Annual Report 2021

Water Resources Board

Ministry of Water Supply

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INTRODUCTION

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

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

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

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

VISION

Adequate access to clean safe water for all

MISSION

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

OBJECTIVES

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

FUNCTIONS

- Interpretation of data on groundwater resources development
- Carry out hydrogeological surveys to detect groundwater resources
- Identification of groundwater potential zones
- Identification of groundwater sources by using geo scientific methods
- Carry out feasibility studies for groundwater resources development
- Analysis of water samples, chemically, bacteriologically and for heavy metals
- Collect and maintain groundwater data and preparation of hydrogeological maps

Corporate Information

Name of the Organization
Water Resources Board

Legal Form
Government owned Statutory Board

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

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

Head Office
2021-01-01 To 2021-07-19
No.02 A, Hector Kobbekaduwa Mawatha, Colombo 07

2021-07-20 To 2021-12-31
288/12L, Royal Gardens, Sri Jayawardenapura Mawatha, Rajagiriya

Tel: +94 11 2694835, +94 11 2697050
Fax: +94 11 2669517 (Admin)
Email: helpdesk@wrb.gov.lk
Web:www.wrb.gov.lk

Line Ministry
Ministry of Water Supply

Tax Identification No.
409018017

Bankers
Bank of Ceylon
National Savings Bank

Income Tax Consultants
ARS Associates
(Chartered Accountants)

Auditors

External	Auditor General - National Audit Department
Internal	Chief Internal Auditor - Ministry of Water Supply Internal Auditor – Water Resources Board

Board of Directors

Dr. J.D. Samarasinghe	-	Chairman
Mr.C. Rathnamalala Bandara	-	Director
Mr. H.R.M. Kiriella	-	Director
Mr. A.K.D.S..P Mahanama	-	Director
Mrs. R.K.L. Jagoda	-	Treasury Representative

Senior Executive Officers
Eng. H.C.J Thilakaratne
General Manager (Acting)-Addl. Sec.M.of WS
Mr P.P.S.R.K. Pathirana
D.G.M (Operation)
Retired from 28.02.2021
Mr. M.A. Pushpakumara
D.G.M. (HR & Finanace)
Mr. A.B.M. Chandrasiri
Assistant General Manager (Finance)
Mr.R.M.S.Rathnayaka
Assistant General Manager (Hydrogeology)
Mr. K.M.U.C.B. Kulathunga
Assistant General Manager (Operation)
Mr. D.G.S. Wickrama
Assistant General Manager (Project)
Mr. J. Wijesiri
Assistant General Manager (Administration)
Retired from 21.09.2021
Mr. R.R.G.R. Rajapakshe
Assistant General Manager (Research & Development)

Corporate Governance

Key Players

Dr. J.D. Samarasinghe	-	Chairman
Mr. C. Rathnamalala Bandara	-	Director
Mr. H.R.M. Kiriella	-	Director
Mr. A.K.D.S..P Mahanama	-	Director
Mrs. R.K.L. Jagoda	-	Treasury Representative

Board Meetings

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

Audit and Management Committee

i	Mrs. R.K.L. Jagoda	-	Chairman - Treasury Representative
ii	Mr. C. Rathnamalala Bandara	-	Director
iii	Mr. H.R.M. Kiriella	-	Director
iv	Mr. E.A.D.P. Prasanna	-	Observer - Government Audit
v	Mrs. S.W. Gunawardhana	-	Observer - Ministry of water supply- CIA

Audit and Management Committee Meetings

Three (03) audit and management committee meetings were held during the year 2021.

Senior Executive Officers – Year 2021

i.	Eng. H.C.J Thilakaratne	-	General Manager (Acting) -Addl. Sec.M.of WS
ii.	Mr P.P.S.R.K. Pathirana	-	D.G.M (Operation) Retired from 28.02.2021
iii.	Mr. M.A. Pushpakumara	-	D.G.M. (HR & Finance)
iv.	Mr. A.B.M. Chandrasiri	-	Assistant General Manager (Finance)
v.	Mr.R.M.S.Rathnayaka	-	Assistant General Manager (Hydrogeology)
vi	Mr. K.M.U.C.B. Kulathunga	-	Assistant General Manager (Operation)
vii	Mr. J. Wijesiri	-	Assistant General Manager (Administration) Retired from 20.09.2021
viii.	Mr. R.R.G.R. Rajapaksha	-	Assistant General Manager (R & D)
ix	Mr. D.G.S. Wickrama	-	Assistant General Manager (Project)

Cadre Information as at 31st December 2021

Salary Scale	Approved Cadre Permanent	Existing Cadre Permanent
HM	11	06
MM	47	35
JM	27	09
MA	92	55
PL	236	160
Total	413	265

Cadre Information as at 31st December 2021

Designation	Salary Scale	Approved cadre	Existing cadre	Vacancies to be filled
General Manager	HM	1	0	1
Dy. General Manager	HM	3	1	2
Asst. General Manager	HM	7	5	2
Provincial Manager	MM	5	0	5
Hydro Geologist/Snr Hydro Geologist	MM	24	23	1
Engineer (Mechanical)	MM	1	0	1
Engineer (Civil)	MM	2	1	1
Chemist	MM	7	7	0
Manager (Drilling)	MM	3	1	2
Internal Auditor	MM	1	1	0
Accountant	MM	1	1	0
Manager (Administration)	MM	1	1	0
Manager (Procurement)	MM	1	0	1
Legal Officer	MM	1	0	1
Senior Water Analyst	JM 1-1	1	0	1
PA to Chairman	JM 1-1	1	1	0
PA to General Manager	JM 1-1	1	1	0
Administrative officer	JM 1-1	2	1	1
Accounts officer	JM 1-1	1	1	0
Transport/Logistic Officer	JM 1-1	1	0	1
Environmental Officer	JM 1-1	1	1	0
Audit Officer	JM 1-1	1	1	0
Librarian	JM 1-1	1	0	1
IT Officer	JM 1-1	1	1	0
Engineering Asst (Civil)	JM 1-1	4	0	4
Engineering Asst (Mechanical)	JM 1-1	2	0	2
Stores Superintendent	JM 1-1	1	0	1
Procurement Officer	JM 1-1	1	1	0
Drilling Superintendent	JM 1-1	6	1	5
Progress Monitoring Officer	JM 1-1	1	0	1
Drawing Office Asst.	JM 1-1	1	0	1
Technical Asst (Civil)	MA 2-2	7	1	6
Technical Asst (Mechanical)	MA 2-2	6	5	1
Asst. Drilling Superintendent	MA 2-2	14	8	6
Draughtsman	MA 2-2	4	0	4
Water Analyst	MA 2-2	10	09	1
Work Supervisor	MA 2-2	2	1	1
Workshop Supervisor	MA 2-2	2	0	2
System Operator	MA 2-2	1	1	0
Accounts Asst.	MA 2-2	2	2	0
Store Keeper	MA 2-2	3	3	0
IT Technician	MA 2-2	1	1	0
Management Asst.	MA 2-1	2	2	0
Management Asst.	MA 1-2	37	22	16
Security Officer/Asst.	MA 1-2	1	0	1
Drilling Mechanic cum Driver	PL 3	7	0	7
Mason	PL 3	3	2	1
Plumber	PL 3	4	0	4
Driver	PL 3	50	35	15
Welder / Fitter	PL 3	3	2	1
Motor Mechanic	PL 3	2	1	1
Latheman/Fitter	PL 3	1	1	0
Electrician	PL 3	1	0	1
Auto Electrician	PL 3	1	0	1
Tinker / Painter	PL 3	2	0	2
Heavy Machinery Mechanic	PL 3	2	0	2
Drilling Machine Operator cum Driver	PL 3	7	3	4
Drilling Helper	PL 2	7	0	7
Maintenance Helper	PL 2	3	2	1
CB Keeper	PL 2	1	0	1
Laboure	PL 1	105	95	10
Office Aide	PL 1	23	09	14
Security Guard	PL 1	14	10	04
Total		413	265	148

