

**NATIONAL HUMAN RESOURCES DEVELOPMENT COUNCIL
OF SRI LANKA**

**ANNUAL REPORT
2019**

**Ministry of National Policies, Economic Affairs,
Resettlement & Rehabilitation, Northern Province
Development and Youth Affairs**

354/2, NIPUNATHA PIYASA, 7TH FLOOR, ELVITIGALA MAWATHA, COLOMBO 05.

Institutional Background

Institution	:	National Human Resources Development Council of Sri Lanka
Ministry	:	Ministry of National Policies, Economic Affairs, Resettlement & Rehabilitation, Northern Province Development and Youth Affairs
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Vision

Our Workforce Future Ready

Mission

Develop, implement, promote and facilitate effective policies, and innovative strategies in relation to human resources development of our country.

Values

- ❖ Team culture
- ❖ Customer orientation
- ❖ Creativity
- ❖ Equality

Message of the Chairman

The National Human Resources Development Council of Sri Lanka coordinates efforts from multiple governmental departments with the aim of stimulating a culture of training and lifelong learning at individual, organizational and national levels.

The main duties and functions of the Council are to advise the Minister on national human resources policy in all its aspects, including the rationalization and co-ordination of sectoral human resources development concerning, or related to - employment, training and education; the application of science and technology; the enhancement of quality of life; the designing of social protection for disadvantaged groups of persons; and maintaining entitlements with economic reforms.

Our primary objective for 2019 was to achieve the organizational vision of “Our work force future ready”. The National Human Resources Development Council of Sri Lanka is committed to providing information and policy advice on all aspects of human resource development to the government.

NHRDC was able to organize eight Foreign Training Programs for different target groups such as common public sector managerial staff, school principals, university administrative staff and university technical officers. The main objective of these programs is, to increase the job-related competencies and individual growth of the public sector officials. These programs were held with the collaboration of Philippines, Malaysia and Singapore.

Also, it was conducted series of lectures to uplift the skills of the public servants in the managerial levels and below, namely improve the Effectiveness of the Public Officers, Changing Role of the Public Servant, Stress-Free Employee. The purpose of these programs was to improve the quality of public service delivery by having an ethical, productive and citizen centric managerial workforce.

Solid waste management is a critical issue in the waste sector in Sri Lanka. NHRDC with the collaboration of Solid Waste Management Unit of Ministry of Provincial Councils and University of Sri Jayewardenepura designed a course module to develop the capabilities of the entrepreneurs who are engaged in this sector. The main objective of this program is facilitating a certificate course in solid waste management in order to produce entrepreneurs with sound management skills together with competent skills in technical know-how in solid waste management.

Also, the career guidance workshops conducted by the NHRDC together with the Ministry of Education with the aim of strengthening the career guidance in the school system.

“Rakiya Aruna program was conducted targeting both skilled and unskilled youth to attract new talent into critical growth industries. Every year about 47 percent of students exit from general education and the TVEC system. These drop- out students enter the unskilled labour forces such as Middle East migration, three wheel driving etc. NHRDC were undertook many activities through annual projects to address the issues through solutions such as Human capital Summit, industrial forums, policy development and career fairs and career motivation programmes.

Aiming to empower the small and medium scale business community it was conducted a series of programs for the fishing community.

I trust that the 2019 Annual Report will provide proof of our efforts towards building the HR competences for the future economic success of the nation.

Dinesh Weerakkody
Chairman

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1. Institutional Background and the Scope

The National Human Resources Development Council of Sri Lanka is an institution established under the provisions of the National Human Resources Development Council Act No. 18 of 1997 to perform a significant role in Human Resources Development. It takes responsibilities for the important role of work in assisting to initiate, promote and implement the policies pertaining to human resources development and by giving priority to all the activities of human resources development under the powers vested upon the said council. Its main objective is to provide policy guidelines and advice in respect of the Human Resources Development to the Minister concerned and to the government.

1.1 Introduction to the Institution

The National Human Resources Development Council of Sri Lanka, as a national level consultative body began as a unit of the Ministry of Youth Affairs on the 05th of June 1987. Subsequently it was established as an independent statutory body under the purview of the Ministry of Science & Technology, subject to the provisions of the National Human Resources Development Council Act No. 18 of 1997. Since then, this institution was assigned to the Ministry of Technical Education and Vocational Training within a short period i.e., in the year 2000, and again in the year 2001 it was assigned to the Ministry of Education & Cultural Affairs. Then, subsequent to the change of government, the institution was assigned to the Ministry of Skills Development, Vocational & Technical Training. This institution which functioned under several ministries within a short period is currently carrying out its functions under the purview of the Ministry of National Policies, Economic Affairs, Resettlement & Rehabilitation, Northern Province Development and Youth Affairs.

1.2 Vision

Our Workforce Future Ready

1.3 Mission

Develop, implement, promote and facilitate effective policies, and innovative strategies in relation to human resources development.

1.4 Objectives

The objective of the National Human Resources Development Council of Sri Lanka is to create an institutional frame work suitable for providing policy guidelines to the government in respect of Human Resources Development. This institution is also responsible for Human Resources Development, process planning, policy review and improvement of the human resources capacity.

The duties and functions of the Council are as follows;

- (i). to advise the Minister on national human resources policy in all its aspects, including the rationalalization and co-ordination of sectoral human resources development concerning, or related to -
 - a. Employment, training and education;
 - b. The application of science and technology;
 - c. The enhancement of quality of life;
 - d. The designing of social protection for disadvantaged groups of persons; and
 - e. Maintaining entitlements with economic reforms;
- (ii) To make recommendations to the Minister, on plans and programmes on human resources development, in accordance with the national policy, for submission to the Government;
- (iii) To review and examine, periodically, the national human resources development policy, plans and programmes in operation and where necessary, to recommend to the Minister, changes in such policy, plans and programmes;
- (iv) To monitor the implementation of human resources development plans and programmes approved by the Government; and
- (v) To implement any project related to any subject referred to in the Schedule to this Act, provided that, where such project relates to a subject which has been assigned to any other Minister, implementation shall be with the concurrence of that other Minister; and
- (vi) To do all such other acts which in the opinion of the Council are necessary for, or conducive or incidental to, human resources development in accordance with the national objectives.

1.5 Authority of the Council

In terms of Sub section 16 (2) (1) of the Act of National Human Resources Development Council of Sri Lanka No 18 of 1997, the powers of the Council are as follows;

- (a) to carry out such surveys, investigation studies and research as may be necessary for the discharge of the functions of the Council;
- (b) to conduct public or private hearings with a view to ascertaining the opinion of experts, professionals or the general public, on matters relating to human resources development;
- (c) to establish and maintain liaison with international agencies and other organizations outside Sri Lanka discharging functions similar to those discharged by the Council;
- (d) To enter into and perform, all such contracts and agreements as may be necessary for the discharge of its functions under this Act;
- (e) To arrange for the conduct of human resources development research by Institutions or individuals either in Sri Lanka or abroad;
- (f) To establish and maintain an information data bank on human resources development and related fields in Sri Lanka and in other countries;
- (g) To open and maintain, current, savings or deposit accounts, in any bank or banks;
- (h) To accept and receive grants and donations, both movable and immovable;
- (i) To take such steps as may be necessary to advance the skills of its officers, with view to developing a pool of expertise in all aspects of human resources development;
- (j) To appoint such committees, expert groups and advisory bodies as may be necessary for the effective discharge of its functions;
- (k) To call for, and obtain such information as the Council may deem necessary including statistics and data from Ministries, Government Departments, Public Corporations, Statutory Boards, Provincial Councils, Local Authorities and Private Sector Establishments; and
- (l) To adopt all measures, which in the opinion of the Council are considered necessary for, conducive or incidental to, the discharge, exercise and performance, of the functions, powers and duties of the Council.

2.Organisational Structure of The National Human Resources Development Council

This Council operating under the purview of the Ministry of National Policies, Economic Affairs, Resettlement & Rehabilitation, Northern Province Development and Youth Affairs is composed of a Chairman and twenty members appointed under the provisions made in National Human Resources Development Council Act No. 18 of 1997. Out of them, fifteen (15) persons are appointed ex-officio, while the remaining five (5) members are from relevant institutions. In addition to that, 5 members are appointed considering experience and skills in the relevant fields and out of them two (2) persons are from the private sector. The Minister in charge of the portfolio has been vested with the power under the Act to appoint a member among them as the Executive Chairman, and the Chairman is the Chief Executive Officer. The Council comprised twenty members as at 31.12.2019. The Members of the Council as at 31.12.2019 are as follows:-

Appointments made under sections 3(1) (a) to (P) of the Act

1. Chairman, National Human Resources Development Council of Sri Lanka
2. Secretary, Ministry in charge of the subject of Plan Implementation
3. Secretary, Ministry in charge of the subject of Higher Education
4. Secretary, Ministry in charge of the subject of Education
5. Secretary, Ministry in charge of the subject of Science and Technology
6. Secretary, Ministry in charge of the subject of Labour
7. Secretary, Ministry in charge of the subject of Public Administration
8. Secretary, Ministry in charge of the subject of Health
9. Secretary, Ministry in charge of the subject of Industrial Development
10. Secretary, Ministry in charge of the subject of Agriculture
11. Chairman, Tertiary and Vocational Education Commission
12. Director General, Tertiary and Vocational Education Commission
13. Chairman, National Education Commission
14. Chairman, University Grant Commission
15. Chairman, National Apprenticeship and Industrial Training Authority
16. Secretary, Ministry in charge of the subject of Finance

