Annual Performance Report for the year 2021

State Ministry of Batik Handloom and Local Apparel Products.
Expenditure Head No. 439

This Report has been translated in to Sinhala and Tamil languages as well.

Contents

Chapter 01

Institutional Profile/Executive Summary

1.1 Introduction

The State Ministry of Batik, Handloom and Local Apparel products, is the responsible government institution in the formulation of policies and plans for the advancement of the batik, handloom and local apparel manufacturing sector. The policies and plan focus on, increasing foreign exchange through exports, reduction in imports of textiles, and increasing the income of domestic apparel manufacturers via implementing various programs and projects with the allocation of domestic fund.

Sri Lanka Institute of Textile and Apparel functioning under the purview of the above said ministry provides technical guidance to enhance the production of high quality products and efficiency of the industry. In addition, other institutions operating under the Ministry, the Department of Textile Industry, in collaboration with the National Design Center, Sri Lanka Handicrafts Board and Ceylon Salusala Limited, provide a significant service for the betterment of the industry.

1.2. Vision, Mission and Objectives of the Institution

Vision

Through craftsmanship and quality, the traditional Ceylon batik, handloom and apparel product to be a global competitor.

Mission

To create an environment conductive for opportunities and sustainability of the traditional batik, handloom and apparel industry from fiber to fashion with public-private sector cooperation and active participation of all the stakeholders including those at grassroots level.

Objectives

- Increase domestic apparel exports by 2025 and earn additional revenue of USD 1.5 billion.
- Establishment of 500 small scale garment industries at the rural level by 2025 and employment of 9,000 garment workers who have left the garment industry.
- Expand the Batik industry through increasing market opportunities with alternative designs from national heritage to attract tourists by 50 % in 2025.
- Expand the Handloom industry through easy wear, easy care concept combined with new patterns, designs and colors to attract consumers by 40% in 2025.
- Ensure quality skilled work force through increased training by 60% of technical, vocational and tertiary education including Universities in 2025.
- Create an e-friendly environment for the batik handloom and apparel industry by establishing a digital platform (E-Platform) by the year 2023.
- To enhance the technology by 50% in the production process of Batik, Handloom and Apparel Industry in 2025
- Create new 50,000 job opportunities in local apparel sector for youths and adults having relevant technical and vocational skills.
- Create 5000 new entrepreneurs in local apparel sector by 2025 by creating a satisfying and comfortable business environment.

1.3 Key Functions

Duties & Functions of the Ministry

As per the extra ordinarily gazette notification no: 2187/27 dated 06.10.2020, the duties and functions of the state ministry of batik handloom and local apparel products.