Major Activities

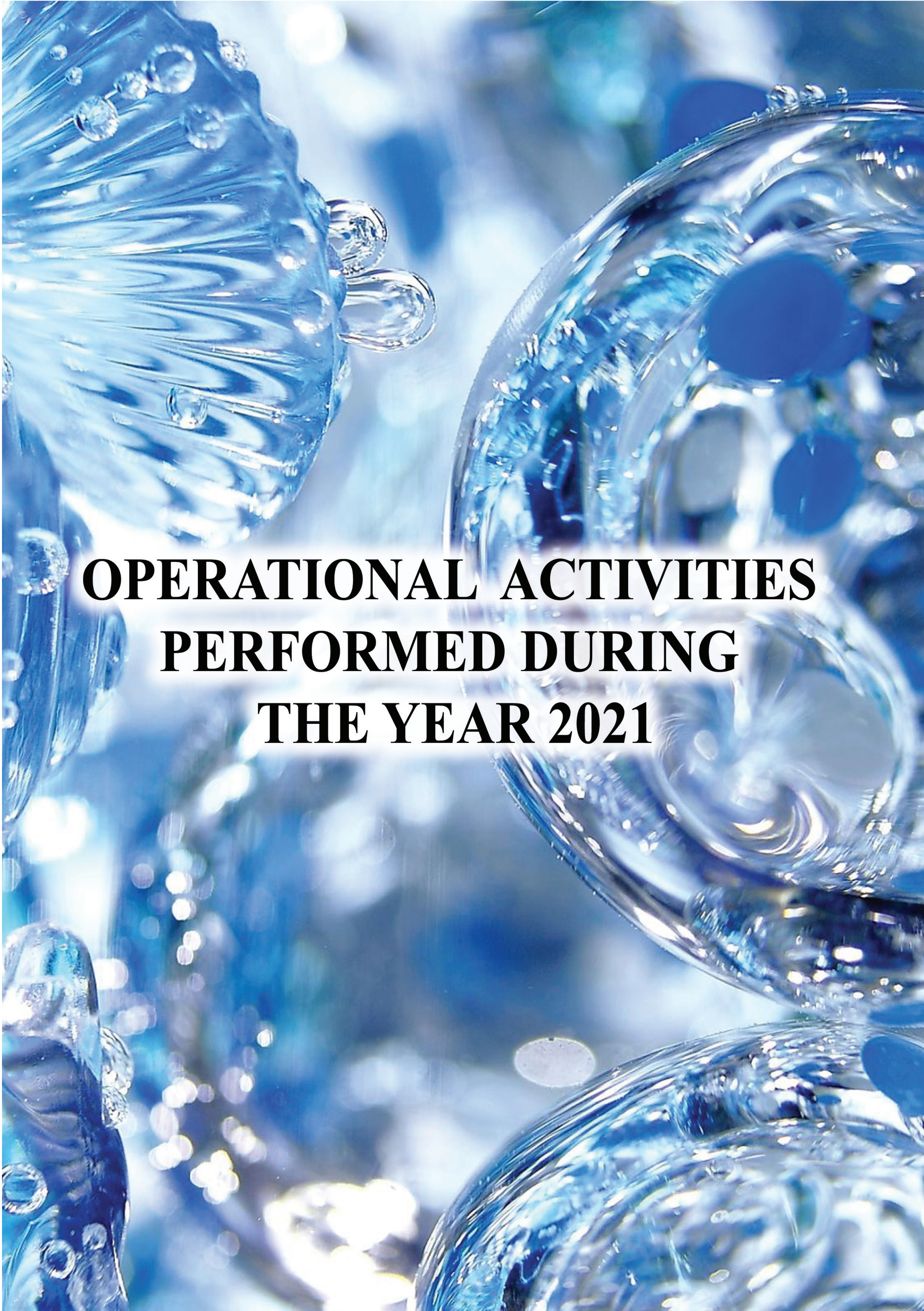
Construction of Tube Wells

Conducting pumping tests

Conducting geophysical investigations

Analyzing of water samples

OPERATIONAL ACTIVITIES PERFORMED DURING THE YEAR 2021



(1). Treasury Funded - Groundwater Studies

1.1. Long-term groundwater monitoring project in groundwater sensitive terrains (LTGM) – (Rs. 3.0 Mn)

Expected benefits: Assessment of water quality and groundwater level variations in highly sensitive groundwater aquifers of the country for long term management and planning

The need for groundwater assessment study arises to establish a plan in which the groundwater can be rationally used for domestic, industrial and agricultural production in environmentally friendly and sustainable manner. In this regard, assessment of the groundwater resources of the area, its use and present condition need to explored for any management plan and guidelines to be implemented for sustained use of the available groundwater resources. Therefore, detailed hydrogeological explorations and monitoring in long term basis is a prerequisite for achieving these aforesaid plans.

Therefore, Water Resources Board has initiated research project on Long-term groundwater monitoring project in sensitive terrains in Sri Lanaka. This project is a combined program of 08 numbers of completed groundwater study projects which have extended for long term groundwater monitoring.

At the beginning of the study projects, test boreholes were constructed with considering different groundwater issues that identified in each project areas to establish the monitoring networks. The details of constructed test boreholes are given in the following table. The monitoring activities of selected network in each study were carried out quarterly basis and two times collected water samples for full chemical analysis and the heavy metal analysis. Simultaneously, in-situ water samples analysis (pH, EC, TDS and Salinity) was done for the monitoring events.

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

Under these activities, target of the year 2021 and progress are as follows;

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
Colombo –Negambo Anuradhapura Mannar Vavuniya-Killinochchi Jaffna & Islands Puttalam Kelani Ganga –Upper basin Kelani Ganga – Lower basin Moneragala Polonnaruwa Trincomalee Kiridi Oya Ampara Matale	Well monitoring & in-situ analysis (3440 nos.) and bi-annual water sampling for chemical analysis (1720 nos.) and Heavy metal analysis (395 nos.)	3440 1720 395	74 %
	Chemical analysis of water samples (1720 nos.) & heavy metal analysis (395 nos.)	1720 395	26 %
	Data processing, analysis & preparation of reports		60%

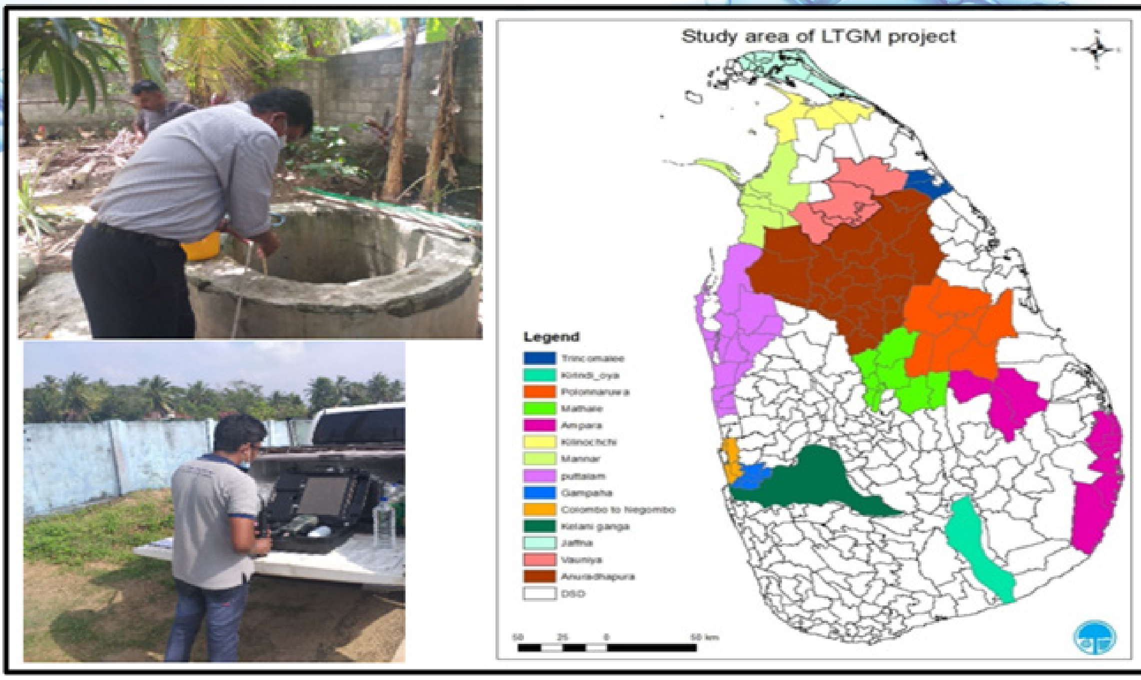


Figure 01: Location map of the LTGM project and water level monitoring, water sampling and in-situ analysis

1.2. The study on the direct and indirect impacts on the climate changes on the coastal aquifer system of Sri Lanka (Rs. 2.0 Million)

Expected benefits: Assessment and evaluation of changes on groundwater resources due to climatic changes in coastal areas of the country

Study area: Colombo to Galle coastal groundwater aquifer and Trincomalee-Mulative coastal groundwater aquifers

The objective of this study is to monitor impact on groundwater due to climate change, mainly on coastal regions. To achieve the objectives of this project following activities have been carried out during the year 2021

- Based on the result of the study conducted from 2015 to 2021, to identify the saline intrusion to fresh water aquifer and to identify the other environmental impact on the coastal aquifer, further well monitoring, in-situ water sample analysis and water sample analysis conducted using the constructed shallow test bore wells and existing shallow tube wells along western coastal strip and Tirincomalee – Mulative coastal strip. Monitoring coastal strips have been shown in Figure 02.