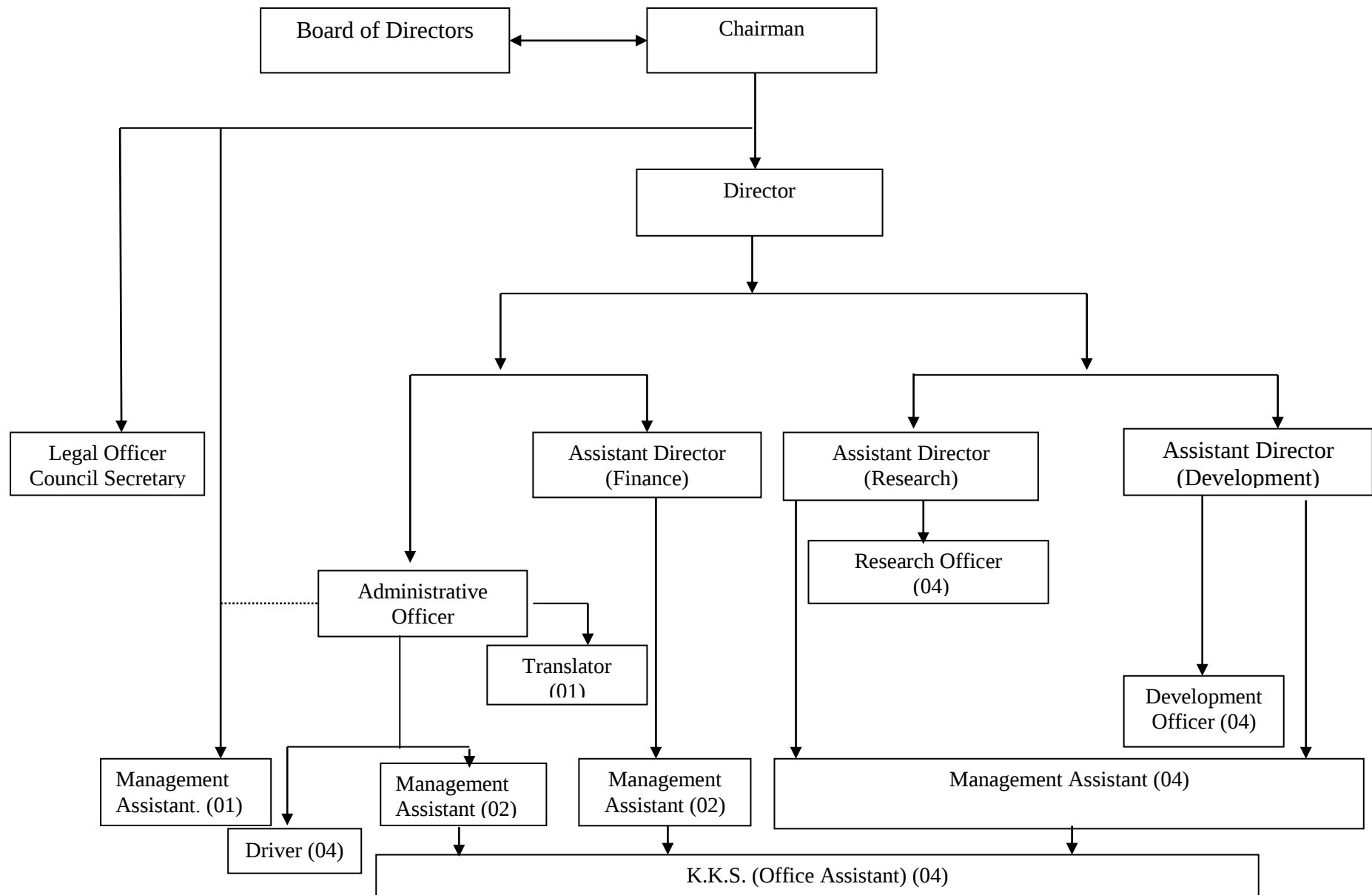
Appointment made under Section 3(2) (O) of the Act

1. Prof. Camena Gunaratne, Dean, Faculty of Humanities & Social Science, Open University
2. Prof. Rangika Halwatura, Senior Lecturer, University of Moratuwa
3. Dr. Chandra Ambuldeniya, 165/1C, Polhengoda Road, Colombo 05
4. Mr. Upali Ratnayake, 2000 Plaza Residence, 25, New Hospital Road, Sri J'pura, Nugegoda

The particulars of the Council Meetings of the National Human Resources Development Council of Sri Lanka held and the members who attended in the year 2019.

#	Member and the Institution	2019.06.21	2019.07.29	2019.09.19	2019.10.29
01.	Chairman, National Human Resources Development Council	√	√	√	√
02.	Secretary, Ministry in charge of the subject of Plan Implementation	*√	*√	-	-
03.	Secretary, Ministry in charge of the subject of Higher Education	-	√	-	-
04.	Secretary, Ministry in charge of the subject of Education	√	√	-	-
05.	Secretary, Ministry in charge of the subject of Science and Technology	-	-	√	√
06.	Secretary, Ministry in charge of the subject of Labour	-	√	√	√
07.	Secretary, Ministry in charge of the subject of Public Administration	-	-	-	-
08.	Secretary, Ministry in charge of the subject of Health	√	√	√	-
09.	Secretary, Ministry in charge of the subject of Industrial Development	-	-	-	√
10.	Secretary, Ministry in charge of the subject of Agriculture	√	√	-	-
11.	Chairman, Tertiary and Vocational Education Commission	√	√	√	√
12.	Director General, Tertiary and Vocational Education Commission	√	√	√	√
13.	Chairman, National Education Commission	√	√	√	-
14.	Chairman, University Grants Commission	-	√	-	-
15.	Chairman, National Apprentice and Industrial Training Authority	√	-	-	-
16.	Representative of the Secretary, Ministry in charge of the subject Finance	√	-	√	√
17.	Prof. Camena Gunaratne (Appointed Member)	-	-	-	√
18.	Mr. Upali Ratnayake (Appointed Member)	√	√	√	√
19.	Prof. Rangika Halwatura (Appointed Member)	√	√	-	√
20.	Dr. Chandra Embuldeniya (Appointed Member)	√	√	√	√
	No. of Total Participants	13	14	10	11

3. National Human Resources Development Council of Sri Lanka - Organizational Structure



4. The cadre of National Human Resources Development Council of Sri Lanka and their designations

Designation	Approved cadre	The staff as at 31.12.2019	Vacancies as at 31.12.2019	Name
Chairman	01	01	-	Mr. Dinesh Weerakkody
Director	01	01	-	Mr. K.A.Lalithadheera
Assistant Director	03	03	-	Mrs. J.A.C.P.Jayasingha Mr. S. Thanagaseelan Mrs. S.S. Kaluarachchi
Council Secretary/ Legal officer	01	01	-	Mrs. G.G. Kasuni Uthpala
Research Officer	04	04	-	Mr. D. Senthilnadan Miss. N.D.Edirisingha Mr. R.D.C.S. Rajapaksha Miss U.M. Weerasena
Administrative Officer	01	01	-	Mrs. K.V.S. Eranga
Translator	01	-	01	-
Development Officer	04	01	03	Mr. K.P.P. Perera
PA to the Chairman	01	-	01	-
Management Assistant	08	06	02	Mr. C.R.Maddage Mrs. M.G.N. Dilhari Mrs. K.C.Muthumala Mrs. Asha Edirisingha Mrs. G.M.Saddhamangala Ms.Hiruni Chamodhi
Driver	04	04	-	Mr. G.M.Pinnaduwa Mr. Terrance Piyal Mr. R.C.R. Jayawardena Mr. Gayan Jeewantha
Office Assistant	04	03	01	Mr. N. G.Nadun Maduranga Mr. W.R.A. Prince Granvil Miss. A.Nayana Priyadarshani
Total	33	25	08	

New Recruitments

Name	Designation	Date of Appointed
1) Mrs. S.S. Kaluarachchi	Assistant Director (Finance)	11/02/2019
2) Miss U.M. Weersena	Research Officer	11/02/2019
3) Mr. R.D.C.S. Rajapaksha	Research Officer	11/02/2019

Resignations

Name	Designation	Date of Resigned
1) Ms.K.L.S.N Kamburugamuwa	Management Assistant	07/08/2019
2) Mrs. K.C. Gurusingha	Development Officer	11/08/2019

Local and Foreign Training

With the view to enhance subject knowledge of staff of the NHRDC, local and foreign training was provided to them during the year under review. The details of officers who attended training during the year 2019 are as follows.

#	Name of the Officer	Designation	Training Program	Institute
	K.C. Gurusinge	Development Officer	English Diploma	University of Kelaniya
	K.A. Lalithadheera K.V.S. Eranga	Director Administrative Officer	Training Need Analysis	CIPM
	K.V.S. Eranga G.P.M.Saddhamangala	AO Management Assistant	Disciplinary Procedures	CIPM
	Sujeewa Kaluarachchi	Assistant Director (Fin.)	Workshop for Public Sector Accountants	CA Sri Lanka
	Sujeewa Kaluarachchi	Assistant Director (Finance)	Budget Forum-2019	MBA Alumni Association- Uni/Colombo
	Nayana Priyadarshani	Office Assistant	Telephone Etiquettes and Customer Care	Head Masters
	Prince Granvil	Office Assistant	Be the Pride of Your Company	CIPM
	Maduranga Pinnaduwa	Driver	Ethics and Disciplines	SDFL
	Hiruni Chamodi	Management Assistant	English Course	British Council
	G.G.Kasuni Uthpala	Legal Officer	The role of a company secretary	ICC
	Prabhath Perera M.Saddhamangala	Development Officer Management Assistant	Internal Auditing	SLSI
	Shashinika Nawanjani	Management Assistant	Write with Impact	CIPM
	Kasuni Uthpala	Legal Officer	Board Leadership	SLID
	Navoda Edirisinge Sandeepa Rajapaksha Uda Weerasinghe	Research Officers Research Officer Research Officer	Research Symposium	CIPM
	K.A. Lalithadheera S.T. Seelan	Director Assistant Director	High Performance Leadership	SLASSCOM
	K.A. Lalithadheera	Director	Art of Leading the Shift	CIMA
	Kasuni Uthpala	Legal Officer	Financial Stewardship and Accountability	SLID
	Madhubashini Saddhamangala	Management Assistant	National HR Conference	CIPM
	Uda Weerasena Hiruni Chamodi	Research Officer Management Assistant	Sustainable National Development	OPA
	Thaniga Seelan Sandeepa Rajapaksha	Assistant Director Research Officer	Workshop on Research Methods	Regional Centre for Strategic Studies
	K.A. Lalithadheera Navoda Edirisinge Sandeepa Rajapaksha Uda Weerasena	Director Research Officers	Management Conference 2019	CPM
	ThanigaSeelan	Assistant Director	Boot Camp	CIPM
	J.A. C.P. Jayasinghe	Assistant Director	Emotional Intelligence	CIPM
	Kasuni Uthpala	Legal Officer	Role of the Director and the Board	SLID

