

ANNUAL REPORT

2019



WATER RESOURCES BOARD

Ministry of Mahaweli, Agriculture, Irrigation & Rural Development

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INTRODUCTION

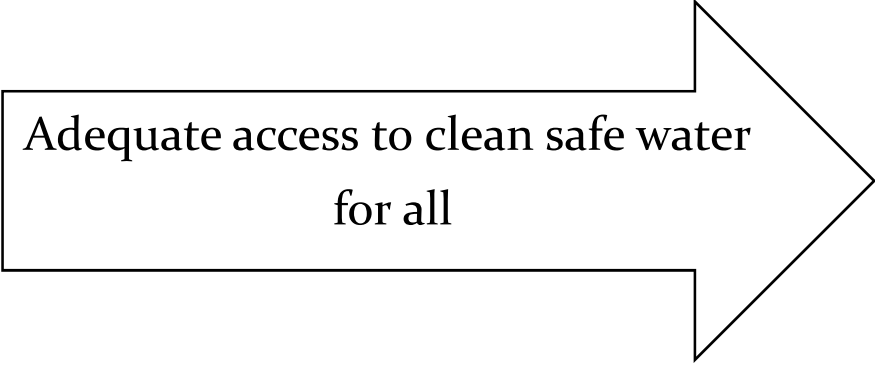
The water resources board was established in 1966 under the Act No. 29 of 1964, as an advisory body to the Minister on all matters concerning the control and utilization of the Water Resources in Sri Lanka.

In 1978, Groundwater Division of the Irrigation Department was transferred to the Water Resources Board and functions of the Board were expanded and commenced the implementation activities.

The Water Resources Board Act was amended and passed by the parliament in 1999 to enable the Water Resources Board to pay more emphasis on matters pertaining to Groundwater Resources in Sri Lanka.

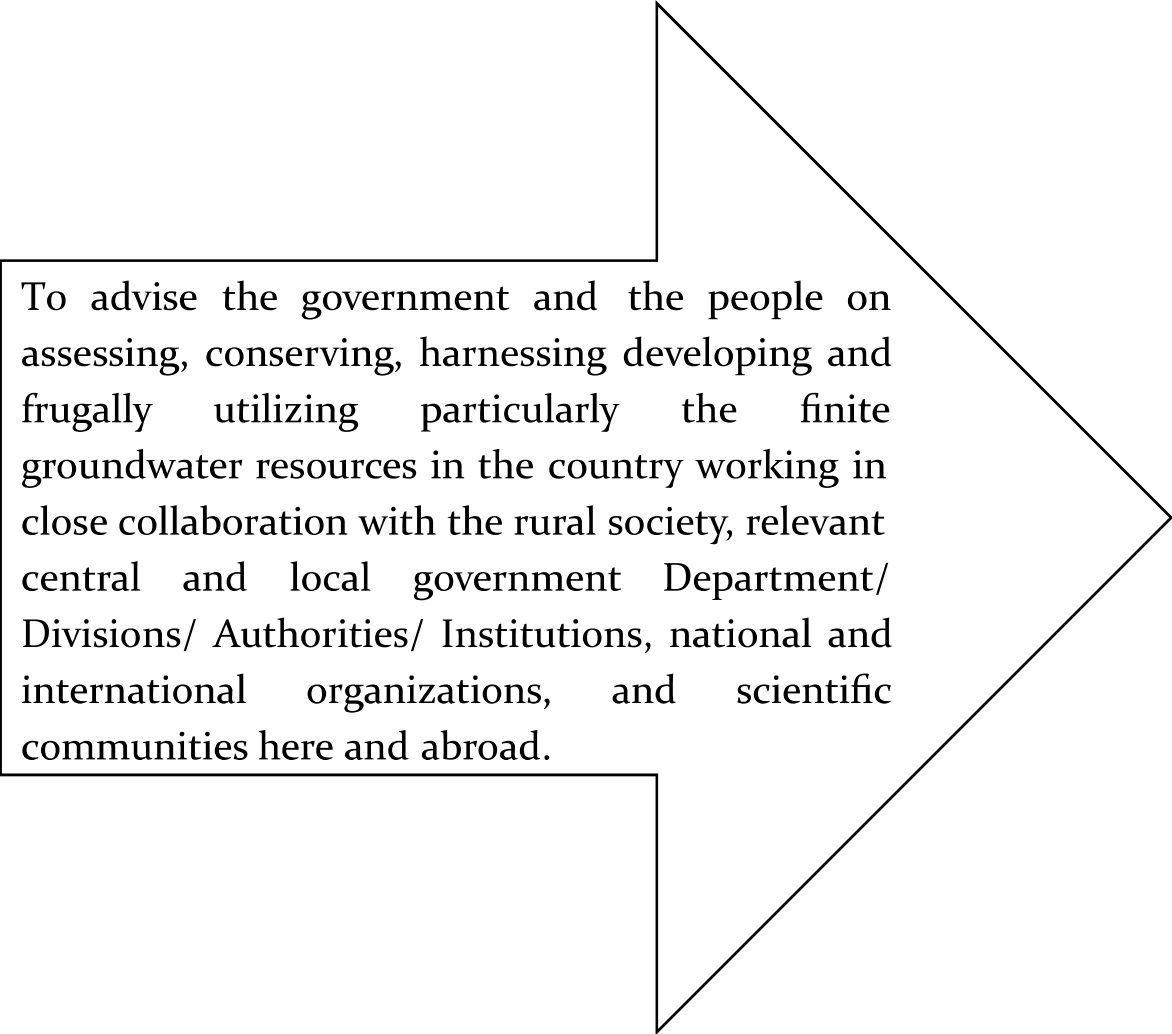
As per the Gazette notification No. 2010/23 of 16th March 2017, the use of natural water springs or ground water for certain activities or projects should be done under the supervision & direction of the Water Resources Board.

VISION



Adequate access to clean safe water
for all

MISSION



To advise the government and the people on assessing, conserving, harnessing developing and frugally utilizing particularly the finite groundwater resources in the country working in close collaboration with the rural society, relevant central and local government Department/ Divisions/ Authorities/ Institutions, national and international organizations, and scientific communities here and abroad.

OBJECTIVES

- Carry out research on groundwater resources of the country.
- Collection of data on groundwater resources and maintain a groundwater data base.
- Carry out hydrogeological surveys.
- Awareness creation on the groundwater related issues.
- Assessment of groundwater resources.
- Implementation of the activities of the board with the coordination of other institutions.
- Groundwater development and management.

FUNCTIONS

Interpretation of data on groundwater resources development

Carry out hydrogeological surveys to detect groundwater resources

Identification of groundwater potential zones

Identification of groundwater sources by using geo scientific methods

Carry out feasibility studies for groundwater resources development

Analysis of water samples, chemically, bacteriologically and for heavy metals

Collect and maintain groundwater data and preparation of hydrogeological maps

Corporate Information

Name of the Organization

Water Resources Board

Legal Form

Government owned Statutory Board

Year of Establishment

1966 by Act of Parliament, No.29 of 1964.

1999, the Act was amended Water Resources Board (Amendment) Act No.42 of 1999.

Head Office

No.02 A, Hector Kobbekaduwa Mawatha, Colombo 07

Tel: +94 11 2694835, +94 11 2697050

Fax: +94 11 2669517 (Admin)

Email: helpdesk@wrb.gov.lk

Web: www.wrb.gov.lk

Line Ministry

Ministry of Mahaweli, Agriculture, Irrigation & Rural Development

Tax Identification No.

409018017

VAT Registration No.

409018017 – 7000

Bankers

Bank of Ceylon

National Savings Bank

Income Tax Consultants

ARS Associates

(Chartered Accountants)

Auditors

Auditor General's Deartment

Chief Internal Auditor (Ministry of Mahaweli, Agriculture, Irrigation & Rural Development)

Internal Auditor (Water Resources Board)

Board of Directors

Dr. Senaka De Silva - Chairman

Mr.P.G.D.N. Premalal - Working Director

Mr.M.P.M.D. Hemakantha - Director

Mr.J.A.V. Wikramanayake - Director

Mrs.J.K.N.Samanmalee - Treasury Representative

Senior Executive Officers

Mr. G.R.R. Karunaratne

General Manager

Mr P.P.S.R.K. Pathirana

D.G.M (Operation)

Mr. M.A. Pushpakumara

D.G.M. (HR & F)

Mr. A.B.M. Chandrasiri

Assistant General Manager (Finance)

Mr. M.J. Deshapriya

Assistant General Manager (Engineering)

Mr.R.M.S.Rathnayaka

Assistant General Manager(Hydrogeology)

Mr. K.M.U.C.B. Kulathunga

Assistant General Manager (Operation)

Mr. J. Wijesiri

Assistant General Manager (Admin)

Mr. D.G.S. Wikrama

Assistant General Manager (Project)

Mr. R.R.G.R. Rajapakshe

Assistant General Manager (R & D)

Corporate Governance

Key Players

Dr. Senaka De Silva	- Chairman
Mr.P.G.D.N. Premalal	- Working Director
Mr.M.P.M.D. Hemakantha	- Director
Mr.J.A.V. Wikramanayake	- Director
Mrs.J.K.N.Samanmalee	- Treasury Representative

Board Meetings

Six (06) Board meetings were held in the year under review.

Audit and Management Committee

i	Mrs.J.K.N.Samanmalee	- Chairman	- Treasury Representative
ii	Mr. P.G.D.N. Premalal	- Member	- Working Director
iii	Mrs. P.H. Deepthi Anuruddika	- Member	- Director
iv	Mr.W.M.K.I.C. Frenando	- Observer	- Government Audit
v	Mr. G.R.R. Karunarathna	- Secretary	- General Manager

Audit and Management Committee Meetings

Three (03) audit and management committee meetings were held during the year 2019.

Senior Executive Officers – year 2019

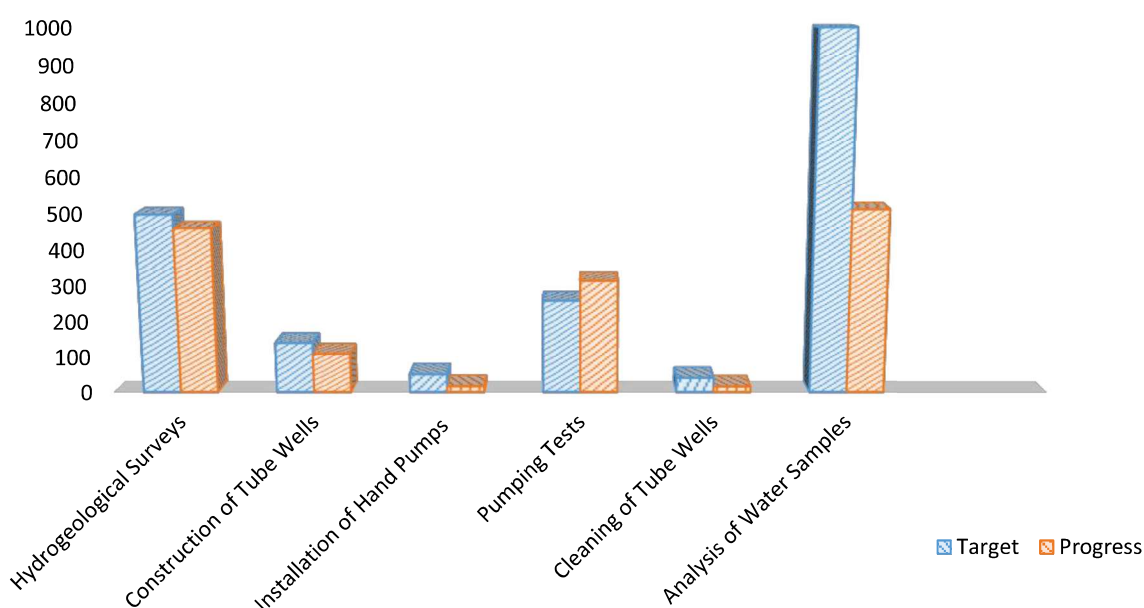
i.	Mr. G.R.R. Karunaratne	- General Manager
ii.	Mr P.P.S.R.K. Pathirana	- D.G.M (Operation)
iii.	Mr. M.A. Pushpakumara	- D.G.M. (HR & F)
iv.	Mr. A.B.M. Chandrasiri	- Assistant General Manager (Finance)
v	Mr. M.J. Deshapriya	- Assistant General Manager (Engineering)
vi.	Mr. R.M.S.Rathnayaka	- Assistant General Manager (Hydrogeology)
vii	Mr. K.M.U.C.B. Kulathumga	- Assistant General Manager (Operation)
viii	Mr. J. Wijesiri	- Assistant General Manager (Administration)
ix	Mr. R.R.G.R. Rajapaksha	- Assistant General Manager (R & D)
x	Mr. D.G.S. Wickrama	- Assistant General Manager (Project)

Physical & Financial Progress of the Year

Physical Progress of the Generated Funds – 2019

Activity	Cumulative Physical Target up to December (Qty/Nos)	Cumulative Physical Progress up to December (Qty/Nos)
Conducting of Hydrogeological Surveys	500	461
Construction of Tube Wells	140	109
Installation of Hand Pumps	50	16
Conducting of Pumping Tests	260	316
Cleaning of Tube Wells	40	15
Analysis of Water Samples	1000	514