- In the year 2021, two to three monitoring events have completed with respect to the monsoon rains. Accordingly, three monitoring events were conducted on the established monitoring network in the western costal strips (30 numbers of monitoring points) with analyzing water samples. Simultaneously, in-situ analysis was done for the all monitoring points. Bi-annual water sampling was done for full chemical analysis and heavy metal analysis. 04 number of geophysical surveys have been conducted for gap filling of the coastal strip. According to the survey 04 number of test wells have been drilled and aquifer test were done to determine the safe extraction limits of the wells. These newly constructed test wells are added to the established monitoring network.

- Established monitoring network with 35 numbers of test bore wells in the Trincomalee – Mullaitivu coastal strip were monitored with respect to dry and wet monsoon season in year 2021. Simultaneously water samples were collected for full chemical analysis and for heavy metal analysis. Additionally, 05 numbers of geophysical surveys were conducted for test bore drilling. These newly constructed 05 numbers of test wells are added to the established monitoring network.

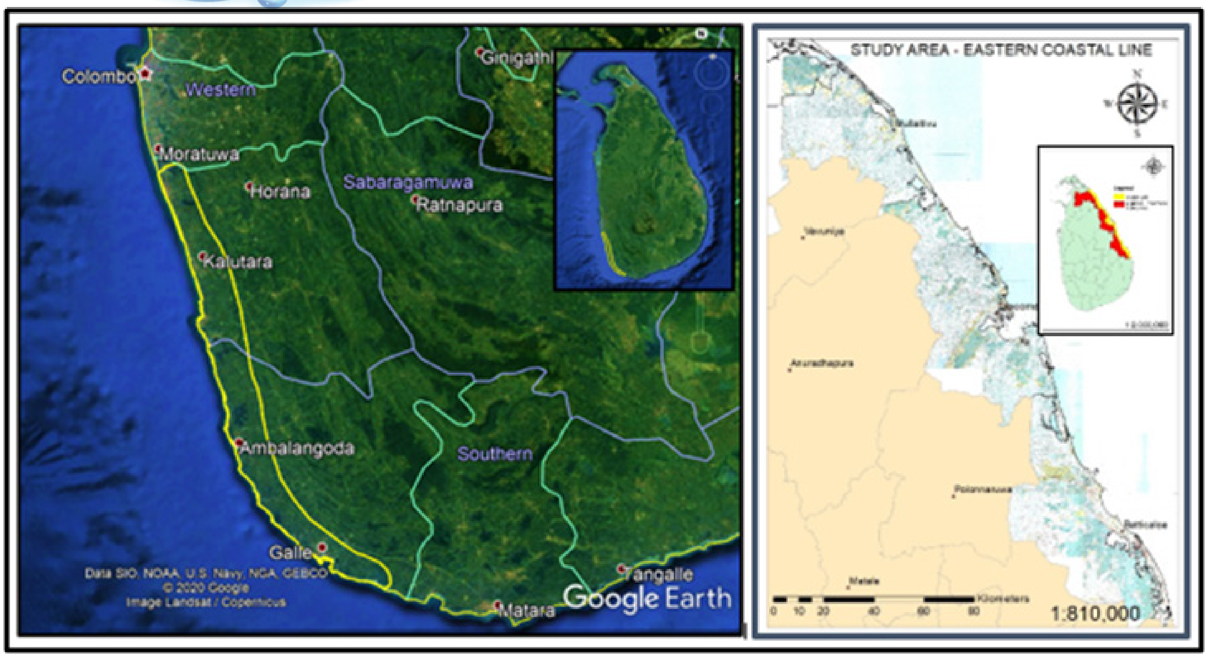


Figure 02: Monitoring coastal strips - Colombo to Galle coastal strip and Trincomalee to Mullaitive coastal strip)

Under these activities, target of the year 2021 and progress are as follows;

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
• Colombo to Galle coastal groundwater Aquifer • Trincomalee – Mullaitivu coastal groundwater Aquifer	Geophysical investigations & test well constructions (10 nos.)	10	90%
	Quarterly water level monitoring & insitu analysis (260 nos.), biannual water sampling (130 for full chemical analysis & 30 for heavy metal analysis)	260 130 30	71%
	Conducting pumping test (10 nos.)	10	40%
	Chemical analysis of water samples (130) & heavy metal analysis (30 nos.)	130 30	50%

Figure 03: Project activities -measuring groundwater table, collecting of water samples, in-situ water sample analysis, test well drilling and aquifer testing

1.3. Hydrogeological assessment and identify of favorable zones for aquifer recharge within Ma-Oya basin (Rs. 2.5 Million)

Expected benefits: Hydrogeological assessment and aquifer mapping for the managing the groundwater resources within the Ma-Oya river basin

The middle part of the Ma-oya basin face to the groundwater scarcity in dry periods. Since the upper part of the basin receives a sufficient rainfall all over the year, it would be better to plan an artificial recharge system for the middle part of the basin. For this purpose, a detailed hydrogeological assessment is important. Based on the objectives, identification of favorable zones for aquifer recharge, a detailed hydrogeological assessment of Ma-oya basin was implemented.

The objectives of the project area are

- study the discharge rates of springs, social value of the springs, identifying the development needs and defining the protection criteria of springs.
- Preparation of hydrogeological map by specifying the aquifer types of the area and demarcate the quantity can be taken from specific aquifers in the area by using available pumping test data in Water Resources Board
- Identifying the areas of water scarcity at dry period and preparation of plan for artificial recharge

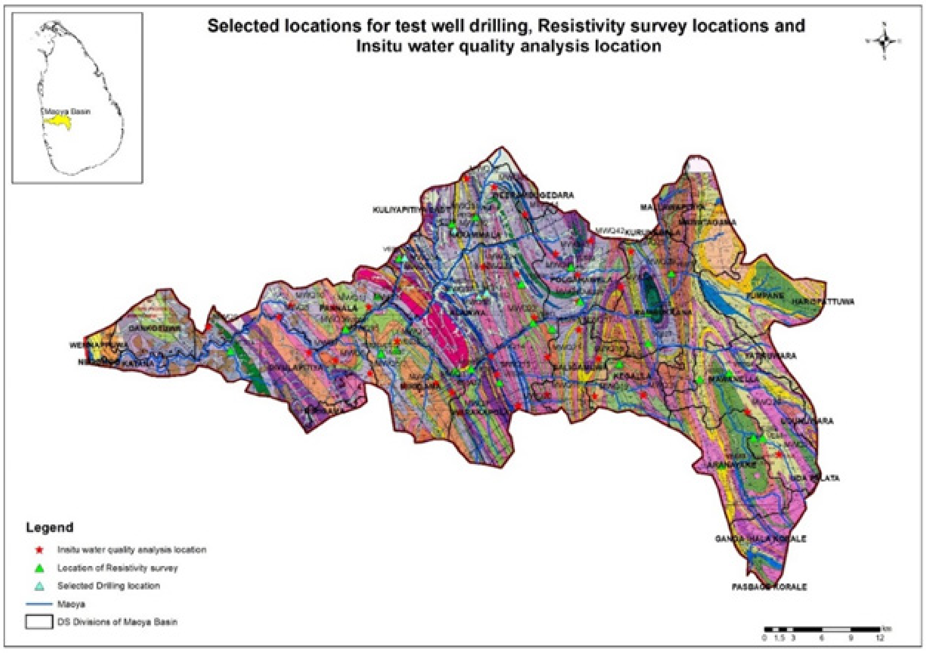


Figure 04: Completed activities in year 2021 and geology of the Maoya basin

Under these activities, target of the year 2021 and progress are as follows;