Local Training - Group Trainings :

Training Program	Resource Person/ Institute	Duration	No.of participants
Procurement	Anura Lokugamage	1 day	All Staff
Stress Free Workplace	Mr. Prabath Karunanayake	1 day	All Staff
Preparation of Corporate plan	Mr. Samantha Ratnayake	1 day	All Staff

Foreign Training :

No	Name	Designation	Name of the Training Program	Institute
1	Navoda Edirisinghe	RO	IIHS-OUM Creating Generation of Leaders in Education-2019 Malaysia	Open University, Malaysia
2	Prabhath Perera	Development Officer	Managerial Competency Development Program	University of Putra, Malaysia
3	K.A. Lalithadheera	Director	Exposure Visit- Career Guidance	UK - British Council

5. PROJECTS DONE BY PUBLIC SECTOR DIVISION IN THE YEAR 2019

5.1 Common Competency Framework (CFW) for Productive and Ethical Public Service Culture

In a continuously changing environment, skilled and experienced managers are needed. When considering the Sri Lanka, service delivery depends more on the public sector, rather than on the private sector, as it deliver most of the essential and sensitive services for the public. Accordingly, The National Human Resources Development Council of Sri Lanka (NHRDC) undertook a study to upgrade the skills and competencies of the officers in the Public Sector. Based on the study done by NHRDC with the team of experts, a Common Competency Framework (CFW) for the public sector was developed and it was approved by the Cabinet of Ministers on the 27th June 2017.

In this CFW it was identified **seven Core competencies** namely, Citizen Focus, Innovative and change agent, Effective communication, Teamwork, Leadership & Strategic and System Thinking.

Expected outcomes expected by implementing the CFW

- ❖ Improve the quality of public service delivery by having on board an ethical, productive and citizen focused/centric managerial workforce.
- ❖ Improve the quality of service of the public servants and also of their sense of satisfaction, loyalty and commitment.
- ❖ Develop a common competency framework to attract, select and retain right people in the public sector.
- ❖ Establishment of a new public sector culture.

In future, NHRDC expects to facilitate the implementation of this framework with the collaboration of public sector training Institutes. The framework is current being used by the SLIDA and NHRDC in all the capacity development programmes. As a pilot project, it was conducted 03 training programs for the public sector officers. Summary of the programs was given below. 80% of the participants in the senior and middle level managers in the public sector responded that those lectures were in a good condition.

Topic	Name of the Resource Person	Date & Venue	No. of Participants	Organized by
Citizen Focus	Prof. Gamini de Alwis, Management Counsultant, Trainer	2019 07.22 HARTI	80	NHRDC
Citizen Focus	Prof. Gamini de Alwis, Management Counsultant, Trainer	2019.11.28 DS Office, Batticcoloa	150	NHRDC & DS Office, Batticcoloa
Innovative & Change Agent	Mr. H.B. Herath, Mr. T.M. Jayasekara, Mr. Isamil A. Assiz Management Consultants International Development Training Institute	2019.12.12 HARTI	70	NHRDC

Citizen Focus - HARTI



Citizen Focus – DS Office, Batticcoloa



Innovative and Change Agent - HARTI



5.2 Empowering the Small And Medium Scale Entrepreneurs

The NHRDC conducted a series of programs to empower the small and medium scale business community. Accordingly an awareness programs was successfully conducted parallel to the “International Womens Day” with the participation of registered and active level women SMEs on 7th March 2019 from 9.30 am to 2.30 pm at Salgaru Ground Anuradapura. This program was organized with the collaboration of SME Division of DS Office, Anuradhapura and Ministry of Women and Child and Dry Zone Development.

The main objective of this program is to facilitate SMEs to access International Markets and 182 SMEs were participated. Hon. Chandrani Bandara, Minister of Women and Child and Dry Zone Development also participated at this event. The lectures were conducted under following topics.

	Topic of the Lecture	Resource Person	No. of SMEs participated
1	Duties and Function of EDB, Export Market opportunities and problems faced by SMEs.	Asst. Director, Export Development Board	182
2	Financial Literacy, Loan facilities implemented by the Central bank and the Government	Central Bank , A’pura Branch	
3	New Methods of Marketing (E-marketing)	Sri Lanka Telecom Institute	



5.3 LECTURE SERIES -2019

A special series of lectures are held during the year with a view to developing the quality and productivity of employees in the public sector to create a quality public service. This lecture series for government officials at various levels of management in publishing the skills of public sector employees was started from 2016 on a concept of Chairman of the National Human Resources Development Council of Sri Lanka.

The objective of NHRDC is to maintain a series of effective lectures for the public sector in Colombo as well as outside a view to developing the quality and productivity of employees in the public sector to create a quality public service through a competent team of lecturers representing various sectors.

The summary of the lectures conducted during the year 2019 are given below.

Name of the Lecture	Name Resource Person	Date and Venue	No. of Participants	Organized by
Improve the Effectiveness of the Public Officers	Mr. Kishu Gomes	14.05.2019 SLITHM	100	NHRDC
Changing Role of the Public Servant	Mr. Dammika Perera	24.09.2019 SLITHM	200	NHRDC & Valibal PLC
Stress-Free Employee	Dr.Prabath Karunanayake	06.11.2019 HARTI	100	NHRDC

Few photo shots of the programs conducted



Improve the Effectiveness of the Public Officers, SLITHM



Stress-Free Employee, HARTI



Changing Role of the Public Servant, SLITHM

5.4 CREATE ENTREPRENEURS IN SOLID WASTE MANAGEMENT

Solid waste management is a critical issue in the waste sector in Sri Lanka. NHRDC with the collaboration of Solid Waste Management Unit of Ministry of Provincial Councils and University of Sri Jayawardenepura designed a course module to develop the capabilities of the entrepreneurs who are engaged in this sector. It is hoped to find long-term solution for the waste problem and make new career path entrepreneurs in this sector through this course. As a Pilot program of this course was launched by NHRDC on 20th October 2019 at the Entrepreneur Department of University of Sri Jayawardenepura.

The main objective of this program is facilitating a certificate course in solid waste management in order to produce entrepreneurs with sound management skills together with competent skills in technical know-how in solid waste management. Further, the program focusses on following specific objectives:

- ❖ To establish a mindset to develop entrepreneurial initiatives
- ❖ To educate the formal business processes involved
- ❖ To deviate from the traditional classroom learning and introduce workshops/training to inculcate the necessary management awareness concepts/theories and practical aspects

Trainees were selected for the course in Solid Waste Management by covering the all provincial councils of Sri Lanka by the Solid Waste Management Centre of Ministry of Provincial Council. A valuable certificate will be awarded to every participant who will be able to complete the theoretical and practical sessions successfully.

This course will be helpful for the entrepreneurs who are engage in solid waste management sector and currently 22 participants are following the course by exploring the knowledge in entrepreneurship, management and Technical knowledge. And they can develop their business further by this training. Also it is expected to get the appropriate NVQ Level from TVEC to uplift the standard of the course.



5.5 STATISTICAL BULLETIN OF NHRDC

As per the vision of NHRDC, management of NHRDC has been decided to publish a Statistical Bulletin by annually to fulfill the information gap of relevant stakeholders regarding the Education sector in Sri Lanka. In this regard four bulletins were published since year 2015 and latest bulletin has been published in Year 2019.

In this bulletin it is included important statistics related with General Education, TVET and Higher education sectors. All the data were collected based on the secondary data sources available in the website, Central Bank Annual reports of Sri Lanka, University Statistics of University Grant Commission etc. Data of this bulletin will be important to researchers, policy makers who have the interest on Education sector in Sri Lanka.

6. PROJECTS DONE BY PRIVATE SECTOR DIVISION IN 2019

6.1 FOREIGN TRAINING PROGRAMS FOR PUBLIC SECTOR OFFICIALS

Under the vision, “Our Workforce Future Ready” the National Human Resources Development Council of Sri Lanka has continued to organize more successful programs in the year 2019 for the Public Sector Officials and this year NHRDC was able to launch the first training programs in Philippines. The main objective of these programs is, to increase the Job-related competencies and individual growth of the public sector officials.

In 2019 NHRDC was able to organize three Training programs for different target groups such as Common public sector managerial staff, Higher Managerial Level Public Sector Officers and Engineers from Ceylon Electricity Board. The programs conducted are as follows:

6.1.1. Managerial Competency Development Program (MCDP)

The program targeted for Middle and Higher Public Sector Managerial Staff. This program was conducted with 3 days local session for each. The Local session resources persons were Mr. Ranil Sugathadasa, Dr. Kasun Nandapala and Mr. Chameera Udawatta. Details of the three programs are given below:

MCDP III

Number of Participants – 27

The Local Session of the program was held from 27th of Feb. to 1st of March and the Foreign Session was held on 10th March to 16th March 2019

Countries: Malaysia and Singapore.



6.1.2. Foreign Training for Ceylon Electricity Board

Objective of the Project: To enhance the IT operations and maintenance in Ceylon Electricity Board

- ❖ Number of participants: 10
- ❖ Programs Dates: 30th January to 5th February 2019
- ❖ Target Group : Engineers from Ceylon Electricity Board
- ❖ Country: Malaysia



6.1.3. Leadership and Management Development Program

- ❖ The target group - Higher managerial level officers in the Public Sector
- ❖ Participants - 16
- ❖ Conducted from 1st to 5th of April 2019
- ❖ Country: Philippines



6.2 EFFECTIVE UTILIZATION OF OFF-SEASON OF COASTAL SECTOR FISHING FAMILIES

In Sri Lanka there are mainly two types of fisheries sectors as Marine fisheries and Inland & Aquaculture Fisheries. Out of Marine fisheries sub sector, around 130,800 fishers are engaged and out of the total fish production of Marine sector around 60% is supplied by fishermen who operate in coastal sector while remaining 40% is supplied by fishermen who operate in off-shore/Deep Sea fishing sector. During the off-season, most fishermen tend to find employment as laborers on multi-day boats or migrate to other areas that are in season. Sometimes they find wage work in other, fishery-related activities, including dried fish production. Therefore utilization of off-season of coastal sector fishing families in an effective manner will be an advantage for improving quality of their lives and also economic development of the country.

