(32,746,962.11)	
Work In Capital Progress	(3,725,031.00)		(24,158,370.46)	
Proceed from Disposal Property Plant & Equipment	492,980.83			
Interest Received from Fixed Deposit & Savings Account	14,923,401.00			
Investment in Fixed Deposit & Savings Account	(18,930,315.89)			
Fixed Deposit Withdrawal	1,840,000.00			
Net cash flow from Investing activities		**(47,574,212.52)**	-	**(56,905,332.57)**
Financing Activites				
Interest Received	-	-	(13,499,132.54)	**(13,499,132.54)**
Net cash flow from Financing activities		-		**(13,499,132.54)**
Net Increase/(Decr.) in Cash and Cash Equivalents		64,109,489.38		42,307,592.25
Cash & Cash Equivalents at beginning of the period		226,715,182.74		184,407,590.49
Cash & Cash Equivalents at end of the period		**290,824,672.12**		**226,715,182.74**

NATIONAL APPRENTICE AND INDUSTRIAL TRAINING AUTHORITY

STATEMENT OF CHANGES IN EQUITY

Description	Accumulated Fund	Retained Earnings	Government Capital Grant	SSDP Capital	Differed Income Grant (Liability)	Aid Received	Profit on Part Time Accounts	Motor Cycle Revolving Fund	Capital Reserve on Part Time	Obligatory Reserve on Part Time	Land Transfer Profit AETI	Revaluaton Reserves	Total
Balance as at 1st January 2023	1,141,688,768.88	(265,990,037.17)	7,231,251.52	62,789,506.99	812,473,591.64	153,886,950.63	42,671,516.72	7,415,059.28	11,148,914.78	5,902,130.56	290,860,815.72	279,371,241.35	2,549,449,710.90
Add/Less: Opening Balance Transfer						-	(42,671,516.72)						(42,671,516.72)
Add: Adjustment	42,671,516.72		-		-							2,020,914.00	44,692,430.72
Opening Balance Re-Stated	1,184,360,285.60	(265,990,037.17)	7,231,251.52	62,789,506.99	812,473,591.64	153,886,950.63	-	7,415,059.28	11,148,914.78	5,902,130.56	290,860,815.72	281,392,155.35	2,551,470,624.90
Capital Grant Received for year GOSL													-
Capital Rehabilitation													-
Profit of the Year		(81,595,957.68)											(81,595,957.68)
Adjustment for the Year	1,377,155,163.17											(142,000.00)	1,377,013,163.17
Revaluaton Profit												-	-
Transferred to Differed liability													-
Transferred to Differed Income					(84,680,849.39)								(84,680,849.39)
Balance as at 31st December 2023	2,561,515,448.77	(347,585,994.85)	7,231,251.53	62,789,506.99	727,792,742.25	153,886,950.46	-	7,415,059.28	11,148,914.78	5,902,130.56	290,860,815.72	281,250,155.35	3,762,206,981.00

NATIONAL APPRENTICES AND INDUSTRIAL TRAINING AUTHORITY

Significant Accounting Policies

General Accounting Policies

1) **Reporting Entity**

The National Apprentices and industrial Training Authority (herein after referred to as "Authority") which is situated at No. 971, Sri Jayewardenepura Mawatha, Welikada, Rajagiriya was incorporated by Tertiary & Vocational Education Act No. 20 of 1990.

2) **Basis of Preparation**

The Financial Statements of the organization have been prepared in accordance with Public Sector Accounting Standards and presented in Good Governance Format.

3) **Comparative Information**

The previous year accounting figures and phrases have been re-arranged wherever necessary in order to match with the current year's presentation.

4) **Government Grants & Subsidies**

4.1 Treasury Grants on which the organization depends for its Recurrent and Capital expenditure are being accounted on cash basis. Both Grants related to recurrent and capital expenditure are being presented as a credit in the Statement of Financial Performance. Capital Expenditure are being debited into statement of financial Position in the year.

4.2 Capital grant considered as revenue in total in the statement of financial performance instead of reporting it as deferred revenue and amortizing the same during the useful life of the assets acquired under the grant, while the assets acquired under the grants gets depreciated during the life period. (According to the provisions of SLPSAS 11 and LKAS 20).

5) **Assets and the bases of their valuation**

5.1 Inventory

Inventory have been generally valued at the cost. Inventory items having short life nature and are not material to capitalize are written off to Statement of Financial Performance. However, for the purpose of control these items are inventoried and physical control is exercised.

5.2 Receivables

Receivables are stated at the amount expected to be realized and 100% provision has been made for Bad and doubtful debts of staff who are not in the service of the authority as at 31.12.2023. 5% provision has been made as bad and doubtful debts on all other debtors except debts arise from internal transaction.

5.3 Property, Plant and Equipment

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably.

The cost of Property, Plant and Equipment comprises its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use subsequent expenditure incurred for the purpose of acquiring, extending or improving assets of permanent nature in order to carry or increase performance of the assets have been treated as capital expenditure.

The Entity applies the revaluation model for the entire class of assets specified above for measurement after initial recognition. The fair value of land and buildings are determined based on the valuations carried out by the Valuation Department of Sri Lanka but it was unable to complete entire class of assets due to unavailability of relevant documents and time constraints. Threfore Land & Building represent historical cost in the books of accounts.

independent valuers and appointed committee for carrying out revaluation of assets of NAITA considers when current market prices of assets of similar nature are available, such evidence is taken into account in determining the fair values of such assets. Such properties are carried at revalued amounts, less any subsequent accumulated depreciation and any accumulated impairment losses charged subsequent to the date of revaluation. When a n asset is revalued, any increase in the carrying value is recognized in other comprehensive income and accumulated in equity under revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case the increase is recognized in the income statement to the extent of the decrease previously expensed.