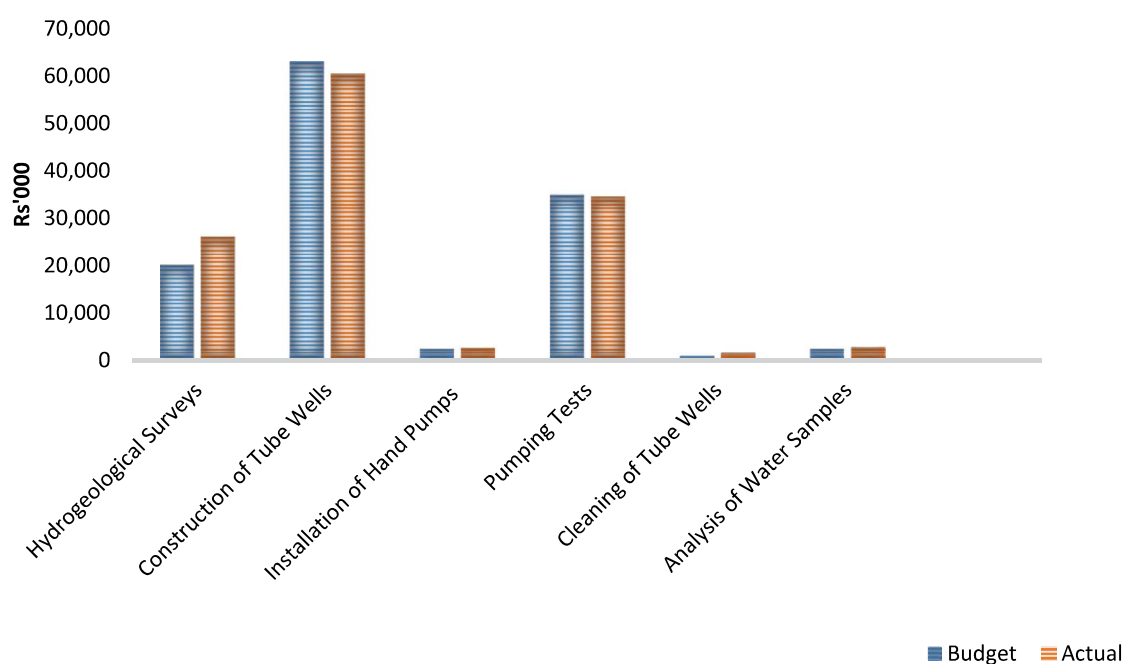
PHYSICAL PROGRESS OF THE GENERATED FUNDS – 2019



Financial Progress of the Generated Funds – 2019

Activity	Budget Rs'000	Actual Rs'000
Conducting of Hydrogeological Surveys	20,000	26,051
Construction of Tube Wells	63,000	60,481
Installation of Hand Pumps	2,400	2,563
Conducting of Pumping Tests	35,000	34,651
Cleaning of Tube Wells	750	1,286
Analysis of Water Samples	2,400	2,724

FINANCIAL PROGRESS OF THE GENERATED FUNDS – 2019



Cadre Information as at 31st December 2019

Salary Scale	Approved Cadre	Existing Cadre
	Permanent	Permanent
HM	11	10
MM	47	29
JM	27	12
MA	92	45
PL	236	175
Total	413	271



Cadre Information as at 31st December 2019

Designation	Salary Scale	Approved cadre	Existing cadre	Vacancies to be filled
General Manager	HM	1		1
Dy. General Manager	HM	3	3	
Asst. General Manager	HM	7	7	
Provincial Manager	MM	5	5	
Hydro Geologist/Snr Hydro Geologist	MM	24	17	7
Engineer (Mechanical)	MM	1		1
Engineer (Civil)	MM	2		2
Chemist	MM	7	4	3
Manager (Drilling)	MM	3		3
Internal Auditor	MM	1	1	
Accountant	MM	1		1
Manager (Administration)	MM	1		1
Manager (Procurement)	MM	1	1	
Legal Officer	MM	1		1
Senior Water Analyst	JM 1-1	1	1	
PA to Chairman	JM 1-1	1	1	
PA to General Manager	JM 1-1	1	1	
Administrative officer	JM 1-1	2	1	1
Accounts officer	JM 1-1	1	1	
Transport/Logistic Officer	JM 1-1	1		1
Environmental Officer	JM 1-1	1		1
Audit Officer	JM 1-1	1	1	
Librarian	JM 1-1	1		1
IT Officer	JM 1-1	1	1	
Engineering Asst (Civil)	JM 1-1	4	2	2
Engineering Asst (Mechanical)	JM 1-1	2		2
Stores Superintendent	JM 1-1	1	1	
Procurement Officer	JM 1-1	1		1
Drilling Superintendent	JM 1-1	6	1	5
Progress Monitoring Officer	JM 1-1	1		1
Drawing Office Asst.	JM 1-1	1	1	
Technical Asst (Civil)	MA 2-2	7	2	5
Technical Asst (Mechanical)	MA 2-2	6	1	5
Asst. Drilling Superintendent	MA 2-2	14	8	6
Draughtsman	MA 2-2	4		4
Water Analyst	MA 2-2	10	2	8
Work Supervisor	MA 2-2	2		2
Workshop Supervisor	MA 2-2	2		2
System Operator	MA 2-2	1		1
Accounts Asst.	MA 2-2	2	2	
Store Keeper	MA 2-2	3	1	2
IT Technician	MA 2-2	1		1
Management Asst.	MA 2-1	2	2	
Management Asst.	MA 1-2	37	27	10
Security Officer/Asst.	MA 1-2	1		1
Drilling Mechanic cum Driver	PL 3	7		7
Mason	PL 3	3	2	1
Plumber	PL 3	4		4
Driver	PL 3	50	37	13
Welder / Fitter	PL 3	3	2	1
Motor Mechanic	PL 3	2	1	1
Latheman / Fitter	PL 3	1	1	
Electrician	PL 3	1	1	
Auto Electrician	PL 3	1		1
Tinker / Painter	PL 3	2		2
Heavy Machinery Mechanic	PL 3	2		2
Drilling Machine Operator cum Driver	PL 3	7	3	4
Drilling Helper	PL 2	7	1	6
Maintenance Helper	PL 2	3	1	2
CB Keeper	PL 2	1	1	
Laboure	PL 1	105	104	1
Office Aide	PL 1	23	10	13
Security Guard	PL 1	14	12	02
Total		413	271	142

Major Activities

Construction of Tube Well



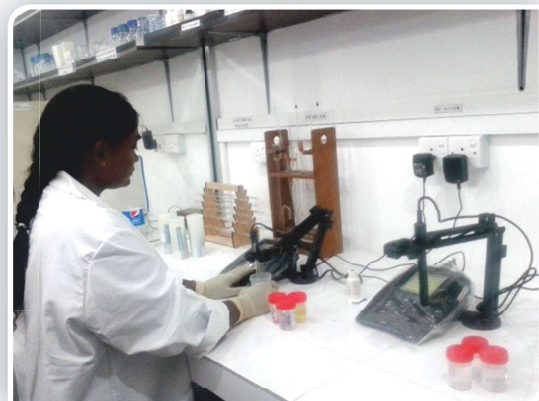
Conducting pumping test



Conducting geophysical investigations



Analyzing of water sample



Valuable Assets

Vehicles, Machinery & Equipment

Category	Quantity	Value (Rs.)
<u>Vehicle</u>		
Double Cabs	16 Nos	56,900,000.00
Lorries	17 Nos	71,020,625.00
Motor Cars	02 Nos	1,900,000.00
Jeeps	02 Nos	400,000.00
Single Cabs	01 No	150,000.00
Three Wheelers	01 No	225,000.00
Total	39 Nos	<u>130,595,625.00</u>
<u>Machiner</u>		
Rig Machines	16 Nos	73,000,000.00
Air Compressors (Truck Mounted)	12 Nos	81,100,000.00
Pump Units	03 Nos	18,800,000.00
Total	31 Nos	<u>172,900,000.00</u>
<u>Scientific Equipment</u>		
Resistivity Meters	11 Nos	32,631,500.00
DGPS	01 No	2,000,000.00
Geophysical Logger	02 Nos	14,166,900.00
Total	14 Nos	<u>48,798,400.00</u>
<u>Laboratory Equipments</u>		
Atomic Absorption Spectro Unit	03 No	3,000,000.00
pH Meter	18 Nos	1,409,454.00
Flame Photometer	03 Nos	1,930,000.00
Total	24 Nos	<u>6,339,454.00</u>

**OPERATIONAL ACTIVITIES
PERFORMED DURING THE YEAR
2019**

(1) Treasury Grant Funded Groundwater Monitoring and Studies

1.1 Long term groundwater monitoring project in groundwater sensitive terrains (LTGM) (Rs. 2.0 Million)

Long term groundwater monitoring project is a combined programme of 08 numbers of completed groundwater study projects which have extended for long term groundwater monitoring.

At the beginning of the study projects, test boreholes were constructed with considering different groundwater issues that identified in each project areas to establish the monitoring networks. The details of constructed test boreholes are given in following table. The monitoring activities of selected network in each study were carried out quarterly basis and two times collected water samples for chemical analysis.

No.	Project Name	Area	Constructed test wells and monitoring points
1.	Detailed hydrogeological study on coastal sandy aquifer extended from Colombo to Negombo	Coastal sand belt from Colombo to Negombo	78
2.	Identification Suitable Areas for Groundwater Recharge in Puttalam District	Puttalam, Kalpitiya area	14
3.	Kelani River Basin	Kelani river basin	25
4.	Identification of hazardous minerals in Anuradhapura district	Anuradhapura District	32
5.	Hydrogeological studies in Vauniya and Kilinochchi areas	Vauniya, Kilinochchi	35
6.	Hydrogeological study in limestone aquifer system in Mannar district	Mannar	55
7.	Detailed hydrogeological study in Kirindi Oya River Basin	Kirindi Oya basin	25
8.	Jaffna well monitoring project	Jaffna Peninsular	74

Water sampling, Water quality analysis and water level monitoring and data recording are the current activities of the project.

Under these activities, target of the year 2019 and progress is as follows;

No.	Activity	Target of the year 2019	Progress in 2019
1.	Water sampling	1000	100%
2.	Water quality analysis	750	79 %

STUDY AREA OF LONG TERM GROUNDWATER MONITORING PROJECT

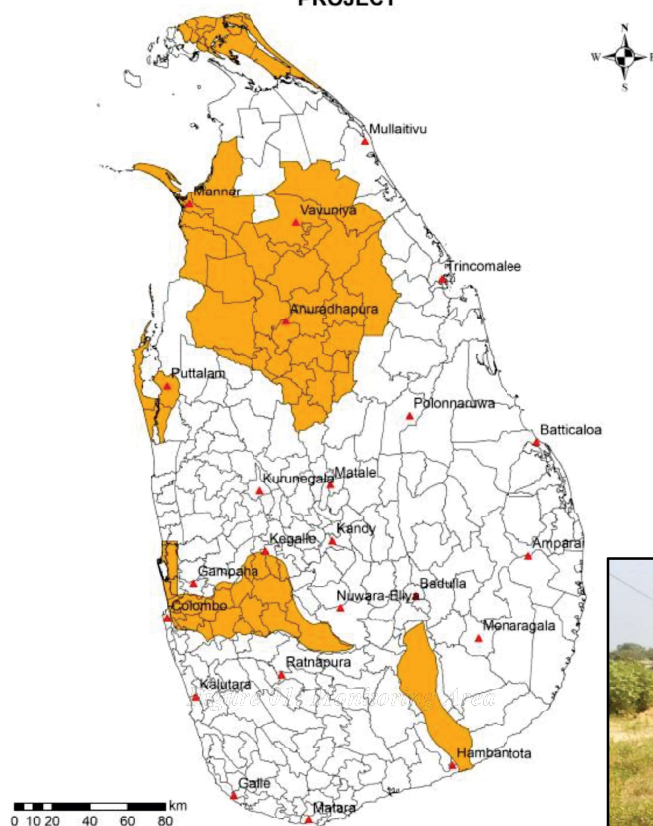


Figure 02: Water level monitoring and water samples collection

1.2 The Study on the Direct and Indirect Impacts on the Climate Changes on the Coastal Aquifer System of Sri Lanka (Rs. 1.4 million)

- **Western Coastal and Trincomalee to Mullathivu Coastal groundwater Aquifers**

The objective of this study is to monitor impact on groundwater due to climate change, mainly on coastal regions.

To achieve the project objectives of this project following activities have been carried out during the year 2019.

Water level measuring, Water sampling and Water sample analysis

- Based on the result of the study conducted from 2014 to 2017, to identify the saline intrusion to fresh water aquifer and to identify the other environmental impact on the coastal aquifer, further well monitoring conducted using the constructed shallow test bore wells and existing shallow tube wells (in the Koggala export processing zone and in the Koggala airport) along western coastal strip and Trincomalee. Additionally, we selected another sets of monitoring points (20 numbers) from both sides of the constructed test bore wells. (about 300 meters from the sea side and the land side).