Consequently address the above issue; following programs were conducted for the fishing families in the coastal area in Sri Lanka with the aim of utilizing them effectively.

Focus Group Discussions (FGD)

Two focus group discussions were conducted in Udappuwa and Kandakuliya AGA Divisions at Puttlam District on 18th March 2019, and also one focus group discussion was conducted in Hambanthota District on 23rd of June 2019 and another FGD was conducted in Ampara District on 4th of October 2019. Main issues related with the fishing families and their training needs were identified through the above focus group discussions.

Summary of FGD Programs

Type of Programme	Venue	District	Number of Participants with officers
FGD	Udappuwa	Puttlam	23
FGD	Kandakuliya		28
FGD	Kudawella South	Hambanthota	10
FGD	Kalmunai	Ampara	15



FGD at Kandakuliya



FGD at Kudawella South



Awareness Programmes

Two Awareness programmes on “SME Opportunities and Knowledge on how to Start-Up A Business” for wives of fishermen were conducted at Kalpitiya in Puttalam district and at Tangalle in Hambanthota district in collaboration with the DFAR, IDB, Central Bank, “Mahima” plant nursery institute and SIYB Association of Sri Lanka on 12th July 2019 and 26th November 2019 respectively. Awareness were given on available self-employment and SME opportunities & financial literacy through the above general awareness programmes and their specific training requirements were also identified.

Summary of Awareness Programs

Type of Programme	Venue	District	Number of Participants with officers
Awareness	DS office- Kalpitiya	Puttalama	348 (without officers)
Awareness	DS office - Tangalle	Hambanthota	104 (without officers)

SME Promoting program for fishing community at DS office Kalpitiya



SME Promoting program for fishing community at DS office Tangalle



Conducting Training programme

Training programme on “Aloe-Vera Cultivation” was successfully conducted with coloboration of Ceylon Chamber of Commerce on 18th October 2019 at DS office, Kalpitiya for 110 fisheries women. Training was conducted based on the most feasible training suited for the area throughout specifically identified training requirements of Kalpitiya fisheries women.

“Aloe Vera Cultivation” Training Program at DS office Kalpitiya



6.3 CAPACITY DEVELOPMENT PROGRAM FOR STRENGTHENING THE CAREER GUIDANCE IN SCHOOLS

The career guidance program conducted by the National Human Resources Development Council of Sri Lanka (NHRDC) together with the Ministry of Education aims to train teachers on how to conduct professional career guidance with the students. The main objective of this program is to strengthen the career guidance in school system by training teachers, principals and other relevant officers. This program provides an in -depth expert consultation on career guidance and a more specialized consultation on practical guidance for career guidance. For an efficient delivery of the lectures, a pool of lecturers were selected through a Technical Evaluation Committee to conduct lectures on,

- Role of the teacher in career guidance
- Psychometric and career tests
- Enhancing career guidance in school system
- Labour market, vocational education, training and current training opportunities.

The pool of resource persons consists of the experts. Namely, Ms. Chandima Rodrigo, career guidance officer of the Ministry of Skills Development and Vocational Training, Mr. J.D Rathnayake, career guidance officer of Rajarata University, Mr. Manjula Vidanapathirana, Acting Director of Tertiary and Vocational Education Commission, Dr. Ajith Jayawardene – Director, Sri Lanka Institute of Career Guidance, Mr P. Vivekanathan, Career Guidance instructor at National Youth Corps Training Center, Kinniya, Mr. B.D.W.K Karunarathna, Assistant Director (NYSC), Youth Organization Development and Career Guidance Counselling.

In addition to the above mentioned resource persons, Dr. K.A Lalithadheera, Director of NHRDC conducted lectures on “Labour market, trends and leadership.”

The Education Zones were nominated by the Ministry of Education. In addition to the nominated events, one extra program was conducted on the request of the principal of Biyagama Central College.

The following table shows the information relating to the conducted programs for the year 2019.

	Education Zone	Venue	Date	No of participated teachers/principals /officers
1	Ratnapura	Kuruwita Education Divisional Office	22 nd March 2019	110 teachers
2	Wellawaya	Mahinda Rajapaksha Conference Hall	24 th May 2019	120 teachers
3	Bandarawela	Resource center of Bandarawela Education Center	24 th July 2019	110 teachers
4	Horana	Main hall of Horana Takshila Primary School	9 th September 2019	90 teachers
5	Ampara	Auditorium of D.S Senanayake Vidyalaya	4 th October 2019	110 teachers
6	Katugasthota	Main Hall of Nugawela central College (Primary)	15 th October 2019	100 teachers
7	Biyagama Central College	Main hall of Biyagama central College	15 th June 2019	115 teachers
Total participation				755

The majority of the teachers requested us to organize this program school wise so that both teachers and students will be privileged. In addition, they have noticed that all the lectures were fruitful and successful.

Based on the comments and feedbacks of the participants as well as NHRDC team observations, following recommendations were made to strengthen the career guidance in the school system.

- ❖ It is an essential need to strengthen career guidance division in the Ministry to implement the national plan all island.
- ❖ It is recommended to form a committee zonal/school wise to get career guidance and counselling service to any school in that education zone. The committee should include the following officers.

- Human Resource Development Officers.(Divisional Secretariats).
 - Skills Development Officers.
 - Career guidance teachers representing teacher counselling centers.
 - Career guidance officers training institutions (VTA, NAITA, DTET, NYSC)
- ❖ Each school should be equipped with career guidance and counselling sessions to improve career guidance in education and vocational choices of students.
 - ❖ Schools should have careers leaders. (It can be principal, vice-principal or an active teacher).
 - ❖ Every student of grade 9 should do the career test and should have their records with them.
 - ❖ Recommend to organize career guidance awareness and motivational programs for teachers covering all the education divisions. (Two/three teachers along with the principal from each school should participate).
 - ❖ In addition to the NHRDC recommendations, it is necessary to implement actions mentioned in the circular issued by the Ministry of Education.
 - ❖ Zonal education offices should maintain a good career guidance monitoring system.
 - ❖ Establishing a proper career guidance unit for every school is strongly recommended while displaying all the necessary and relevant visual materials and should be equipped with, audio visual material, career information booklets and leaflets and career skills book collection.
 - ❖ Each Unit should be equipped with the required IT and other needed facilities to conduct career tests for the students of grade 9 and above.
 - ❖ Schools should have the environment suitable for strengthening the career guidance. Each section of the school should showcase the motivational posters and banners related to career guidance.

The effort was to create a model system to strengthen the existing career guidance in school. We expected career guidance teachers and principals or vice principals or any other teacher/officer in charge, skills development officers in Divisional Secretariats to participate in this sessions, and thereby to make a continuous flow of the subject. A report was compiled on this and was given to the Ministry of Education.

පාසල් වෘත්තීය මාර්ගෝපදේශනය ශක්තිමත් කිරීමේ වැඩසටහනක්



“පාසල් වෘත්තීය මාර්ගෝපදේශනය ශක්තිමත් කිරීම” යන තේමාව පදනම් කර ගනිමින් ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශයේ මානව සම්පත් සංවර්ධනය කිරීමේ ශ්‍රී ලංකා ජාතික සභාව, අධ්‍යාපන අමාත්‍යාංශය සමඟ ඒකාබද්ධව පාසල් වෘත්තීය මාර්ගෝපදේශනය ශක්තිමත් කිරීමේ ව්‍යාපෘතියක් ක්‍රියාත්මක කරනු ලබන අතර, එහි 2019 ප්‍රථම පියවර ලෙස පාසල් ශුරුවරුන් දැනුවත් කිරීම සහ වෘත්තීය අධ්‍යාපනය පිළිබඳ දැනුවත් කිරීමේ වැඩසටහනක් 2019 මාර්තු මස 22 දින කුරුවිට අධ්‍යාපන කොට්ඨාස කාර්යාලයේදී සාර්ථක ලෙස පවත්වන ලදී. රත්නපුර අධ්‍යාපන කොට්ඨාශයේ ශුරුවරුන් 110ක් පමණ මෙම වැඩසටහනට සහභාගී වූහ. එම වැඩසටහන සඳහා නිපුණතා සංවර්ධන හා වෘත්තීය

පුහුණු අමාත්‍යාංශයේ වෘත්තීය පුහුණු නිලධාරීන්, වත්දිමා රොග්ගේ මහත්මිය, රජරට විශ්ව විද්‍යාලයේ වෘත්තීය මාර්ගෝපදේශන උපදේශක ජේ ඩී රත්නාසක මහතා, කැලණිය විශ්ව විද්‍යාලයේ බාහිර කටයුතු ආචාර්ය ආනන්ද ගයනු පෙරේරා මහතා සහ මානව සම්පත් සංවර්ධනය කිරීමේ ශ්‍රී ලංකා ජාතික සභාවේ අධ්‍යක්ෂක ආචාර්ය කේ ඒ ලලිතාධර මහතා ඇතුළුව විද්වත් දේශක මඩුල්ලක් සහභාගී විය. අනා සාර්ථක ලෙස පවත්වනු ලැබූ මෙම වැඩසටහනට පිළිබඳව ශුරුවරුන් අනා යහපත් ප්‍රතිචාර දක්වූ අතර මෙවැනි වැඩසටහන් මාලාවක් අදිර්ඡයේදී දිවයිනපුරා පිහිටි තෝරාගත් පාසල්වල පැවැත්වීමට මානව සම්පත් සංවර්ධනය කිරීමේ ශ්‍රී ලංකා ජාතික සභාව කටයුතු සංවිධානය කරමින් සිටී.