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
■ Hydrogeological assessment and identify of favorable zones for aquifer recharge within Ma -Oya basin	Desk study (Data Collection) and preparation of basin map		100%
	Quarterly water level monitoring & insitu analysis (260 nos.), biannual water sampling (130 for full chemical analysis & 30 for heavy metal analysis)	260 130 30	80%
	Geophysical Investigations (1D - 50 Nos. & 2D - 10 Nos) for identify of aquifer distribution & potential	50(1D) 10(2D)	90%
	Construction of exploration boreholes (15 Nos.) to determine aquifer properties & assess of possibility for Aquifer recharge	15	-
	Test Pumping (10 Nos) & identify of favorable zones for aquifer recharge	10	-
	Chemical Analysis (Chemical -150 Nos. & 30 Heavy metal)	150 30	-
	Data processing, analysis & report preparation		30%

1.4. Combine inspections on groundwater relating environment issues relating to groundwater depletion and pollution (INSP) - (Rs. 1.5 Million)

Expected benefits: Addressing for remediation and complicit resolution on issues of groundwater use

The project objective of this study is to identify environmental issues relating to groundwater depletion and pollution due to soil, gravel, rock, clay excavation, sand mining, industry activities and over extraction of groundwater. The studies and inspection were carried out with the coordination of Central Environmental Authority, DS offices, GSMB, NBRO and other relevant Agencies.

No.	Activity	Annual Target	Progress of year 2021
01	Meeting and Combine Inspection of groundwater resources	100	117%
02	Implementation of groundwater regulations (awareness programmes on community and stakeholder agencies)	25	28%

1.5. Improvement of scientific and other Capital works (ISOC)- (Rs. 4.0 Million)

Expected benefits: Enhance the operational efficiency by strengthening the institute

Under the above programme, following activities and targets are completed during year 2021.

No.	Activity	Annual Target	Progress of year 2021
01	Purchasing of portable multi parameters	01 nos.	100%
02	Purchasing of submersible pumps	03 nos.	85%
03	Maintenance of laboratory and geophysical equipment	-	100%
04	Purchasing of portable water level recorders	02 nos.	100%

1.6. Staff Training Programmes (Rs. 1.0 Million)

Expected benefits: Skill and capacity development of human resources

Under the above program staff trainings were organized by considering the different staff levels of the Water Resources Board to develop their skills and capacity build up related to their duties.

No.	Activity	Progress of year 2021
01	Training program for WRB staff	18%

Figure 05: Training on contract Administration & Procurement

1.7. Rehabilitation and improvement of WRB infrastructure - (Rs. 6.0 Million)

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

No.	Activity	Progress of year 2021
01	Machinery improvement	10%
02	Renovation of roof at Anuradhapura research and training center	50%
03	Restructuring of quarters Anuradhapura	60%
04	Renovation of sanitary facilities - Puttalam	50%

Construction of new staff circuit was implemented at the land premises of North Central/Central Provincial Office of Water Resources Board in year 2021. This was proposed to provide proper accommodation to working staff of Provincial Office in order to implement training programs to outside stakeholders.

Figure 06: Opening ceremony of construction of new staff circuit at Anuradhapura

Renovate entire roof of office and as at first stage, roof of female dormitory was started.

Figure 07: Renovation of roof of Provincial Office – Anuradhapura

(2). Ministry Funded Groundwater Development Projects

2.1. Potential realization of groundwater management and conservation in Jaffna peninsula. Phase 1 & II (Preparation of well inventory and hydrogeological assessment of Jaffna Peninsula) – (Rs. 2.34Million)

Expected benefits: Assessment of groundwater resources within Jaffna Peninsula and follow up awareness with long term management plans for sustained management of groundwater resources

Under the funds provided by the Ministry of Irrigation & Water Resources Management and Disaster Management, the well inventory project was implemented in the year 2017 and it was continuous in the year 2021. Under the project, all groundwater sources (Tube wells and Dug wells) are inspected, and that information will be entered into the WRB database. This is a baseline study, and it will help to make groundwater management policies for the peninsula.

Name of DS Division	Total No. of GN Divisions	Completed No. of GN Divisions	Inventories No. of wells
Karainagar	09	09	3,095
Sandillipay	28	28	17,797
Tellippalai	43	43	19,478
Uduvil	30	29	14,620
Jaffna	28	24	7,336
Velanai	30	15	4,803
Nallur	40	35	18,638
Kayts	15	-	840
Delft	06	05	450
Maruthankeny	17	-	400
Chavakachcheri	60	60	23,123
Karaveddy	35	17	2,441
Chankanai	25	15	5,656
Kopay	31	27	14,260
Point Pedro	35	12	5,436
Total			**138,373**

The following actives were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monitoring and collection of well data (Monitoring will be done with the help of School leavers & University students)	128%
02	Compilation of all data and preparation of well inventory summary report	80%
03	Final main report	75%
04	Awareness programmes in Jaffna for stake holders' group and community	30%

Figure 08: Monitoring and collection of well data

2.2. Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes in Yan – Oya Basin (Rs. 0.20 Million)

Expected benefits: Assessment of baseline Hydrogeological condition with respect to water quality and groundwater level within constructed irrigation scheme of Yan Oya reservoir area

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

The following activities were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monthly groundwater level monitoring & instu analysis (600) & water sampling (110)	44%
02	Data interpretation and report preparation	15%

Figure 09: Water sampling and well monitoring - Yan Oya basin

2.3. Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes in Malwathu oya Basin (Rs. 0.23 Million)

Expected benefits: Assessment of baseline hydrogeological condition with respect to water quality and groundwater level within proposed Malwathu Oya reservoir area

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

The following actives were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monthly groundwater level monitoring & instu analysis (600) & water sampling (110)	41%
02	Data interpretation and report preparation	15%

(3) Generated Funds

3.1. Groundwater development activities – 61.45 Million

The following commercial activities were performed on the requests made by Government and other organizations including public requirements. The progress of the year 2021 is given following table

No.	Activity	Annual Target	Progress of year 2021
01	Hydrogeological Surveys	300 nos.	106 %
02	Tube Well Constructions	100 nos.	34 %
03	Pumping Tests	150 nos.	79 %
04	Tube Well cleanings	05 nos.	40 %
05	Analysis of Water Samples	400 nos.	84 %

3.2. Implementation of groundwater regulation (Rs. 9.3 Million)

In this year, arrangements were made to implement new groundwater regulations under the gazette No 2010/23 dated 16th March 2017 and following activities were completed during the year 2021.

No.	Activity	Annual Target (nos.)	Progress of year 2021
01	Registration of External Hydrogeologist	20	70 %
02	Registration of drilling Company (included one drilling machinery)	140	70 %
03	Approval of external Hydrogeological reports.	800	83 %
04	Installation of Flowmeter	20	25 %

Establishment of Groundwater Monitoring Network - Pilot Project for Malwathu Oya, Maduru Oya & Kumbukkan Oya River Basins

The Project covers Malwathu Oya, Maduru Oya and Kumbukkan Oya basins where establishing of 150 monitoring locations and 20 rainfall stations. The selection of the monitoring locations is based on the hydrogeological condition, vulnerable areas where quality and groundwater depletion due to anthropogenic activities at present. Water level, Electrical conductivity, Nitrate and temperature are the basic parameters monitored with these automated systems. In addition, the heavy metal concentrations in groundwater are periodically assessed to understand the changes of contamination with time in the three basins.

During the project operations, the scope was changed with addition of Puttalam region & Jaffna Peninsula considering the importance of monitoring groundwater resources in these two regions as well. With this, the number of monitoring wells within each zone have been revised as follows.