A decrease in the carrying value arising on the revaluation is recognized in the income statement and any decrease that offsets a previous surplus on the same asset is recognized in other comprehensive income to the extent of any credit balance available in the revaluation surplus in respect of that asset any excess is recognized as an expense in the income statement.

Any balance remaining in the revaluation reserve in respect of an asset, is transferred directly to retained earnings on retirement or disposal of the asset. Subsequent expenditure incurred for the purpose of acquiring, extending, or improving assets of a permanent nature by means of which to carry on the entity or to increase the earning capacity, efficiency or effectiveness of operation of the entity is treated as capital expenditure and such expenses are recognized in the carrying amount of an asset.

Property, plant and equipment are de-recognized on disposal or transfer or when no future economic benefits are expected from their use. Any gain or loss arising on de-recognition of the asset (calculated expected as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in 'other operating income' in the statement of comprehensive income in the year the asset is de-recognized.

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. All computer software cost incurred, licensed to be used by the Authority, integrally related to associated hardware, syllabus intellectual properties which can be clearly identified, reliably measured and it's probable that they will lead to future economic benefits, are included in the statement of financial position under the category of intangible assets and carried at cost less accumulated amortization.

Depreciation is calculated on a straight-line basis over the useful life of the assets

Assets Category	Rate of depreciation
Lease hold Land	Over the period of lease
Buildings	5%
Plant & Machinery	10%
Furniture Fittings & Office Equipment	10%
Computer & Accessories	25%
Motor Vehicles	25%
Library Books	10%
Training Equipment	10%
Intangible Assets	10%

National Apprentice and Industrial Training Authority

6) **Cash & Cash Equivalent**

Cash & Cash equivalents are defined as cash in hand, cash in transit and Saving Accounts balances at bank, short term highly liquid investments that are readily convertible to know amounts of cash. For the purpose of cash Flow Statement, cash in hand and in Bank, short term investments, cash in transit are treated as cash and cash equivalent.

7) **Liabilities and provisions**

"All known liabilities as at the balance sheet date are included in the financial statements and adequate provisions are made for liabilities which are known to exist but the amount of which cannot be determined accurately obligations payable on demand or within one year of the balance sheet date are treated as current liabilities in the Statement of Financial Position. Liabilities payable after one year from the balance sheet date are treated as non-current liabilities in the Statement of Financial Position.

8) **Gratuity Provision**

Provision has been made for the gratuity payable from the initial year of services to all employees. However, the Gratuity Act. 12 of 1983 and LKAS 19, the liability to an employee arises on completion of five years of continued services.

9) **Defined contribution plans**

Obligations for contributions to a defined contribution plans are recognized as an expense in the income statement as incurred. The Authority contributes a sum not less than 15% and 3% of the gross emoluments of employees to employees' provident fund (EPF) and to the Employees Trust Fund (ETF) respectively.

10) **Revenue**

Grants received from the Government, Local & Foreign Aid received towards recurrent expenditure and the miscellaneous income of the Authority are credited to the Statement of Financial Performance. The amounts spent on major repairs and improvements for capital Assets out of capital grant but not capitalized were charged to Statement of Financial Performance and an equivalent amount transferred from the capital grant.

The Surplus/ (Deficit) or Income over Expenditure has been arrived at after making provisions for all known liabilities and depreciation of fixed assets.

All Expenditure incurred in operating the Authority and maintaining its capital assets in a state of efficiency has been charged to revenue.

11) **Capital commitments and contingent liabilities**

All material capital commitments and contingent liabilities are considered and necessary adjustments or disclosures are made in the financial statements.

12) **Events after the balance sheet date**

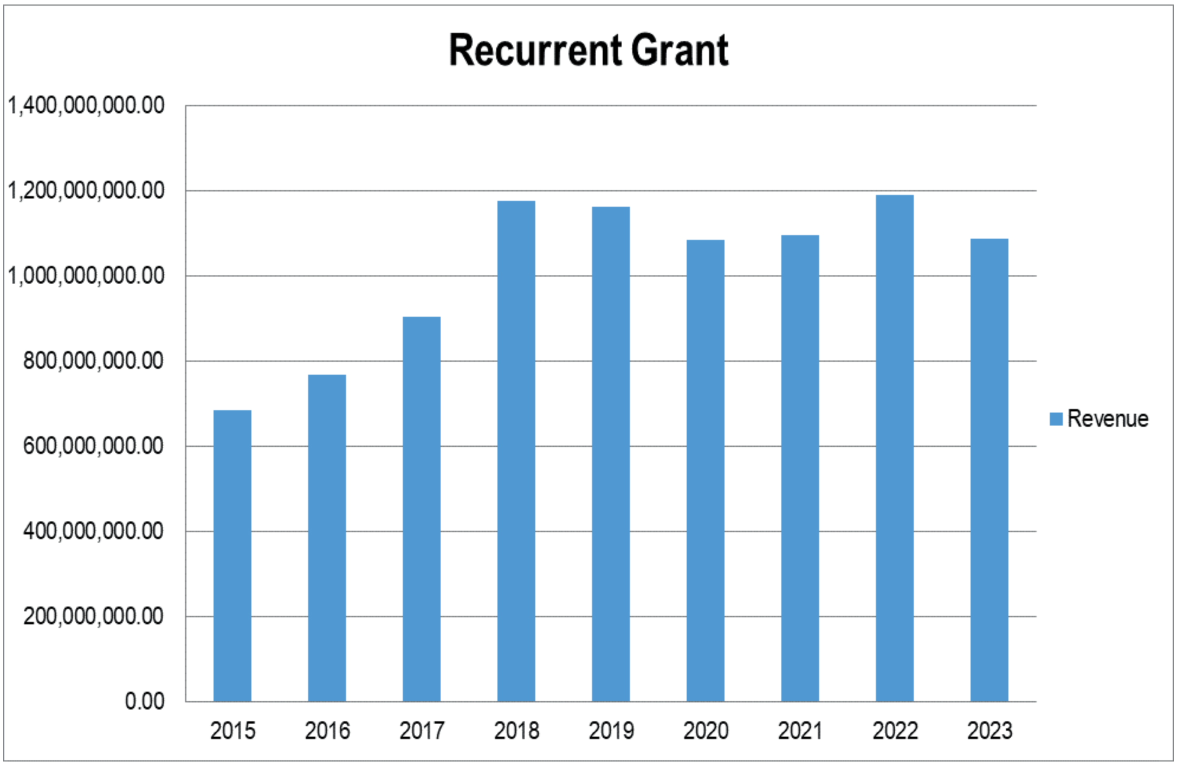
The materiality of events occurring after the balance sheet date has been considered and appropriate adjustments, wherever necessary, have been made in the accounts.