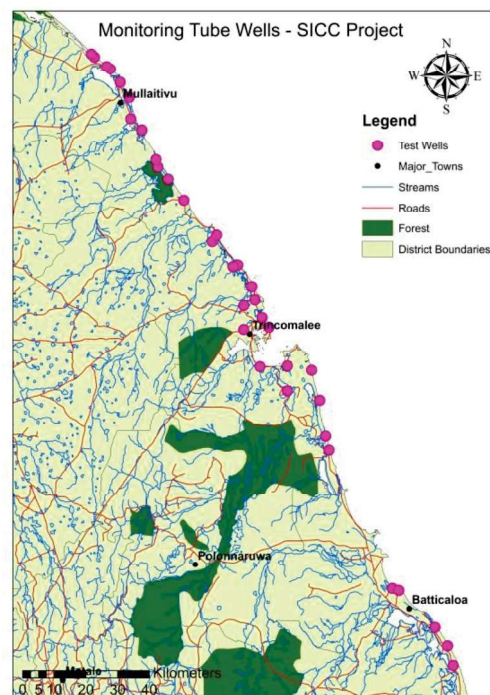
The selected existing monitoring points and newly selected monitoring points have been shown in Figure 03.1 and 03.2

- In the year 2019 four monitoring events have completed with respect to the monsoon rains. Accordingly, two monitoring events were conducted with analyzing water samples partially by considering EC, pH, TDS and Salinity. The other two events water samples were collected for full chemical analysis.
- The 35 numbers of selected test bore holes were monitored in coastal belt of Trincomalee and Mullathivu districts in 2019 including the 10 test wells constructed during the year by considering the Mullathivu and coastal belt up to Trincomalee.

- In western coastal, about 46 numbers of selected well points were monitored.



*Figure 03 - 1: Established groundwater monitoring network areas, sampling and water level monitoring points.
(Colombo to Weligama coastal strip)*



*Figure 03 - 2: Established groundwater monitoring network areas, sampling and water level monitoring points.
(Mulathi, Trincomalee & Batticaloa)*

1.3 Water Quality Study in CKD prevailing areas of Ampara, Kurunegala, Trincomalee, Hambanthota, Badulla, Moneragala, Anuradhapura and Polonnaruwa Districts (Rs. 1.9 Million)

It is believed that the application of agrochemicals and fertilizer in excess amounts would be one of the reasons for the CKDu. The hardness and the presence of fluorides in groundwater also considered as some other reasons for CKD. Therefore, it has to be understood that whether the groundwater quality has direct impact to the CKDu in relevant areas.

This is an on-going project started in 2014 in the CKD prevailing areas of Ampara, Kurunegala, Puttalam, Moneragala, Anuradhapura and Polonnaruwa districts to achieve the above objectives. The following activities have been completed in the year 2019.

Activity	Target for the year	Progress of 2019
Water Sampling and well monitoring	1000	1000
Awareness programme	05	01
Chemical analysis of water samples	1000	49%



Figure 4: Collecting of water samples & measuring of water level

1.4 Development of Groundwater Resources in the districts of dry zone area by construction of deep wells, pumps and water filter installation for emergency use. (Rs. 4.0 Million)

The main objective of this project is to provide safe and clean drinking water to the rural community who are living in most water scarce and drought stricken areas in Sri Lanka. During the year 2019, the following activities were completed in Vavuniya, Anuradhapura, Gampaha, Polonnaruwa, Moneragala, Puttalam, Kandy and Matale Districts.

No.	Activity	Annual Target	Progress 2019
01	Carry out groundwater investigations	30	30
02	Construction of test bore holes	30	22
03	Carrying out pumping test	10	05
04	Chemical analysis	30	22
05	Data analysis, interpretation and reporting	Completed	



Figure 5 & 6: Carried out Hydrogeological Survey and Construction of Tube Wells.

1.5 Rehabilitation of Hand Pump tube wells in Dry Zone (Rs. 1.2 Million)

This program was carried out to rehabilitate old malfunction hand pumps including exceed the lifetime of the hand pump in Moneragala, Puttalam and Anuradhapura districts in identified

essential areas to supply water for rural communities. The following activities were completed during the year.

No.	Activity	Annual Target	Progress of year 2019
01	Cleaning and Repairing of hand pump tube wells in essential areas	100	54



Figure 9: Rural community use water from constructed Tube well

1.6 Conducting of combined inspection with Central Environmental Authority and other Government Agencies on Environmental issues relating to groundwater depletion and pollution (Rs. 0.5 Million)

The project objective of this study is to identify environmental issues relating to groundwater depletion and pollution due to soil, gravel, rock, clay excavation, sand mining, industry activities and over extraction of groundwater. The studies and inspection was carried out with the coordination of Central Environmental Authority and other relevant Agencies. The sites were inspected in Colombo, Gampaha, Kurunegala, Puttalam, Anuradhapura, Moneragala, Kegalle, Rathnepura, Nuwara Eliya, Kandy and Kalutara districts with the participation of officers from DS offices, CEA, GSMB, NBRO and other relevant authorities.

No.	Activity	Annual Target	Progress of year 2019
01	Meeting and Combine Inspection of groundwater Issues	100	119
02	Reports preparation	100	119



Figure 10: Join Inspection for the environmental Issues

1.7 Staff Training Programmes (Rs. 1.0 Million)

Under the above programme, 19 staff trainings were organized by considering the deferent staff levels of the Water Resources Board to develop their skills and capacity build up related to their duties. The 82 staff members were participated and trained under the above programmes.

Se. No.	Description	No.
1	Training Programmes	19
2	Participated Staff Members	82

1.8 Rehabilitation and improvement of WRB infrastructure

(Rs. 5.5 Million)

Under the above programme, the rehabilitation activities were commence by considering the necessary infrastructure developments in Monaragala, Puttalam and Anuradapura provincial offices as given in following table;

No.	Activity	Annual Target	Progress of year 2019
01	Construction of quarters in Monaragala.	01 Quarters	85%
02	Renovation of office roof in Monaragala.	Completed	100%
03	Construction of store room building in Puttalam.	Store room building	100%
04	Renovation of front Fence of the Anuradhapura office.	Completed	100%



Figure 11: Renovation of office roof in Monaragala & Construction of store room building in Puttalam.



(2) Ministry Funded Groundwater Development Projects

2.1 Study on Potential realization of Groundwater Management and Conservation in Jaffna Peninsula (Phase I - Preparation of Well Inventory) (Rs. 7.0 Million)

Under the funds provided by Ministry of Irrigation & water Resources Management and Disaster Management, well inventory project was implemented in year 2017 and it was continuous project. In year 2019 under the project, all groundwater sources (Tube wells and Dug wells) are inspecting and this information will be entered to the WRB data base. This is a base line study and it will help to make groundwater management policies to the peninsula.

The summary of technical data collected of wells in DS divisions of Jaffna peninsula in the year 2019 is in following table;

Name of DS Division	Total No. of GN Divisions	Completed No. of GN Divisions	Inventoried No. of wells
Karainagar	09	06	1,800
Sandillipay	28	28	17,797
Tellippalai	43	43	19,478
Uduvil	30	26	14,620
Jaffna	28	18	6,088
Velanai	30	09	3,340
Nallur	40	13	6,720
Kayts	15	07	840
Delft	06	05	450
Maruthankeny	17	04	400
Chavakachcheri	60	52	12,960
Karaveddy	35	05	806

Chankanai	25	10	469
Kopay	31	12	14,260
Point Pedro	35	12	5,436
Total			105,464



Figures 12 : Well inventory survey and Data collecting

2.2 Monitoring Groundwater Level and Water Quality Changes in Shallow Aquifer Systems associated with the Irrigation Scheme of Yan Oya (Rs. 1.0 Million)

The objective of this study is to identify the water quality and quantity changes associated with new irrigation scheme Yan Oya and it was commenced in 2017.

The following activities were completed under this study in the year 2019.

No.	Activity	Annual Target	Progress of year 2019
01	Conducting pumping test	05	05
02	Well Monitoring (water sampling & water level measuring)	600 times	90%
03	Water samples analysis	100 nos.	35%
04	Data analysis, interpretation and reporting	Maps & report	In progress

In addition to the above scheduled, six test tube wells were constructed to fill the data gap of the monitoring network after carried out of the hydrogeological surveys.

2.3 Monitoring Groundwater Level and Water Quality Changes in Shallow Aquifer Systems associated with the Irrigation Scheme of Malwathu Oya (Rs. 1.0 Million)

The objective of this study is also to identify the water quality and quantity changes associated with new irrigation scheme Malwathu Oya and it has commenced in 2019 .

The following activities were completed under this study in the year 2019.

No.	Activity	Annual Target	Progress of year 2019
01	Conducting pumping test	05	05
02	Well Monitoring (water sampling & water level measuring)	600 times	94%
03	Water samples	100 nos.	71%
04	Data analysis, interpretation and reporting analysis	Maps & report	10%

In addition to the above scheduled, five test tube wells were constructed to fill the data gap of the monitoring network after carried out of the hydrogeological surveys.

(3) Generated Funds

Commercial activities

The following commercial activities were performed on the requests made by Government and other organizations including public requirements. The progress of the year 2019 is given following table;

No	Item	Quantity
1	Hydrogeological Surveys	460
2	Tube Well Constructions	117
3	Pumping Tests	317
4	Hand Pump Installations	16
5	Tube Well cleanings	15
6	Analysis of Water Samples	510

(4) Implementation of Groundwater Regulations

In this year, arrangements were made to implement new groundwater regulations under the gazette No 2010/23 dated 16th March 2017 and following activities were completed during the year 2019.

Se. No	Activity	No.
1	Registration of Private Drilling Companies	117
2	Issuing of Registration Certificates for Drilling Machines.	165
3	Registration of Groundwater Utilizing Companies (These companies extracts groundwater production basis from tube wells and dug wells for their commercial activities).	55
4	Private drilling machineries inspection activities.	136
5	Installation of <i>Flow Meters</i> on production basis tube wells and dug wells to measure the daily consumption of groundwater in groundwater utilizing companies.	24
7	Joint Inspections regarding groundwater issues complains by community & court cases and awareness programmes.	25
8	Issuing Approvals for Hydrogeological Reports (Hydrogeological reports submitted to Water Resources Board prepared by registered external hydrogeologists to get the approval before constructing wells)	1473

ANNUAL PROGRESS OF THE 2019 LABORATORIES IN WRB

Description of the water samples analysis and improvements of the Laboratory in Colombo & other three Laboratories during the year 2019 is forwarded for your information.

LABORATORY ANALYSIS

	Type of analysis	Number of water sample	Income (Rs.)
1	Chemical analysis (Full & Partial) : Commercial	367 (Colombo, Puttalam, Anuradhapura, Jaffna)	1,491,157.00
2	Microbiological analysis : Commercial	94 (Colombo, Puttalam, Anuradhapura, Jaffna)	235,000.00
3	Chemical & Microbiology : Treasury grant projects	1945 (Colombo, Puttalam, Anuradhapura, Jaffna)	Projects
	Total income with VAT	All Laboratories excluding Treasury grant projects	1,726,157.00

DESCRIPTION OF THE ANALYSIS

1. CHEMICAL /MICROBIOLOGICAL ANALYSIS

Three hundred sixty seven number of commercial water samples were tested for full & partial chemical analysis in four Laboratories of WRB. Ninety four numbers of water samples tested for microbiologically during the year 2019. Total commercial Income of the Laboratories of WRB is 1.7 Million excluding Treasury grant & other projects.



Fig : 1 Chemical accredited Laboratory



Fig : 1.1 Chemical Laboratory : Second Surveillance assessment by SLAB (ISO : 17025)

2. HEAVY METAL ANALYSIS (As, Cd, Cr, Pb, Mn, Na, K, Zn etc,...)

Water samples were received to the Laboratory from the various projects conducted by Water Resources Board and commercial parties.



Fig 3: Instrument (Atomic Absorption Spectrophotometer) using for Heavy metal analysis in water samples.

2. IMPROVEMENTS:

DEVELOPMENT OF THE MANAGEMENT SYSTEM OF THE LABORATORY OF WATER RESOURCES BOARD AS PER ISO 17025: 2005 STANDARD.

Accreditation Scheme for ISO 17025: 2017 is implementing in the Laboratory for the Water Resources Board, central Laboratory to strengthen and raise the level of services provided by the laboratory with the International Standard.

Sri Lanka Accreditation Board granted the Accreditation (ISO 17025 : 2017) for Chemical & Microbiological Laboratory of Water Resources Board under the field of Chemical Test. The Accreditation certificate was renewed on 12 October and is valid until 11 October 2022.



