



கார்ட்டு சா஢நா லார்ட்டால செயலாற்றுகை அறிக்கை PERFORMANCE REPORT 2021

ஓ஢ி஢ி அ஢ாநாஸா஢்டு
காணி அ஢ைச்சு
Ministry of Land

ஓ஢ி஢ி கலா஢ா஢ா஢ா஢ா க஢்டு஢ா, ராசா லாசார ஓ஢ி஢ி ஢ா
஢ே஢ல சா஢்ட்டா஢ா ராசா அ஢ாநாஸா஢்டு
காணி ஢ுகா஢ைத்து஢ா அலு஢ல்கள் ஢ற்று஢் அரச தாழில்஢ுயற்சிக் காணிகள்
஢ற்று஢் சாத்துக்கள் அ஢ி஢ிருத்தி இராஜங்க அ஢ைச்சு

State Ministry of Land Management, State Enterprises Land and
Property Development

“஢ி஢ிகதா ஢ெதூர”
ஓ஢ி஢ி ஢஢ லேக஢ி கார்ட்டால
1200/6, ரச஢லவதா சா,
஢த்தர஢ுல்லை.

“஢ி஢ிகதா ஢ெதூர,”
காணிச் செயலக஢்
1200/6, இராஜ஢ல்஢த்தா ஢ீதி,
஢த்தர஢ுல்லை.

"Mihikatha Medura"
Land Secretariat Office
1200/6, Rajamalwatta Rd,
Battaramulla.

Ministry of Lands

PERFORMANCE REPORT 2021

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Annual Performance Report for the Year 2021

Name of the Institution – Ministry of Lands

Expenditure Head No - 122

Chapter 01 – Institutional Profile/Executive Summary

1.1 Introduction

The Ministry of Agriculture and Lands has been established in the year 1932 on the recommendations of the Committee on Land and Agriculture appointed by the State Council of 1927. Survey Department, the oldest department of the country, established on the 02nd August 1800, Land Commissioner General's Department, established under the Land Development Ordinance No. 19 of 1935, Land Title Settlement Department established in the year 1903 with the view of proper and efficient land settlement in Sri Lanka, Land Reform Commission established under the Land Reform Act of No. 01 of 1972, Land Use Policy Planning Department which had been commenced as the Land Use Planning Division under Ministry of Lands and Mahaweli Development in the year 1983 and then upgraded to a status of a department from January 2010, have been brought under the purview of Ministry of Lands. In addition to the above, Institute of Surveying and Mapping, commenced with a view to training and development of officers for the activities specific to the Department and the Land Survey Council, formed in accordance with the provisions stipulated under the Survey Act No.17 of 2002 with a view to proper maintenance of the professional standards of the Surveyors' Service, under the Survey Department have also been established under the Ministry of Lands whereas the Land Acquisition Review Board has also been established by the Land Acquisition Act, No.09 of 1950 with a view to resolving the issues arisen in land acquisition.

1.2 Vision, Mission and Objectives of the Institution

Vision

Optimally utilized land resource towards sustainable development

Mission

Contribution to sustainable development through efficient management and optimum utilization of the land resource by policy planning, implementation and coordination for all the stakeholders, while strengthening land ownership

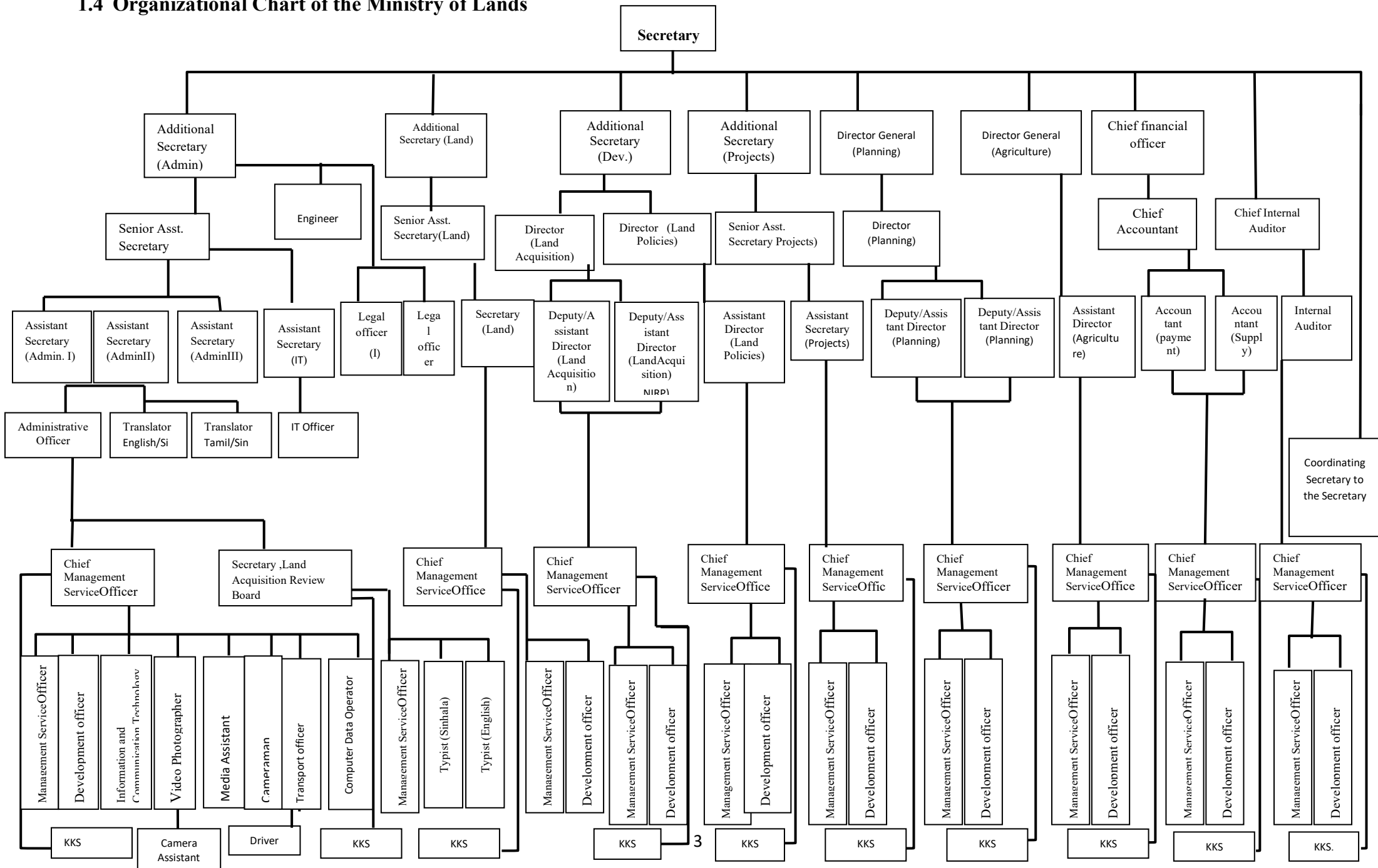
Objectives

- Updating and implementation of the National Land Policy.
- Protection of the environment for the future generation.
- Ensuring the protection of the state lands.
- Implementation of the Land Use Policy.
- Minimum utilization of state lands and taking to prevent degradation
- Proper Management and development of state lands and distribution of suitable land among landless people.
- Granting lands for development projects and other essential purposes.
- Registration of the titles of all lands in the country ensuring ownership.

1.3. Key Functionss

- Formulation, implementation, taking follow up action and evaluation of policies and programs pertain to the scope of the Departments, Statutory Institutions falling under the subject of Lands.
- Administration, management and land use planning of the State Lands
- Activities pertaining to land settlement and land title registration.
- Prompt and systematic provision of lands required for the development purposes of the country.
- Administration and lawful distribution of lands vested in the Land Reform Commission.
- Land surveying, mapping and land information and related services.