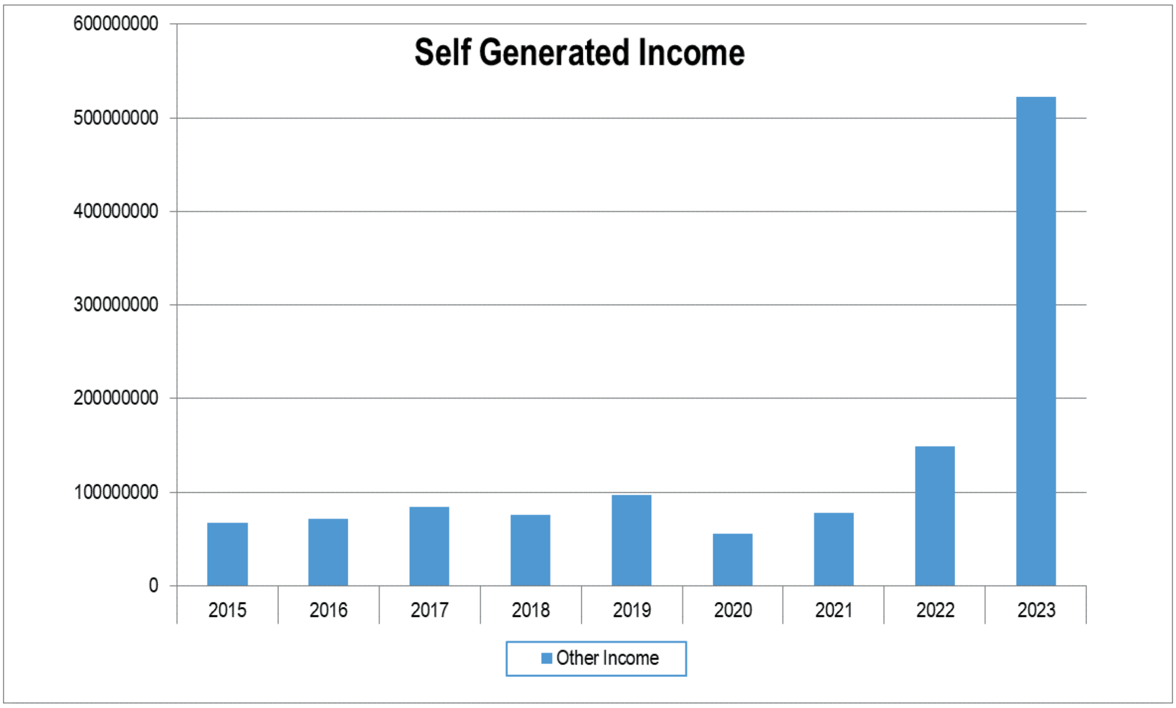
13) **Cash Flow Statement**

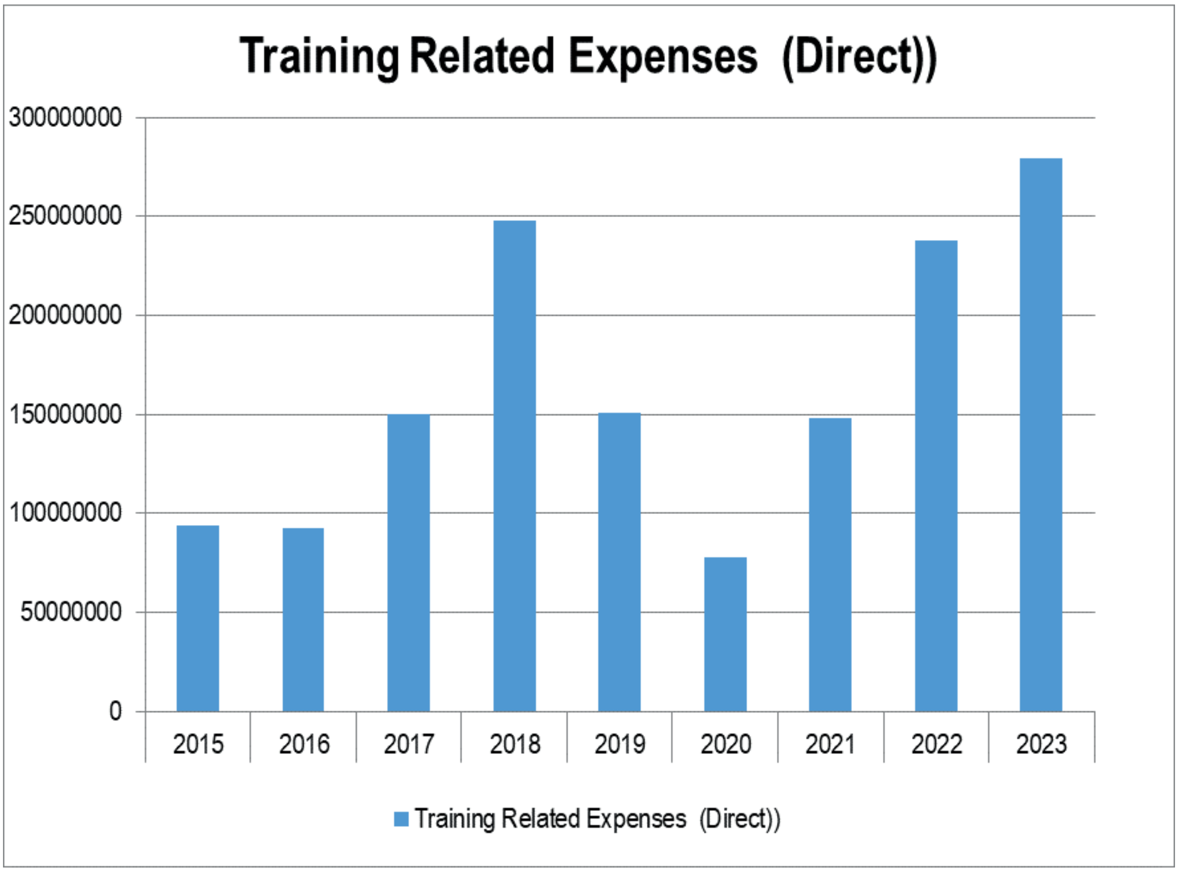
The indirect cash flow method calculates cash flow by adjusting net income with differences form noncash transactions. The three cash flow categories/ activities; operating, investing and financing are added or subtracted from the net income to determine its final net cash increase or decrease over the period.

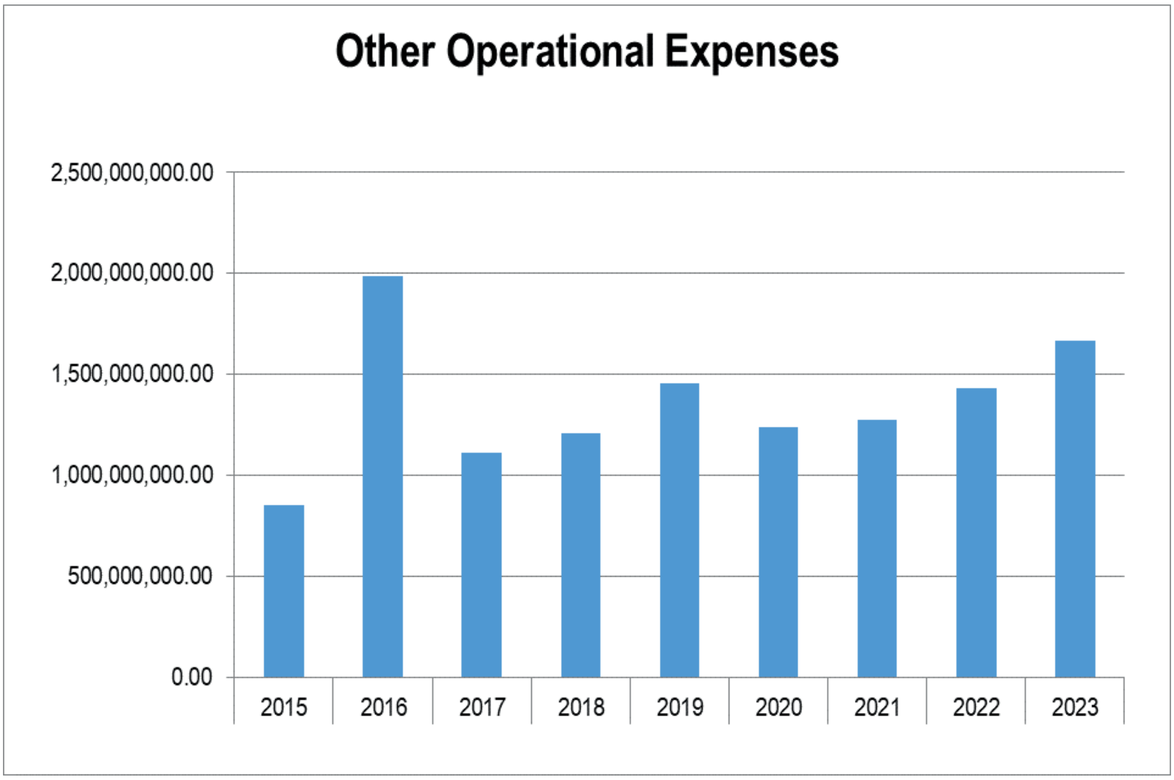
Financial Highlights in the Preceding Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Government grant-Recurrent	685,000,000.00	768,000,000.00	904,645,000.00	1,175,060,000.00	1,161,995,000.00	1,083,500,000.00	1,093,500,000.00	1,188,500,000.00	1,087,500,000.00
Self Generated Income - Other Income	67,354,991.71	72,034,104.41	84,823,081.48	75,623,487.49	97,493,599.90	55,559,579.48	78,309,067.10	148,583,986.67	522,490,782.08
Training Related Expenses (Direct)	94,044,974.14	92,702,284.14	150,091,924.26	247,766,374.97	150,768,898.25	77,721,986.60	147,935,464.17	237,606,197.20	279,378,385.91
Other Operational Expenses	849,008,383.72	1,988,806,886.51	1,108,983,620.51	1,206,693,785.30	1,454,706,777.74	1,236,972,539.42	1,272,724,304.65	1,431,000,939.46	1,668,237,390.98
Gross profit Ratio	80.37	70.64	75.43	77.17	80.40	88.55	82.67	76.33	52.83
Net Profit Ratio	(15.40)	(35.43)	(0.14)	1.15	(13.92)	(3.74)	(4.40)	0.43	(4.74)
Current Ratio	2.72 : 1	2.19 : 1	0.84 : 1	1.20 : 1	1.02 : 1	1.39 : 1	1.68 : 1	1.82 : 1	2.43 : 1
Quick Ratio	2.61 : 1	2.07 : 1	0.79 : 1	1.14 : 1	0.96 : 1	1.33 : 1	1.62 : 1	1.71 : 1	2.33 : 1
Return on Assets	(9.89)	(34.57)	(0.11)	1.03	(5.79)	(1.38)	(1.96)	0.22	(1.92)