6.4 RAKIYA ARUNA CAREER FAIR AND CAREER MOTIVATION PROGRAMME

“Rakiya Aruna program was conducted targeting both skilled and unskilled youth to attract new talent into critical growth industries. Every year about 47% of students exit from general education and the TVEC system. These drop-out students enter the unskilled labour forces such as Middle East migration, three wheel driving etc. NHRDC is undertaking many activities through annual projects to address the issues through solutions such as Human Resources Summit, industrial forums, policy development and career fairs and career motivation programmes. Career fair and career motivation programmes were developed based on the public and private sector collaboration to find employment, building skills and enrolment for the job market of young job seekers.

The focus is on sharing information between companies, training providers and job seekers. It is a way to explore career opportunities within a variety of companies at one location. These Career

Fairs are organized to create youth access to corporate internships, job placement, and career information and also it provides opportunities for relationship building between young people and corporations.

Objectives:

- ❖ Organize an awareness campaign on available job opportunities in industries/ companies and create awareness on available skills training courses in state and private training institutions and conduct Career fairs.
- ❖ To provide an opportunity for industry employers to introduce themselves to the dropout youth.
- ❖ To educate the dropout youth about industry opportunities.
- ❖ To provide employers a platform to reach out and connect with job seekers looking career opportunities

These programmes are organized in association with many stake holders such as TVEC, Ministry of Education, Department of Manpower and Employment, Employer's Federation of Ceylon, Chamber of Commerce District Secretariats and industrial representatives from various backgrounds such as Textiles & Garments, Auto-mobile, Hotel & Tourism, Information & Communication Technology, Construction, Food technology and Electronics & Tele Communication Engineering.

Shortage of labour is one of the key issues facing leading employment sectors in Sri Lanka. Strategically located in the Indian Ocean, Sri Lanka is a 'gateway' to South Asian markets with a population of approximately 21,007,264 people. With a workforce of around 8.2 million, our nation is blessed with a high literacy rate of 97% and the computer literacy rate is around 29%.

While industry suffers from severe labour shortage in sectors such as tourism, construction, garments, plantation, ICT and services, one out of every five Sri Lankan youth remains unemployed. A large number of youth are neither in education nor in employment. The number who are neither in education nor in employment more than doubles from 16 percent to 37 percent from 15 to 24 years old. Although they spend more time in education, the educational outcomes of youth are not satisfactory. Out of the 25-29 years old, only 8 per cent obtained a degree or a higher level of education. The rest did not have tertiary level qualifications.

Presently there are about eight million people reported as employed, while the unemployment rate is as low as 4.6 per cent; which is just about 372,000 although, one of the biggest challenges that employers are faced with today is finding workers for their business. Now there are thousands of

workers from China and India, while the opportunities are opening up to recruit labour from Nepal and Myanmar as well. Another issue is, statistics show that approximately 9.67 percent of its population is above the age of 65 years whereas projections show that Sri Lanka would have on elderly population of about 3.6 million by 2021, which is 16.7% of the total population and by 2041, one-quarter of the population would be elderly.

Output of Programme

The Career Motivational Programmes and Career Fair were held following districts and more than 6550 participants participated. More than 20 companies and 18 training institutes were participated at that programmes.

The stakeholders of the programme were Eastern University of Sri Lanka, National Chamber of Commerce, Berendina, and Australian-Aid, Man power Department, Tertiary and Vocational Educational Commission.

Summary of the Career Fair Programs

No	District/ University	No. of Participants	No. of Training Received	No. of Job received	Career test	Participated of Companies/ Training Institutions
1	Eastern University	2000	586	42	320	38
2	Ruhunu University	1500	337	525	270	42
3	Kalutara	1300	256	198	160	63
4	Sabaragamuwa University	1100	232	229	310	15
5	Galle	650	129	-	-	07
	Total	6550	1536	994	1060	165

Achieved Objective

- Expose students and youth towards job market.
- Initiate the networking process between prospective students, youths and prospective employers.
- Allow students and youths to experience real interviews.
- Showcase youth's & students' skills and competencies to employers and project sponsors.
- Facilitate the opportunities for our youths and students to gain employment.
- Stimulate youth's interest in career building possibilities.

6. 4.1 Eastern University Career Fair- Feb 28th 2019

Graduate profiles launching



Career Motivation



Career path & job opportunities for future ready work force Panel



Career fair & Job Fair launching



6.4.2 Ruhuna University Career Fair- on 12.09.2019

Career fair Inaugural event



Career fair Motivational Session



Career Fair





Conducting Career Test and Career counseling for students

6.4.3 Kalutara Career Fair Program - on 07.09. 2019



6.4.4 Sabaragamuwa University Program –Dec 10th 2019



6.4.5 Galle Career Motivation Program- December 17th 2019



Our Industrial PARTNERS



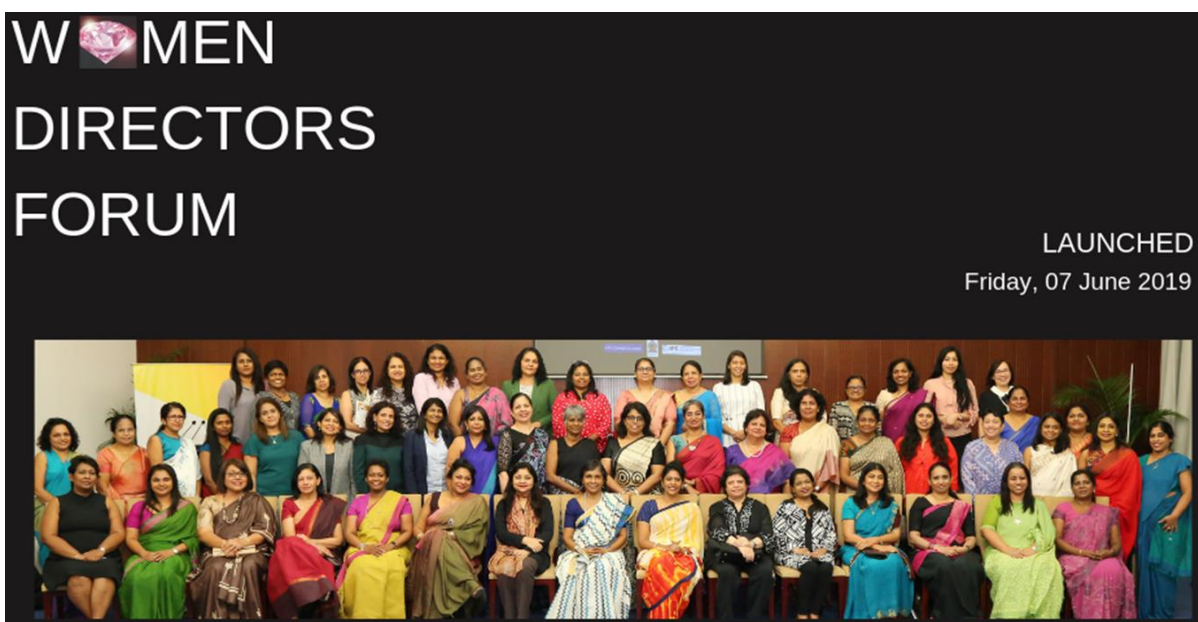
6.5. WOMEN EMPOWERMENT

Women Directors' Forum(WDF)

WDF is a pioneering initiative of SLID aimed at enhancing the number of women Board Directors and ensuring a female leadership pipeline in listed, unlisted, public and private corporate entities in Sri Lanka.

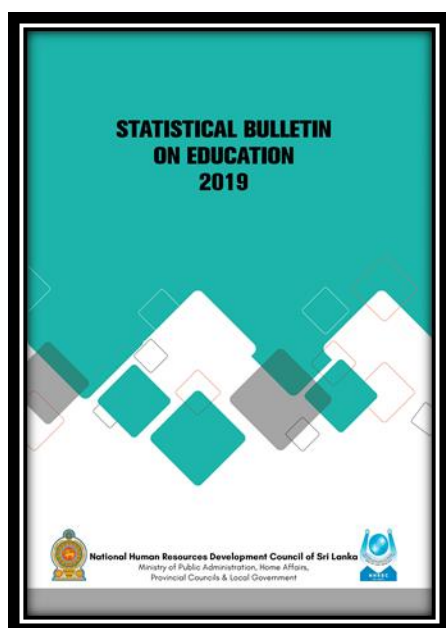
Objectives:

- ❖ Accelerate the advancement of women on Boards across all industry sectors.
- ❖ Enhance women Board Directors knowledge and skills on board processes and practices and their roles and responsibilities in order to enhance their effectiveness as members of Boards.
- ❖ Help women Board Directors learn from and engage with experts in the relevant fields of governance, regulatory, fiscal, new management philosophies, Information Technology and other domain related knowledge relevant to organizational best practice.
- ❖ Support women Board Directors to share and learn from each other's experiences as well as discuss issues and problems they encounter in discharging their roles in the boardroom.
- ❖ Help build a strong female leadership talent pipeline.



7. PUBLICATIONS OF NHRDC DURING THE YEAR 2019

Images of the publications, reports done during the year 2019 are depicted below.