1.4 Organizational Chart of the Ministry of Lands



1.5 Departments coming under the purview of the Ministry

- Sri Lanka Survey Department
- Land Commissioner General's Department
- Land Title Settlement Department
- Land Reform Commission
- Land Use Policy Planning Department
- Institute of Surveying and Mapping
- Land Surveying Council
- Land Acquisition Review Board

Chapter 02 – Progress and the Future Outlook

2.1. Progress- Policy Division

2.1.1. Revision of Acts

Acts which are being amended	Progress
Land Development Ordinance No.19 of 1935	• Bill to revise the relevant ordinance has been submitted to the Parliament on 06.01.2022 for approval having published in the Gazette of the Democratic Socialist Republic of Sri Lanka on 24.12.2021
Land Acquisition Act No. 9 of 1950	• Final draft is being prepared while carrying out ongoing discussions with the Legal Draughtsman's Department
State Land Grants (Special Provisions) Act No. 43 of 1979	• Discussions are being held with respect to the revisions to be made to the Act. • Matters related to the revision of regulations on revenue limits are being discussed
Registration of Title Act No.21 of 1998	• Revisions to this Act have been proposed and sent to the Ministry of Justice on 09.07.2021 and proposals have been made by a Cabinet Sub Committee in this regard • Meanwhile a new act has been drafted by a Committee on Civil Law Reforms nominated by the Ministry of Justice.(Voluntary Registration of Title).
Survey Act No.17 of 2002	• Further actions required for the revision are been taken.
State Land (Recovery of Possession) Act No. 07 of 1979	• Discussions are being held with respect to the revisions
Land Settlement Ordinance No.20 of 1931	• Revisions to the relevant ordinance are not required.

2.1.2. Land Acquisition Division

Physical Progress of Land Acquisition from 01.01.2021 to 31.12.2021					
Serial No.	Purpose of Land Acquisition	No. of Lands of which the acquisitions have been commenced	Extent of Lands of which the acquisitions have been commenced (hectares)	Extent of Lands of which the possession has been taken (No. of Lots)	Extent of Lands of which the possession has been taken (hectares)
01	Highway	101	118.874	2064	48.6223
02	Irrigation	35	104.603	1073	414.505
03	Drinking Water	98	12.3017	75	15.4165
04	Urban Development	44	5966.96	710	45.3418
05	Defence Purpose	13	135.229	10	4.8268
06	Village Expansion	19	69.0971	08	4.9864
07	other public purposes	115	975.69	843	172.931
Total		425	7382.7548	4783	706.6298

2.1.3. Land Division

Progress from 01.01.2021 to 31.12.2021

Serial No.	Activity	No.
1.	Sending for the approval of Hon. Minister.	
1.1	Lease and Grant Recommendation Files (under the State Land Ordinance)	2852
1.2	Statutory Bonds submitted under Land Reform Commission	10
2.	Sending for the signature of His Excellency the President (Under State Lands Ordinance)	
2.1	Lease Indentures and Grants	715
2.2	Temporality Grants	46
2.3	Tsunami Grants	29
2.4	Seeking approval for vesting in statutory bodies	96
3.	Directing land issues to relevant institutions	
3.1	Forwarding the land issues received from the Presidential Secretariat to relevant institutions	5803
3.2	Forwarding the land issues received from the Prime Minister's Offices to relevant institutions	119
3.3	Forwarding the land issues received from the Public to relevant institutions	789
4	Preparing the following documents under Land Development Ordinance through the Land Commissioner General's Department	
4.1	Licenses (Inter Provincial and under Provincial Councils)	35,005
4.2	Preparation of Grants	19,906

2.1.4. Project Division

Progress from 01.01.2021 to 31.12.2021

Serial No.	Project and Name of Institution		Target for 2021	Progress in 2021
01.	Bimsaviya	i. Department of Survey- No. of surveyed allotments in Cadastral Maps	117,000 88,410 - (Revised)	83,166
		ii. Land Title Settlement Department - No. of recommended and approved allotments	90,000 65,000 - (Revised)	45,170
		iii. Register General's Department: No. of registered schedules	70,000	51,929
		iv. Land Commissioner General's Department		
		* Land Kachcheri	25	177
		* Licenses issued under Land Development Ordinance	2500	116
		* Grants	3000	107
		* Mobile Services	27	02
		* Divisional Days	58	25
		* Resolving issues	5000	1282
02.	Project to provide investment opportunities in state lands for promoting young entrepreneurship.		20,000 lots of land	Kalutara - 03
				Galle - 01
				Kurunegala - 28
				Rathanapura - 06
				Badulla - 03
				Trincomalee - 197
				Puttalam - 08
				Ampara - 28
				Matara - 05
				Anuradhapura - 03
				Batticaloa - 118
				Kandy - 02
				Total - 402
03.	Organic Fertilizer Pilot Project	Commencing organic fertilizer production in 35 centers		Quantity of organic fertilizer manufactured – 7000 M.T No. of Centres which have commenced productions - 31
04.	Land Data Infrastructure and Land Information Service System in Sri Lanka			Referred MSD for PMU.
				Steering Committee Appointed.
				Sent Procurement Plan & Ethical Code of Conduct.

2.1.5. Agriculture Division

Progress from 01.01.2021 to 31.12.2021

Specific Indices	Target for 2021	Progress in 2021	
		Number	%
1. Identification of 2413 hectares of appropriate lands to cultivate raw materials related to carpentry, cane and reed industries in under-utilized state lands on long term lease basis under an agriculture co-operative system, as a remedy for the prevailing raw material issue related to said industries.	1000 allotments of lands 2500 Hectares	2413 Hectares	90%
2. Coordination with relevant institutions to fulfill training and other requirements pertaining to the program to provide investment opportunities in state lands for promoting young entrepreneurship.	Coordination with relevant sectors to fulfill training, financial and machinery requirements of 637 applicants who have applied for entrepreneurship	Requirements of 637 applicants have been forwarded to relevant ministries.	95%

2.2. Future Outlook

2.2.1. Land Acquisition Division

Serial No.	Activity	Expected No. of Applications for Compensation & Interest
1	Acquisitions for Urban Development Projects	40
2	Acquisitions for reclamation and development of low lands	80
3	Acquisitions for village expansions	55
4	Acquisitions for defence activities	30
5	Acquisitions for irrigation activities	45
6	Acquisitions for educational activities	25
7	Acquisitions for fishery related activities	10
8	Acquisitions for health activities	10
9	Acquisitions for forest resources, wildlife activities	40
10	Acquisitions for provincial councils and local government activities	25
11	Acquisitions for other purposes	40
	Total	400

2.2.2. Policy Division

Serial No.	Program / Project / Activity	Target for 2022
<u>Amendment of Acts</u>		
i.	Land Development Ordinance	Completion of revisions
ii.	Registration of Title Act	Completion of revisions
iii.	Land Acquisition Act	Completion of revisions
iv.	State Land Grants (Special Provisions) Act	Completion of revisions
v.	Survey Act	Completion of revisions
vi.	Formulation of National Land Use Policy	Completion of revisions

2.2.3. Agriculture Division

Serial No.	Program / Project / Activity	Target for 2022
1. Promotion of Local Industries		
I.	Providing lands to get/grow raw material for Cane / Reeds/ Pottery and timber Industries.	400 Acres of land
II.	Coordination required to establish Cooperative Societies	100 Cooperative Societies
III.	Providing lands for growing trees to get timber required for carpentry industry. (Granting 03 acres on lease basis for each person ,i.e. 02 acres for planting trees and 01 acre for cultivation of short term crop cultivations)	1000 Allotments of Lands
2. Promotion of Agriculture		
I.	Providing lands for crop cultivation including Paddy	32,453 Hectares
II.	Providing lands for vegetable cultivation	18,000 Hectares
III.	Providing lands for fruit cultivation	4,000 Hectares
3. Organic fertilizer manufacturing project		
I.	Establishment of a public company	01
II.	Supply of raw materials	
	i. Cultivation of plants for green manure	250 Acres
	ii. Cultivation of grass and nutrients for forage	5,000 Acres

2.2.4. Project Division

Serial No.	Program / Project / Activity	Target for 2022	
1. Bimsaviya	Granting lands for encouraging youth entrepreneurship.	20,000 Allotments of Lands	
		Quarterly	Accumulative
	As at 31 st of March	3,000	3,000
	As at 30 th of June	6,000	9,000
	As at 30 th of September	6,000	15,000
	As at 31 st of December	5,000	20,000
2. Granting lands to the public servants for residential purposes.		Targets to be fixed in future based on requirement	