Recurrent Grant
1,400,000,000.00
1,200,000,000.00
1,000,000,000.00
800,000,000.00
600,000,000.00
400,000,000.00
200,000,000.00
0.00
2015
2016
2017
2018
2019
2020
2021
2022
2023
Revenue


Self Generated Income
600000000
500000000
400000000
300000000
200000000
100000000
0
2015
2016
2017
2018
2019
2020
2021
2022
2023
Other Income


Training Related Expenses (Direct))
300000000
250000000
200000000
150000000
100000000
50000000
0
2015
2016
2017
2018
2019
2020
2021
2022
2023
Training Related Expenses (Direct))


Other Operational Expenses
2,500,000,000.00
2,000,000,000.00
1,500,000,000.00
1,000,000,000.00
500,000,000.00
0.00
2015
2016
2017
2018
2019
2020
2021
2022
2023

National Apprentice and Industrial Training Authority
Audit Committee Report - 2023

Internal Audit Division

Internal audit is an independent service that evaluates an organization's internal controls, organizational practices, processes, and procedures to help ensure compliance with various laws applicable to the organization.

The Internal Auditor, as the Head of the Internal Audit Division, acts as the convener of the audit and management committee meeting

Audit and Management Committee Meeting - Year 2023

Composition

During the year under review, the members of the committee were as follows.

Chairman

I. Mr. M.A.S. Madhushanka (Year 2023 First Quarter, Second Quarter, Third Quarter) Committee Chairman/ Ministry of Finance represent
II. Mrs. M.K. Sitara Jayasena (fourth quarter of 2023) Committee Chairman/ Ministry of Finance Representative

Members

I. Mr. I.S.N. Perera - Committee Member/ Board Member
II. Dr. Kanchana Silva - Committee Member/ Board Member
III. Mr. Jayantha Wickramasinghe - Committee Member/ Board Member
IV. Mrs. H.D. Anuruddhika - Committee Member/ Board Member/ Line Ministries Chief Internal Auditor
V. Mrs. Chamila Abhedheera - Observer - National Audit Office

Name	Number of Meetings Attended (Year 2023)	Total meetings held in the year 2023
Mr. M.A.S. Madhushanka	03	04
Mrs. M.K. Sitara Jayasena	01	
Mr. I.S.N. Perera	02	
Dr. Kanchana Silva	03	
Mr. Jayantha Wickramasinghe	04	
Mrs. H.D. Anuruddhika	04	
Mrs. Chamila Abhedheera	04	

The Audit Superintendent of the National Audit Office and the Chief Internal Auditors of the line ministries participated in the meeting as observers and the Chairman, Vice Chairman of the Authority, and all the Directors and Principals of the National Institutions attended the meeting as per the invitations received by them.

In the audit and management committee meeting, attention will be paid to the following areas.

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Regarding the deficiencies in the bank reconciliation statements for the year 2020 at the Colombo District Office	Regarding the money to be recovered from Mr. S. P. Wijewantha who was released to the Ministry of Education	Regarding the money to be recovered from Mr. S. P. Wijewantha who was released to the Ministry of Education	Regarding the money to be recovered from Mr. S. P. Wijewantha who was released to the Ministry of Education
Regarding the money to be recovered from Mr. S. P. Wijewantha who was released to the Ministry of Education	Regarding the outstanding balance due from SSDP project of Rs.29,980,878.98	Regarding the outstanding balance due from SSDP project of Rs.29,980,878.98	Regarding the outstanding balance due from SSDP project of Rs.29,980,878.98
Regarding the outstanding balance due from SSDP project of Rs.29,980,878.98	Regarding the annual stock survey	Regarding the annual stock survey	Regarding the annual stock survey
Regarding the annual stock survey	Answering audit queries	Answering audit queries	Answering audit queries
Regarding the missing inventory book of Orugodawaththa Automobile Engineering Training Institute	Regarding the Orugodawaththa Iron	Regarding the Orugodawaththa Iron	Regarding the Orugodawaththa Iron
Answering audit queries	Regarding the Horadugoda land	Regarding the Horadugoda land	Regarding the Horadugoda land
Regarding Orugodawaththa Iron	Regarding the amount of Rs. 1,267,300.09 in the accounts of the institution since 2013 which has not been charged and refunded for the DEMP project mentioned in the audit query issued by the Auditor General's Department related to Institute of Engineering Technology in Katunayake.	In relation to the amount of Rs. 1,267,300.09 in the accounts of the institution since 2013 which has not been charged and refunded for the DEMP project mentioned in the audit query issued by the Auditor General's Department related to Institute of Engineering Technology in Katunayake.	In relation to the amount of Rs. 1,267,300.09 in the accounts of the institution since 2013 which has not been charged and refunded for the DEMP project mentioned in the audit query issued by the Auditor General's Department related to Institute of Engineering Technology in Katunayake.