Certificate of Accreditation

Sri Lanka Accreditation Board for Conformity Assessment
hereby declares that

Chemical and Microbiology Laboratory Water Resources Board

having being found to comply with the accreditation criteria for testing/calibration
laboratories as described in ISO / IEC 17025 :2005, has been accredited
as a testing laboratory under the field of

Chemical Testing

and has been assigned the accreditation number

TL 065-01

This certificate is issued on 12 October 2016 and is valid until

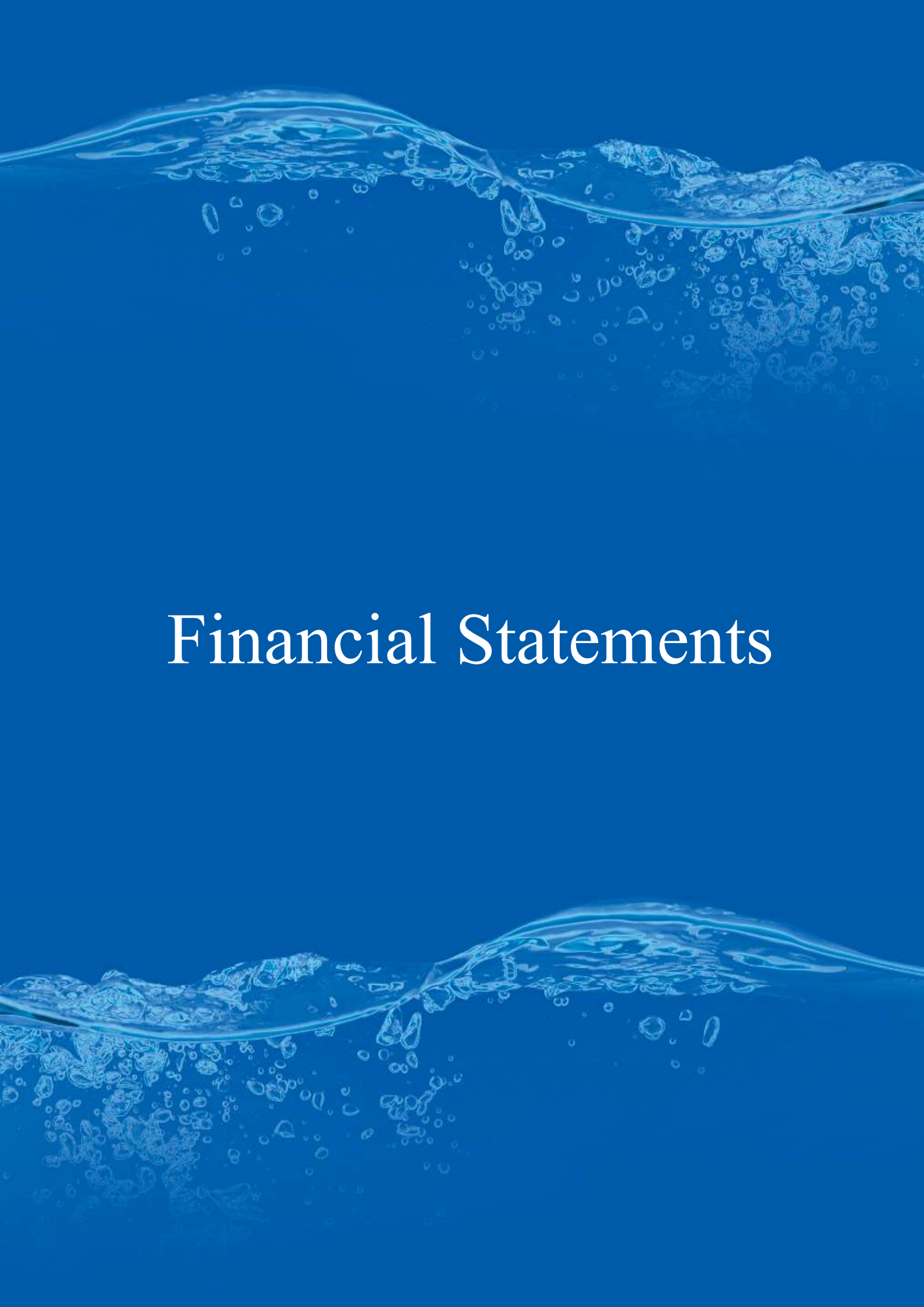
11 October 2019

The accreditation was granted for the first time on 12 October 2016

The scope and conditions of accreditation are specified in the Schedule of
Accreditation bearing the accreditation number appearing in this certificate.

A handwritten signature in black ink, appearing to be "B. B.", is positioned above the official title of the Deputy Director.

Deputy Director (Accreditation)
Sri Lanka Accreditation Board for Conformity Assessment
Colombo, Sri Lanka



Financial Statements

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WATER RESOURCES BOARD
Statement of Financial Performance

For the year ended	NOTE NO	Budget		
		2019 Rs'000	2018 Rs'000	2019 Rs'000
Revenue from Operating Activities	01	135,967	188,556	132,950
Treasury Grants- Recurrent		180,400	185,000	200,000
Treasury Grants- Capital(Operational)	02	12,345	16,927	18,700
Other Income	03	17,950	11,171	18,870
Total Revenue		346,662	401,654	370,520
Administrative Costs	4.1	(204,943)	(211,971)	(212,610)
Supplies & Requisites	4.2	(38,467)	(42,652)	(45,800)
Contractual Services & Maintenance expenses	4.3	(21,796)	(26,998)	(25,960)
Other Operational Expenses	4.4	(12,071)	(18,061)	(12,695)
Other Project Expenses	4.5	(6,335)	(41,586)	(9,055)
Treasury Grants - Capital (Research Studies)	4.6	(12,345)	(16,927)	(18,700)
Depreciation		(9,504)	(9,801)	(15,000)
Total Expenses		(305,461)	(367,996)	(339,820)
Surplus / (Deficit) from Operations		41,201	33,658	30,700
Tax		(1,611)	(96)	-
Surplus / (Deficit) for the period		39,590	33,562	30,700

WATER RESOURCES BOARD
Statement of Financial Position

As at	NOTE NO.	2019 Rs'000	2018 Rs'000
ASSETS			
Current assets			
Cash and cash equivalents	05	99,794	53,572
Trade and other receivables	06	40,256	108,601
Inventories	07	142,896	159,053
Prepayments	08	414	830
		<u>283,360</u>	<u>322,056</u>
Non - current assets			
Property, Plant & Equipment	09	<u>574,838</u>	<u>318,909</u>
		<u>574,838</u>	<u>318,909</u>
TOTAL ASSETS		<u>858,198</u>	<u>640,965</u>
LIABILITIES			
Current liabilities			
Trade Creditors	10	-	-
Other Provisions & Payables	11	9,701	15,238
Deferred Income (Advances for Services)	12	<u>15,919</u>	<u>36,330</u>
		<u>25,620</u>	<u>51,568</u>
Non - current liabilities			
Retirement Benefit Obligations	13	73,281	68,219
Deferred Income (For Government Grants)	14	<u>537,601</u>	<u>277,654</u>
		<u>610,882</u>	<u>345,873</u>
TOTAL LIABILITIES		<u>636,502</u>	<u>397,441</u>
NET ASSETS		<u>221,696</u>	<u>243,524</u>
NET ASSETS / EQUITY			
CAPITAL & RESERVES			
Accumulated Fund	15	256,618	256,618
Other Grants	15	235,227	294,206
Accumulated Profit/(Deficit)	15	(274,549)	(311,700)
Revaluation Reserve	15	4,400	4,400
TOTAL NET ASSETS / EQUITY		<u>221,696</u>	<u>243,524</u>

The Accounting Policies and the Notes from pages 06 To 21 form an integral part of these Financial Statements.

We certify that the above Financial Statements are true and correct as per the records available of the Board.

A.B.M. Chandrasiri
Assistant General
Manager (Finance)

G.R.R. Karunarathna
General Manager

The Directors are responsible for the preparation & presentation of the Financial Statements. Approved and Signed on behalf of the Board.

Dr. J.D. Samarasingha
Chairman

Board Director

19 th February 2020
WATER RESOURCES
BOARD 02

Statement of Changes in Net Assets/ Equity

As at 31st DECEMBER

NOTE : 15

	Accumulated Fund Rs'000	Other Grants Rs'000	Revaluation Reserve Rs'000	Accumulated Profit/Deficit Rs'000	Total Rs'000
Balance as at 31st December 2017					
B/F	256,618	233,273	1,172	(349,523)	141,540
Adjustments made for prior period events	-	-	-	4,261	4,261
Restated Balance	256,618	233,273	1,172	(345,262)	145,801
Surplus / (Deficit) for the period	-	-	-	33,562	33,562
Revaluation - Adjustments	-	-	3,228	-	3,228
Advance released for Purchase of Machinery	-	60,933	-	-	60,933
Balance as at 31st December 2018	256,618	294,206	4,400	(311,700)	243,524
Balance as at 31st December 2018					
B/F	256,618	294,206	4,400	(311,700)	243,524
Adjustments made for prior period events	-	-	-	(1,641)	(1,641)
Restated Balance	256,618	294,206	4,400	(313,341)	241,883
Surplus / (Deficit) for the period	-	-	-	39,590	39,590
Work in Progress for Building Improvements	-	1,954	-	-	1,954
Advance released for Purchase of Machinery	-	(60,933)	-	-	(60,933)
Actuarial Gain/(Loss) on retirement benefit obligation	-	-	-	(798)	(798)
Balance as at 31st December 2019	256,618	235,227	4,400	(274,549)	221,696

NOTE: Details of other grants are as follows

GRANTS	OTHER	Balance as at 31.12.2019 (Rs.000)
	JICA	11,973
	ADB &	
NWRA		1,025
	Others	24,624
	Japanese	
2 KR Project		81,476
Amerasian Fund		1,771
	DSWRPP	
Fund		112,404
Rehabilitation & Improvements		1,954
Total		235,227

CASH FLOW STATEMENT

	2019 Rs'000	2018 Rs'000
Cash Flows from operating activities		
Surplus / [Deficit] for the year before Treasury Grants (Recurrent)	(139,199)	(151,342)
Add: Treasury Grants received (Recurrent)	<u>180,400</u>	<u>185,000</u>
Surplus / [Deficit] before Tax for the year	41,201	33,658
Less: Prior Year adjustments	(148)	(54)
	41,053	33,604
Non Cash Movements		
Depreciation	9,504	9,801
Increase in Provisions to Gratuity	12,759	14,809
[Decrease] / Increase in payables	(26,904)	(43,724)
[Decrease] in Other Current Assets	15,080	12,397
Gain / [Losses] on sale of Property plant & Equipment's	(89)	(2,227)
[Decrease] / Increase in receivables	<u>5,842</u>	<u>(10,606)</u>
	57,245	14,054
Interest received for gratuity & bank Savings	(3,685)	(300)
Tax Paid	<u>(41)</u>	<u>(46)</u>
Net cash flows from operating activities	53,519	13,708
Cash Flows from Investing activities		
Proceeds from sale of Property Plant & equipment	92	2,861
Purchase of Property Plant & Equipment's	(285,672)	(24,109)

Interest received for gratuity & Bank Savings	3,686	300
Payment of gratuity	<u>(7,539)</u>	<u>(13,157)</u>
Net cash flows from Investing activities	(289,433)	(34,105)
Cash Flows from financing activities		
Government Grants [Capital for Property Plant & Equipment]	8,757	1,903
Ministry Funds [Capital for Property Plant & Equipments]	273,379	81,152
Advance released for Purchase of Machinery	<u>-</u>	<u>(60,933)</u>
Net cash flows from financing activities	282,136	22,122
Net Increase/[decrease] in cash & cash Equivalents	46,222	1,725
Cash & Cash Equivalents at beginning of Period	<u>53,572</u>	<u>51,847</u>
Cash & Cash Equivalents at end of Period	<u>99,794</u>	<u>53,572</u>

• NOTES TO THE CASH FLOW STATEMENT

- 01 Cash and cash equivalents consist of balances with banks. Cash and Cash equivalents included in the Cash Flow Statement comprise the following Statement of Financial Position amounts.

		<u>2019</u>	<u>2018</u>
		Rs'000	Rs'000
Balances with Banks	Current Account	70,474	39,956
National Savings Bank	Savings with	<u>29,320</u>	<u>13,616</u>
		<u>99,794</u>	<u>53,572</u>

- 02 Cash Flows from Treasury Grant (Capital) for the operational activities are included in the Cash Flows from operating activities.

TREASURY GRANT RELEASES RECONCILIATION - YEAR 2019**Disclosed Statement**

	Releases (Rs. 000)	As per Treasury Printout (Rs. 000)	Provision for the year (Rs. 000)
01 RECURRENT GRANT			
Vote: 118-01-07-02-1503			
Financial Performance	180,400	180,400	200,000
	180,400	180,400	200,000
02 CAPITAL GRANT			
Vote: 118-01-07-02-2201			
Financial Performance - Operational	12,345	-	-
Statement of Financial Position (for purchase of assets)	8,757	-	-
	21,102	21,102	32,000

1. Corporate Information

General

The Water Resources Board is a statutory Board established in 1966 under the provisions of Act No. 29 of 1964.

Principal Activities and Nature of Operations

During the year, the principal activities of the Board Comprised of carryout Hydrogeological Surveys, Construction of Tube Wells, Chemical Analysis of Water Samples, Cleaning of dug wells, Preparation of Groundwater Maps and supervision & direction of the use of natural water springs or ground water for certain activities or projects as per the gazette notification no. 2010/23 of 16th March 2017.