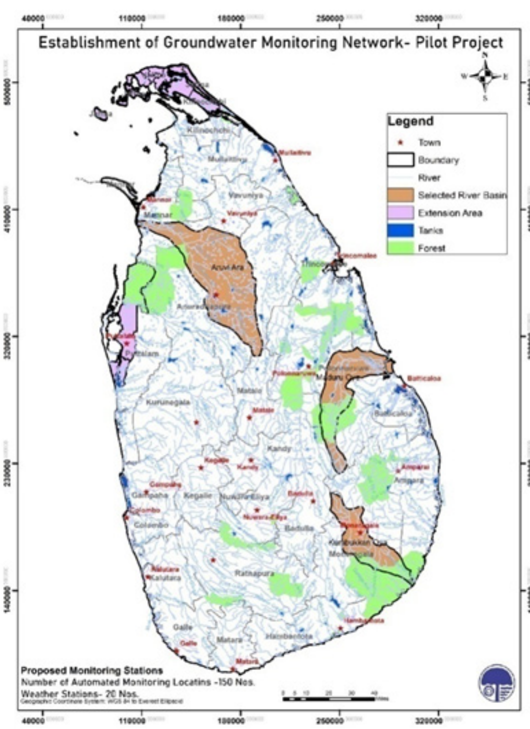
SN	River Basin	No of locations (Original Contract)	Number of locations - Revised
01	Malwathu Oya	150 wells over the three river basins	85
02	Kumbukkan Oya		20
03	Maduru Oya		20
04	Puttalam Region	Pilot areas added in variation of scope	25
05	Jaffna Peninsula		40 (Existing wells constructed by WRB are utilized with redesign)
Total monitoring locations - 190 (with addition of 40 existing wells in Jaffna)			

The existing monitoring wells constructed already by WRB has been utilized to develop as automated dedicated monitoring well (40 Nos.) in Jaffna Peninsular.

The main objective is to implement as an initiative step towards the establishment of National Groundwater Monitoring Network for Sri Lanka in order to collect more comprehensive and accurate real time data on (a) Groundwater Level (b) Water Quality.

The following output are to be fulfilled at the completion of the establishment of the networks,

- Forecast groundwater related issues
- Prompt remediations to the groundwater related issues in the basins
- Develop real time groundwater database for the basins as an initiative e basins country
- Implement & maintain of a proper groundwater management system for the country
- Provide data for decision makers, researchers, stakeholders and general public for awareness



The Pilot areas of the project

The major target Beneficiary group are the Groundwater dependent major & minor rural water schemes, domestic users, commercial entrepreneurs where groundwater being utilized as a raw commercial material, agriculture, industrial, mining, healthcare and forestry

Centralized Data management centre is to be located at the head office of Water Resources Board, Colombo where the data retrieval, processing, analysis and interpretations. This information is disseminated including the technical recommendations among the stake holders and implementing agencies for the final planning & management of these finite resources at sustainable levels with necessary guidelines whilst minimising the contamination as well.

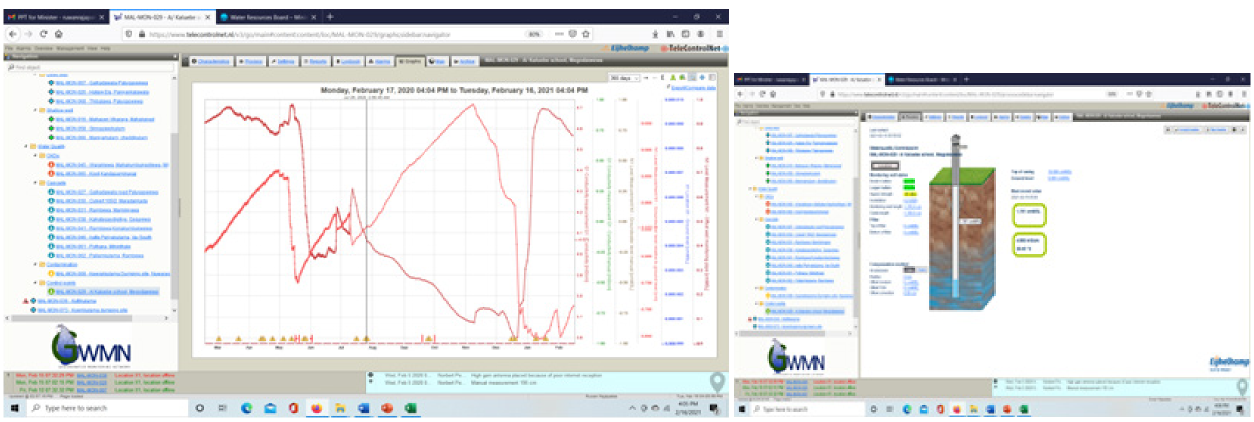
In addition, the grass root level community awareness is carried out to change their behaviours on the use and protection of groundwater resources from the anthropogenic contaminations.

The total cost of this pilot project is 20.63 Euro Millions which is funded as a soft loan by Rabo Bank, Netherlands. The activities commenced in 2018 and it is scheduled to complete by September 2022. The project is operated as a Turn-key project by the contractor "Royal Eijkelcamp" of Netherlands and it is executed under the Ministry of Irrigation and implemented by Water Resources Board where the local project Team is supervised for maintain of the standards as per the hydrogeological condition of the country.

Initial comprehensive desk study for identify the monitoring zones and Geophysical explorations to delineate the subsurface hydrogeology have completed within these three river basins as per the long-term monitoring objectives. At present, the dedicated monitoring well constructions & logger systems for automated monitoring (125 locations) have completed in the Malwathu Oya, Maduru Oya & Kumbukkan Oya river basins.

One of the monitoring well during the drilling and the head design and logger installation completed at Rambawa, Malwathu Oya river Basin

The drilling are in progress within the Puttalam region where 08 monitoring wells completed. The installation of automated sensor systems and centralized data centre is scheduled to be completed within the Puttalam & Jaffna by September 2022. The web portal development is almost completed where the automated data is received into this web portal.



The monitoring data of a location and monitoring well design viewed on the web portal for processing & interpretation

Drilling Division

Main Duties

Main duties of the drilling division are as follows.

- Construction of Deep Tube Wells
- Cleaning and Flushing of Tube Wells
- Installation of Hand Pumps
- Rehabilitation and Maintenance of Tube Wells
- Construction of Boreholes for Hydrogeological Research / Studies

The main activity of the drilling division is to construct deep or various types of tube wells to fulfill water demands of Sri Lankan society. All drilling works are conducted by drilling division in accordance with the job orders provided by the Hydrogeology and Operation division. Drilling division has enough technical knowledge as well as equipment/machineries to adopt two drilling methods such as Air drilling and Mud drilling. Consequently, W.R.B is able to construct deep tube wells at any problematic geological terrain in Sri Lanka.

At present, Drilling division has several number of employees who are managed by Assistant General Manager (Projects) and Drilling Manager. This division has 09 drilling officers who have comprehensive knowledge of drilling techniques.

Sonic Drilling

Sonic drilling is a relatively new technique, where a high-frequency vibration is combined with rotation to advance the drill stem. The core barrel is retrieved and the sample vibrated into a plastic sleeve or core trays. This technique is relatively continuous and undisturbed geological samples are obtained without the use of drilling fluids or other potential contaminations. This technique is best suited to drilling unconsolidated formations, but its depth capability is somewhat limited by current technology.

Two drilling officers are assigned to the Ground Water Monitoring Network project to get trained about drilling techniques from the Netherlands team. Water Resources Board is planning to begin Sonic drilling techniques after the finish of this ongoing project.

According to the above activities, following works have been completed during the year 2021.

PROGRESS SUMMARY OF DRILLING DIVISION – 2021

TUBE WELL DRILING & WELL CLEANING

Month	WASSIP	IGHP	Requested by the Minister	SICC	Commercial	Well Cleaning	Total
JANUARY	1	_	_	_	2	_	**3**
FEBRUARY	2	1	_	_	3	_	**6**
MARCH	1	_	_	_	7	1	**9**
APRIL	_	_	1	1	3	1	**6**
MAY	1	_	_	_	1	_	**2**
JUNE	_	_	_	_	1	_	**1**
JULY	1	_	_	_	4	3	**8**
AUGUST	_	_	_	_	3	_	**3**
SEPTEMBER	3	_	_	3	_	_	**6**
OCTOBER	2	_	_	5	7	_	**14**
NOVEMBER	2	_	_	_	9	_	**11**
DECEMBER	1	_	_	_	13	1	**15**
TOTAL	**14**	**1**	**1**	**9**	**53**	**6**	**84**

OIC Name	No of Constructed Tube Wells	No of Hand Pump Installtions	No of Basin Constructions	No of Cleaned Wells	No of Hand Pump Repairs	No of Rehabilitated Wells
A.M.C.P.B ALAHAKOON	11	_	-	2	_	_
J.P.C SANDARUWAN	10	1	1	3	_	_
C.B.S GUNATHILAKA	7	_	_	_	_	_
K.VIJITHARAN	5	_	_	_	_	_
J.J.M.P.K CHANDRASIRI	18	_	_	1	_	_
G.G.D NAYANAJITH	19	_	_	_	_	_
P.A.I BANDARA	8	_	_	_	_	_
N.T KALUWELGODA	-	_	_	_	_	_
TOTAL	**78**	_	_	**6**	_	_

Annual Progress of the 2021 Laboratories In WRB

Description of the water samples analysis and improvements of the Laboratory in Colombo & other three Laboratories during the year 2021 is forwarded for your information.