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Regarding the Horadugoda land	Regarding the Katubedda showroom	Regarding the Katubedda showroom	Regarding the Katubedda showroom
Regarding the amount of Rs. 1,267,300.09 in the accounts of the institution since 2013 which has not been charged and refunded for the DEMP project mentioned in the audit query issued by the Auditor General's Department related to Institute of Engineering Katunayake.	Regarding the 1.9 billion worth of training equipment received from the line ministry.	Regarding the 1.9 billion worth of training equipment received from the line ministry.	Regarding the 1.9 billion worth of training equipment received from the line ministry.
Regarding the Katubedda showroom			
Regarding the 1.9 billion worth of training equipment received from the line ministry.			

- Special matters identified from internal audit enquiries

Second Quarter	Inspection of all vehicles owned by the Authority
Third Quarter	Printing Division - Industrial Engineering Training Institute
Fourth Quarter	Institute of Engineering Technology - Katunayake

- Submission of Internal Auditor's Quarterly Evaluation Report

S.S Matararaachchi
Internal Auditor

NATIONAL AUDIT OFFICE

My No: VOT/D/NAITA/1/2023/41 Your No: Date: 19th September 2024

Chairman
National Apprentice and Industrial Training Authority

Report of the Auditor General in terms of Section 12 of the National Audit Act No. 19 of 2018 on the financial statements and other legal and regulatory requirements of the National Apprentice and Industrial Training Authority for the year ended 31 December 2023.

1. Financial Statements

1.1 Qualified Opinion

The financial statements of the National Apprentice and Industrial Training Authority for the year ended 31st December 2023 consisting of the Statement of Financial Position as at 31st December 2023 and Statement of Financial Performance for the year ended from that date, Statement of Changes in Net Assets and the Statement of Cash Flows for the year ended from that date and notes to the underlying statements, summaries of significant accounting policies were audited under my direction in accordance with the provisions of the National Audit Act No. 19 of 2018 and the Finance Act No. 38 of 1971 to be read in conjunction with Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. My report will be tabled in Parliament in due course in accordance with Article 154 (6) of the Constitution.

It is my opinion that except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements of the Authority give a true and fair view of the financial position as at 31st December 2023 and its financial performance and cash flows for the period ended on that date in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

(a) Due to accounting the income of Rs. 123,980,669 relevant to the future years included in the income from the Fulltime and Parttime Course Fees as the income of the year under review, the deficit of the year under review and the income received earlier were shown less by the same amount.

(b) In allocating gratuities, the Authority had taken only the last received salary and the period of service of the employees into consideration, inconsistent with Para 61 of Sri Lanka Government Sector Accounting Standard 19. Thereby, due to not taking the period of service and salary of the employees accurately and showing the amount of allocation for gratuity in excess by Rs. 15,063,462 and, the deficit of the year and the account for the allocation of gratuity were shown in excess by that amount in the financial statements.

(c) Due to amortisation by 10% per annum for the Computer Antivirus Software with a 3 year effective lifetime bought on 03rd December 2021 with an expenditure of Rs. 2,170,800 inconsistent with Para 96 of Sri Lanka Government Sector Accounting Standard 20 and the errors in calculating the amortisation of the other intangible assets the amortisation expenditure relevant to the year under review and the previous year were shown less by Rs. 1,146,479 and Rs. 13,537,537 respectively. Accordingly, the deficit in the year under review was shown Rs. 1,146,476 less and the balance in the Intangible Assets Account was shown Rs. 14,684,016 in excess and the balance in the Cumulative Surplus Account was shown Rs. 13,537,537 in excess in the financial statements.

(d) Although the amount of Rs. 68,483,520 spent for bringing the training equipment into working condition conducted by the ministry under the training enhancement project at the Institute of Engineering Technology, Katunayake should have been capitalized to the relevant Equipment and Asset Accounts, due to capitalizing the same to the Buildings account, the balance in the training equipment account and the balance in the buildings account were shown less and in excess respectively.

(e) Although the decline relevant to the year under review for library books, wooden furniture and office furniture, computer accessories and training equipment were shown as Rs. 183,689, Rs. 17,337,769, Rs. 58,120,905 and Rs. 101,316,642 respectively, since those values were calculated as Rs. 1,085,846, Rs. 15,157,964, Rs. 61,072,840 and Rs. 90,661,425 respectively in the audit, the expenditure for decline in the year under review was shown Rs. 8,980,930 in excess. Accordingly, the deficit and the capital assets were shown Rs. 8,980,930 less in the financial statements.

(f) Due to non-accounting of Rs. 5,406,178 of performance bonus receivable relevant to the year under review, the deficit in the year and the performance bonus receivable were shown less and in excess by the same amount respectively.