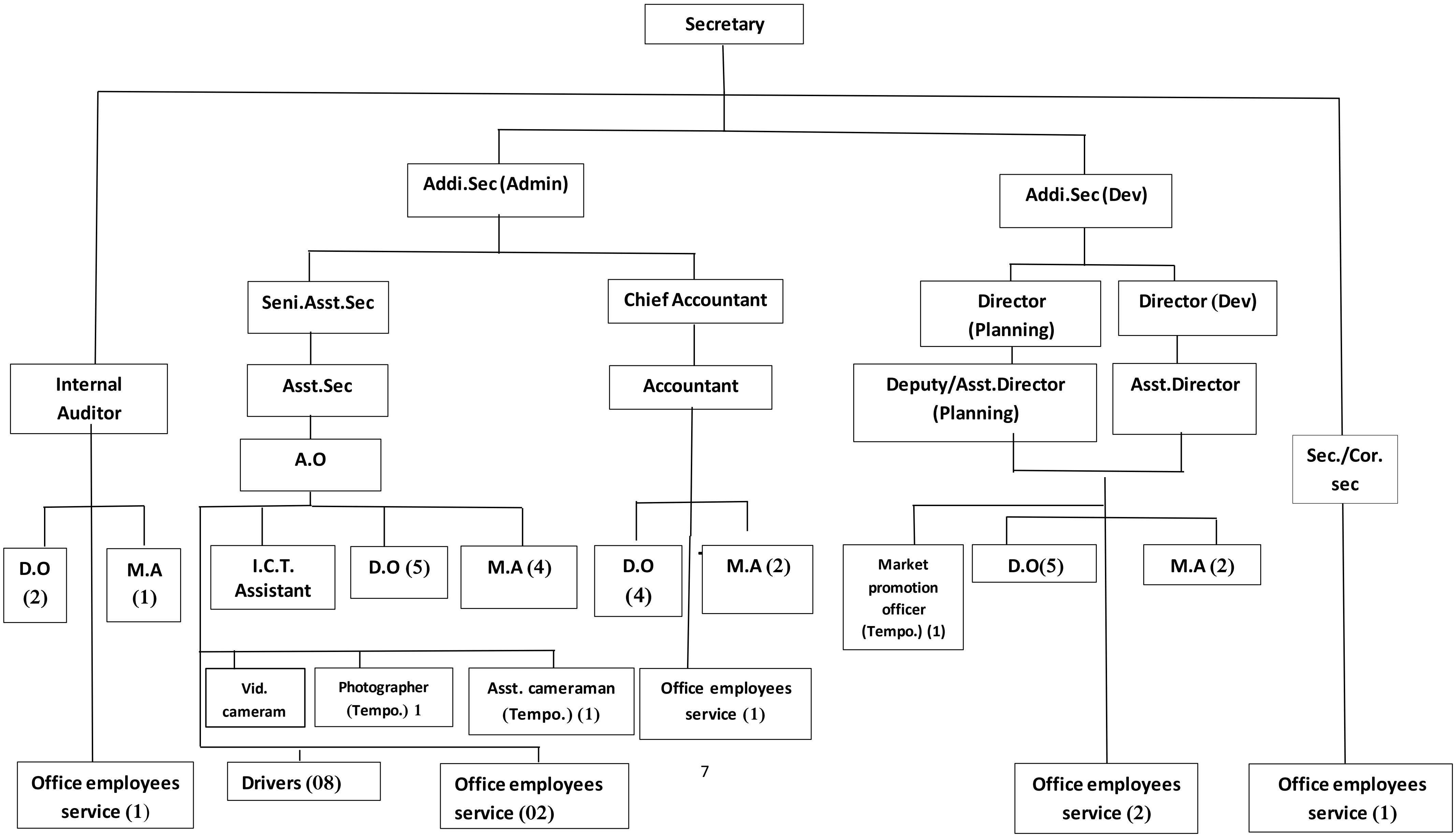
Subjects and Functions

Assisting in the formulation of policies in relation to the subject of Batik, Handloom and Local Apparel Products for “conducive business environment to promote domestic industries” under the direction and guidance of the Minister of Industries in conformity with the prescribed Laws, Acts and Ordinances and implementing, projects under the National Budget, State Investment and National Development Programme, and implementing, monitoring and evaluating subjects and functions of the below-mentioned Departments, State Corporations and Statutory Organizations.

Special Priorities

1. Developing a tourism market for local garments by expanding the production and supply of local garments in the domestic market.
2. Formulating a programme for the supply of dyes and other high quality raw-material required for the batik industry.
3. Implementing a special programme for popularizing batik and handloom industry locally and abroad.
4. Initiating action for the creation of a textile marketing city.
5. Initiating action to operate textile production market in an open and competitive manner.
6. Formulating and implementing a programme for the provision of facilities required by the large-scale local investors to initiate new high-tech productions.

1.4 Organization Chart



1.5. Divisions, Departments and Institutions under the Ministry

Departments

1. Department of Textile Industry (DTI)

Public Institutions

1. Sri Lanka Institute of Textile and Apparel (SLITA)
2. National Design Centre (NDC)
3. Lanka Salusala Limited
4. Sri Lanka Handicraft Development Board (Laksala)

Chapter 2

Progress and future outlook

2.1 Special achievements, challenges and future goals

State Ministry of Batik, Handloom and Local Apparel Products is a newly established ministry for the apparel sector since 2020. In previous years, the subject of Batik, handloom and apparel was with the purview of separate institutions.

Batik, Handloom and Local Apparel are well established industries in Sri Lanka. Therefore, there is a challenge for the State Ministry to create conducive environment for the industrialists, consumers and stakeholders. Another challenge is to facilitate and promote the exporters in the three sectors as well as safeguard the domestic industrialists related to this sector.

Sri Lanka should enhance the exporters to compete the world market. In the meantime, the ministry should facilitate the domestic manufacturers to expand the domestic market. Therefore, for the sustainability, necessity of local brands with integrity is the crucial requirement.

Hence the ministry needs to take actions to upgrade the foreign market with brands and local market with specific qualities and standards.

Therefore, state ministry should have the policies and programs to create conducive environment to both domestic industrialists and exporters.