Directors Responsibility Statement

The Board of Directors take the responsibility for the preparation and presentation of these Financial Statements as per the provisions of Sri Lanka Public Sector Accounting Standards.

Address of the Registered Office and the Principal Place of the Activities of the Board

No.02A, Hector Kobbekaduwa Mawatha, Colombo 07.

2. Significant Accounting Policies

2.1. Statement of Compliance

The financial statements of the Water Resources Board are prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS) laid down by the Public Sector

Accounting Standards Committee of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) with the Participation of the Ministry of Finance & Planning. (Ref: Circular: PED/03/2013 dated 02.10.2013)

SLPSAS 04, 05, 13,16,17,18 and 20 are not applicable to the Water Resources Board at present.

2.2. Basis of Preparation

The Financial Statements are prepared on the Historical Cost Basis.

2.3. Functional and Presentation Currency

These Financial Statements are presented in Sri Lankan Rupees, which is the Board's Functional Currency and all Financial Information has been rounded to the nearest thousands unless otherwise specifically indicated.

3. Assets and Basis of their Valuation

3.1 Property, Plant & Equipments

Property Plant and Equipments are initially recorded at cost less accumulated depreciation. The cost of Property, Plant & Equipment is the Cost of purchase/revaluation or construction together with any incidental expenses thereon.

Revalued assets are carried at revalued amount less any subsequent depreciation thereon.

3.2 Depreciation

Depreciation of an asset begins when it is available for use and ceases at the earlier of the dates on which the asset is derecognized.

Depreciation is calculated so as to write off the Cost / Revaluation of Property, Plant and Equipment on a Straight - Line Basis over the expected useful lives of the Assets concerned. The principle annual rates used for this purpose are,

Buildings	5%
Motor Vehicles	25%
Machinery	20%
Laboratory Equipments	20%
Scientific Equipments	20%
Computers & Accessories	20%
Furniture, Fittings & Office Equip.	10%

3.3 Government Grants

Assets received by way of grants from treasury, line ministry and other related government projects are recognized under Income Approach. Differed income (related to Government Grants) will be set off against depreciation account in the Statement of Financial Performance on a systematic basis over the life of the assets.

3.4 Inventories

Inventories consist of vehicle spares, stores materials, machinery spares, fuel and other consumables, etc. The cost of inventories are based on the first – in – First-out (FIFO) principle.

3.5 Receivables

3.5.1 Receivables are stated at the amounts they are estimated to realize.

3.5.2 Bad and Doubtful Debts.

The estimated losses to these debts are based on continuous review of all invoices and claims identified as bad and doubtful.

4.1 Accounts Payables and Accrued Expenses

Trade and other payables are stated at cost.

Deferred Income

Advances received for services to be rendered are shown as deferred income under current liabilities in the statement of Financial Position until recognize the income.

4.2 Provisions

Provisions are recognized when the entity has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. The expense relating to any provision is presented in the Statement of Financial Performance of any reimbursement.

5. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Water Resources Board and the revenue can be reliably measured, regardless of when the payment is being made.

Major sources of income

Hydrogeological surveys, construction of Tube wells, Hand pump installations, pumping tests, cleaning of Tube wells, Water sample analysis and fitness certificate income are major sources of income. Revenues from these sources are recognized upon the realization.

Other income

Other income consists of circuit bungalow reservations, fines & surcharges, registration fees income and sundry income and they are recognized on an accrual basis.

Interest Income

Interest income mainly derived from interest on Distress loans, interest on Deposits at National Savings Bank maintained for the purpose of gratuity payments and the interest on Fund Management Account at Bank of Ceylon.

6. Employee Benefits

6.1 Defined Benefit Plan

The Water Resources Board is liable to pay retirement benefit under Gratuity Act No.12 of 1983. The liability recognized in the Financial Statements in respect of defined benefit plan is the present value of the defined benefit obligation as at the reporting date in respect of employees. The defined benefit obligation is calculated by a qualified Actuary namely, Actuarial & Management Consultants (Pvt) Ltd as at the reporting date using the Projected Unit Credit (PUC) method as recommended by Sri Lanka Public Sector Accounting Standards (SLPSAS 19), Employee Benefits. Such Actuarial valuations will be carried out every year. The liability to an employee arises from their date joined.

The Water Resources Board measured the present value of promised retirement benefits of gratuity using the actuarial valuation method. SLPSAS 19 Employee Benefits was effective from 01.01.2018.

Plan Asset

The liability is not externally funded. The Water Resources Board maintain a separate Savings Account in National Savings bank for the purpose of funding the defined benefit obligation of the Board.

6.2 Defined Contribution Plans – EPF & ETF

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective Statutes and Regulations. The Board contributes 12% and 3% of personal emoluments of employees to EPF and ETF respectively.

7. Taxation

Tax expense Comprises Current and any adjustment to tax payable in respect of previous years.

8. Research Studies Expenses.

Operational expenses which have been identified directly to Research Studies under Treasury Grants capital vote have been Charged to the Statement of Financial Performance.

9. Cash Flow Statement

The Cash Flow Statement is prepared using the indirect method as stipulated in SLPSAS 02 Cash Flow Statement, Where by gross cash receipts and gross cash payments of operating activities, financing activities and investing activities have been recognized.

Cash and cash equivalents comprise mainly balances with banks.

10. Events after the reporting period

All the material events after the reporting period have been considered and appropriate adjustment and disclosures have been made into the financial statement, where necessary.

NOTES TO THE FINANCIAL STATEMENTS.

REVENUE FROM OPERATING ACTIVITIES

	2019	2018	Budget
	Rs'000	Rs'000	2019 Rs'000
NOTE NO:01 HYDRO: INVESTIGATIONS / EXPLORATION			
Hydro Geological Survey	26,051	34,473	20,000
Tube Well Construction	60,481	71,653	63,000
Hand Pump Installation	2,563	8,155	2,400
Pumping Tests	34,651	34,709	35,000
Tube Well Cleaning	1,286	1,138	750
Water Sample Analysis	2,724	2,521	2,400
Installation Of Iron Removable Plant	-	102	-
Flow Meter Income	548	533	400
Sub Total	128,304	153,284	123,950

GROUNDWATER DEVELOPMENT

Dam Safety Water Resource Planning Project	-	1,508	-
Construction Of Tube Wells in drought affected areas	-	1,407	-

Ground Water Study in Jaffna Peninsula	5,127	908	7,000
Replacement of Mud Pumps for 03 Existing Rigs	-	29,912	-
Ground Water Monitoring Project - Malwathu Oya	482	989	1,000
Ground Water Monitoring Project - Yan Oya	554	505	1,000
World Water Day	-	43	-
UNDP Programme	1,500	-	-
<i>Sub Total</i>	7,663	35,272	9,000
GRAND TOTAL	135,967	188,556	132,950

NOTES TO THE FINANCIAL STATEMENTS.
REVENUE FROM OPERATING ACTIVITIES

	2019	2018	Budget
	Rs'000	Rs'000	2019
			Rs'000

NOTE NO: 02
TREASURY GRANT - CAPITAL

(RESEARCH STUDIES - OPERATIONAL)

Study on the direct & indirect impacts of climatic changes	1,109	1,270	1,400
Water Quality Studies in CKDU Project	680	4,900	1,900
Rehabili. of H.P/ Tube W. in H'tota, Badulla & Moneragala	1,053	2,000	1,200
Staff Training	929	476	1,000
Releases for Rehabilitation & Improvements	2,228	3,241	1,200
Development of Ground Water Emergency use	3,942	2,790	4,000
Long Term G. W. monitoring in most sensitive G.W. terrains	1,129	1,750	2,000
Combine Inspections relating to G. water depletion & pollutions	306	413	500
Publication of Study Reports	12	87	2,000
Laboratory Improvements and Maintenance	107	-	2,400
Technology	850	-	1,100
GRAND TOTAL	12,345	16,927	18,700

NOTE NO:03
OTHER INCOME

Circuit Bungalow Reservation	139	55	80
Fines & Surcharges	1,139	4	1,100
Sundry Income	2,268	1,082	1,500
Disposal Income	89	-	4,000
Interests on Loans & Bank Deposits	3,685	1,473	2,000
Staff Accommodation Income	140	114	90
Fitness Certificate Income	10,407	8,265	10,000
Registration Fees Income	83	178	100
GRAND TOTAL	17,950	11,171	18,870

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2019 Rs'000	2018 Rs'000	Budget 2019 Rs'000
NOTE NO: 4.1			
ADMINISTRATIVE COSTS			
Salaries & Wages	150,190	153,492	158,000
Overtime & Holiday Pay	13,968	13,425	13,000
Defined Contribution Plan (Cost - EPF & ETF)	20,131	19,534	18,200
Defined Benefit Plan Cost - Retiring Gratuity	12,759	14,809	14,000
Director's Fees	309	389	400
Other Allowances	155	115	60
Travelling - Local	5,782	7,293	7,000
Travelling - Overseas	62	1,649	200
Welfare & Sports facilities	144	172	500
Medical Scheme	768	721	800
Entertainment	463	187	250
Vacation Leave Encashment	212	185	200
GRAND TOTAL	204,943	211,971	212,610

NOTE NO: 4.2**SUPPLIES REQUISITES**

Fuel & Lubricants	22,229	26,651	25,000
Drilling Works Consumables	13,686	12,464	17,000
Laboratory Consumables & Others	2,161	2,637	3,000
Other Consumables	391	900	800
GRAND TOTAL	38,467	42,652	45,800

NOTE NO: 4.3**CONTRACTUAL SERVICES & MAINTENANCE EXPENSES**

Postage & Telecommunication	1,985	1,943	1,900
Electricity	2,993	2,346	2,800
Building Rent	360	-	750
Rates & Taxes	593	1,636	300
Cash in Transit Insurance	12	3	10
Audit Fees	400	400	400
Printing	452	347	400
Workshop & Seminars (With 30 year Plan)	205	691	500
Water Bills	304	170	200
Accommodation Expenses	881	-	700
Consultancy Charges	385	292	300
Sundry Expenses	768	484	700
Maintenance of Motor Vehicles	4,849	4,552	6,000
Maintenance of Machinery	3,904	9,369	6,000
Maintenance of Office Equipments	3,032	2,513	3,000
Maintenance of Buildings	<u>673</u>	<u>2,252</u>	<u>2,000</u>
GRAND TOTAL	<u>21,796</u>	<u>26,998</u>	<u>25,960</u>

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2019 Rs'000	2018 Rs'000	Budget 2019 Rs'000
NOTE NO: 4.4			
OTHER OPERATING EXPENSES			
Stationery & Office Requisites	939	696	1,000
Uniforms	466	482	500
Periodicals & Newspapers	90	130	150
Publicity	1,510	704	1,000
Bank Charges	146	156	190
Medical Test Charges	-	82	80
Legal Expenses	-	-	500
Stamp Duty	83	21	125
Vehicle Service - Ratmalana	931	500	800
Hiring Charges	459	13	100
Fines & Surcharges	4	44	50
Bad Debts	-	769	-
Operating Lease Rentals	4,512	6,370	4,900
N.B.T. Expenses	2,931	3,329	3,300
Losses on Disposals	-	4,765	-
GRAND TOTAL	12,071	18,061	12,695

NOTE NO: 4.5**OTHER PROJECT EXPENSES**

Construction Of Tube Well In Drought Affected Areas	-	1,407	-
Ground Water Study In Jaffna Peninsula	5,127	2,867	7,000
Replacement of Mud Pumps for 03 Existing Rigs	-	29,912	-
Ground Water Monitoring Project Malwathu Oya	482	2,032	1,000
Ground Water Monitoring Project - Yan Oya	671	2,016	1,000

Water Day Expenditure	55	838	55
Dam Safety Water Resources Planning Project	-	2,514	-
GRAND TOTAL	6,335	41,586	9,055
WATER RESOURCES BOARD	13		

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2019 Rs'000	2018 Rs'000	Budget 2019 Rs'000
NOTE NO: 4.6			
TREASURY GRANT - CAPITAL			
(RESEARCH STUDIES - OPERATIONAL)			
Study On the direct & Indirect Impacts Of Climate Changes	1,109	1,270	1,400
Water Quality Studies In CKDU Project	680	4,900	1,900
Rehabili. of H.P/ Tube W. in H'tota, Badulla & Moneragala	1,053	2,000	1,200
Staff Training	929	476	1,000
Releases for Rehabilitation & Improvements	2,228	3,241	1,200
Development Of Groundwater Emergency Use	3,942	2,790	4,000
Long Term G. W. monitoring in most sensitive G.W. terrains	1,129	1,750	2,000
Combine Inspections relating to G. water depletion & pollutions	306	413	500
Publication of Study Reports	12	87	2,000
Laboratory Improvements and Maintenance	107	-	2,400
Technolofy	850	-	1,100
GRAND TOTAL	12,345	16,927	18,700

NOTE NO:05

CASH & CASH EQUIVALENTS

(1) Bank of Ceylon York Street Branch (0002026295)	586	2,130
(2) Bank of Ceylon Torrington Branch (0002323267)	69,720	36,536
(3) Bank of Ceylon Torrington Branch (0002323268)	11	11
(4) Bank of Ceylon Torrington Branch (0005342839)	157	1,279
Sub Total	70,474	39,956

EMPLOYEE BENEFIT - PLAN ASSET

(5) National Savings Bank -Bambalapitiya (100230211818)	29,320	13,616
GRAND TOTAL	99,794	53,572

NOTE:- FUND MNAEMENT ACCOUNT

The Board has opened (Board Paper No. 1203) a Fund Management Account (A/C No.83141035) on 07.09.2018 adjoining to the existing Current Account of 0002323267 of Bank of Ceylon Torrington Branch to earn an Interest for the available funds from the Current Account.