2.2.5. Land Division

Strategies	Activities	Targets 2022
Uplifting the value and productivity of lands	Issuing long term lease indentures for residential, agricultural and commercial purposes and Grants for residential purposes under State Land Ordinance	8000 Lease Recommendations 3000 Lease Bonds 3000 Grants
Management of state lands and allocation for the development objectives of the country	Alienation of lands to various state entities, Tri Forces and societies	200 Recommendations for vesting for Tri Forces and Local Authorities
	Issuing Grants to institutions such as the Urban Development Authority, National Housing Development Authority under the State Land Ordinance for development activities.	150 Grants
Uplifting religious and cultural development activities	Alienation of lands for Buddhist Temples and other Places of Worship	150 Pooja Deeds for Buddhist Temples 60 Lease Indenture Approvals for other Places of Worship
Providing relief to the affected persons using the available land resource	Issuing Grants under State Land Ordinance to the Tsunami affected persons	150 Tsunami Grants
Granting land titles lawfully	Providing lands for statutory obligations under the Land Reforms Act.	As and when requests are made

Head of the Institution

Name : R.A.A.K.Ranawake

Designation : Secretary

Ministry of Lands

Date : 23.02.2022

Chapter 03

Overall Financial performance for the Year ended 31st December 2021

3.1. Statement of Financial Performance

ACA-F

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

		Actual			
Budget 2021		Note	2021 Rs.	2020 Rs.	
	Revenue Receipts				
-	Income tax	1	-	-	ACA - 1
-	Taxes on Domestic goods & Services	2	-	-	
-	Taxes on International Trade	3	-	-	
-	Non Tax Revenue and others	4	-	-	
	Total Revenue Receipts (A)				
-	Non-Revenue Receipt		-	-	ACA - 3
-	Treasury Imprest		547,961,000	163,895,000	
-	Deposits		769,878	8,688,362	
-	Advance Accounts		18,165,166	27,297,111	
-	Other Main Ledger Receipts		-	-	
-	Total Non Revenue Receipts (B)		566,896,044	199,880,473	
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		566,896,044	199,880,473	
	Remittance to the Treasury (D)		47,422,968	-	
	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		519,473,076	199,880,473	
	Less: Expenditure				
-	Recurrent Expenditure		-	-	
357,873,160	Wages, Salaries & Other Employment Benefits	5	323,482,838	281,497,516	ACA -2(i)
56,595,000	Other Goods & Services	6	48,022,171	39,805,948	
13,553,000	Subsidies, Grants and Transfers	7	7,552,669	6,770,196	
-	Interest Payments	8	-	-	
97,000	Other Recurrent Expenditure	9	96,928	1,800	
428,118,160	Total Recurrent Expenditure (F)		379,154,606	328,075,460	
	Capital Expenditure				
36,100,000	Rehabilitation & Improvement of Capital Assets	10	21,551,302	3,308,717	ACA 2(ii)
2,599,500,000	Acquisition of Capital Assets				
-	Capital Transfers	11	1,963,178,368	2,740,286,314	
-	Acquisition of Financial Assets	12	-	-	
-	Capacity Building	13	-	-	
1,800,000	Other Capital Expenditure	14	831,650	88,000	
350,000,000	Total Capital Expenditure (G)	15	302,577,032	304,484,085	
2,987,400,000	Deposit Payments		2,288,138,352	3,048,167,116	ACA -4
	Advance Payments		750,353	10,299,685	
	Other Main Ledger Payments		19,624,193	31,374,426	
	Total Main Ledger Expenditure (H)		-	-	
			20,374,546	41,674,111	
	Total Expenditure I = (F+G+H)		2,687,667,504	3,417,916,687	
-	Balance as at 31st December 2021 J = (E-I)		(2,168,194,428)	(3,218,036,214)	ACA -7
	Balance as per the Imprest Reconciliation Statement		(2,168,194,428)	(3,218,036,214)	
	Imprest Balance as at 31st December		-	-	ACA -3
			(2,168,194,428)	(3,218,036,214)	

3.2. Statement of Financial Position

ACA -P

Statement of Financial Position as at 31st December

	Note	Actual	
		2021 Rs.	2020 Rs.
Non-Financial Assets			
Property, Plant & Equipment	ACA - 6	299,243,772	398,511,058
Financial Assets			
Advance Accounts	ACA -5	59,688,203	58,229,176
Cash & Cash Equivalents	ACA -3	-	-
Total Assets		358,931,976	456,740,234
Net Assets/ Equity			
Net Worth to Treasury		59,586,303	58,146,801
Property, Plant & Equipment Reserve		299,243,772	398,511,058
Rent & Work Advance Reserve	ACA -5 (b)	-	
Current Liabilities			
Deposits Accounts	ACA -4	101,900	82,375
Imprest Balance	ACA -3	-	-
Total Liabilities		358,931,976	456,740,234

Detail Accounting Statements in above ACA format Nos. 1 to 7 presented in pages from 07 to 43 and Notes to accounts presented in pages from 44 to 50 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

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

Chief Accounting officer
R.A.A.K.Ranawaka
Secretary , Ministry of Lands
23.02.2022
Official Stamp

Accounting officer
R.A.A.K.Ranawaka
Secretary , Ministry of Lands
23.02.2022
Official Stamp

Chief Financial Officer
R.P.D.S.D.Perera
Ministry of Lands
23.02.2022
Official Stamp

3.3. Statement of Cash Flows

ACA-C

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

	Actual	
	2021 Rs.	2020 Rs.
Cash Flows from Operating Activities		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	-
Revenue Collected on behalf of Other Revenue Heads	13,292,267	19,958,966
Imprest Received	547,961,000	163,895,000
Recoveries from Advance	19,001,963	15,205,134
Deposit Received	635,102	3,299,531
Total Cash generated from Operations (A)	580,890,332	202,358,631
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	155,442,229	149,979,421
Subsidies & Transfer Payments	5,468,785	4,973,970
Expenditure incurred on behalf of Other Heads	19,621,704	7,667,016
Imprest Settlement to Treasury	47,422,968	503,035
Advance Payments	20,218,134	28,620,097
Deposit Payments	750,353	4,410,044
Total Cash disbursed for Operations (B)	248,924,172	196,153,583
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	331,966,160	6,205,048
Cash Flows from Investing Activities		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	331,966,160	6,708,083
Total Cash disbursed for Investing Activities (E)	331,966,160	6,708,083
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	(331,966,160)	(6,708,083)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	(0)	(503,035)
Cash Flows from Financing Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	(0)	(503,035)
Opening Cash Balance as at 01st January	-	503,035
Closing Cash Balance as at 31st December	-	-

3.4 Notes to the Financial Statements – Not available

3.5 Performance of the Revenue Collection

Rs. 000

Revenue Code	Revenue Code Description	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs)	As a % of Final Revenue Estimate
-	-	-	Not Applicable	-	-

3.6 Performance of the Utilization of Allocation

Rs.000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	377,000	428 ,118	379 ,154.61	89%
Capital	2,637,000	2,987,400	2,288,138.35	77%

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

Rs.000

Serial No	Allocation Received from Which Ministry /Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	Ministry of Public Administration, Provincial Councils and Local Government	Payment of Graduate Trainee Allowances	300,000	-	298,667	99%
02	Department of Pensions	Pensions	137,610	-	137,610	100%

3.8 Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2021	Balance as per financial Position Report as at 31.12.2021	Yet to be Accounted	Reporting Progress as a %
9152	Machinery and Equipment	299,243,772.38	299,243,772.38	-	100%

3.9 Auditor General's Report

The Final Audit Report given by the Auditor General has been given at the end of this .

Chapter 04

4.1 Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100%- 90%	75%-89%	50%-74%
1. No. of Lease Recommendations	-	-	√
2. No. of Lease Indentures and Grants Issued	-	-	13.05%
3. No. of Dispositions (96/160)	-	-	√
4. No. of Temporality Deeds (46/100)	-	-	46%
5. No. of Tsunami Grants (29/450)	-	-	6.44%

Chapter 05

5.1 Indicate the Identified respective Sustainable Developments Goals

Goal / Objective	Targets	Indicators of the achievement	Progress of the Achievement to date		
			0%-49%	50%-74%	75%-100%
1. End poverty in all its forms everywhere.	1.4. By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance	Achievement of targets as a percentage	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-

2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.3. By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
	2.4. 4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
3. Ensure healthy lives and promote well-being for all at all ages	3.9. By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
5. Achieve gender equality and empower all women and girls	5.1. End all forms of discrimination against all women and girls everywhere	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
	5.a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-

6. Ensure availability and sustainable management of water and sanitation for all	6.6. By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
7. Ensure access to affordable, reliable, sustainable and modern energy for all	7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support.	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.4. Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and	15.1. By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	Do	Temporality Deeds 46% Lease Indentures and Grants 13.05% Tsunami Grants 6.44%	Dispositions 60% Lease Recommendations 57.04%	-
	15.3. By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to	Do	Temporality Deeds 46% Lease Indentures and	Dispositions 60% Lease Recommendations	-

reverse land degradation and halt biodiversity loss	achieve a land degradation-neutral world		Grants 13.05%	57.04%	
	15.4. By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development	Do	Tsunami Grants 6.44%	Temporality Deeds 46%	Dispositions 60%
			Lease Indentures and Grants 13.05%	Lease Recommendations 57.04%	-
			Tsunami Grants 6.44%		

5.2 Achievements and Challenges of the Sustainable Development Goals

Necessary actions have been taken to review and introduce amendments to the Acts with the objective of achieving sustainable development goals and the long period taken to achieve these goals would be a challenge.