(g) Due to showing Rs. 29,080,000 the expenditure for Sisu Saviya Scholarship as an expenditure for the year under review and not showing the Scholarship amount of Rs. 44,526,000 to be received for the year under review as an income, the deficit in the year under review was shown Rs. 73,606,000 in excess, the cumulative fund by Rs. 29,080,000 in excess and the scholarship income by Rs. 44,526,000 less in the financial statements.

(h) Although as per the financial statement of the Authority on 31st December 2023, the balance amount to be paid to the Tertiary and Vocational Education Commission was Rs. 2,929,000, since the said balance was Rs. 10,766,575 as per the financial statements of the Commission, there was an incomparability of Rs. 7,837,575 between the said balances.

(i) Since the amount of Rs. 2,456,000 charged for the welfare of the students following courses at the Katubedda Industrial Engineering Training Institute was accounted as the income of the Authority instead of remitting to the relevant fund account, the deficit of the year and the welfare fund account was shown less by the same amount.

(j) Although an amount of Rs. 38,281,274 should have been shown as the cash flow for the purchase of Plant & Equipment under Investment Activities in the Cash Flow Statement, since it was shown as Rs. 42,175,247, the Net Cash Flow generated from the investment activities was shown Rs. 3,893,973 less.

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

1.3 Other information included in the Annual Report 2023 of the Authority

Other information means the financial statements included in the Annual Report 2023 of the Authority obtained by me prior to the date of this audit report and information not included in my audit report thereon. The Management is responsible for this other information.

My opinion on the financial statements does not cover other information and I do not express any kind of assurance or opinion on this.

Regarding my audit of the financial statements, my responsibility is to consider whether the other information identified above is materially inconsistent with the financial statements or with my knowledge obtained in the audit or otherwise.

If, based on other information obtained by me and the work done by me prior to the date of this auditor's report, I conclude that this other information is materially misstated, I am required to report that fact. I have nothing to report in this regard.

1.4 Responsibility of the Management and the Administrative Parties regarding the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for determining the internal controls necessary to enable the preparation of financial statements that are free from quantitative misstatement, whether due to fraud or error.

In preparing the financial statements, it is the responsibility of the management to determine going concern and it is also the responsibility of the management to keep accounts on a going concern basis and to disclose matters related to the continuity of the authority, unless the management intends to liquidate the Authority or, in the absence of any other alternative, cease operations.

Administrative parties are responsible for supervising the financial reporting process of the authority.

The Authority shall maintain proper books and records of its income, expenditure, assets and liabilities so as to prepare the annual and periodic financial statements in accordance with the sub-section 16 (1) of the National Audit Act No. 19 of 2018.

1.5 Responsibility of the Auditor in Auditing Financial Statements
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My objective is to provide reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the auditor's report containing my opinion. Reasonable assurance is a high level of assurance, but it will not always be an assurance that material misstatements will be detected when conducting an audit in accordance with Sri Lanka Auditing Standards. Fraud and misstatements either individually or collectively can result in quantitative misstatements and are expected to affect the economic decisions made by the users based on these financial statements.

I conducted the audit in accordance with Sri Lanka Auditing Standards using professional judgment and professional scepticism. Furthermore,

- Suitable audit procedures were planned and performed as appropriate to identify and assess the risks of quantitative misstatement of the financial statements, whether due to fraud or error, in providing a basis for the audit opinion expressed. The effect of fraud is stronger than the effect of quantitative misstatements due to misrepresentation, because they are caused by negligence, falsification, intentional omission, misrepresentation or circumvention of internal administrations.

- Although not for the purpose of expressing an opinion on the effectiveness of internal administration, an understanding of internal administration was obtained in order to design suitable audit procedures as appropriate.

- The appropriateness of accounting policies used, reasonableness of accounting estimates and related disclosures made by management were evaluated.

- The appropriateness of using the going concern basis of accounting was determined based on the audit evidence obtained as to whether there is material uncertainty about the continuing existence of the authority due to events or circumstances. If I conclude that there is sufficient uncertainty, I should focus my audit report on the related disclosures in the financial statements, and if those disclosures are inadequate, I should modify my opinion. However, the continuance may terminate upon future events or circumstances.

- Assessed the overall presentation of the financial statements including the appropriate and fair inclusion of underlying transactions and events and disclosures for the structure and content of the financial statements.

I inform the administrative parties about significant audit findings, key internal control weaknesses and other matters identified during my audit.

2. Report on other legal and regulatory requirements
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2.1 The National Audit Act No. 19 of 2018 includes special provisions regarding the following requirements.

2.1.1 I have obtained all the information and explanations necessary for the audit in accordance with the requirements of Section 12(a) of the National Audit Act No. 19 of 2018, except for the effect of the matters described in the Basis for Qualitative Opinion section of my report, according to my investigation, proper financial records were maintained by the Authority.

2.12 According to the requirement mentioned in Section 6 (1) (d) (iii) of the National Auditor Act No. 19 of 2018, the financial statements of the Authority are consistent with the previous year.

2.1.3 According to the requirement mentioned in section 6 (1) (d) (iv) of the National Audit Act No. 19 of 2018, the recommendations made by me in the previous year are included in the financial statements presented, except for the observation made under para (b) and (h) of the Basis for Qualitative Opinion section of my report.

2.2 In the course of action followed and the evidence taken and confined to material facts, nothing has come to my notice to the extent of making the following statements:

2.2.1 As per the requirement mentioned in Section 12 (d) of the National Audit Act No. 19 of 2018, any member of the governing body of the authority has a relationship, directly or otherwise, outside the normal course of business in relation to any contract with which the authority is involved.