Special Achievements

- Establishment of 60 batik training centers to transfer of knowledge and technology to the batik industrialists.
- Host new website to the Ministry to create conducive environment for industrialists.
- The public sector institutions have been made aware by the circular to promote and use batik and handloom products.

Progress of development programs and projects implemented during the year 2021.

(31st December)

S.No	Program / Project	2021 Budget Allocation (Rs. Mn.)	Physical progress (%)	Financial progress
01.	Batik Production Promotion Program.	100.00	70	98.236
02.	Handloom Textile Promotion Program.	90.00	75	86.26
03.	Common facilities Improvement Program.	65.00	80	60.26
04.	Small Scale Garment Industry Promotion Program.	30.00	30	26.46
	Total	**285.00**		

2.1 Batik Production Promotion Program

The main objective of implementing the local batik industry promotion program was to popularize the local batik industry. 60 Batik Training Centers have been established covering all districts in the year 2021 at a cost of Rs. 98.236 Mn. 75 persons have been trained as instructors for continuing training and 1200 batik producers have been trained.

Batik Training Workshop at Pannala

2.2 Handloom production Promotion Program

Providing equipments for Veppankulam Handloom weaving Center - Vavuniya

Providing raw material to Vairavapuliyankulam Handloom center - Vavuniya

Steps have been taken to provide infra-structure facilities to increase the production capacity of the existing weaving centers. Accordingly, Rs.60.26 million was spent on purchasing electrically operated warp and winding machines in 6 provinces and repairing 7 handloom training institutes. Also, R.S. 86.26 million has been spent for the purchase and training of handlooms under the Handloom production Villages Programme. This programme was implemented with the objective of uplifting the living standards of the people engaged in the handloom industry through the development of then handloom sector.

2.3. Small Scale Garment Industry Promotion Programme

The Ministry has already initiated a Small-Scale Garment Industry Promotion Programme covering all districts with a target of $ 1000 million in local garment export earnings by the year 2025. Accordingly, equipment required to start 19 small scale garment industries in the year 2021 in the Kurunegala District was provided at a cost of Rs. 26.46 million.

2.4 Programms / Projects expected to be implemented by the Ministry in the year 2022

Development programms / projects are expected to be implemented for the year 2022 are as followings funded by the Consolidated Fund.

s.no	Project	Purpose	TEC
01.	Small scale garment industry establishment program.	By Increasing local garment production, increase export earnings and restrict textile imports.	600.00
02.	Batik Production Village Establishment Program.	Increase export earnings and increase local batik production and increase consumption.	100.00
03.	Local Handloom production Promotion Program. .	Increasing the use of local handloom textiles and increasing the income of local textile manufacturers .	120.00
04.	Promotion of Batik, Handloom Industry Training Centers.	Improving the quality and development of infrastructure facilities by providing new technical equipment in suitable centers .	133.00
05	Marketing Promotion Program.	.promote the local textile locally and internationally.	47.00
	Total		**1000.00**

I certify that the information provided by Chapter 2 regarding the progress and outlook of the Ministry's Operational Programs is true.

Chapter 03

Overall Financial Performance

3.1 Statement of Financial Performance

ACA -F

Statement of Financial Performance
for the period ended 31st December 2021

Budget 2021 Rs.		Note	Actual 2021 Rs.	Restated 2020 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		394,563,000	60,500,000	ACA-3
	Deposits		6,503,015	23,725	ACA-4
800,000	Advance Accounts		4,150,853	516,863	ACA-5
	Other Main Ledger Receipts				
	Total Non Revenue Receipts (B)		**405,216,867**	**61,040,588**	
	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		**405,216,867**	**61,040,588**	
	Remittance to the Treasury (D)		**306,821**	468,404	
	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		**404,910,046**	**60,572,184**	
	Less: Expenditure				
	Recurrent Expenditure				
65,870,000	Wages, Salaries & Other Employment Benefits	5	40,214,382	9,448,602	ACA-2(ii)
101,640,000	Other Goods & Services	6	43,594,322	4,158,794	ACA-2(ii)
126,795,000	Subsidies, Grants and Transfers	7	118,412,063	68,034,144	ACA-2(ii)
-	Interest Payments	8	-	-	ACA-2(ii)
-	Other Recurrent Expenditure	9	-	-	ACA-2(ii)
294,305,000	**Total Recurrent Expenditure (F)**		**202,220,766**	**81,641,540**	
	Capital Expenditure				
7,600,000	Rehabilitation & Improvement of Capital Assets	10	4,025,344	863,456	ACA-2(ii)
5,000,000	Acquisition of Capital Assets	11	1,626,481	945,464	ACA-2(ii)
718,600,000	Capital Transfers	12	476,837,522	136,976,122	ACA-2(ii)
-	Acquisition of Financial Assets	13	-	-	ACA-2(ii)
-	Capacity Building	14	-	129,979	ACA-2(ii)
-	Other Capital Expenditure	15	-	-	ACA-2(ii)
731,200,000	**Total Capital Expenditure (G)**		**482,489,347**	**138,915,021**	
	Deposit Payments		5,098,677	-	ACA-4
5,000,000	Advance Payments		5,184,502	1,091,376	ACA-5
	Other Main Ledger Payments			-	
5,000,000	**Total Main Ledger Expenditure (H)**		**10,283,179**	**1,091,376**	
1,030,505,000	**Total Expenditure I = (F+G+H)**		694,993,292	221,647,937	
	Balance as at 31st December J = (E-I)		(290,083,245)	(161,075,752)	
	Balance as per the Imprest Reconciliation Statement		(290,083,245)	-	ACA-7
	Impress Balance as at 31st December		-	-	ACA-3
			(290,083,245)	-	