Chapter 06 - Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Actual Cadre	Vacancies/ Excess
Senior	34	25	09 Vacancies
Tertiary	05	03 01*	02 Vacancies
Secondary	546	502	24 Vacancies
Minor	51	37	14 Vacancies
Other	03	01	02 Vacancies

* A retired officer serves in the post of Administrative Officer on contract basis.

(Above table has been prepared based on the approved and actual cadre as at 31.12.2021. However, a new post of Assistant Director (Planning), Grade III has been approved on supernumerary basis for this Ministry on 28.01.2022 on exigency of service.)

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

Due to the dearth of the human resources, an excessive work load is assigned to a single officer, hence the completion of duties takes more than the anticipated time. Further, when some special duties in special fields are got through 'attend to duties' basis, such duties also are delayed.

6.3 Human Resource Development

Name of the Program	No. of Staff trained	Duration of the program	Total Investment		Nature of the Program (Abroad / Local)	Output/Knowledge Gained
			Local	Foreign		
Integrated Treasury Management Information System (ITMIS)	04	04 Days	-	-	Local	Knowledge on working with ITMIS
File Keeping	07	01 Days	Rs. 28,000/-	-	Local	Knowledge on file documentation
Certificate Course on Human Resource Management	05	10 Days	Rs.100,000/-	-	Local	Knowledge on Human Resource Management Theories
Computer Hardware and Network Course	01	06	Rs. 34,100/-	-	Local	Knowledge on Computer Hardware and Networking
Government Payroll System	07	01 Day	Rs. 28,000/-	-	Local	Knowledge on payroll
Personal File Keeping	07	01 Day	Rs. 28,000/-	-	Local	Knowledge on Personal File Keeping
Higher National Diploma on Public Procurement	01	06 Months	Rs.60,000/-	-	Local	Knowledge on Public Procurement Procedure
Advanced MS Excel Skills	02	02 Days	Rs. 26,000/-	-	Local	Knowledge on MS Excel
How to be a productive leader?	02	01 Day	Rs. 8,000/-	-	Local	Leadership qualities, Characteristics and Role of a Leader
Certificate Course on Internal Auditing	04	10 Days	Rs. 80,000/-	-	Local	Knowledge on Internal Auditing Procedure
Online Certificate on Advanced certificate in Information Technology	02	11 Day	Rs. 37,000/-	-	Local	Knowledge on Information Technology
Workshop on Project Proposal Writing	01	02 Day	Rs. 7,900/-	-	Local	Knowledge on Project Proposal Writing

Certificate Programme on Cyber Security and Digital Forensics	03	48 Hours	Rs. 165,000/-	-	Local	Knowledge on Cyber Security and Digital Forensics
Training Program for Drivers	26	01 Day	Rs. 23,000/-	-	Local	Knowledge on Traffic Rules and Motor Mechanics

Briefly state how the training program contributed to the performance of the institution

Providing training programmes for the staffs of the institution paves the way to rendering an efficient and effective service

Chapter 07 - Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not - complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
1	The following Financial statements/accounts have been submitted on due date			
1.1	Annual Financial Statement	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)		Not Applicable	
1.4	Stores Advance Account		Not Applicable	
1.5	Special Advance Account	Complied		
1.6	Others	-		
2	Maintenance of Books and Registers (FR445)			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and updated	Complied		
2.3	Register of Audit queries has been maintained and updated	Complied		
2.4	Register of Internal Audit reports has been maintained and updated	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and updated	Complied		
2.7	Inventory register has been maintained and updated.	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and updated	Complied		
2.10	Commitment Register has been maintained and updated	Complied		
2.11	Register of Counterfoil Books (GAN 20) has been maintained and updated	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future.
3	Delegation of Functions for Financial Control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual internal audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	Audit Queries			
5.1	All the audit queries have been replied within the specified time by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	Complied		
6.2	All the internal audit reports have been replied within one month	Not Complied	There is an occasional delay in receiving answers at some instances. The then prevailed Covid Pandemic situation has also resulted in the said delay.	This has been conveyed at the Audit Management Committees.

No.	Applicable Requirement	Compliance Status (Complied/Not - complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
6.3	Copies of all the internal audit reports has been submitted to the management audit department in terms of the Sub-section 40(4) of the National Audit Act No.19 of 2018	Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulations 134(3)	Complied		
7	Audit & Management Committees			
7.1	Minimum 4 meetings of the Audit and Management Committee have been held during the year as per the DMA circular 1- 2019	Not Complied	03 committees have been conducted in the year 2021. As per the letter no. DMA/AMC/M/2021/2 dated 06.08.2021 of DMA, it has been excused of the requirement of conducting 04 committees	N/A. Corrective action is not required
8	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of 13 the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05s/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle log books had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Not Complied	03 Committees have been appointed on 12.01.2021 for the emission test. However, due to the Covid pandemic situation prevailed in the country, it was not able to get the emission test done as it was required to send the vehicles for staff transportation, and having to limit the number of staff called for duties in many instances	Measures shall be taken to maximum possible level to get the emission test done having taken into concern the existing limitation on provisions and the the fuel issue prevailing in the country.
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future.
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month .	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled		Actions have been taken to write off a loan balance of Rs.2500 from the death gratuity of the relevant officer	Writing off from books
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non-compliance	Corrective actions proposed to avoid non-compliance in future.
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	-		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	-		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	-		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Not Complied .	Vacancies are available in the staff	Requests have been made to the Ministry of Public Administration, Home Affairs and Provincial Councils to fill the vacancies
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied A citizens /clients charter was formulated for the Ministry beforehand. However, due to the change of scope of the ministry, it was required to prepare a new citizens charter. The new citizens /clients		

		charter has been completed and actions are being taken to do the needful for exhibiting it to the public.		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Not Complied	Subsequent to completion of the citizens /clients charter and exhibiting it to the public, a procedure shall be set up for monitoring and evaluation purposes.	-
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Not Complied	Although actions have been taken to prepare the performance agreements, it was not able to complete the said task in the year 2021 .	Actions shall be taken to to prepare the performance agreements and enter in to the said agreements in the year 2022.
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses to Audit Paragraphs			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

English Translation

Chief Accounting Officer

Ministry of Lands

Summary Report of the Auditor General on the Financial Statements of the Ministry of Lands for the year ended 31 December 2021 in terms of Section 11(1) of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Ministry of Lands for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance and cash flow statement for the year then ended, was carried out under my direction in terms 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. My comments and observations on the financial statements of the Ministry of Lands in terms of provisions in Section 11(1) of the National Audit Act No. 19 of 2018 appear in this report. The audit report forwarded in terms of provisions in Article 154 (6) of the Constitution read in conjunction with provisions of the Section 10 of National Audit Act No. 19 of 2018 will be tabled in Parliament in due course.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the accompanying financial statements prepared give a true and fair view of the financial position of the Ministry of Lands as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 1.6 of this report. 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 the Chief Accounting Officer for the Financial Statements

The Chief Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles provisions stipulated in Section 38 of the National Audit Act No. 19 of 2018 that give a true and fair view, and for such internal control as the Chief Accounting Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

As per the provisions of the Subsection 38(1) (c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry of Lands and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations required for such systems to be effectively carried out.

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 exercised professional judgment and maintained professional scepticism throughout the audit. I also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained 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 internal control.
- Evaluated whether the underlying transactions and events of the structure and content of the financial statements including the disclosures have been represented in financial statements in an appropriate and reasonable manner.
- Evaluated the overall presentation of the financial statements, including the disclosures, and whether the underlying transactions and events of the structure and content of the financial statements, have been represented in an appropriate and reasonable manner.

I communicate with the Chief Accounting Officer regarding, significant audit findings, any significant deficiencies in internal control and other matters, that I identify during my audit.