2.2.2 As per the requirement mentioned in Section 12 (f) of the National Audit Act No. 19 of 2018, apart from the following observations, that the authority has not acted in accordance with any written law or other general or special directives issued by the governing body of the authority.

Reference to Rules/Directive	Observations
(a) Section 15(1) of the Tertiary and Vocational Education Act No. 20 of 1990	Any of the 37 parttime courses conducted by the National Institutes of the Authority were not registered at the Commission.
(b) Financial Regulation 396(c) of the Financial Regulations Code of the Democratic Socialist Republic of Sri Lanka	Action has not been taken as per the referred regulation regarding 72 cheques to the value of Rs. 1,298,541 which were issued and lapsed 06 months without producing for payment.
(b) Public Enterprises Circular No. 02/2015 dated 25th May 2015 and No. 02/2022 dated 18th January 2022	An amount totalling to Rs. 6,462,922 had been paid by the Authority to Ms. Mobitel (Private) Limited, as monthly bills for the period from year 2018 to 31st December 2023 for the telephone connections provided for the non-executive officers who are not eligible for the telephone allowance.

2.2.3 That the powers, duties and functions of the authority have been exercised inconsistent with the requirement mentioned in Section 12 (g) of the National Audit Act No. 19 of 2018, other than for the following observation.

Powers, duties and functions	Observations
(a) Section 37(g) of the Part 2 Cap. Vi of the Tertiary and Vocational Education Act No. 20 of 1990	No action had been taken by the Authority during the period from year 2020 to year 2023 for the development of the training capabilities of the Vocational Training Institutions and other institutions.

2.2.4 That the authority's resources have not been procured and used in accordance with the relevant rules and regulations in a timely manner, efficiently and effectively, as required by section 12 (h) of the National Audit Act No. 19 of 2018, other than for the observation below.

An amount of Rs. 8,025,000 had been spent on 13th December 2023 to purchase 30 Desktop Computers contrary to Sections 8.9.1(a) and 5.4.10(b) of the Procurement Guidelines and without getting into a written agreement with the supplier and without obtaining performance insurance.

2.3 Other Matters

(a) The training equipment to the value of Rs. 73,804,932 included in the value of the project for the enhancement of the technical training work at the Institute of Engineering Technology in Katunayake were not received at the Institute of Engineering Technology in Katunayake up to the16th August 2024. Further, the training equipment to the value of Rs. 87,588,591 have not been effectively used for over 02 years, due to not being installed properly for use and not receiving the other equipment required to use them.

(b) Although inventoried and non-inventoried equipment to the value of Rs. 286,330,412 have been received to the Civil Engineering Division where over 100 students were enrolled annually from 2016 to 2020 by the project mentioned in (a), this high valued training equipment have not been utilised to the maximum benefit due to the reduction of the enrolment of student in 2022 and 2023 to 41 and 18 respectively.

(c) Although equipment to the value of Rs. 661,111,008 have been received in 2021 for the Mechanical General Engineering Course for which 70 students were enrolled in 2020, due to not planning to utilise effectively, the number enrolled in 2022 and 2023 were 31 and 25 respectively. Accordingly, in comparison with year 2020, the enrolments in 2023 were declined by 64%.

(d) An amount of Rs. 7,699,518 provided to the Authority by the Skills Sector Development Project coming from 2021 had not been utilised to fulfil the goals of the said project and an amount of Rs. 7,000,000 had been invested in a Fixed Deposit on a board decision.

(e) An amount of Rs. 29 million agreed to be provided in 2015 by the Skills Sector Development Project had been deprived due to an irregularity in procurement done in 2014. Actions were not taken to conduct a formal inquiry and take action against the responsible officers.

(f) Action had not been taken up to 31st December of the year under review to recover the cash advances totalling to Rs. 6,685,455 given from 2014 to 2022 to 89 outside parties for purchasing and other purposes.

(g) Action had not been taken to recover Rs. 1,592,757 of loans and advances to be recovered from the retired officers at the time of their retirement.

(h) The amounts charged by 03 National Institutions belonging to the National Apprentice and Industrial Training Authority from the apprentices for the Student's Welfare Fund was not utilised for the welfare activities and an amount of Rs. 48,995,619 had been invested without a treasury approval by the 31st December of the year under review.

(i) Out of an amount of Rs. 7,024,147 charged during the previous years from the students of the Orugodawatta Automobile Engineering Training Institute on a returnable basis, no amount had been paid back to the students by 31st December 2023.

(j) Deviating from the objectives of the Tertiary and Vocational Education Act No. 20 of 1990 and without a formal approval, a private company in the name of NAITA Foreign Employment (Pvt) Ltd had been established with the objective of directing persons for foreign employment. An amount of Rs. 1,270,500 received from 121 persons were credited to the bank account of the Authority and had spent Rs. 402,955 to pay salaries and fuel allowances to a person without a formal appointment and Rs. 488,000 to register in the Foreign Employment Bureau.

(k) Although an amount of Rs. 16,510,115 had been spent in 2017 as customs, port and clearance charges according to a request made by the line ministry in order to release a high capacity motor vehicle for the training purposes of the Automobile Engineering Training Institute of the Authority imported by an inappropriate third party, the said vehicle had not been used for training purposes even by the end of the year under review.

(l) An amount of Rs. 4,03,750 had been spent during the year under review to print the books require for the Authority from outside institutions, even while having a printing division belonging to the Authority and contrary to Sections 2.8.4, 3.6.1(a) and (b) of the Procurement Guidelines.

Sgd./ Illegibly
W. P. C. Wickramaratne
Auditor General