3.2 Statement of Finance Position

ACA-P

Statement of Financial Position
As at 31st December 2021

	Note	Actual 2021 Rs	2020 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	84,574,289	1,941,580
Financial Assets			
Advance Accounts	ACA-5/5(a)	4,095,051	3,061,402
Cash & Cash Equivalents	ACA-3	-	
Total Assets		88,669,340	5,002,982
Net Assets / Equity			
Net Worth to Treasury		2,666,989	3,037,677
Property, Plant & Equipment Reserve		84,574,289	1,941,580
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	1,428,063	23,725
Unsettled Imprest Balance	ACA-3	-	
Total Liabilities		88,669,340	5,002,982

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 01 to 36 and Notes to accounts presented in pages from 37 to 43 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements 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 Financial Officer/ Chief Accountant/ Director (Finance)/ Commissioner (Finance)
Name :	Name :	Name :
Designation :	Designation :	Date : 21/2/2022
Date :	Date : 2022/02/23	
General Daya Ratnayake. Secretary Ministry of Industries 73/1, Galle Road, Colombo 03.	B.L.A.J. Dharmakeerthi Secretary State Ministry of Batik, Handloom and Local Apparel Products	C. Priyadarsika Ruwanpitiya Chief Accountant State Ministry of Batik, Handloom and Local Apparel Products

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3.3 Statement of Cash Flows

ACA-C

Statement of Cash Flows
for the Period ended 31st December 2021

	Actual 2021 Rs.	Restated 2020 Rs.
Cash Flows from Operating Activities		
Non Revenue Receipts	353,947	9,821,932
Revenue Collected on behalf of Other Revenue Heads	1,701,194	265,593
Imprest Received	394,563,000	60,500,000
Recoveries from Advance	950,300	516,863
Deposit Received	790,686	23,725
Total Cash generated from Operations (A)	**398,359,126**	**71,128,113**
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	83,802,904	13,607,396
Subsidies & Transfer Payments	1,443,063	20,894
Expenditure incurred on behalf of Other Heads	336,486	4,410,360
Imprest Settlement to Treasury	306,821	4,249,204
Advance Payments	1,906,359	1,091,376
Deposit Payments	5,098,677	-
Total Cash disbursed for Operations (B)	**92,894,309**	**23,379,230**
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	**305,464,817**	**47,748,883**
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
Less - Cash disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	305,464,817	47,748,883
Total Cash disbursed for Investing Activities (E)	**305,464,817**	**47,748,883**
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	**(305,464,817)**	**(47,748,883)**
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	-	-
Cash Flows from Fianacing Activities		
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)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4 Notes to the Financial Statement

Basis of Reporting

1) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2021.

2) 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.

3) Recognition of Revenue

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

4) 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.

5) Property, Plant and Equipment Reserve

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

6) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins in hand as at 31st December 2021.

7) Changes in Formats of Financial Statements & Adjustment of Comparative Figures

Relevant adjustments have been made to the comparative figures for the year 2020 in line with the changes made in the financial statements for the year 2021.