Statistical Bulletin 2019

8. STATEMENT OF FINANCIAL POSITION

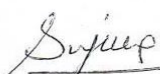
As at December 31.2019

				In LKR
	Note	2019	2018	Budgeted
ASSETS				
Current assets				
Cash and cash equivalents	1	17,297,237.12	19,867,509.10	20,150,000.00
Receivables	2	40,062.82	40,062.82	41,000.00
Inventories	3	679,542.34	697,344.32	700,000.00
Prepayments	4	270,413.02	278,423.21	280,000.00
Other Current assets	5	3,271,452.39	2,999,024.93	23,010,000.00
		21,558,707.69	23,882,364.38	24,181,000.00
Non-current assets				
Infrastructure, plant and equipment	6	11,680,620.89	13,590,726.07	12,000,000.00
Vehicles	6	4,450,549.22	6,486,611.88	5,800,000.00
Other assets	6	531,137.56	455,327.29	410,000.00
		16,662,307.67	20,532,665.24	18,210,000.00
Total assets		38,221,015.36	44,415,029.62	42,391,000.00
Liabilities				
Current Liabilities				
Payables	7	970,682.65	1,214,467.12	1,172,438.00
Short-term Provisions	8	890,292.82	483,242.82	687,080.00
		1,860,975.47	1,697,709.94	1,859,518.00
Non-current liabilities				
Employee benefits	9	3,323,854.88	2,500,934.50	3,000,000.00
		3,323,854.88	2,500,934.50	13,490,249.80
Total Liabilities		5,184,830.35	4,198,644.44	12,000,000.00
Net assets		33,036,185.01	40,216,385.18	37,531,482.00

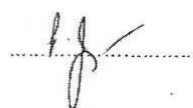
NET ASSESTS/EQUITY

Capital contributed by

Contributed Capital	3,000,000.00	3,000,000.00	3,000,000.00
Revaluation Reserve	13,490,249.80	13,490,249.80	13,490,249.80
Government Grant – Capital	10,073,045.52	15,780,100.38	12,000,000.00
Accumulated Surplus/(Deficit)	<u>6,472,889.69</u>	<u>7,946,035.00</u>	<u>9,041,232.20</u>
Total Net assets/equity	<u><u>33,036,185.01</u></u>	<u><u>40,216,385.18</u></u>	<u><u>37,531,482.00</u></u>



Assistant Director (Finance)
Date: 16.07.2020



Chairman
Date: 16.07.2020

9.STATEMENT OF FINANCIAL PERFORMANCE

for the Year Ended December 31, 2019

	Note	2019	2018	In LKR Budgeted
Revenue				
Government Grant - Recurrent	10	23,408,216.00	23,999,900.00	24,000,000.00
Government Grant - Capital	11	11,957,054.86	10,346,423.51	20,400,000.00
Other Grant	12	(671,900.07)	8,126,660.41	2,000,000.00
Profit on Disposal of Assets	13	(2,740.00)	(177,460.76)	-
Other revenue	14	501,760.20	645,671.10	700,000.00
Total Revenue		35,192,390.99	42,941,194.26	47,100,000.00
Expenses				
Wages, salaries and employee benefits	15	18,907,777.29	17,582,539.74	17,897,970.00
Grants and other transfer payment	16	6,775,338.37	9,048,188.32	18,670,000.00
Supplies and consumables used	17	673,257.71	795,776.53	1,345,000.00
Depreciation and amortization expense	6	5,181,716.49	4,101,234.63	4,000,000.00
Travelling, Subsistence & Allowances	18	332,197.20	295,358.10	348,000.00
Utility and Services	19	3,557,029.81	4,006,597.44	3,587,100.00
Maintenance Expenses	20	959,740.60	1,050,436.19	742,000.00
Other expenses	21	657,588.83	465,016.60	80,000.00
Total Expenses		37,044,646.30	37,345,147.55	46,670,070.00
Surplus/(deficit)for the period		(1,852,255.31)	5,596,046.71	429,930.00

10. STATEMENT OF CHANGES IN NET ASSETS/EQUITY

for the Year Ended December 31, 2019

In LKR

Attributable to Owners of the Controlling Entity					
	Contributed Capital	Revaluation Reserve	Government Grant - capital	Accumulated Surpluses/ (deficits)	Total net assets/equity
Balance at January 01, 2018 B/F	3,000,000.00	13,490,249.80	14,636,523.89	2,349,988.29	33,476,761.98
Revalued surplus on disposed assets	-	-	-	-	-
Transfer to government grant - Revenue	-	-	(6,071,874.88)	-	(6,071,874.88)
Net revenue recognized directly in net asset/equity	-	-	11,490,000.00	-	11,490,000.00
Deficit/surplus for the period	-	-	-	-	-
De recognition of previous revaluation surplus on revalued assets	-	-	-	-	-
Deferred Income	-	-	(4,274,548.63)	-	(4,274,548.63)
Surplus/Deficit for the period	-	-	-	5,596,046.71	5,596,046.71
Total recognized revenue and expenses for the period	-	-	1,143,576.49	5,596,046.71	6,739,623.20
Balance at December 31, 2018 carried forward	3,000,000.00	13,490,249.80	15,780,100.38	7,946,035.00	40,216,385.18
Balance at January 01, 2019 B/F	3,000,000.00	13,490,249.80	15,780,100.38	7,946,035.00	40,216,385.18
Prior year Adjustment	-	-	-	379,110.00	379,110.00
Revalued surplus on disposed assets	-	-	-	-	-
Transfer to government grant-Revenue	-	-	(6,775,338.37)	-	(6,775,338.37)
Net revenue recognized directly in net asset/equity	-	-	6,250,000.00	-	6,250,000.00
Deficit/surplus for the period	-	-	-	-	-
Deferred Income	-	-	(5,181,716.49)	-	(5,181,716.49)
Surplus/Deficit for the period	-	-	-	(1,852,255.31)	(1,852,255.31)
Total recognized revenue and expenses for the period	-	-	(5,707,054.86)	(1,473,145.31)	(7,180,200.17)
Balance at December 31, 2019 carried forward	3,000,000.00	13,490,249.80	10,073,045.52	6,472,889.69	33,036,185.01

11.CASH FLOW STATEMENT

Consolidated Cash Flow Statement for Year Ended December 31,2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit)	(1,852,255.31)	5,596,046.71
<u>Non-cash movements</u>		
Depreciation	5,181,716.49	4,101,234.63
Gratuity Expenses	919,607.88	728,819.75
Reversal of over provision	-	-
Differed Income	(5,181,716.49)	(4,274,548.63)
Year end Provision	-	-
Interest on Staff Loan	(129,504.85)	(119,097.10)
Audit Fee	438,150.00	397,200.00
Assets Write off	155,039.13	-
(Gains)/losses on sale of property, plant and equipment	2,740.00	177,460.76
Increases (Decreases) in Consumable Store	(17,801.98)	(77,373.47)
Increases (Decreases) in Pre-payments	8,010.19	(114,007.30)
Increases (Decreases) in Staff Loans	(272,747.46)	(170,705.17)
Increases (Decreases) in Other Advances	(1,250.00)	1,250.00
Increases (Decreases) in Payables	(243,784.47)	22,380.80
Increase in other current assets	-	15,000.00
Increase / decrease in receivables	-	31,100.00
Increase/Decrease in Asset Purchases Receivable	1,570.00	-
paid audit fee	-	(227,700.00)

Gratuity paid	(96,687.50)	(217,975.00)
Government Grant	(489,734.41)	5,418,125.12
Net cash flows from operating activities	(1,578,648.78)	11,287,211.10

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Office Equipment	-	(1,450.00)
Purchase of Computers	-	(44,700.00)
Purchase of Vehicles	(807,442.85)	-
Interest on Staff Loan	129,504.85	119,097.10
Purchase of Software	(65,000.00)	-
Purchase of Books	(33,245.20)	(15,344.00)
Purchase of Other Assets	(219,900.00)	(45,00.00)
Proceeds from sale of plant and equipment	4,460.00	2,050.00
Net Cash flows from investing activities	(991,623.20)	14,653.10

CASH FLOWS FROM FINANCING ACTIVITIES

Net cash flows from financing activities	-	-
Net increase/(decrease)in cash and cash equivalents	(2,570,271.98)	11,301,864.20
Cash and cash equivalents at beginning of period	19,867,509.10	8,565,644.90
Cash and cash equivalents at end of period	17,297,237.12	19,867,509.10

Notes to the Cash Flow Statement

Cash on hand and balances with banks

Bank of Ceylon A/C 165197	17,252,519.88	19,725,532.37
People's Bank A/C No 119100120409161	44,717.24	141,976.73
	17,297,237.12	19,867,509.10

12. NOTES

		2019	2018	Budgeted
<u>Cash and cash equivalents</u>	1			
Bank of Ceylon A/C 165197		17,252,519.88	19,725,532.37	20,000,000.00
People's Bank A/C No 119100120409161		44,717.24	141,976.73	150,000.00
		<u>17,297,237.12</u>	<u>19,867,509.10</u>	<u>20,150,000.00</u>
 <u>Receivables</u>	 2			
Nimal Bopage (ex-Chairman)		40,062.82	40,062.82	41,000.00
		<u>40,062.82</u>	<u>40,062.82</u>	<u>41,000.00</u>
 <u>Inventories</u>	 3			
Consumable Stores		679,542.34	697,344.32	700,000.00
		<u>679,542.34</u>	<u>697,344.32</u>	<u>700,000.00</u>
 <u>Prepayments</u>	 4			
Vehicle Insurance		270,413.02	278,423.21	280,000.00
		<u>270,413.02</u>	<u>278,423.21</u>	<u>280,000.00</u>
 <u>Other Current assets</u>	 5			
Staff Loan - Distress		3,255,327.39	2,982,579.93	3,000,000.00
Festival Advances		10,000.00	8,750.00	10,000.00
Receivable from Asset Purchases		6,125.00	7,695.00	-
		<u>3,271,452.39</u>	<u>2,999,024.93</u>	<u>3,010,000.00</u>

Property, Plant & equipment (Note 06)