WATER RESOURCES BOARD

14

NOTES TO THE FINANCIAL STATEMENTS CONTD;

NOTE NO:06	2019	2018
TRADE & OTHER RECEIVABLES	Rs'000	Rs'000
STAFF		
(01) Distress Loan	19,895	14,382
(02) Festival Advance	30	30
(03) Special Loan	125	312
(04) Staff Debtors	-	2
Sub Total	20,050	14,726
OTHERS		
(05) Trade	20,503	26,856
(06) Advance to Suppliers	-	60,933
(07) Retention Receivable	151	1,160
(08) E.S.C. Receivable	534	1,344
(09) V.A.T. Receivable (Refund)	1,263	1,263
(10) Other Receivables	245	5,855
(11) Shortage of Stocks	118	118
Sub Total	22,814	97,529
TOTAL RECEIVABLES	42,864	112,255
(12) Less : V.A.T Payable	(2,608)	(3,654)
GRAND TOTAL	40,256	108,601

NOTE NO: 07**INVENTORIES****MATERIALS & SPARES**

Vehicle Spares	2,668	1,699
Vehicle Spares (DSWRPP)	2,056	2,101
Fuel & Lubricants	1,618	1,918
Ground Water Consumables	29,812	45,606

Building Materials	1,286	707
Stationery	348	371
Machinery Spares (with 2 KR)	60,050	58,466
Machinery Spares (DSWRPP)	39,495	41,854
Machinery Spares (MINISTRY)	2,820	3,051
Laboratory Consumables	2,743	3,280
GRAND TOTAL	142,896	159,053

NOTE NO:08**PRE-PAYMENTS**

Maintenance of Motor Vehicle	-	10
Stamp Duty	151	215
Cash In Transits	9	10
Newspapers & Periodicals	-	4
Laboratory Consumables	60	218
Postage & Telecommunication	-	5
Maintenance of Office Equipments	80	122
Licence & Insurance	114	246
GRAND TOTAL	414	830

WATER RESOURCES BOARD**15****NOTES TO THE FINANCIAL STATEMENTS CONTD.****PROPERTY, PLANT & EQUIPMENT****NOTE: 09**

Cost	Balance as at 01.01.2019 Rs'000	Additions Rs'000	Disposal / Adjustments Rs'000	Balance as at 31.12.2019 Rs'000
Lands	1,897	-	-	1,897
Buildings	6,258	-	-	6,258
Motor Vehicles	130,596	-	-	130,596

Machinery	217,964	273,783	-	491,747
Laboratory Equipments	21,565	99,517	(12)	121,070
Furniture Fittings & Office Equipments	13,474	12,078	-	25,552
Computers & Accessories	7,901	2,655	-	10,556
Scientific Equipments	86,358	1,072	-	87,430
Buildings (Work in Progress)	1,384	2,163	-	3,547
GRAND TOTAL	487,397	391,268	(12)	878,653

Depreciation	Balance as at 01.01.2019 <u>Rs'000</u>	Charges for the Year <u>Rs'000</u>	Disposal / Adjustments <u>Rs'000</u>	Balance as at 31.12.2019 <u>Rs'000</u>
Buildings	627	313	-	940
Motor Vehicles	53,044	32,627	-	85,671
Machinery	85,046	76,367	-	161,413
Laboratory Equipments	11,421	5,511	(9)	16,923
Furniture Fittings & Office Equipments	-	1,469	-	1,469
Computers & Accessories	2,907	1,742	-	4,649
Scientific Equipments	15,443	17,307	-	32,750
GRAND TOTAL	168,488	135,336	(9)	303,815
NET BOOK VALUE	318,909			574,838

NOTES TO THE PROPERTY PLANT & EQUIPMENT

Cont...NOTE: 09

01 Depreciation Charges to the Financial Performance is made as follows.

Depreciation	Charges for the Year <u>Rs'000</u>	Deferred Income for the Year <u>Rs'000</u>	Disclosed Amount <u>Rs'000</u>
Buildings	313	-	313
Motor Vehicles	32,627	29,029	3,598

Machinery	76,367	76,287	80
Laboratory Equipments	5,511	4,384	1,127
Furniture Fittings & Office Equipments	1,469	249	1,220
Computers & Accessories	1,742	426	1,316
Scientific Equipments	<u>17,307</u>	<u>15,457</u>	<u>1,850</u>
GRAND TOTAL	<u>135,336</u>	<u>125,832</u>	<u>9,504</u>

02 Land of Korakahawewa Training Center (2.166 Hect.) has leased agreement on paying with annual rental basis

03 An extent of 40.0 perches land at Battaramulla has allocated from the Urban Development Authority to the Water Resources Board for the period of 30 years on nominal ground rental basis.

04 Details of the Land & Buildings which are utilizing of the Board without having legal ownership as at 31.12.2019 are as follows.

LAND	BUILDINGS (Appox.)
Head Office	0.2167 Hect.
Work Shop at Rathmalana	1.79378 Hect.
Circuit Bungalow at Anuradhapura	0.0759 Hect.
Work Site at Vauniya	0.1050 Hect.

05 During the year Asset purchases /Granted Assets/ Identified values and the net effect from the Revaluation / Fair Value adjustment are shown as additions in the note no. 09 of Property, Plant and Equipment.

NOTES TO THE FINANCIAL STATEMENTS CONTD;

	2019	2018
	Rs'000	Rs'000
NOTE NO:10		
TRADE CREDITORS		
01. Trade Creditors	-	-
GRAND TOTAL	<u>-</u>	<u>-</u>

NOTE NO:11**OTHER PROVISIONS & PAYABLES**

(1) Provision for Audit Fees	627	523
(2) E.P.F 10%	-	(57)
(3) Accrued Expenses (Pl. see Page No.22 for details)	8,774	9,676
(4) Bid Bond & Refundable Deposits	1	72
(5) Other Payables	250	4,908
(6) Staff Creditors	-	172
(7) Retention Payable	49	11
Sub Total (1 - 7)	9,701	15,305
(8) Less : V.A.T Cash	-	(67)
GRAND TOTAL	9,701	15,238

NOTE NO:12**DEFERRED INCOME**

Flow Meter Advance	691	-
Fitness Income Advance	1,053	-
Service Advance (Pl.see Page No. 27 to 29 for details)	14,175	36,330
GRAND TOTAL	15,919	36,330

NOTES TO THE FINANCIAL STATEMENTS CONTD.**NOTE : 13****EMPLOYEE BENEFITS****13.1 Defined Contribution Plans**

The following contributions have been made to the Employees' Provident Fund and Employees' Trust Fund during the year.

2019	2018
Rs'000	Rs'000

Employees' Provident Fund

Employers' Contribution - 12%	16,105	15,627
Employees' Contribution - 10%	13,421	13,447
Employee Trust Fund - 3%	<u>4,026</u>	<u>3,907</u>

13.2 Defined Benefit Plan

Defined Benefit obligation as at beginning of the Year	68,219	67,422
Interest cost for the Period	7,845	-
Current Service cost	4,914	4,271
Actuarial (Gain)/Loss	798	-
Benefit paid during the year	(7,539)	(13,157)
Benefit Payable	(956)	(855)
Provision recognized during the year	<u>-</u>	<u>10,538</u>
	<u>73,281</u>	<u>68,219</u>

13.2.1 Expense recognized during the year in Income Statement

Current Service Cost	4,914	4,271
Interest cost for the Period	7,845	-
Charges into Defined Benefit Obligation	<u>-</u>	<u>10,538</u>
	<u>12,759</u>	<u>14,809</u>

Equity Statement - (Please see page No.03)

Actuarial Gain / (Loss) on Retirement benefit obligation	<u>(798)</u>	<u>-</u>
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13.2.2

An actuarial valuation for gratuity liability was carried out as at 31.12.2019 by Mr.Poopalanathan of Ms. Actuarial & Management Consultants (Pvt) Ltd, a firm of Professional Actuaries.

The following Assumptions and data were used in valuing the defined benefit obligation by the actuarial valuer.

Discount rate	10.5%	Per annum	(Year 2018 - 11.5%)
Salary Increment rate	9.0%	Per annum	(Year 2018 - 10.0%)
Staff Turnover Rate	8.0%	Per annum	(Year 2018 - 8.0%)

NOTES TO THE FINANCIAL STATEMENTS CONTD.

13.2.3 Defined benefit plan

Assumptions regarding future are based on A1967/70 mortality table, issued by the Institute of Actuaries, London.

Normal retirement age of an individual is assumed to be 60 years and employees over 60 years are assumed to retire on their respective next birthdays.

According to the Payment of Gratuity Act No: 12 of 1983, the liability for gratuity to an employee arises only on completion of 05 years off continuous service.

13.2.4 Sensitivity Analysis

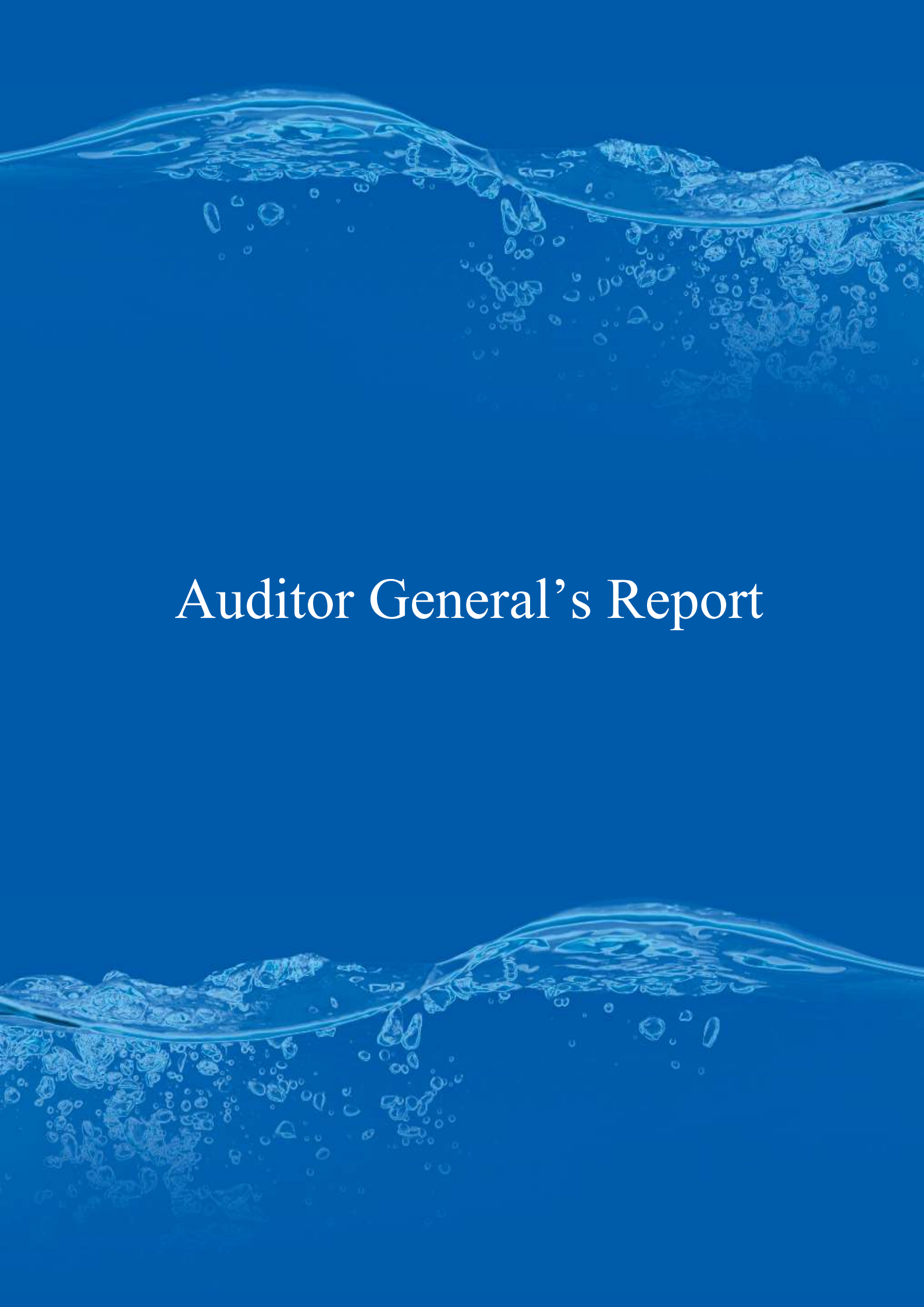
Variables Changed by 1% while all other assumptions remain unchanged, the following would be the impact on employee benefits.