3.5 Performance of the Revenue Collection : Not Related

3.6Performance of the Utilization of Allocation

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	250,000,000	294,305,000	202,220,766	70%
Capital	692,600,000	731,200,000	482,489,346	67%

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:

S No.	Allocation Received from Which Ministry /Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	SLITA	Establishment of 160 batik villages	95,121	95,121	95,121	100%
02	Sri Lanka Foundation Institute	Batik Training Program	4,440	4,440	4,440	100%
03	National Design Center	Batik Training Program	10,107	10,107	10,107	100%
04	Chief Secretary - North Western Province	Public facilities to increase production capacity	33,853	33,853	33,853	100%
05	Chief Secretary - Central Province	Public facilities to increase production capacity	20,610	20,610	20,610	100%
06	National Enterprise Development Authority	Batik Training Program	2,640	2,640	2,640	100%
07	Chief Secretary - Southern Province	Purchase of equipment	28,299	28,299	28,299	100%
08	North Western Provincial Director of Industries	Payment to the Provincial Council in respect of Katina Chiwara	16	16	16	100%
09	Chief Secretary - Eastern Province	Establishment of 4 batik villages	8,989	8,989	8,989	100%
10	Chief Secretary - Northern Province	Purchase of equipment	9,000	9,000	9,000	100%
11	Chief Secretary - North Central Province	Purchase of equipment	19,290	19,290	19,290	100%
12	Chief Secretary - Uva Province	Construction of Centers	28,246	28,246	28,246	100%
13	Department of Industrial Development	Purchase of equipment	1,220	1,220	1,220	100%
14	Chairman - Sri Lanka Handicrafts Board	Sending money to ambassadors	1,600	1,600	1,600	100%

15	**Chief Secretary - Sabaragamuwa Province**	**Establishment of 03 batik villages**	9,116	9,116	9,116	100%
	Total		**272,546**	**272,546**	**272,546**	

3.8 Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2021	Balance as per financial Position Report as at 31.12.2021	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	-	-	-	-
9152	Machinery and Equipment	4,244,288	4,244,288	-	100
9153	Land	-	-	-	-
9154	Intangible Assets	-	-	-	-
9155	Tangible Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Lease Assets	-	-	-	-

3.9 Auditor General's Report

Please see the Sinhala report (Page No 20 – 27)

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%
No. of Batik Training centers established under the technical transfer programme	✓		
Develop no. of new Batik designs as per the 100 new design programme	✓		
Completion percentage of Host new web to the State Ministry of Batik, Handloom and Local Apparel products.	✓		
Improving handloom training and manufacturing centers and introducing new technologies.		✓	

Chapter 05

Performance in the achieving Sustainable Development Goals (SDG)

5.1 Respective Sustainable Development Goals

<table>
<tr><th rowspan="2">Goal / Objective</th><th rowspan="2">Targets</th><th rowspan="2">Indicators of the achievement</th><th colspan="3">Progress of the Achievement to date</th></tr>
<tr><th>0%-49%</th><th>50%-74%</th><th>75%-100%</th></tr>
<tr><td rowspan="3">Goal 9: Industry, Innovation and Infrastructure – Build resilient infrastructure, promote inclusive and sustainable Industrialization and foster innovation.</td><td>9.3</td><td>9.3.1 Proportion of small-scale industries in total industry value add
• Expanded market opportunities in domestic market of Batik industry.
• Develop 100 Batik designs.</td><td></td><td></td><td>100%</td></tr>
<tr><td>9a</td><td>9.a.1 Total support (international and local) to infrastructure development.
• Create conductive environment to the stakeholders of Batik, Handloom and Local Apparel Products.
• Host new web to the state Ministry of Batik, Handloom and Local Apparel Products.</td><td></td><td></td><td>100%</td></tr>
<tr><td>9.5</td><td>Research and development expenditure as a proportion of GDP
• Transfer of knowledge and technology to the Batik industrial lists.
• Establishment of eight Batik Training centers at Galagamuwa , Nugawela, Nikaweratiya ,Pannala ,velanai, Thamankaduwa, Kamburupitiy ,Rathmalana</td><td></td><td></td><td>80%</td></tr>
</table>

5.2 Challenges in achieving the Sustainable Development Goals

Sustainability in development works considering the three aspects of economy, social and environment in a balanced manner.

1. Targets /KPIs of SDG are extremely broad and would be achieved as a collective effort of number of relevant ministries/Institution in order to fulfill the given targets/KPIs.
2. Accordingly, The Ministry's contribution is mentioned as per the mandated function as identifying the amended indicators which can measured quantitatively.