	Furniture & Fittings		Office Equipment		Electrical Fixtures		Computers		Software		Vehicles		Books		Other Assets		Building & Structure	
Reporting Period 01.01.2019 to 31.12.2019	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Opening Balance	4,964,689.09	4,964,689.09	3,315,328.99	3,378,042.99	66,135.25	66,135.25	5,683,496.72	5,718,212.98	776,556.61	776,556.61	14,200,000.0	14,200,000	83,779.34	127,659.99	1,015,778.3	1,077,505.8	6,531,265.68	6,531,265.68
Additions	-	-	-	1,450.00	-	-	-	44,700.00	65,000.00	-	807,442.85	-	33,245.20	15,344.00	219,900.00	45,000.00	-	-
Adjustment	(80,431.60)	-	(142,780.19)	-	(44,056.25)	-	(13,907.00)	-	348,010.00	-	-	-	-	-	(132,576.0	-	-	-
Disposal	-	-	(16,000.00)	(64,164.00)	(7,500.00)	-	-	(79,416.26)	-	-	-	-	-	(59,224.65)	-	(106,727.50	-	-
Closing Balance	4,884,257.49	4,964,689.09	3,156,548.80	3,315,328.99	14,579.00	66,135.25	5,669,589.72	5,683,496.72	1,189,566.6	776,556.61	15,007,442.85	14,200,000.0	117,024.5	83,779.34	1,103,102.3	1,015,778.3	6,531,265.68	6,531,265.68
Accumulated Depreciation (year Beginning)	1,251,204.40	752,404.93	1,769,551.78	1,462,128.39	36,157.93	33,242.13	3,583,133.49	3,602,513.59	776,556.61	775,839.49	7,713,388.12	4,873,388.12	28,411.47	81,311.82	615,818.88	541,049.51	330,142.06	3,578.78
Adjustment	(59,323.88)	-	(108,592.50)	-	(19,910.53)	-	(8,876.00)	-	-	-	-	-	-	-	(62,009.00)	-	-	-
Depreciation (As per statement of Financial Performance)	490,756.93	498,799.47	326,940.29	339,065.39	2,915.80	2,915.80	995,910.08	1,199.90	88,356.67	717.12	2,843,505.15	2,840,000.00	8,336.98	6,324.30	98,430.95	85,649.37	326,563.28	326,563.28
Less Accumulated Depreciation on Disposal	-	-	(8,800.00)	(31,642.00)	(7,500.00)	-	-	(20,580.00)	-	-	-	-	-	(59,224.65)	-	(10,880.00)	-	-
Accumulated Depreciation on Revalued Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,682,637.45	1,251,204.40	1,979,099.57	1,769,551.78	11,663.20	36,157.93	4,570,167.57	3,583,133.49	864,913.28	776,556.61	10,556,893.63	7,713,388.12	28,411.47	77,635.08	652,240.83	615,818.88	656,705.34	330,142.06
Net Carrying Amount	3,201,620.04	3,713,484.69	1,177,449.23	1,545,777.21	2,915.80	29,977.32	1,099,422.15	2,100,363.23	324,653.33	-	4,450,549.22	6,486,611.88	55,367.87	20,610.07	450,861.47	399,959.42	5,874,560.34	6,201,123.62

	Note	2019		2018		Budgeted
<u>Payable</u>	7					
Labour Market Survey		-		250,000.00		250,000.00
Building & stuc leema retention		445,837.28		445,837.28		445,838.00
Telephone		34,266.30		21,434.10		35,000.00
Internet		-		13,690.00		14,000.00
News Paper Bill		-		2,250.00		2,500.00
Janitorial & Security		170,237.00		180,998.14		165,300.00
Salaries		80,000.00		-		-
Over Time		7,788.76		18,295.39		10,000.00
Traveling		350.00		2,100.00		1,000.00
Electricity & Water		64,800.00		48,842.29		65,000.00
Repair & Maintenance of office equipment		36,936.00		-		40,000.00
MCDP Programme		27,600.00		-		30,000.00
Fuel & Lubricant		17,079.33		-		20,000.00
Acting Salary		-		4,918.78		-
Other Advances		-		1.00		-
Competency frame work		-		184,147.13		-
Rakiya Aruna		23,167.23		23,903.01		25,000.00
Repair & Maintenance of vehicles		4,720.00		11,500.00		5,000.00
Other		32,550.75		3,750.00		35,000.00
Fishermen offseason		1,750.00		-		2,000.00
Seminars & Workshop		22,000.00		2,800.00		25,000.00
Stamp Duty		1,600.00		-		1,800.00
		970,682.65		1,214,467.12		1,172,438.00
<u>Short-term Provisions</u>	8					
Audit Fee – 2014		81,580.00		81,580.00		81,580.00
Audit Fee – 2017		221,490.00		80,500.00		80,500.00
Audit Fee – 2018		272,160.00		250,000.00		250,000.00
Audit Fee - 2019		275,000.00		-		275,000.00
Provision for doubtful Debt-N.Bopage		40,062.82		71,162.82		-
		3,323,854.88		483,242.82		687,080.00

	Note	2019	2018	Budgeted
Employee benefits	9			
Gratuity Provision		3,323,854.88	2,500,934.50	3,000,000.00
Government Grant - Recurrent	10	23,408,216.00	23,999,900.00	24,000,000.00
Government Grant - Capital	11			
Government Grant – Development Activities		6,775,338.37	6,071,874.88	18,670,000.00
Deffered Grant		5,181,716.49	4,274,548.63	1,730,000.00
		11,957,054.86	10,346,423.51	20,400,000.00
Profit (Loss)on Foreign Training Programs	12	(671,900.07)	8,126,660.41	-
Profit (Loss) on Disposal of Assets	13	(2,740.00)	(177,460.76)	-
Other Revenue	14			
Miscellaneous Income		372,255.35	526,574.00	-
Distress Loan Interest		129,504.85	119,097.10	-
		501,760.20	645,671.10	-
Wages, salaries and employee benefits	15			
Salaries & wages		11,805,466.18	10,398,615.57	11,686,210.00
Acting salary		16,286.55	30,566.70	-
Cost of Living Allowance		2,334,428.57	2,371,485.16	2,335,000.00
Interim Allowance		-	416,828.00	-
Adjustment Allowance		177,633.00	419,808.35	178,000.00
Transport Allowance		600,000.00	600,000.00	600,000.00
Fuel Allowance		436,755.00	242,000.00	453,970.00
EPF		1,639,516.67	1,449,631.62	1,640,000.00
ETF		409,789.53	362,143.30	410,000.00
Over time		223,761.47	278,800.34	248,790.00
Holiday payments		5,013.40	7,440.95	6,000.00
Professional allowance		339,519.04	276,400.00	340,000.00
Gratuity Expenses		919,607.88	728,819.75	-
		18,907,777.29	17,582,539.74	17,897,970.00

	Note	2019		2018		Budgeted
Grants and other transfer payment	16					
News Letter		207,853.00		16,500.00		600,000.00
Facilitate dialog TVET		167,773.08		-		500,000.00
Human Capital award		17,906.77		-		200,000.00
Follow up on National HR policy		-		3,005.00		50,000.00
Implement Competency Frame work		530,476.47		1,681,989.85		3,500,000.00
Skilled worker for ICT		-		358,868.36		-
Strengthen NHRDC staff Dev.		176,843.82		-		2,000,000.00
Gender committee Recommendation		98,472.80		-		400,000.00
Statistical bulletin		-		111,500.00		-
Lecture Series		301,006.00		-		1,000,000.00
Directors' Hand Book (KPMG)		54,578.24		282,330.00		1,300,000.00
ISO		7,600.00		-		20,000.00
Work with the industry CSE to implement recommendations		-		22,676.00		-
Annual Training Gap		31,050.00		34,912.00		850,000.00
Skilled foreign workers		-		143,304.00		800,000.00
Rakiya Aruna		1,971,464.23		2,094,125.88		2,000,000.00
Strengthening SME sector		-		220,643.20		500,000.00
Budget proposal		-		226,683.20		-
Carrier Guidance program		1,207,894.45		522,849.97		3,000,000.00
CPD programme for management staff		-		852,357.99		-
Developing modules		-		254,207.98		-
Improve the Quality standards		-		309,390.08		-
Quality & Productivity		-		68,592.25		-
Skill database		-		36,906.04		-
Solid waste managment		523,740.12		254,994.00		1,000,000.00
Value proposition		-		2,025.00		-
Seminars workshop		692,664.19		1,550,327.52		-
Fishermen off season		408,803.06		-		200,000.00
Labour Reforms		177,124.00		-		580,000.00
SME capacity in consultation		185,188.14		-		-
Labour Immigration		14,900.00		-		-
Upgrade the library		-		-		170,000.00
		6,775,338.37		9,048,188.32		18,670,000.00

	Note	2019		2018		Budgeted
Supplies and consumables used	17					
Stationary & office equipment		154,317.98		120,016.53		320,000.00
Fuel & lubricant		518,939.73		675,760.00		1,025,000.00
		673,257.71		795,776.53		1,345,000.00
Depreciation and amortization expense	6	5,181,716.49		4,101,234.63		4,000,000.00
Travelling, Subsistence & Allowances	18					
Local Travelling & Subsistence		34,597.20		18,308.10		38,000.00
Allowance for Audit Members		45,600.00		48,000.00		50,000.00
Board Members Allowances		252,000.00		228,000.00		260,000.00
Foreign Travel & subsistence		-		1,050.00		-
		332,197.20		295,358.10		348,000.00
Utility and Services	19					
Rates		50,400.00		40,320.00		50,400.00
Electricity		557,384.80		679,893.63		697,000.00
Water		25,113.40		39,432.30		-
Telephone charges & Rental		342,413.02		420,754.22		363,000.00
Postage & telex charges		9,275.00		8,375.00		-
Janitorial service		543,220.50		502,182.97		452,700.00
Advertising		-		95,565.00		-
Security Service		1,617,989.74		1,433,154.90		1,357,300.00
Internet		144,642.45		150,590.00		145,000.00
Other utility & Other Service		266,590.90		636,329.42		521,700.00
		3,557,029.81		4,06,597.44		3,587,100.00
Maintenance Expenses	20					
Rep. & main. of vehicles		304,614.94		-		520,000.00
Vehicle Insurance		418,138.52		737,038.51		-
Rep. & main. of Office Equipment		172,781.74		198,426.69		146,000.00
Rep. & main. of computer		9,600.00		24,725.00		-
Rep. & main. Of Other Assets		54,605.40		90,245.99		76,000.00
		959,740.60		1,050,436.19		742,000.00
Other expenses	21					
Audit fee		438,150.00		397,200.00		-
News paper & Periodicals		-		2,250.00		-
Refreshment		64,399.70		65,566.60		80,000.00
Assets write off		155,039.13		-		-
		657,588.83		465,016.60		80,000.00

13. NOTES, COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES

1. National Human Resources Development Council of Sri Lanka established under the Act No 18 of 1997. Under the power vested in the institution, it gives priority to all activities pertaining to Human Resource Development and implements policies for Human Resources Development.