LABORATORY ANALYSIS

	Type of analysis	Number of water sample	Income (Rs.)
1	Chemical analysis (Full & Partial) : **Commercial**	436 (Colombo, Puttalam, Anuradhapura, Jaffna)	**1,711,560.00**
2	Microbiological analysis : **Commercial**	46 (Colombo, Puttalam, Anuradhapura, Jaffna)	
3	Chemical & Microbiology : **Treasury grant projects**	867 (Colombo, Puttalam, Anuradhapura, Jaffna)	
4	Heavy metal **Commercial**	(Colombo, Puttalam, Anuradhapura, Jaffna)	
5	Total income with VAT	All Laboratories excluding Treasury grant projects	**1,711,560.00**

DESCRIPTION OF THE ANALYSIS

1. CHEMICAL /MICROBIOLOGICAL ANALYSIS

Four hundred thirty six number of commercial water samples were tested for full & partial chemical analysis in four Laboratories of WRB. Forty six numbers of water samples tested for microbiologically during the year 2021. Total commercial Income of the Laboratories of WRB is 1.7 Million excluding Treasury grant & other projects.

Fig 1 : Microbiology Laboratory

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

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

Fig 2: Instrument (Atomic Absorption Spectrophotometer) using for Heavy metal analysis in water samples.

2. IMPROVMENTS:

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

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

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

Finance

The total income for the year concerned was Rs. 239.5 million. Rs. 171.8 million and Rs. 8.173 million were respectively received from the General Treasury as the recurrent and capital grant for the year 2021. The reported deficit in the year was Rs. 23.91 million.

Administration

The total number of staff of the Water Resources Board in the year 2021 was 265 nos. and 01 nos. employees were working on contract basis. 24 employees were recruited for permanent service. In this year, 04 nos. employees were resigned and 08 employees were retired. 03 employees deceased.

Human Resources Development

An action was taken to direct the employees to the training courses, in order to improve the productivity of the board. 2 nos. employees including executive officers were directed to short training.

Fleet of Transport

In the year concerned, the fleet of transport of the board was comprised with 68 nos. vehicles and out of which 63 nos. vehicles were in running condition. Those were mainly, cabs, cars, jeeps, lorries, and cranes.

Circuit Bungalow – Anuradhapura

The purpose of maintaining the circuit bungalow was to provide accommodation for the officers of the Water Resources Board and the Minister of the Water Supply in their official tours and spending their leisure time. Addition to that, an action was taken to provide accommodation for other government officers and general public.

Acknowledgement

The board is in pleasure to thank and place on record of appreciation to the Minister of Water Supply and State Minister of the Water Supply Secretary, officers and staff of the same Ministry, all the officers and consultants of the other government departments, board and corporations, foreign and private institutions. The active involvement and the loyal service rendered by the employees of the Water Resources Board are highly acknowledged.

Dr. J.D. Samarasinghe
Chairman
Water Resources Board

Financial Statements

WATER RESOURCES BOARD

Statement of Financial Performance

For the year ended 31 st December 2021	**NOTE NO**	**2021 Rs'000**	**Restated 2020 Rs'000**	**2020 Rs'000**	**Budget 2021 Rs'000**
Revenue from Operating Activities	01	53,597	77,554	75,934	76,538
Treasury Grants- Recurrent		171,800	181,500	181,500	174,000
Treasury Grants- Capital(Operational)	02	6,594	3,886	3,886	13,850
Other Income	03	7,562	5,088	5,088	4,650
Total Revenue		**239,553**	**268,028**	**266,408**	**269,038**
Administrative Costs	4.1	(192,276)	(203,907)	(203,907)	(193,800)
Supplies & Requisites	4.2	(20,506)	(17,563)	(17,563)	(19,120)
Contractual Services & Maintenance expenses	4.3	(27,185)	(28,653)	(28,653)	(27,760)
Other Operational Expenses	4.4	(6,658)	(6,732)	(6,732)	(6,838)
Other Project Expenses	4.5	(1,374)	(7,705)	(7,705)	(2,970)
Treasury Grants - Capital (Research Studies)	4.6	(6,594)	(3,886)	(3,886)	(13,850)
Depreciation		(8,870)	(10,021)	(10,021)	(9,000)
Total Expenses		**(263,463)**	**(278,467)**	**(278,467)**	**(273,338)**
Surplus / (Deficit) from Operations		**(23,910)**	**(10,439)**	**(12,059)**	**(4,300)**
Tax		-	(534)	(534)	(500)
Surplus / (Deficit) for the period		**(23,910)**	**(10,973)**	**(12,593)**	**(4,800)**

WATER RESOURCES BOARD

Statement of Financial Position

As at December 31, 2021	NOTE NO.	2021 Rs'000	Restated 2020 Rs'000	2020 Rs'000
ASSETS				
Current assets				
Cash and cash equivalents	05	93,988	116,677	116,677
Trade and other receivables	06	39,859	34,652	33,461
Inventories	07	132,209	132,756	132,756
Prepayments	08	4,496	97	97
		270,552	**284,182**	**282,991**
Non - current assets				
Property,Plant & Equipment	09	369,225	521,496	521,796
		369,225	521,496	521,796
TOTAL ASSETS		**639,777**	**805,678**	**804,787**
LIABILITIES				
Current liabilities				
Other Provisions & Payables	10	21,027	26,263	14,157
Deferred Income (Advances for Services)	11	29,812	19,625	19,625
		50,839	**45,888**	**33,782**
Non - current liabilities				
Retirement Benefit Obligations	12	59,089	72,644	72,644
Deferred Income (For Government Grants)	13	334,244	478,574	478,529
		393,333	551,218	551,173
TOTAL LIABILITIES		**444,172**	**597,106**	**584,955**
NET ASSETS		**195,605**	**208,572**	**219,832**
NET ASSETS / EQUITY				
CAPITAL & RESERVES				
Contributed Capital	14	489,891	489,891	489,891
Other Grants	14	-	-	
Accumulated Profit/(Deficit)	14	(313,786)	(300,819)	(289,559)
Revaluation Reserve	14	19,500	19,500	19,500
TOTAL NET ASSETS / EQUITY		**195,605**	**208,572**	**219,832**

The Accounting Policies and the Notes from pages 06 To 20 form an integral part of these Financial Statements.

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

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

Eng. H.C.J. Thilakarathna
General Manager (Acting)

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

Dr. J.D. Samarasinghe
Chairman
15 th February 2022
WATER RESOURCES BOARD

R B C Rathnamalala
Board Director

Statement of Changes in Net Assets/ Equity

For the Year Ended December 31, 2021

NOTE : 14

	Contributed Capital Rs'000	Other Grants Rs'000	Revaluation Reserve Rs'000	Accumulated Profit/Deficit Rs'000	Total Rs'000
YEAR - 2020					
Balance as at 31st December 2019 B/F	**256,618**	**235,227**	**4,400**	**(274,549)**	**221,696**
Adjustments made for prior period events	-	-	-	55	55
Restated Balance	256,618	235,227	4,400	(274,494)	221,751
Surplus / (Deficit) for the period	-	-	15,100	(12,593)	2,507
Work in Progress transfers.		(1,954)	-	-	(1,954)
Other Grants trasnferred to Contributed Funds	233,273	(233,273)	-	-	-
Actuarial Gain/(Loss) on retirement benefit obligation	-	-	-	(2,472)	(2,472)
Balance as at 31st December 2020	**489,891**	**-**	**19,500**	**(289,559)**	**219,832**
YEAR - 2020 (RESTATED)					
Balance as at 31st December 2019 B/F	**256,618**	**235,227**	**4,400**	**(274,549)**	**221,696**
Adjustments made for prior period events				(12,825)	(12,825)
Restated Balance	256,618	235,227	4,400	(287,374)	208,871
Surplus / (Deficit) for the period			15,100	(10,973)	4,127
Work in Progress transfers.		(1,954)	-	-	(1,954)
Other Grants trasnferred to Contributed Funds	233,273	(233,273)		-	-
Actuarial Gain/(Loss) on retirement benefit obligation				(2,472)	(2,472)
Balance as at 31st December 2020	**489,891**	**-**	**19,500**	**(300,819)**	**208,572**
YEAR - 2021					
Balance as at 31st December 2020 B/F	**489,891**	**-**	**19,500**	**(300,819)**	**208,572**
Adjustments made for prior period events				-	-
Restated Balance	489,891	-	19,500	(300,819)	208,572
Surplus / (Deficit) for the period				(23,910)	(23,910)
Actuarial Gain/(Loss) on retirement benefit obligation				10,943	10,943
Balance as at 31st December 2021	**489,891**	**-**	**19,500**	**(313,786)**	**195,605**