1.5 Report on Other Legal and Regulatory Requirements

I express the following matters in pursuance of the Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

- Financial Statements are consistent with the preceding year,
- Recommendations made by me on the financial statements of the previous year, had been implemented.

1.6 Comments on the Financial Statements

1.6.1 Statement on Financial Position

- (a.) A variance of Rs. 91,550 was observed between the Statement of Non-Financial Assets (ACA-6) presented as at as at 31 December of the year under review and the value of Non-Financial Assets (ACA-6) included in Board of Survey (BOS) Report given in the CIGAS computer application.
- (b.) Although an advance of Rs.22, 813,779 had been paid to the National Equipment and Machinery Organization on 05 October in the year under review in respect of constructing 05 warehouses required for the organic fertilizer manufacturing project implemented by the Ministry, relevant figure had been indicated as expense of the Ministry instead of indicating it as a work in progress in the Statement on Non-Current Assets prepared as at the last date of the year under review. It had been reported by the Chief Accounting Officer of non availability of facilities in the CIGAS computer application to account the said expenditure as a work in progress.
- (c.) When comparing the figure of Rs.30,200,495 indicated as Agricultural Equipment under Non-Financial Assets as at 31 December of the year under review, with the Expenditure Report of the fertilizer manufacturing project, a shortage of Rs.4,483,650 could be observed in the total of 06 types of assets.

1.6.2 Accounting Defects

- (a) An advance of Rs.10,986,567 had been paid by the Ministry to the Central Engineering Consultancy Bureau on 21 December in the year under review for the first stage of construction of the fourth floor of Mihikatha Medura building in Battaramulla belonging to the Land Commissioner General where this Ministry is located, and the relevant value had been indicated as an expense of the Ministry instead of indicating it as a work in progress in the Statement on Non-Current Assets. It had been reported by the Chief Accounting Officer of non availability of facilities in the CIGAS computer application to account the said expenditure as a work in progress.
- (b) Rs. 11,665,800 of sales revenue receivable from selling 777,720 kgs of fertilizer manufactured under organic fertilizer manufacturing project commenced by the Ministry during the year under review to Colombo Commercial Fertilizer Company at the price of Rs.15 per kilogram, had not been submitted through Statement of Arrears of Revenue (ACA-1(i)) which should be submitted with the financial statements of the year under review.

2. Financial Review

2.1 Expenditure Management

Rs.48,963,553, viz, 11 percent of the net provision of Rs.428,118,160 allocated for recurrent expenses, and Rs. 699,261,648, viz, 23 percent of net provision of Rs.2,987,400,000 allocated for capital expenses of the year under review had been saved.

2.2 Non – Compliance with Law, Rules and Regulations

Instances of non compliance with Law, Rules and Provisions stipulated by Regulations are as follows.

Reference to Law, Rules and Regulations

Non Compliance

(a) The Financial Regulations of the Democratic Socialist Republic of Sri Lanka

F.R. 104 (3) and (4) of

If a delay of more than seven days is envisaged for making a full report, in case of a

damage/accident, a preliminary report, should be sent immediately, and after inquiry, although a full report should be submitted within three months from the date of loss, preliminary reports regarding 03 vehicle accidents and full reports on 8 vehicle accidents which had occurred between the period of the year 2019 to the end of the year under review, had not been submitted even by the end of the year under review.

(b) Circulars issued by the Ministry of Public Administration and Management

- | | |
|--|--|
| <p>(i) Paragraph 3.1 of the Circular No.30/2016 dated 29th December 2016</p> | <p>Although the consumption of fuel must be re-tested after a period of 12 months from each fuel test or after running a distance of 25,000km or after carrying out a major repair to the engine, whichever occurs first, such fuel tests had not been done with respect to 33 vehicles of the Ministry.</p> |
| <p>(ii) Circular No.05/2008 dated 06th February 2008 amended by the Circular No. 05/2018 (1) dated 24th January 2016</p> | <p>Although it is required to prepare and implement the Citizens'/Clients' Charter by the Ministry in accordance with the Circular, action had not been taken accordingly.</p> |
| <p>(iii) Circular No.02/2018 dated 24th January 2008</p> | <p>Although annual performance agreements should be signed for the entire staff, based on the specimen of the Annexure 01 to the circular, action had not been taken accordingly.</p> |

3. Operational Review and Performance P

3.1 Performance

3.1.1 Planning

15 years had been completed by the end of the year under review since Bimsaviya Program had commenced in the year 2007 and Rs.5,635,684,728 had been incurred therein as the total cost. Further, this program had been implemented in around 68 Divisional Secretary's Divisions in 18 Districts and actions had not been taken to initiate this program in 07 districts, i.e. Vavuniya, Ampara, Mullaitivu, Kilinochchi, Batticaloa, Mannar and Trincomalee even by the end of the year under review

3.1.2 Failure to Achieve Expected Outcome

- (a) As per the Action Plan pertaining to the year under review, although it had been planned to grant 20,000 allotments of lands by the end of the year under review through a program implemented with the intention of “promoting local products through granting titles to lands having selected the young people who are engaged in sundry productions representing agricultural, commercial, tourism, other service sectors of Sri Lanka as well as those who possess such entrepreneurship skills yet who had not received basic resources and government support therein required and providing the required institutional support to that end”, it was observed only 402 allotment of lands, i.e. 2 percent of the planned quota, had been granted.
- (b) As per the Action Plan pertaining to the year under review, although it had been planned to acquire lands under 11 fields such as urban development, low land development, village expansion, irrigation purposes, etc..., land acquisitions had been carried out only under 07 fields. Accordingly, only 707 hectares, viz, 10 percent of 7383 hectares which had been planned to be acquired by the end of the year under review. Accordingly, it was observed that government had failed to make land acquisitions for government purposes as planned.

3.1.3 Non-fulfillment of Tasks

- (a) Tasks of obtaining consultancy and technical assistance from Information Communication Technology Agency (ICTA), information analysis, procurement of hardware and software related services, implementation of a pilot project under the Land Data Infrastructure Facilities and Land Information Service System which had been planned to implement under Korean aids during the period of year 2020-2023, had not been initiated even by the end of the year under review.

- (b) Although information related to lands required for cultivation of grass, maize and other crops in support of promoting local agricultural and technical products included in the Action Plan pertaining to the year 2021 of the Land Ministry, had been identified at Divisional Secretariat level, actions had not been taken to alienate the relevant lands to the suitable investors on long term lease basis in collaboration with the Board of Investments of Sri Lanka as planned even by the end of the year under review.
- (c) Task of compiling a revised formats and Manual of Guidelines which had been included in the Action Plan pertaining to the year under review with the objective of making the implementation land acquisition process more efficient, had not been completed.

3.1.4 Delays in Project Completion

- (a) Although it had been planned to revise the Land Acquisition Act for expediting the land acquisition process with the objective of payment of compensation without delay in respect of lands acquired for development projects of the country and also for decreasing the excessive interests which had to paid attributed to delays, relevant revisions had not been done even by the end of the year under review.
- (b) The number of completed files having paid compensations, had been less than 2 percent out of the files which were being maintained in respect of land acquisitions pertaining to 2019, 2021 and the year under review. Accordingly, it had been observed that the Ministry had not taken action to complete the land acquisition activities expeditiously having linked with the other entities related to the process of land acquisition. Respective information is as follows.

Year	No. of Files Maintained within the Year	No. of Completed Files within the Year	Progress
2019	8409	21	0.23
2020	8648	25	0.23
2021	9073	13	0.14

3.2 Asset Management

Although 02 vehicles belonging to the Ministry of Public Services and Local Government have been used by this Ministry, actions had not been to enter in financial statements having taken over the relevant vehicles.

3.3 Losses and Damages

Accident occurred to the vehicle bearing the No.KV- 0433, action had not entered in Note (ii) submitted under Financial Statements of the year under review and the Register of Losses and Damages in accordance with F.R.110.