2. Rendering of Accounts and Authorization to issue Financial Statements

As per the section 14 of Finance Act (No. 38 of 1971), National Human Resources Development Council of Sri Lanka as a public corporation shall, immediately after the end of each financial year of the corporation, prepare a draft annual report on the exercise, discharge and performance by the corporation of its powers, functions and duties during that year and of its policy and programme. Such report shall set out any directions given by the appropriate Minister to the corporation during the year. Copies of such report shall, within four months after the end of that year, be submitted to the appropriate Minister and to the Minister of Finance (if he is not the appropriate Minister), the Minister of Planning and the Auditor-General.

As per the section 14 of Finance Act (No. 38 of 1971), the accounts of a public corporation for each financial year shall be submitted to the Auditor-General for audit within four months after the close of that year along with any report on the accounts which the Auditor-General may require to be submitted in the manner specified by him. Any such corporation which contravenes or fails to comply with the preceding provisions of this sub-section shall be guilty of an offence under this Act and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one thousand rupees.

3. Statement of Compliance

Accounting policy of the National Human Resources Development Council of Sri Lanka is prepared in accordance with the Sri Lanka Public Sector Accounting Standards published by Institute of Chartered Accountants of Sri Lanka.

4. Measurement Basis

Financial Statements of the Council are prepared under the historical cost conversion, except for the revaluation carried out in year 2008, 2011, 2014 and 2016 by Department of Valuation of Sri Lanka and independent valuers respectively, for certain Furniture and Fittings, Office Equipment, Electrical Fixtures and Equipment, Computers, Vehicles and other Assets.

5. Bases of Assets Valuation

5.1 Properties, Plant & Equipment are stated at cost/valuation less accumulated depreciation.

5.2 Depreciation is charged on all property, plant and equipment to systematically distribute the cost of fixed assets over its estimated useful life by periodic charges to expense.

5.3 No depreciation is provided in the year of purchased and full year depreciation is provided in the year of disposal for assets purchased prior to the year 2009 and from year 2009 onwards depreciation is computed based on the date of purchase/ date of disposal of each asset.

5.4 Consumable stocks are measured at the lower of cost and net realizable value.

6. Depreciation

Classes of Assets and depreciation rates are as follows. Classes of Assets are determined according to the nature and their usage of the entity.

Building & Structures	5%
Furniture & Fittings	10%
Office Equipments	10%
Electrical Fixtures & Equipments	20%
Computers	20%
Computer Software	25%
Vehicles	20%
Books	10%
Other Assets	10%

7. Events after reporting Date

All material balance sheet events have been considered and appropriate adjustments have been made disclosures have also been made in the financial Statements. Refurbishment work of the premises started from January 2017 and completed in December. Retention money payable to Leema constructions Limited has been recognized as a payable in the balance sheet and corresponding asset was recognized under building and structure.

8. Assets transfer

Assets such as furniture and fitting, office equipment and other assets have been disposed due to refurbishment. These assets have been transferred to Vocational Training Authority to be used in their training centers. Necessary approvals were taken from the ministry for the above asset transfer.

9. Accounting for Government Grant

Recurrent Grant and Capital Grant received from the General Treasury are used to meet the recurrent and capital expenditure of the National Human Resources Development Council of Sri Lanka respectively. The amount incurred on Research and Development Activities (NHRDC activities) and an amount equal to the depreciation charged during the year is recognized as income on a systematic basis over the useful life of capital assets.

10. Retirement Benefit Cost

10.1 Defined Contribution Plan – EPF & ETF

All employees who are eligible for Employee Provident Fund (E.P.F) contribution and Employee Trust Fund (E.T.F) contribution are covered by relevant contribution funds, with respective statues and regulations. All contributions have been remitted to E.P.F and E.T.F as per rules & regulations of E.P.F and E.T.F Acts.

10.2 Retirement Gratuity

Provision is made in the financial statements for retiring gratuity, which may fall due for payments under the payment of gratuity Act No 12 of 1983 in accordance with Accounting

Standard on of “Employee Benefits” for all employees. The gratuity liability is not externally funded or actuarially valued.

11. Financial Performance

All costs incurred in its operation and maintenance of capital assets has been charged to revenue. The Deficit/Surplus of the revenue expenditure has been arrived after making provision for all known liabilities and depreciation of assets.

12. Cash Flow Statement

Statement of Cash flow is prepared using indirect method which is a prescribed by section 27 of Sri Lanka Public Sector Accounting Standard No 02.

13. Vehicles assigned by the Ministry

Vehicle number WP- PD 6170 chassis number JNICJUD22Z0116541 has been allocated by The Ministry of National Policies and Economic affairs, to NHRDC on a temporary basis from 01.02.2016.

14. AUDIT QUERIES AND REPLIES

VTY/D/NHRDC/01/18/01

23rd December 2020

Chairman,

National Human Resources Development Council of Sri Lanka

Report of the Auditor General on the Financial Statements and other legal and regulatory requirements of the National Human Resources Development Council of Sri Lanka for the year ended 31 December 2019 as per Section 12 of National Audit Act No 19 of 2018

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the National Human Resources Development Council of Sri Lanka for the year ended 31 December 2020 comprising the Statement of Financial Position, Statement of Changes in Equity and, Cash flow statement, notes on financial statements, for the year then ended, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions of National Audit Act No 19 of 2018 and Financial 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 the Parliament in due course, in terms of the Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, except for the effects of the matters described in the Basis for qualified opinion, the accompanying financial statements give a true and fair view of the financial position of the National Human Resources Development Council of Sri Lanka as at 31

December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards

1.2 Basis for qualified opinion

- (a) Even though all the incomes and expenditures , which have been identified within the period, should be included either in profit or loss, as per para 99 of Standard 01 of Sri Lanka Public Sector Accounting Standards, only the net value of Rs. 671,900 has been included in the financial statements of the year under review as a minus value without including the income of Rs. 14,693,000, which has been obtained for the foreign training programmes implemented by the Council and the expenditure of Rs. 15,364 900 made from the above.
- (b) Even though the intangible assets should be shown separately under noncurrent assets in the statement of financial position as per standard 20 of Sri Lanka Public Sector Accounting Standards, no such action has been taken in respect of the computer software, of which the net value is Rs.324,653.
- (c) The deficit of the year has been understated by Rs. 1,150,000 in financial statements as a result of accounting an amount of Rs. 250,000, which has been allocated for making payments to an instructor in a previous year, under miscellaneous income without adjusting it in retrospective effect and showing an amount of Rs. 900,000 obtained from two external institutions for a foreign training programme as an income of the year under review instead of indicating it as an amount to be refunded due to not conducting the programme.
- (d) The deficit of the year has been overstated in financial statements as a result of accounting the gratuity of Rs. 96,687, which has been paid during the year under review, as the expenditures of the year instead of debiting it to the account for the allocation of gratuity. Further, even though the value of the audit of the allocation for gratuity relevant

to the year under review is Rs. 2,999,559, the value of the same has amounted to Rs. 3,227,167 as per the calculation of the institution. Therefore an over allocation of Rs. 227,608 has been observed under such circumstance.

- (e) Even though the cheque to the value of Rs. 130,000, which has been issued within the year under review, has been cancelled during the same year, this liability has not been shown again in accounts. Therefore the current liabilities of the year under review have been understated in the financial statements by the same amount.
- (f) When the value of the fixed assets included in the financial statements of the year under review were reconciled with the schedules submitted for the audit, a difference of Rs. 910,285, which was the total amount relevant to three types of assets, was observed.

1.3 Responsibilities of the management and the parties entrusted with administration on the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards and for determining such internal control which is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the fund are responsible for overseeing the financial reporting process of the fund.

As per Section 16(1) of the National Audit Act No. 19 of 2018, it is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared for the Council.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. However, future events or conditions may cause the fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal Requirements

Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

- to state that any member of the governing council of the council has any direct or indirect interest in any contract entered into by the council which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018;
- to state that the Council has not complied with any applicable written law, general and special directions issued by the governing body of the Council as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018

Reference to law/ direction -----	Description -----
Section 6.5.1. of Public Enterprises Circular No PED/12 dated 02 June 2003 and Treasury Circular No 01/2004 dated 24 February 2004	Even though the financial statements should be submitted to the Auditor General within 60 days from the end of the accounting year, the Council has delayed the submission of financial statements of the year under review up to 10 August 2020..
	• to state that the Council has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018. • to state that the resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.
03. Other audit observations -----	
(a)	Even though the Council is empowered to establish and maintain a data bank which contains the information of the human resources and other related fields as per para 16 (2) (e) of the National Human Resources Development Council of Sri Lanka, action has not been taken even by the end of the year under review to maintain a data bank with necessary updating , which contains the information required so as to facilitate the achievement of the objectives of the Council.
(b)	An amount of Rs. 456,201 out of the amount received for the foreign training programmes has been spent for the tasks other than the above, without obtaining proper approval..
(c)	The value of the assets amounted to Rs. 413,751 has been written off from books during the year under review without obtaining proper approval.

W.P.C.Wickramarathna

Auditor General

Audit Reply for the Report of the Auditor General on the Financial Statements and other legal and regulatory requirements of the National Human Resources Development Council of Sri Lanka for the year ended 31 December 2019 as per Section 12 of National Audit Act No 19 of 2018

1.2 Basis for the Qualified Opinion

- (a) Accounts for the year 2020 were presented as a note in the Statement of Accounts in accordance with the Accounting Standards.
- (b) Accurately presented in the 2020 Account Statements.
- (c) All funds received from outside agencies have been refunded due to non-implementation of the program.
- (d) The error in the calculation of the gratuity was found and it was calculated correctly from the year 2020.
- (e) Payments have been duly made for the said canceled cheque.
- (f) Accounting error has been rectified and a computation on fixed assets is required.

02. Report on other legal and regulatory requirements

Since the Board of Directors of the Council was appointed in June, approval was obtained and submitted.

03. Other observations

- (a) Necessary steps are being taken to maintain a data bank.
- (b) It was used to cover the expenses of the institution and was not spent as such in the year 2020.
- (c) General approval was obtained by referring to the Board of Directors to rectify the errors / mistakes mentioned in the 2018 Audit Report.

Dr. K.A. Lalithadeera
Director