Note:

Board approval has given by the Board Paper No. 1295 (780th meeting dated 16th December 2020) to amalgamate the Balance amount of other Grants with the Contributed Capital for fair presentation of Financial Statements

CASH FLOW STATEMENT FOR YEAR ENDED 31 DECEMBER 2021

	2021 Rs'000	Restated 2020 Rs'000	2020 Rs'000
Cash Flows from operating activities			
Surplus / [Deficit] for the year before Treasury Grants (Recurrent)	(195,710)	(191,939)	(193,559)
Add: Treasury Grants received (Recurrent)	171,800	181,500	181,500
Surplus / [Deficit] before Tax for the year	**(23,910)**	**(10,439)**	**(12,059)**
Work In Pro.(Buildings) adjustments	-	207	207
Less: Prior Year adjustments	(864)	-	-
	(24,774)	**(10,232)**	**(11,852)**
Non Cash Movements			
Depreciation	8,870	10,021	10,021
Increase in Provisions to Gratuity	9,942	12,915	12,915
[Decrease] / Increase in payables	4,673	5,697	5,697
[Decrease] in Other Current Assets	(3,852)	10,457	10,457
Gain / [Losses] on sale of Property plant & Equipment's	(20)	(791)	(791)
[Decrease] / Increase in receivables	(5,190)	4,615	6,235
	(10,351)	**32,682**	**32,682**
Interest received for gratuity & bank Savings	(3,178)	(3,637)	(3,637)
Tax Paid	-	-	-
Net cash flows from operating activities	**(13,529)**	**29,045**	**29,045**
Cash Flows from Investing activities			
Proceeds from sale of Property Plant & Equipments	-	867	867
Purchase of Property Plant & Equipment's	(2,489)	(3,306)	(3,306)
Interest received for gratuity & Bank Savings	3,178	3,637	3,637
Payment of gratuity	(11,428)	(16,024)	(16,024)
Net cash flows from Investing activities	**(10,739)**	**(14,826)**	**(14,826)**
Cash Flows from financing activities			
Government Grants [Capital for Property Plant & Equipments]	1,579	2,664	2,664
Net cash flows from financing activities	**1,579**	**2,664**	**2,664**
Net Increase/[decrease] in cash & cash Equivalents	**(22,689)**	**16,883**	**16,883**
Cash & Cash Equivalents at beginning of Period	116,677	99,794	99,794
Cash & Cash Equivalents at end of Period	**93,988**	**116,677**	**116,677**

- **NOTES TO THE CASH FLOW STATEMENT**

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

	2021 Rs'000	Restated 2020 Rs'000	2020 Rs'000
Current Account Balances with Banks	**82,575**	**96,583**	**96,583**
Savings with National Savings Bank	**11,413**	**20,094**	**20,094**
	93,988	**116,677**	**116,677**

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

TREASURY GRANT RELEASES RECONCILIATION - YEAR 2021

Disclosed Statement

		Releases (Rs. 000)	As per Treasury Printout (Rs. 000)	Provision for the year (Rs. 000)
01	**RECURRENT GRANT**			
	Vote: 166-01-02-4-1503			
	Financial Performance	171,800	171,800	190,000
		171,800	**171,800**	**190,000**
02	**CAPITAL GRANT**			
	Vote: 166-01-02-4-2201			
	Financial Performance - Operational	6,594	20,000	20,000
	Statement of Financial Position (for purchase of assets)	1,579	-	-
		8,173	**20,000**	**20,000**

NOTES TO THE FINANCIAL STATEMENTS & ACCOUNTING POLICIES

1. Corporate Information

General

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

Principal Activities and Nature of Operations

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

Directors Responsibility Statement

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

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

No.288/12L, Royal Gardens, Sri Jayewardenepura Mawatha, Rajagiriya.

2. Significant Accounting Policies

2.1. Statement of Compliance

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

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

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

2.2. Basis of Preparation

The Financial Statements are prepared on the Historical Cost Basis.

2.3. Functional and Presentation Currency

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

3. Assets and Basis of their Valuation

3.1 Property,Plant&Equipment

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

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

Buildings in Lease hold land

The buildings which are constructed using own funds or granted to the WRB land which has leased for 30 years are accounted under Property, Plant and Equipment.

3.2 Revaluation Model

The board applies the revaluation model for the entire class of freehold land for measurement of initial recognition. All the other class of assets are being revalued when there is a substantial difference between the fair value and the carrying amount or where these come down to the zero level of net book balance.

When assets are being disposed, the revaluation reserves relevantfor the particular assets would be transferred to retained earnings.

3.3 Depreciation

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

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

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

3.4 Government Grants

Assets received by way of grants from treasury, line ministry and other related government projectsare recognized under

Income Approach. Differedincome (related to Government Grants) will be set off against depreciation account in the Statement of Financial Performance on a systematic basis over the life of the assets.

3.5 Inventories

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

3.6 Receivables

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

3.6.2 Bad and Doubtful Debts.

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

4. Accounts Payables and AccruedExpenses

Trade and other payables are stated at cost.

4.1 Deferred Income

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

4.2 Provisions

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

5. Revenue Recognition

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

Major sources of income

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

Other income

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

Interest Income

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

6. Employee Benefits

6.1 Defined Benefit Plan

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

Such Actuarial valuations will be carried out every year.The liability to an employee arises from their date joined.

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

Plan Asset

The liability is not externally funded. The Water Resources Board maintain aseparate Savings Accountin National Savings bank for the purpose of funding the defined benefit obligation of the Board.

6.2 Defined Contribution Plans – EPF & ETF

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

7. Taxation

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

8. Research Studies Expenses.

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

9. Cash Flow Statement

The Cash Flow Statement is prepared using the indirect method as stipulated in SLPSAS 02 Cash Flow Statement,

Where by gross cash receipts and gross cash payments of operating activities, financing activities and investing activities have been recognized. Cash and cash equivalents comprise mainly balances with banks.

10. Events after the reporting period

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

11. Foreign Funded Projects.

Establishment of Groundwater Monitoring Network - Pilot Project for Malwathu Oya, Maduru Oya & Kumbukkan Oya River Basins.

The Project covers Malwathu Oya, Maduru Oya and KumbukkanOya basins where establishing of monitoring points increased to 190 locations with addition of new pilot areas of Puttalam and Jaffna Peninsula. Ground water level, Electrical conductivity and temperature are the basic parameters monitored with these automated systems. In addition, the heavy metal concentrations in ground water are periodically assessed.

The main objective is to implement as an initiative step towards the establishment of National Groundwater Monitoring Network for Sri Lanka in order to collect real time data on (a) Groundwater Level (b) Water Quality. A centralized Data management centre is to be located in Colombo. In addition, grass root level community awareness is carried out to change the attitudes on the use and protection of groundwater resources.

The total cost of this pilot project is 20.63 Euro Millions which is funded as a soft loan by Rabo Bank, Netherlands. The activities commenced in 2018 and it is scheduled to completed by the September 2022. The project is operated as a Turn-key project by the contractor “Royal Eijkelcamp” of Netherlands and executed under the Ministry of Irrigation as per the project proposal submitted by Water Resources Board. The payments are recommended by the Project Director for the project activities successfully completed as per the work plan on quarterly basis.

Identifying of potential monitoring sites were completed within the three river basins.

At present, the dedicated monitoring well constructions in MalwathuOya, MaduruOyaand Kumbukkan Oyabasinshas been completed. In addition, the drilling of wells at Puttalam area is in progress. The existing monitoring wells constucted already by WRB has been uitilized to developas automted dedicated monitoring well (40 Nos.) in Jaffna Penisula.The installation of 121 automated sensor systems are completed at Malwathu Oya, MaduruOya and KubukkanOyarive basins Installation of the balance monitoring systems and centralized data centre is scheduled to be completed by September 2022.