3.4 Management Weaknesses

- (a) Although a license should have been obtained from the National Fertilizer Secretariat for the fertilizer manufactured by this project in accordance with the Section 2(1)(2) of the Fertilizer Act No. 68 of 1988 as per the cabinet decision No.21/0949/322/010 received on 07 June of the year under review with respect to the Cabinet Memorandum No.5/6/1/1/CM/21/III presented to the Cabinet on 25th May of the year under review by the Land Minister pertaining to the organic fertilizer project, action had not been taken to obtain the relevant licence even by the end of the year under review.
- (b) As per the Section 35 of the Land Acquisition Act, in an instance where compensation is not paid to the respective person or the Courts before the date of publishing an Order under Section 38 in the Gazette for the purpose of acquiring a land or servitude, although the compensation and the relevant interest calculated from the date of issuing the said Order to the date of paying the compensation should be paid, it was observed that Rs.602,135,211 i.e. 50 percent of the total interest of Rs.1,206,317,960 which had been paid in the year under review had been interest expenses incurred for land acquisition dated back to 15 years ago due to not acting in accordance with the regulations of the Act.
- (c) Although provisions of Rs.2,513,476,724 required for payment of compensations, had been released to Divisional Secretariats during the year under review, it was observed that the Ministry had not taken action to obtain any proof to confirm that relevant provisions had been paid to the compensation recipients.
- (d) 98 acres had been acquired in the year 2012 from the lands called Gangabada Kumbura of Borellasgamuwa Tank, Moonamalwatte, Gangabada Ovita, Delgaha Ovita, Yal Kumbura for

construction of a water reserve in the deserted marshy area between Borelasgamuwa, Pitawella Road and Borupana Road under Werasganga Development Project. Actions had not been taken to pay compensations and interests for all the acquired lands due to the reasons such as non completion of acquisition activities and non receipt of adequate provisions ,etc although Order under Section 2 and Order under Proviso (a) to Section 38 of the Land Acquisition Act No.09 of 1950 had been published in the gazette on 16th July 2012 and in the gazette no.1830/51 dated 14th October 2013 respectively pertaining to the relevant acquisitions

- (e) Publishing notices in accordance with Section 2 of the Land Acquisition Act had been done on 21st of April in the year under review while and Order under Proviso (a) to Section 38 had been published in the gazette no.2266/51 dated 10th February 2022 in order to take over the lands in extent of 10 acres 02 roods 27.26 perches, situated in villages called Gandara and Thalalla in Divisional Secretary's Division of Devinuwara in Matara District for the purpose of constructing Fishery Harbour - Gandara . An amount of Rs.31,500,000 had been paid by the Ministry of Fisheries to Divisional Secretary's Division of Devinuwara on 06th of January of the year under review and the said amount had been retained in a current account belonging to the Divisional Secretariat without taking action to pay the relevant compensation recipients. It was observed that there is possibility to increase the interest payable in respect of compensation due to the aforesaid reason.
- (f) 38 years have lapsed as at the year under review since the issuance of Order under Proviso (a) to Section 38 of the Land Acquisition Act in 1984 for acquisition of lands for Ingimitiya Reservoir Project, and it was observed that although over 07 years have lapsed since the issuance of Rs.5,122,123 of provisions to the Divisional Secretary of Nawagaththegama by the Ministry, actions had not been taken to pay the said amount. Further, it had been reported to the Ministry that the land allotments for which compensations should be paid cannot be identified in respect of acquisition of lands for Ingimitiya Reservoir Project, by the letter no.NWG/LSD/1/ACQUI/1/6 dated 21st February 2022 by the Divisional Secretary of Nawagaththegama.
- (g) Publishing notices in accordance with Section 2 and Order under Proviso (a) to Section 38 of the Land Acquisition Act had been done in the years of 2000 and 2001 respectively for acquisition of a land in extent of 05 acres belonging to the Land Reform Commission for the purpose of constructing a Vocational Training Centre on Information Technology – Baddegama in Galle. Interest amounting to Rs. 10,790,740 calculated as 07 percent for 19

years had to paid due to the delay in paying Rs. 8,000,000 compensations up to 27th October 2020.

- (h) Although publication of notices in accordance with Section 2 of the Land Acquisition Act had been done in July 2005 so as to acquire lands in extent of 01 acres 03 roods 34.5 perches owned by Dora Jayasuriya for construction of a play ground for Primary School – Walathara, any of further land acquisition activities had not been done despite the lapse of a period of about 16 years since the year 2005 to the year under review. Further, it was observed that relevant acquisition activities had not been completed even by the year under review although it had been reported to the Ministry of Land that the proposed land was already being used for activities of the school by the letter dated 05th February 2018 issued by the Secretary to the Ministry of Education.

4. Human Resource Management

Details of the approved cadre and the actual cadre of the Ministry are given below.

	Approved Cadre	Actual Cadre	Vacancies
Senior	33	25	08
Tertiary	05	04	01
Secondary	546	502	44
Primary	51	37	14
Other	<u>03</u>	<u>01</u>	<u>02</u>
Total	<u>638</u>	<u>569</u>	<u>69</u>

Following observations are made based on the information given above.

- (a) The approved cadre of the Ministry of Lands was 638 as at 31 December of the year under review and there were 69 vacancies since the actual cadre was 569.
- (b) It was observed that vacancies of 08 officers for 08 posts in the senior level and one post in the tertiary level, 44 officers in 05 posts in the secondary level, 14 employees in 02 posts in the primary level and 02 employees in 02 other posts exist in the approved cadre of the Ministry.

Sgd. Illegibly

R.M.Rathnayake

Deputy Auditor General

For Auditor General

**State Ministry of Land Management, State
Enterprises Land and Property Development**

**Performance Report
2021**

Content

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1.1 Introduction

The subject of “Lands” has a highly sensitive appeal to the public. It is a limited and valuable resource. Management of a resource of such importance efficiently and effectively is an enormous national responsibility.

The responsibility of directing the state mechanism for the said purpose, was vested in the State Ministry of Land Management, State Enterprises Land and Property Development by the Gazette Extra Ordinary No. 2187/27 dated 19.08.2020 of the Democratic Socialist Republic of Sri Lanka by which the implementation of the Land Title Registration Act No.21 of 1998 and the Land Title Settlement Ordinance No. 20 of 1931 was also brought under the purview of this Ministry.

Preparation of various strategies to ensure the optimum utilization of lands, implementation of the said strategies in collaboration with the Land Use Policy Planning Department and Land Title Settlement Department, were done by this Ministry. Since this State Ministry was abolished with effect from 15th February, by the Gazette Extra Ordinary No. 2215/20 dated 16th February 2021, performance pertaining to a short period of time, i.e. one and half months, is given in this report.

1.2 Vision, Mission and Objectives of the Institution

Vision

“Optimally utilized land resource towards sustainable development”

Mission

“Contribution to sustainable development through efficient management and optimum utilization of the land resource by policy planning, implementation and coordination for all the stakeholders, while strengthening land ownership”