Due to the inability of import the required equipment and machinery and the shortage of goods / raw materials in the market due to Covid 19 pandemic in the island in the year 2021, it was difficult to achieve the planned targets.

Chapter 06

Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies / (Excess)**
Senior	12	08	04
Territory	02	01	01
Secondary	28	06	22
Primary	16	10	06
Temporary	04	03	01
Total	**62**	**28**	**34**

	Position	Service	Grade/Class
Senior	Secretary		
	Additional Secretary (Administration)	S.L.A.S	Special
	Additional Secretary (Development)	S.L.A.S	Special
	Chief Accountant	S.L.Ac.S	1
	Senior Assistant Secretary	S.L.A.S	1
	Director (Development)	S.L.A.S	1
	Director (Planning)	S.L.P.S	1
	Assistant / Deputy Director	S.L.P.S	111/11
	Assistant Secretary	S.L.A.S	111/11
	Accountant	S.L.Ac.S	111/11
	Internal Auditor	S.L.Ac.S	111/11
Territory	Administrative Officer	M.S.O	Super Class
	Coordinating Secretary to the Secretary	Temporary	-
Secondary	Development Officer	D.O.S	111/11/1
	Public Management Services Officer	M.S.O	111/11/1
	Information and Communication Technology Assistant	S.L.C.T.S	3-111/11/1
Primary	Driver	C.D.S	111/11/1 Special
	Office Employee Services	K.K.S	111/11/1 Special
Temporary	Video Cameraman	Temporary	
	Photographer	Temporary	-
	Assistant Cameraman	Temporary	-
	Market Promotion Officer	Temporary	-

6.2. Impact of human resources on the performance of the institute

There is no excess of human resources. There is a huge shortage of human resources. The total approved staff is 62. But the number of employees is 28. The approved number of employees in the secondary category is 28. But only 06 are employed. Although 11 Management Service Officers have been approved, only one Officer is currently employed. In addition, 11 trainees who have been attached for training under the Unemployed Graduates/ Diploma Holders Employment programme 2020 are under training as at 31.12.2021.

6.3 Human Resource Development

Local Training Programs – 2021

Programme	No of Parti cipants	Time period (days)	Investment Local / Foreign Rs.	Nature of the programme	Acquired Knowledge
Office methods.	30	2021.11.11	30,000.00	Lectures and discussions	Proper use of office methods
Procurement process	01	2021.10.26	5,000.00	Online	Execute the procurement pr correctly.
Office Management and Financial Regulations	01	2021.11.11 2021.11.12	10,000.00	Online	Understanding regulations and acting accordingly.
Annual Goods Survey	01	2021.11.12 2021.11.19 2021.11.29	15,000.00	Online	How to do a product survey correctly.
Preparation of salaries of public officers	01	2021.11.29	5,000.00	Online	Preparation of Salaries.
Maintaining a personal file effectively.	01	2021.11.23	5,000.00	Online	Maintaining a personal file correctly.

Due to the COVID 19 pandemic in 2021, it was practically impossible to conduct the training programmes as planned.

Contribution of the training program for the performance of the organization

Due to the fact that this Ministry is a new Ministry and has a new staff, the training programs conducted have enhanced the productivity and efficiency of the institution.

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
1	**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/R		
1.4	Stores Advance Accounts	N/R		
1.5	Special Advance Accounts	N/R		
1.6	Others	N/R		
2	**Maintenance of books and registers (FR445)/**			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards have been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	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 update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA – N20) has been maintained and update	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
3	**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		
4	**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	Not Complied	The post of internal Auditor is still vacant.	
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		
5	**Audit queries**			
5.1	All the audit queries have been replied within the specified time by the Auditor General	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
6	**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	Not Complied		
6.2	All the internal audit reports have been replied within one month	Not Complied	The post of internal auditor is still vacant	
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Not Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulation 134(3)	Not Complied		
7	**Audit and Management Committee**			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
8	**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 were 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 had been carried out in terms of FR 772	Complied		
9	**Vehicle Management**			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had 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		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
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 has been transferred after the lease term.	N/R	Vehicles are not leased.	
10	**Management of Bank Accounts**			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	**Utilization of Provisions**			
11.1	The provisions allocated had 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 had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
13	**General Deposit Account**			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had 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 had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	**Revenue Account**			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had 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/R		
16	**Human Resource Management**			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list 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		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
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 and has it been 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 citizen's 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	Complied		
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	Complied		

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
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 aforesaid 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	Complied		
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		