	2019	
	Increase by +1% Rs. '000'	Decrease by -1% Rs. '000'
Discount rate	69,957	76,971
Salary increment rate	77,202	69,691

	2019 Rs'000	2018 Rs'000
NOTE NO:14		
Deferred Income (Pl. see Page No.21 for details)	<u>537,601</u>	<u>277,654</u>

NOTE NO:15

Please see Page No 03 for Statement of changes in Net assets / Equity



Auditor General's Report



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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No. }

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Your No. }

දිනය
திகதி
Date }

Chairman

Water Resources Board

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Water Resources Board for the year ended 31 December 2019 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Water Resources Board for the year ended 31 December 2019 comprising the statement of financial position as at 31 December 2019 and the statement of comprehensive income, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2019, 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

- Last year, Rs. 3.93 million was adjusted in the financial year under review in order to rectify the mistakes. As per Sri Lanka Public Accounting standard 03, the adjustment was not legally matched and the comparison information for the previous year was restored and the details were not disclosed to the relevant adjustments which had not been published in the financial statements.
- The government had provided capital to start the board. According to the Sri Lanka Public Accounting Standard 01, the relevant capital contribution provided by the government had not been identified and stated in the financial statement and instead the consolidated fund of Rs. 256 million in financial statements.

- (c) Although Rs. 5.8 million costs of 06 drilling rigs were taken out of use three years ago, it was disclosed in the financial statements and drilling machinery account of the drilling machine without any action being taken.
- (d) According to the Sri Lanka Public Accounting Standards 09, the final balance of the Board should be shown as the value less than either the cost or the net realized value. Rs.4.31 million of unused machine parts was depreciated and disclose in the accumulated depreciation account in the financial statements.
- (e) Although the construction work of 03 tube wells constructed at a cost of Rs. 498,000 has been completed. The income of the Board is not included in the income for the year under review as per the selected calculation criteria.

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

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine 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 Board's 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 intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Board 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 of the Board.

1.4 Auditor's Responsibilities for the Audit of the Financial State ments

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 skepticism 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 Company'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 Board'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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board 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.

2. Report on Other Legal and Regulatory Requirements

National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

- Except for the effect of the matters described in the Basis for Qualified Opinion paragraph, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Board as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.
- The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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 body of the Board has any direct or indirect interest in any contract entered into by the Board 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 Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018

<u>Reference to law/ Direction</u>	<u>Description</u>
(a) Gazette Extraordinary No. 2010/23 of 16 March 2017	(i) Approval had not been obtained by the board for tube wells of 4 meters or more in diameter for agricultural purposes and for industrial purposes for commercial agricultural purposes. All institutions involved in the construction of tube wells were not registered. (ii) Data report has not been provided on the relevant water supply for all projects related to commercial agriculture or industry receiving Rs. 30,000 litres of ground water per month. (iii) No action has been taken to obtain approval for the analysis report from the Water Resources Board under Section 03 of the Gazette Notification. (iv) Section 02 of the Gazette Notification requires that data on water use be maintained on a daily basis but not maintained by some private companies. No legal action has been taken by the water resources board in this regard.
(b) Financial Regulation No 104	According with Financial regulation 104, action had not been taken up to now regarding the stock deficit of Rs. 118,000 since last year.
- to state that the Board 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 Board 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.	
(a) An agreement was reached on 18 September 2019 to supply and install vehicle tracking solution machines for 30 vehicles belonging to the Water Resources Board at a cost of Rs. 1.419 million. According to the agreement, the relevant machinery had to be installed by 02 October 2019, but it had not been installed as per the relevant	

specifications by 18 June 2020. Necessary action had not been taken until 20 June 2020 regarding non-compliance with the Contract Agreement.

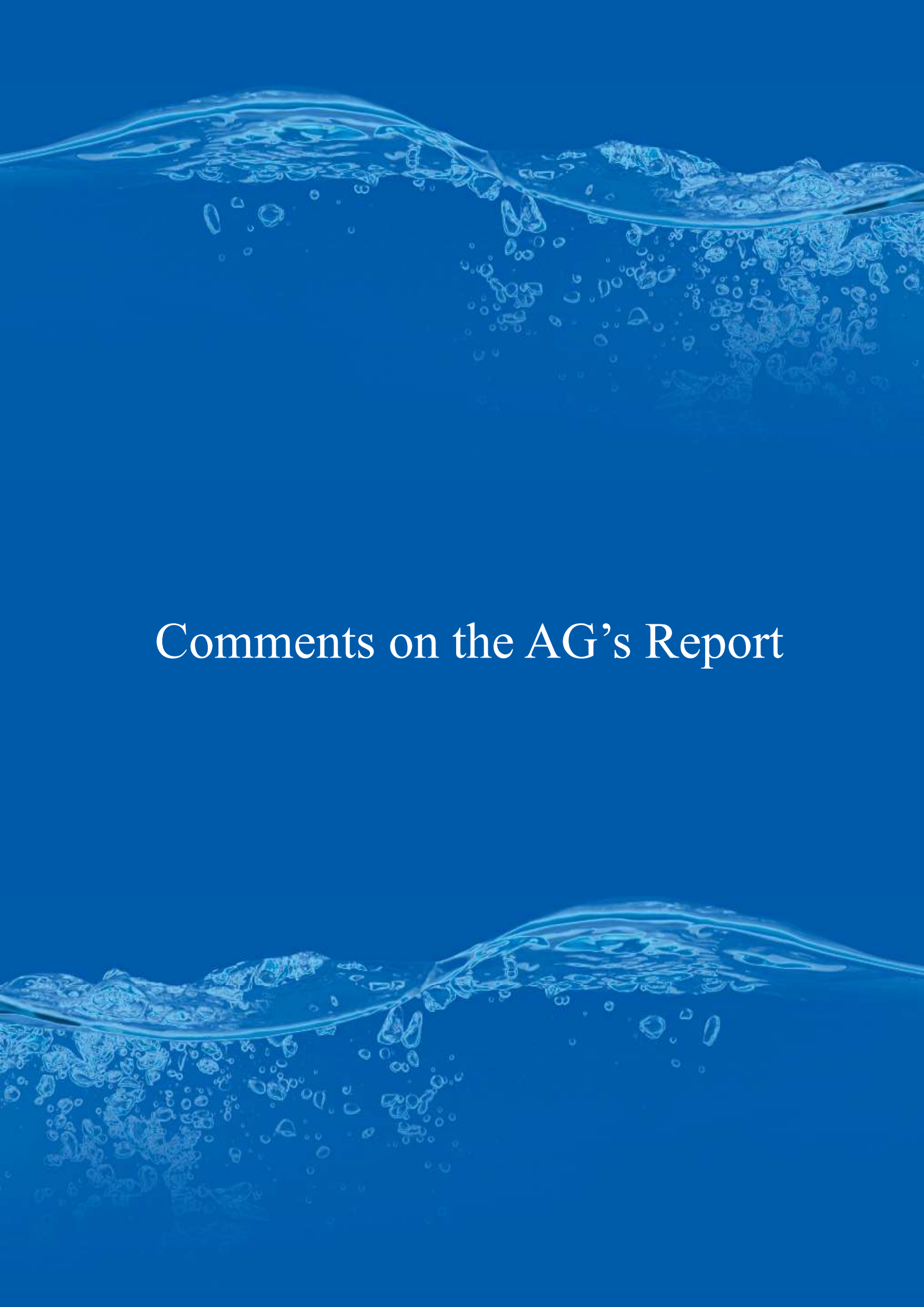
- (b) The Board has approved eleven generators purchased for Rs. 2.640 million and three generators purchased for Rs. 2.250 million had been kept in storage for more than three years without any use. Furthermore, the warranty period of the machines had expired and no alternative measures had been considered for their use.
- (c) Although the Board having idle storage of several usable drilling rigs and a decline in the construction of tube wells as compared to the year 2016, Irrespective of that situation, a new drilling rig and equipment were purchased during the year under review at a cost of Rs. 280 million. The drill had also been idle for about eight months from the date of purchase.

3 Other Audit Observations

- (a) At the end of the year, 413 employees had been approved for 64 posts, while 140 posts for 46 posts were found to be vacant. The vacancy has been found for many years and no action has been taken to recruit staff for the vacancy till June 2020.
- (b) No action has been taken by the Water Resources Board to acquire the land for the Water Resources Board head office of the Urban Development Officer, the land belonging to the ratmalanai mechanical Workshop of the department of water drainage and the circuit bungalow at Aluthnuwara, Anuradhapura which belongs to the Aluthnuwara Divisional Secretariat.
- (c) 50 pumping machines cost of Rs. 8.94 million were purchased for the Water Resources Board on 31st May 2017 from the allocation of the Ministry. Although the warranty period of the machines was found to be 02 years, at the end of the year only 06 of the 50 water pumps were used. The warranty period for 44 water pumps was expired without their use and no alternative measures were taken to use them as well as the 1 ½ inch 50 water pumps obtained from the Department of Social Services in 2009 were left unused in the warehouse regardless of whether they were found to be more functional.
- (d) The area where these wells are located (GPS) maps with regard to wells constructed with the permission of the Water Resources Board of the Provincial Authority of the Water Resources Board are not displayed in the Provincial Office and the files containing information regarding these wells are not maintained.

- (e) 05 types of laboratory equipment were also procured through the Sand Conservation and Water Resources Project of the Microbiology Laboratory constructed within the Water Testing Laboratory at Puttalam. The 06 sections found within the laboratory have not been used for more than 06 years and no research reports have been issued by this laboratory since December 2014.
- (f) During the year, the loan amount was Rs. 20,502,733 and the value of Rs.7,603,424 was found to be a loan amount of more than one year. No action has been taken to recover this loan amount.

W.P.C. Wickramaratne
Auditor General

The background is a solid blue color. It features two horizontal, wavy lines that resemble water splashes or the surface of water. These lines are positioned in the upper and lower third of the image. Between and around these lines are numerous small, white, circular bubbles of varying sizes, giving the impression of water being agitated or splashed.

Comments on the AG's Report

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Water Resources Board for the year ended 31 December 2019 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

Audit Observation	Management Comments
1.2 Basis for Qualified Opinion	
(a) Last year, Rs. 3.93 million was adjusted in the financial year under review in order to rectify the mistakes. As per Sri Lanka Public Accounting standard 03, the adjustment was not legally matched and the comparison information for the previous year was restored and the details were not disclosed to the relevant adjustments which had not been published in the financial statements.	Accounts for the year 2020 will be presented as restated publications.
(b) The government had provided capital to start the board. According to the Sri Lanka Public Accounting Standard 01, the relevant capital contribution provided by the government had not been identified and stated in the financial statement and instead the consolidated fund of Rs. 256 million in financial statements.	The account, known as the 'Accumulated Fund', was revised to 'contributed capital'. Accordingly, it can be stated as such in the statement of financial position from the year 2020.
(c) Although Rs. 5.8 million costs of 06 drilling rigs were taken out of use three years ago, it was disclosed in the financial statements and drilling machinery account of the drilling machine without any action being taken.	03 unusable drilling machines have been directed for disposal by calling for tenders this year.

- (d) According to the Sri Lanka Public Accounting Standards 09, the final balance of the Board should be shown as the value less than either the cost or the net realized value. Rs.4.31 million of unused machine parts was depreciated and disclose in the accumulated depreciation account in the financial statements.
- The board received spare parts with drilling rings and it is difficult to calculate the net gain values as they are not common in the market and these spare parts are kept for use in machine repairs.
- (e) Although the construction work of 03 tube wells constructed at a cost of Rs. 498,000 has been completed. The income of the Board is not included in the income for the year under review as per the selected calculation criteria.
- Action has been taken to account.

2. Reference to law/ Direction

- (a) Gazette Extraordinary No. 2010/23 of 16 March 2017
- According to the Gazette Notifications 2010/23 and 16.03.2017, plans have been made to improve the following areas to implement other regulatory activities including agricultural wells which are not currently covered by the Board.
- (i) Approval had not been obtained by the board for tube wells of 4 meters or more in diameter for agricultural purposes and for industrial purposes for commercial agricultural purposes. All institutions involved in the construction of tube wells were not registered.
01. Improving the needs, infrastructure and facilities of the institution.
02. Required, Technical, Staff, Recruitment.
- (ii) Data report has not been provided on the relevant water supply for all projects related to commercial agriculture or industry receiving Rs. 30,000 liters of ground water per month.
03. Improving the Regional Level Office Structure of the Board

- (iii) No action has been taken to obtain approval for the analysis report from the Water Resources Board under Section 03 of the Gazette Notification.
- (iv) Section 02 of the Gazette Notification requires that data on water use be maintained on a daily basis but not maintained by some private companies. No legal action has been taken by the water resources board in this regard.
- (b) According with Financial regulation 104
According with Financial regulation 104, action had not been taken up to now regarding the deficit of Rs. 118,000 since last year.
- (a) An agreement was reached on 18 September 2019 to supply and install vehicle tracking solution machines for 30 vehicles belonging to the Water Resources Board at a cost of Rs. 1.419 million. According to the agreement, the relevant machinery had to be installed by 02 October 2019, but it had not been installed as per the relevant specifications by 18 June 2020. Necessary action had not been taken until 20 June 2020 regarding non-compliance with the Contract Agreement.
- (b) The Board has approved eleven generators purchased for Rs. 2.640 million and three generators purchased for Rs. 2.250 million had been kept in storage for more than three years without any use. Furthermore, the warranty period of the machines had expired and no alternative measures had been considered for their use.
04. Taking into consideration the existing state machinery, steps will be taken to improve the methods required to properly carry out groundwater regulation activities in the year 2021 in collaboration with other existing agencies under the Ministry of Water, Water Supply, District, Secretary, Divisional Secretariat, Local Government.
- As the investigation into the stock shortage has been completed, I took note to act in accordance with the monetary regulations.
- In order to get the contractor to carry out the relevant work properly, a senior lecturer in Electronic Engineering Technology at the University of Moratuwa has been consulted and the necessary arrangements have been submitted to the relevant contractor.
- Necessary arrangements will be made for the efficient and effective utilization of existing and future purchases of assets to the relevant divisions. Arrangements have been made to deploy other equipment to the Irrigation Department for future use by the Water Resources Board. Further action will be taken in this regard as instructed by the Audit Committee of the Ministry of Irrigation.