Objectives

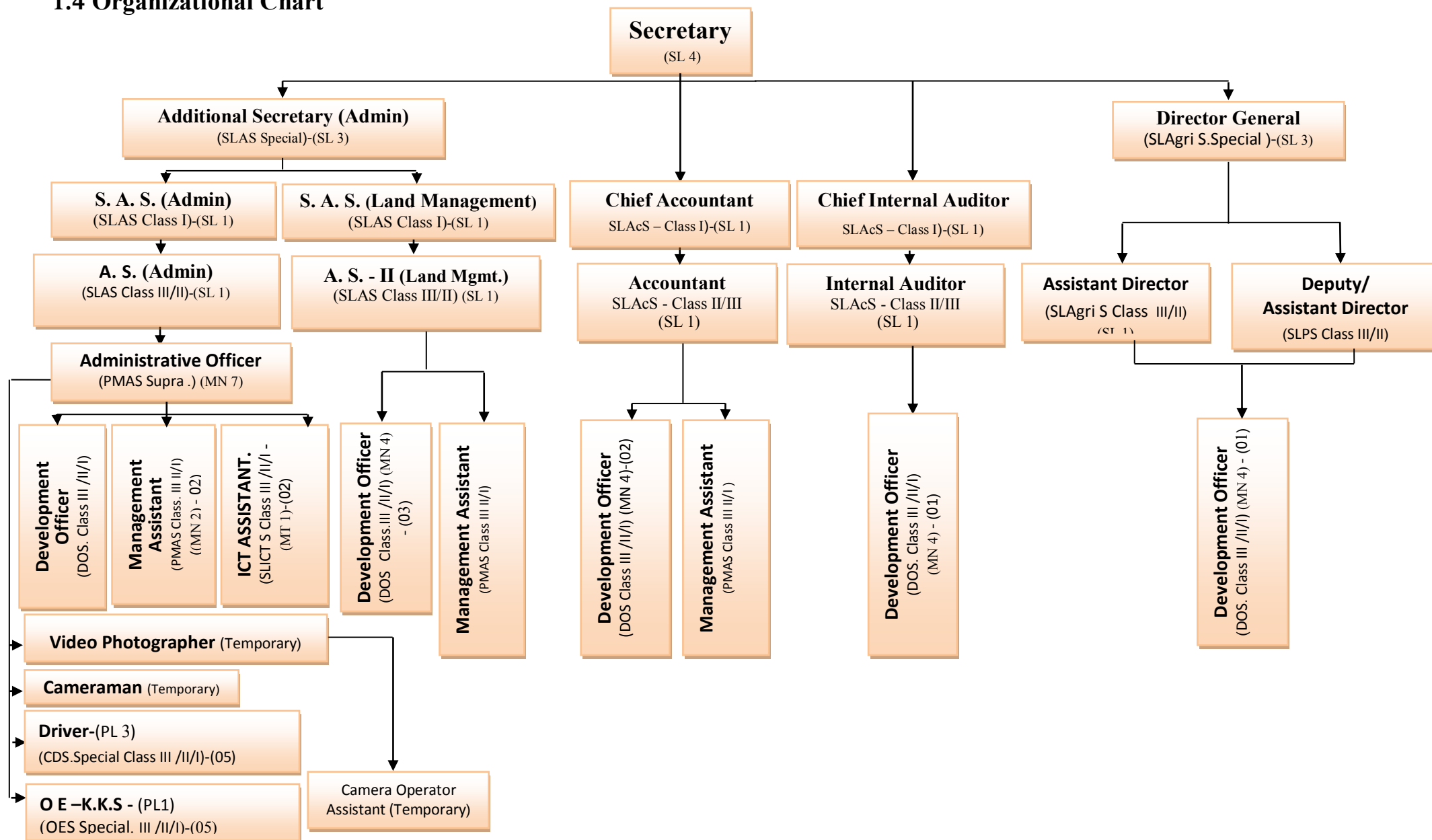
1. Optimal management of lands in accordance with the relevant laws, acts and Ordinances.
2. Protection of territorial environment for the future generation.
3. Implementation of the Land Use Policy.
4. Land productivity promotion in State Lands, Degraded special areas/lands Development.
5. Registration of titles of all lands in the country ensuring ownership.

6. Utilization of State Lands to fulfill the local production and foreign production targets and management of the related inputs.
7. Management of state enterprise lands.

1.3 Key Functions

1. Carrying out land management activities in accordance with relevant laws, acts and ordinances for the purpose of “Optimal Management of Lands”.
2. Rendering assistance to formulations of policies related to the subject of land management, state enterprise lands and property development.
3. Affirmation of settled title ensuring the land ownership.
4. Formulation and implementation of optimal land use plans to achieve sustainable development.
5. Good governance, follow up and evaluation, of institutions and resources under the purview of the State Ministry of Land Management, State Enterprises Land and Property Development.
6. Implementation of projects under the State Investment and National Development Program.

1.4 Organizational Chart



1.5 Departments under the purview of the Ministry

- Land Title Settlement Department
- Land Use Policy Planning Department

Chapter 02 – Progress and the Future Outlook

2.1 Special Achievements

Since the Ministry was in operation only for a short period of time such as one and half month in the year 2021, there was no adequate time to commence and implement specific priority programs assigned in accordance with the policy declaration.

However, it was planned to achieve the under mentioned targets pertaining to the year 2021.

2.2 Challenges

Being unable to fulfill the anticipated, since the State Ministry was abolished by the Gazette Extra Ordinary No. 2215/20 dated 16th February 2021.

2.3 Anticipated Targets - 2021.

Bimsaviya Program -

Name of the Institution	Targets for 2021
Department of Survey- No. of surveyed allotments in Cadastral Maps	117,000
Land Title Settlement Department - No. of recommended and approved allotments	90,000
Register General's Department: No. of registered titles	85,000
Land Commissioner General's Department-	
Land Kachcheri	20
Grants issued under Land Development Ordinance	3000
Licenses issued under Land Development Ordinance	2500
Mobile Services	27
Divisional Days	58
Resolving issues	5000

State Ministry of Land Management, State Enterprises Land and Property Development	Targets 2021
1. Pertaining to Bimsaviya Program ,	
Conducting progress review meetings	10
Conducting coordinating committee meetings	12
2.Public Complaints /Issues	
Forwarding the public complaints and issues received to the Land Management Division pertaining to the title settlement program, to respective institutions	120 (10 per month)
Forwarding the complaints and issues tendered to the Hon. State Minister, to respective institutions	

2.4 Future Outlook

- ◆ Reaching the people to provide solutions for their land issues through implementation of “Ministry to the Village (*Amathyanshya Gamata*)” program for the purpose of accelerating **Bimsaviya Program.**
- ◆ **Revision of survey targets under Bimsaviya Program.**
Raising the survey target of the forthcoming year to 139,500 lots deploying 100 surveyors of the private sector.
- ◆ Getting the Land Title Registration Act passed with necessary revisions.
- ◆ Identification of the residential lands prone to natural disasters/catastrophes as recommended by the National Building Research Organization and handover such lands to the Department of Forest Conservation for forestation and granting the people the land owned by the said department which are safe and suitable for residential purposes. Implantation of the programs of thus exchanging the lands prone to disasters with safe lands.
- ◆ Implementation of projects for livelihood development.
- ◆ Obtaining the approval of the Cabinet of Ministers to formulate a legal mechanism which does not allow division of paddy land ownership into smaller allotments thereby ensuring benefits to all and devise a methodology for the effective cultivation of paddy lands for the purpose of taking action with respect to the desertion and decrease in productivity caused due to further fragmentation of the paddy lands.

Chief Accounting Officer/ Accounting Officer / Head of the Institution

Name : R.A.A.K. Ranawake

Designation : Secretary

Date | 2022/02/28

Chapter 03 - Overall Performance of the Year 2021

3.1 Statement of Financial Performance

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

ACA-F

Budget 2021 Rs.		Note	Actual	
			2021 Rs.	Restated 2020 Rs.
-	Revenue Receipts		-	-
-	Income tax	1	-	-
-	Taxes on Domestic goods & Services	2	-	-
-	Taxes on International Trade	3	-	-
-	Non Tax Revenue and others	4	-	-
-	Total Revenue Receipts (A)		-	-
-	Non-Revenue Receipt		-	-
-	Treasury Imprest		13,800,000	22,010,000.00
-	Deposits		10,850	138,550.00
-	Advance Accounts		4,314,207	148,121.00
-	Other Main Ledger Receipts		-	-
-	Total Non Revenue Receipts (B)		18,125,057	22,296,671.00
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		18,125,057	22,296,671.00
	Remittance to the Treasury (D)		5,033,133	-
	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)		13,091,924	22,296,671.00
	Less: Expenditure			
-	Recurrent Expenditure		-	-
40,700,000.00	Wages, Salaries & Other Employment Benefits	5	13,985,646	11,321,573.00
37,800,000.00	Other Goods & Services	6	6,908,326	8,270,029.00
1,500,000.00	Subsidies, Grants and Transfers	7	265,079	101,731.00
-	Interest Payments	8		-
-	Other Recurrent Expenditure	9		-
80,000,000.00	Total Recurrent Expenditure (F)		21,159,050.00	19,693,333.00
	Capital Expenditure			
18,300,000.00	Rehabilitation & Improvement of Capital Assets	10	3,917,677	1,805,551.00
9,200,000.00	Acquisition of Capital Assets	11	3,829,474	1,001,364.00
-	Capital Transfers	12	-	-
-	Acquisition of Financial Assets	13	-	-
500,000.00	Capacity Building	14	-	-
500,000,000.00	Other Capital Expenditure	15	240,306,000	-
528,000,000.00	Total Capital Expenditure (G)		248,053,151	2,806,915.00
	Deposit Payments		145,625	3,775.00
	Advance Payments		847,685	3,614,643.00
	Other Main Ledger Payments		-	-
	Total Main Ledger Expenditure (H)		993,310	3,618,418.00
	Total Expenditure I = (F+G+H)		270,205,511	26,118,666.00
-	Balance as at 31st December J = (E-I)		(257,113,587.00)	(3,821,995.00)
	Balance as per the Imprest Reconciliation Statement		(257,113,587.00)	(3,821,995.00)
	Imprest Balance as at 31st December		-	-
			(257,113,587.00)	(3,821,995.00)

ACA-1

ACA-3

ACA-4

ACA-5

ACA-2(ii)

ACA-2(ii)

ACA-4

ACA-5

ACA-7

ACA-3

3.2. Statement of Financial Position

ACA-P

Statement of Financial Position as at 31st December 2021

		Actual	
	Note	2021 Rs.	2020 Rs.
<u>Non-Financial Assets</u>	-		
Property, Plant & Equipment	ACA -6	-	1,387,761.00
<u>Financial Assets</u>			
Advance Accounts	ACA - 5/5(a)	-	3,466,522.00
Cash & Cash Equivalents	ACA -3	-	-
Total Assets		-	4,854,283.00
<u>Net Assets/ Equity</u>			
Net Worth to Treasury		-	3,331,747.00
Property, Plant & Equipment Reserve		-	1,387,761.00
Rent and Work Advance Reserve	ACA-5(b)		
<u>Current Liabilities</u>			
Deposits Accounts	ACA- 4	-	134,775.00
Unsettled Imprest Balance	ACA--3	-	-
Total Liabilities		-	4,854,283.00

Detail Accounting Statements in above ACA format Nos. 1 to 7 presented in pages from 07 to 48 and Notes to accounts presented in pages from 49 to 52 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

Chief Accounting officer
Name : R.A.A.K. Ranawake
Designation : Secretary
Date : 2022/02/28

Accounting officer
Name : R.A.A.K.Ranawake
Designation : Secretary
Date : 2022/02/28

Chief Financial Officer/ Chief
Accountant/Director (Finance)/
Commissioner (Finance)/
Name : R.P.D.S.D. Perera
Date : 2022/02/28

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

	Actual	
	2021 Rs.	Restated 2020 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	228,786
Revenue Collected on behalf of Other Revenue Heads	232,560	-
Imprest Received	13,800,000	22,010,000
Recoveries from Advance	173,808	148,121
Deposit Received	10,850	138,550
Total Cash generated from Operations (A)	14,217,218	22,525,457
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	9,019,588	15,418,735
Subsidies & Transfer Payments	85,771	101,731
Expenditure incurred on behalf of Other Heads	-	592,375
Imprest Settlement to Treasury	5,033,133	3,500,000
Advance Payments	-	713,523
Deposit Payments	10,850	3,775
Total Cash disbursed for Operations (B)	14,149,342	20,330,139
NET CASH FLOW FROM OPERATING ACTIVITIES (C)=(A)-(B)	67,876	2,195,318
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	67,876	2,195,318
Total Cash disbursed for Investing Activities (E)	67,876	2,195,318
NET CASH FLOW FROM INVESTING ACTIVITIES (F)=(D)-(E)	(67,876)	(2,195,318)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C)+(F)	-	-

Cash Flows from Financing Activities

Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	(0)	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.10. Auditor General's Report

Final Audit Report issued by the Auditor General is attached here with (Annex. 01)

Chapter - 04 Compliance Reports

No.	Applicable Requirement	Compliance Status (Complied /Not - complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
1	The following Financial statements/accounts have been submitted on due date.			
1.1	Annual Financial Statement	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	-		
1.4	Stores Advance Account	-		
1.5	Special Advance Account	-		
1.6	Others	-		
2	Maintenance of Books and Registers (F.R.445)			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018	Not Complied	Since it is a new Ministry, updating the fixed assets register has not yet been completed	Preparing the fixed assets register
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and updated	Complied		
2.3	Register of Audit queries has been maintained and updated	Complied		
2.4	Register of Internal Audit reports has been maintained and updated	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and updated	Complied		
2.7	Inventory register has been maintained and updated.	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and updated	Complied		
2.10	Commitment Register has been maintained and updated	Complied		
2.11	Register of Counterfoil Books (GAN 20) has been maintained and updated	Complied		
03	Delegation of Functions for Financial Control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		

3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Not Complied	Payroll Computer Program has not been installed	Installation of Payroll Computer Program
04	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual internal audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	Audit Queries			
5.1	All the audit queries have been replied within the specified time by the Auditor General	-	-	-
06	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	-	-	-
6.2	All the internal audit reports have been replied within one month	-	-	-
6.3	Copies of all the internal audit reports has been submitted to the management audit department in terms of the Sub-section 40(4) of the National Audit Act No.19 of 2018	-	-	-
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulations 134(3)	-	-	-
07	Audit & Management Committees			
7.1	Minimum 4 meetings of the Audit and Management Committee have been held during the year as per the DMA circular 1- 2019	-	-	-
08	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		

8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of 13 the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 01/2020	-		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	-		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	-		
09	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	-		
9.3	The vehicle log books had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Not Applicable		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		

12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	-		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	-		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	-		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		

17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	-	It was unable to fulfill this task within the relevant time period .	Formulation of the said charter very soon
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	-	It was unable to fulfill this task within the relevant time period .	Formulation of the said charter very soon
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paragraphs			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	-	-	-

Chief Accounting Officer
Ministry of Lands

Summary Report of the Auditor General on the Financial Statements of the State Ministry of Land Management, State Enterprises Land and Property Development for the year ended 31 December 2021 in terms of Section 11(1) of the National Audit Act, No. 19 of 2018.

1. Financial Statements

The audit of the financial statements of the State Ministry of Land Management, State Enterprises Land and Property Development for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance and cash flow statement for the year then ended, was carried out under my direction in terms 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. My comments and observations on the financial statements of the State Ministry of Land Management, State Enterprises Land and Property Development in terms of provisions in Section 11(1) of the National Audit Act No. 19 of 2018 appear in this report. The audit report forwarded in terms of provisions in Article 154 (6) of the Constitution read in conjunction with provisions of the Section 10 of National Audit Act No. 19 of 2018 will be tabled in Parliament in due course.

1.1 Opinion

In my opinion the accompanying financial statements prepared give a true and fair view of the financial position of the State Ministry of Land Management, State Enterprises Land and Property Development as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Opinion

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 the Chief Accounting Officer for the Financial Statements

The Chief Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles provisions stipulated in Section 38 of the National Audit Act No. 19 of 2018 that give a true and fair view, and for such internal control as the Chief Accounting Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. As per Section 16(1) of the National Audit Act No. 19 of 2018, the State Ministry of Land Management, State Enterprises Land and Property Development 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.

As per the provisions of the Subsection 38(1) (c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the State Ministry and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations required for such systems to be effectively carried out.

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 exercised professional judgment and maintained professional skepticism throughout the audit. I also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained 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 internal control.

- Evaluated whether the underlying transactions and events of the structure and content of the financial statements including the disclosures have been represented in financial statements in an appropriate and reasonable manner.
- Evaluated the overall presentation of the financial statements, including the disclosures, and whether the underlying transactions and events of the structure and content of the financial statements, have been represented in an appropriate and reasonable manner.

I communicate with the Chief Accounting Officer regarding, significant audit findings, any significant deficiencies in internal control and other matters, that I identify during my audit.

1.5 Report on Other Legal Requirements

I express the following matters in accordance with Section 6(1)(d) of the National Audit Act No. 19 of 2018.

- (a) The financial statements presented for the year under review were consistent with the preceding year.
- (b) My recommendations on the financial statements for the preceding year had been executed.

2. Financial Review

2.1 Expenditure Management

Following observations are made.

- a) Although this State Ministry had allocated provisions for the entire year of 2021, activities and tasks of the State Ministry had been vested in the Ministry of Lands by the Gazette Extraordinary No. 2215/20 dated 16th February 2021 by the President. It had been instructed by the Director, National Budget on 15th March 2021 to incur expenses of the first project of the first program only up to 16th February 2021. Accordingly, a sum of Rs.27,046,825 in 19 Recurrent Object and a sum of Rs.1,572,961 in 4 Capital Object Codes had been saved in the said respect and it had ranged from 10 percent to 100 percent.
- b) It had been instructed by the Director, National Budget on 15th March 2021 to take over the provisions of the second project of the first program and to incur expenses. Accordingly, a sum of Rs.31,787,314 in 14 Recurrent Object Codes and a sum of Rs.18,679,887 in 6 Capital Object Codes had been saved in that respect and it had ranged from 45 percent to 100 percent.

- c) Rs .500 million of provisions had been allocated for implementation of Bimsaviya Program which was under the third project of the second program. However, out of the said provisions, only Rs.240,306,000 had been incurred and Rs.259,69,000 of provisions had been saved.

Sgd. Illegibly
R.M.Rathnayake
Deputy Auditor General
For Auditor General