- (c) Although the Board having idle storage of several usable drilling rigs and a decline in the construction of tube wells as compared to the year 2016, Irrespective of that situation, a new drilling rig and equipment were purchased during the year under review at a cost of Rs. 280 million. The drill had also been idle for about eight months from the date of purchase. This drilling machine has been used effectively for drilling operations since October 2019. At present, the total drilling depth of 19 tube wells constructed with this drilling machine is 883 meters. This borehole is scheduled to drill six deep tube wells in the NuwaraEliya District within the next two months.

3 Other Audit Observations

- (a) At the end of the year, 413 employees had been approved for 64 posts, while 140 posts for 46 posts were found to be vacant. The vacancy has been found for many years and no action has been taken to recruit staff for the vacancy till June 2020. Letters have been submitted to the Department of Management Services for approval to fill 110 vacancies but only 21 vacancies have been approved for 14 post. Necessary arrangements are being made to fill those posts.
- (b) No action has been taken by the Water Resources Board to acquire the land for the Water Resources Board head office of the Urban Development Officer, the land belonging to the ratmalanai mechanical Workshop of the department of water drainage and the circuit bungalow at Aluthnuwara, Anuradhapura which belongs to the Aluthnuwara Divisional Secretariat.
- (i) The land where the head office of the Water Resources Board is located is not a land belonging to the Urban Development Authority and it is a government land under the Thimbirigasyaya Divisional Secretary. It is given to the Water Resources Board on a short-term lease basis.
- (ii) The land belonging to the Irrigation Department at the Ratmalana Mechanical Works site has been reserved for a housing project by the Urban Development Authority and it has been agreed to provide an alternative land near the Mahinda Rajapaksa College, Homagama.

(iii) The land on which the Circuit Bungalow of the Water Resources Board is located is not a land belonging to the Aluthnuwara Divisional Secretariat but a government land located in an area belonging to the village area in Kandy East. It has been published in the Gazette on 26.08.2016 for 30 year lease and submitted for use.

- (c) 50 pumping machines cost of Rs. 8.94 million were purchased for the Water Resources Board on 31st May 2017 from the allocation of the Ministry. Although the warranty period of the machines was found to be 02 years, at the end of the year only 06 of the 50 water pumps were used. The warranty period for 44 water pumps was expired without their use and no alternative measures were taken to use them as well as the 1 ½ inch 50 water pumps obtained from the Department of Social Services in 2009 were left unused in the warehouse regardless of whether they were found to be more functional.
- (d) The area where these wells are located (GPS) maps with regard to wells constructed with the permission of the Water Resources Board of the Provincial Authority of the Water Resources Board are not displayed in the Provincial Office and the files containing information regarding these wells are not maintained.
- (e) 05 types of laboratory equipment were also procured through the Sand Conservation and Water Resources Project of the Microbiology Laboratory constructed within the Water
- Necessary arrangements will be made for the efficient and effective utilization of existing and future purchases of assets to the relevant divisions. Arrangements have been made to deploy other equipment to the Irrigation Department for future use by the Water Resources Board. Further action will be taken in this regard as instructed by the Audit Committee of the Ministry of Irrigation.
- The Provincial Manager has been informed about this and in collaboration with the Ground Water Regulatory Unit at the Colombo Head Office the has been instructed to prepare a database with information on tube wells approved by the Water Resources Board in those areas and maps with GPS batches by 2020. Plans have been drawn up to be incorporated into the plan and implemented.
- The microbiological testing equipment of the Puttalam Laboratory was to be installed at the Anuradhapura Provincial Office Laboratory and although the Anuradhapura Laboratory

Testing Laboratory at Puttalam. The 06 sections found within the laboratory have not been used for more than 06 years and no research reports have been issued by this laboratory since December 2014.

needed to obtain some additional equipment the equipment was not procured due to lack of Treasury funds. Although the Puttalam equipment was installed in Anuradhapura without the equipment the installation of the Puttalam equipment in Anuradhapura has been delayed until the relevant equipment is obtained as the tests carried out at the microbiology laboratory cannot be carried out in a proper manner.

- (f) During the year, the loan amount was Rs. 20,502,733 and the value of Rs.7,603,424 was found to be a loan amount of more than one year. No action has been taken to recover this loan amount.
- The outstanding loan balance of Rs.20,502,733.04 held as at 31.12.2019 had been reduced to Rs. 9,000,606.52 by 15.10.2020. Further action is being taken regarding the outstanding loan balance.

PHYSICAL PROGRESS SUMMERY OF PROJECT IMPLEMENTED BY WATER RESOURCES BOARD -2019

1. Treasury Grant Funded Groundwater Monitoring and Studies

- **Long term groundwater monitoring project in groundwater sensitive terrains,** Long term groundwater monitoring project is a combined programme of 08 numbers of completed groundwater study projects which have extended for long term groundwater monitoring. Its include Detailed hydrogeological study on coastal sandy aquifer extended from Colombo to Negombo, Identification Suitable Areas for Groundwater Recharge in

Puttalam District, Kelani River Basin study, Identification of hazardous minerals in Anuradhapura district, Hydrogeological studies in Vauniya and Kilinochchi areas, Hydrogeological study in limestone aquifer system in Mannar district, Detailed hydrogeological study in Kirindi Oya River Basin, Detailed hydrogeological study in Kirindi Oya River Basin and Jaffana well monitoring project. Under this project, in the year 2019 water samples collection and water level monitoring were completed 100% and water samples were analyzed in water resources board laboratories of 79%.

- **The Study on the Direct and Indirect Impacts on the Climate Changes on the Coastal Aquifer System of Western Coastal and Trincomalee to Mullathivu Coastal in Sri Lanka.** In the year 2019, in western coastal, about 46 numbers of well points were monitored and the 35 numbers of selected test bore holes were monitored in coastal belt of Trincomalee and Mullathivu districts (total sampling points 81). Four monitoring events have completed with respect to the monsoon rains. Accordingly, two monitoring events were conducted with water level measuring and analyzing water samples partially by considering EC, pH, TDS and Salinity. The other two events water samples were collected for full chemical analysis.
- **Water Quality Study in CKD prevailing areas** of Moneragala, Ampara, Kurunegala, Puttalam, Anuradhapura Trincomalee and Polonnaruwa Districts. These is an on-going project and in the year 2019 progress of water samples collection and water level monitoring were completed 100% and water samples were analyzed in water resources board laboratories of 49%. In addition, one awareness programme was conducted.
- **Development of Groundwater Resources in the districts of dry zone area by construction of deep wells, pumps and water filter installation for emergency use.** Under this programme, groundwater investigations were carried out (30), test bore holes were constructed (22), pumping test were carrying out (05) and water samples were analyzed (22) in Vavuniya, Anuradhapura, Gampaha, Polonnaruwa, Moneragala, Puttalam, Kandy and Matale Districts.
- **Rehabilitation of Hand Pump tube wells in Dry Zone.** This program was carried out to rehabilitate old malfunction hand pumps including exceed the lifetime of the hand pump in Moneragala, Puttalam and Anuradhapura districts in identified essential areas to supply water for rural communities. There were 54 hand pumps were rehabilitated.

- **Conducting of combined inspection with Central Environmental Authority and other Government Agencies on Environmental issues relating to groundwater depletion and pollution.** There were 119 studies and inspection were carried out with the coordination of Central Environmental Authority and other relevant Agencies. The sites were inspected in Colombo, Gampaha, Kurunegala, Puttalam, Anuradhapura, Moneragala, Kegalle, Rathnepura, Nuwara Eliya, Kandy and Kalutara districts with the participation of officers from DS offices, CEA, GSMB, NBRO and other relevant authorities.
- **Staff Training Programmes,** 19 staff trainings were organized by considering the deferent staff levels of the Water Resources Board to develop their skills and capacity build up related to their duties and 82 staff members were participated.
- **Rehabilitation and improvement of WRB infrastructure,** under the above programme, the rehabilitation activities were commence by considering the necessary infrastructure developments such as Renovation of office roof in Monaragala, construction of store room building in Puttalam, renovation of front fence of the Anuradhapura office were completed and 85% completion of Monaragala quarters.

2. Ministry Funded Groundwater Development Projects,

- **Study on Potential realization of Groundwater Management and Conservation in Jaffna Peninsula (Phase I - Preparation of Well Inventory),** Under the funds provided by Ministry of Irrigation & water Resources Management and Disaster Management, well inventory project was implemented in year 2017 and it was continuous project. In year 2019 under the project, all groundwater sources (Tube wells and Dug wells) are inspecting and this information will be entered to the WRB data base. This is a base line study and it will help to make groundwater management policies to the peninsula. In 15 DS divisions of Jaffna peninsula by covering 278 GN divisions 105,464 wells were monitored during the year 2019.
- **Monitoring Groundwater Level and Water Quality Changes in Shallow Aquifer Systems associated with the Irrigation Scheme of Yan Oya ,** under this project pumping test were completed (100%), 90% of Well Monitoring activities were completed (water sampling & water level measuring) and water samples were analyzed up to 35%.

- **Monitoring Groundwater Level and Water Quality Changes in Shallow Aquifer Systems associated with the Irrigation Scheme of Malwathu Oya**, under this project pumping test were completed (100%), 94% of Well Monitoring activities were completed (water sampling & water level measuring), water samples were analyzed up to 71% and completion of 10% of the report.

3. Generated funds due to commercial

The commercial activities were performed on the requests made by Government and other organizations including public requirements. Under this, Hydrogeological Surveys were carried out (460), Construction of 117 Tube Wells, Pumping Tests were carried out (317), Installation of Hand Pump (16), Tube Wells were cleaned (15) and Analysis of Water Samples (510).

PROCEDURES IMPLEMENTED TO OVERCOME ACCOUNTING & MANAGEMENT DEFICIENCIES SHOWN IN THE AUDIT QUERIES & AUDIT REPORTS OF THE AUDITOR GENERAL'S

01. An agreement was done on 18.09.2019 for the supply and installation of Vehicle Tracing Solution for 30 vehicles belonging to the Water Resources Board at a cost of Rs. 1.419 Million. Vehicle tracing solution was installed based on this agreement. There was no any payment made due to the practical problems and defect of machinery which are in operation in the Water Resources Board.
02. 11 Nos of Generators was dumped in stock for last 03 years which brought for Rs. 2.640 million by the Water Resources Board. And hand over part of 03 generators was purchased for Rs. 2.25 million to the Department of Irrigation retained remaining part of generators for the use of floods.
03. Drilling machines and equipments were purchased under the provisions of the Ministry of Rs. 280 million and the equipment has been registered in May 2019 to ensure the viability of the technology, to complete the procurement procedure and construction of test tube wells of the Ratmalana work station. Subsequent worksheets were used for field drilling from October 2019.
04. 50 Nos water pumps were purchased under the provision of Ministry in may 2017 for uses of Water Resources Board. Handed over remaining part of the water pumps to department of Irrigation and retained part of water pumps for the use of Water Resources Board discuss with Water Resources Board and department of Irrigation.

05. The experiments could not been done in past years due to no permanents water analyst and less customer's demands of microbiological equipments which established microbiological laboratory in Puttalam Provincial office. The related experiments was took forward after submit these equipments to constructed laboratory in Anuradhapura Provincial Office.

Actions taken during the year 2019 to improve the performance of the Water Resources Board

1. To formulate a mechanism for the management of ground water in the country and to amend the Water Resources Board Act to implement it.
2. To make arrangements to expand the recruitment procedure of the Water Resources Board for the recruitment of relevant staff.
3. Further implementation of software for more efficient management and control of fixed assets.
4. Arrangements will be made to recruit the required technical staff.
5. Provide necessary equipment and raw materials to maintain the activities of the board.
6. Provide training to acquire management and technical knowledge required by the staff.
7. Weekly check the progress of all sections of the Board.
8. Follow up on all the activities of the board.