NOTES TO THE FINANCIAL STATEMENTS.

REVENUE FROM OPERATING ACTIVITIES

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
NOTE NO:01				
HYDRO: INVESTIGATIONS / EXPLORATION				
Hydro Geological Survey	13,958	17,969	17,519	12,000
Tube Well Construction	15,831	28,042	28,042	32,000
Pumping Tests	12,277	12,381	12,381	16,000
Tube Well Cleaning	198	859	859	250
Water Sample Analysis	1,712	2,923	1,753	1,200
Sub Total	**43,976**	**62,174**	**60,554**	**61,450**
IMPLMENTATION OF GROUNDWATER REGULATIONS				
Registration of Drilling Machines	5,560	5,607	5,607	7,600
Registration of External Hydrogeologists	455	415	415	500
Hydrogeological Reports Income	684	233	233	800
Flow Meters Installation Income	54	111	111	400
Sub Total	**6,753**	**6,366**	**6,366**	**9,300**
GROUNDWATER DEVELOPMENT				
Ground Water Study in Jaffna Peninsula	1,235	2,442	2,442	2,340
Ground Water Monitoring Project - Malwathu Oya	58	369	369	230
Ground Water Monitoring Project - Yan Oya	66	397	397	200
Groundwater Management of Malwathu Oya Basin (CRIWMP)	1,509	1,450	1,450	3,018
Accelerated Deve: Programme (T/Wells)	-	3,461	3,461	-
Improvements of Laboratory & Training Centre - A,pura	-	895	895	-
Sub Total	**2,868**	**9,014**	**9,014**	**5,788**
GRAND TOTAL	**53,597**	**77,554**	**75,934**	**76,538**

NOTE NO: 02
TREASURY GRANT - CAPITAL
(RESEARCH STUDIES - OPERATIONAL)

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
Long Term G. W. monitoring in most sensitive G.W. terrains	3,000	1,178	1,178	3,000
Study on the direct & indirect impacts of climatic changes	1,093	249	249	2,000
Inspections relating to G. water depletion & pollutions	236	204	204	1,500
Improvements of scientific & other capital works	1,191	832	832	1,150
Research Study on natural springd - Maoya	355	-	-	2,500
Rehabilitation & Improvements works	579	1,186	1,186	2,700
Staff Training	140	237	237	1,000
GRAND TOTAL	**6,594**	**3,886**	**3,886**	**13,850**

NOTE NO:03
OTHER INCOME

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
Circuit Bungalow Reservation	68	90	90	50
Fines & Surcharges	3,322	4	4	200
Disposal Income	21	791	791	500
Interests on Loans & Bank Deposits	3,178	3,637	3,637	2,600
Staff Accommodation Income	90	141	141	100
Vehicle Service Income	-	-	-	200
Sundry Income	883	425	425	1,000
GRAND TOTAL	**7,562**	**5,088**	**5,088**	**4,650**

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2021	Restated 2020	2020	Budget 2021
NOTE NO:4.1	**Rs.'000**	**Rs.'000**	**Rs.'000**	**Rs.'000**
ADMINISTRATIVE COSTS				
Salaries & Wages	148,170	153,034	153,034	150,000
Defined Contribution Plan (Cost - EPF & ETF)	19,970	21,026	21,026	20,000
Defined Benefit Plan Cost - Retiring Gratuity	9,942	12,916	12,916	10,000
Overtime & Holiday Pay	9,468	11,686	11,686	8,000
Director's Fees	205	213	213	300
Other Allowances	145	106	106	150
Travelling - Local	2,709	2,857	2,857	3,300
Travelling - Overseas	-	-	-	50
Welfare & Sports facilities	231	243	243	300
Medical Scheme	712	744	744	900
Entertainment	558	750	750	650
Vacation Leave Encashment	166	332	332	150
GRAND TOTAL	**192,276**	**203,907**	**203,907**	**193,800**

NOTE NO: 4.2				
SUPPLIES REQUISITES				
Fuel & Lubricants	13,307	12,934	12,934	11,200
Drilling Works Consumables	6,408	2,221	2,221	6,500
Laboratory Consumables & Others	697	2,194	2,194	1,250
Other Consumables	94	214	214	170
GRAND TOTAL	**20,506**	**17,563**	**17,563**	**19,120**

NOTE NO: 4.3				
CONTRACTUAL SERVICES & MAINTENANCE EXPENSES				
Postage & Telecommunication	1,757	1,855	1,855	1,500
Electricity	2,477	3,094	3,094	3,000
Building Rent & Leases	9,369	4,230	4,230	10,000
Rates & Taxes	634	861	861	900
Cash in Transit Insurance	12	12	12	10
Audit Fees	504	471	471	400
Printing	364	312	312	600
Workshop & Seminars	77	46	46	50
Water Bills	332	262	262	300
Accommadation Expenses	238	625	625	500
Consultancy Charges	613	668	668	500
Sundry Expenses	1,206	732	732	700
Maintenance of Motor Vehicles	2,911	4,658	4,658	3,000
Maintenance of Machinery	3,157	6,822	6,822	2,800
Maintenance of Office Equipments	2,095	2,820	2,820	2,000
Maintenance of Buildings	1,439	1,185	1,185	1,500
GRAND TOTAL	**27,185**	**28,653**	**28,653**	**27,760**

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
NOTE NO:4.4				
OTHER OPERATING EXPENSES				
Stationery & Office Requisites	708	604	604	400
Uniforms	368	388	388	200
Periodicals & Newspapers	47	64	64	100
Publicity & Advertising Expences	670	775	775	700
Bank Charges	118	123	123	130
Medical Test Charges	207	150	150	250
Legal Expenses	67	20	20	50
Stamp Duty	75	76	76	100
Vehicle Service - Ratmalana	74	176	176	500
Hiring Charges	5	64	64	80
Fines & Surcharges	43	16	16	48
Operating Lease Rentals	4,276	4,276	4,276	4,280
GRAND TOTAL	**6,658**	**6,732**	**6,732**	**6,838**

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
NOTE NO: 4.5				
OTHER PROJECT EXPENSES				
Ground Water Study In Jaffna Peninsula	1,235	2,442	2,442	2,340
Ground Water Monitoring Project - Malwathu Oya	58	369	369	230
Ground Water Monitoring Project - Yan Oya	66	397	397	200
Groundwater Management of Malwathuoya Basin - (CRIWMP)	15	141	141	200
Construction of Tube Wells under Accelerated Deve: Programme	-	3,461	3,461	-
Accelerated Deve: Programme (T/Wells)	-	895	895	-
GRAND TOTAL	**1,374**	**7,705**	**7,705**	**2,970**

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000	Budget 2021 Rs.'000
NOTE NO: 4.6				
TREASURY GRANT - CAPITAL				
(RESEARCH STUDIES - OPERATIONAL)				
Long Term G. W. monitoring in most sensitive G.W. terrains	3,000	1,178	1,178	3,000
Study On the direct & Indirect Impacts Of Climate Changes	1,093	249	249	2,000
Inspections relating to G. water depletion & pollutions	236	204	204	1,500
Improvements of scientific & other capital works	1,191	832	832	1,150
Research Study on natural springd - Maoya	355	-	-	2,500
Rehabilitation & Improvements works expenses	579	1,186	1,186	2,700
Staff Training	140	237	237	1,000
GRAND TOTAL	**6,594**	**3,886**	**3,886**	**13,850**

NOTES TO THE FINANCIAL STATEMENTS CONTD.

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
NOTE NO:05			
CASH & CASH EQUIVALENTS			
(1) Bank of Ceylon York Street Branch (0002026295)	5,028	591	591
(2) Bank of Ceylon Torrington Branch (0002323267)	76,390	94,905	94,905
(3) Bank of Ceylon Torrington Branch (0002323268)	615	11	11
(4) Bank of Ceylon Torrington Branch (0005342839)	542	1,076	1,076
Sub Total	**82,575**	**96,583**	**96,583**
EMPLOYEE BENEFIT - PLAN ASSET			
(5) National Savings Bank -Bambalapitiya (100230211818)	11,413	20,094	20,094
GRAND TOTAL	**93,988**	**116,677**	**116,677**

NOTE:- FUND MNAGEMENT ACCOUNT

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

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
NOTE NO:06			
TRADE & OTHER RECEIVABLES			
STAFF			
(01) Distress Loan	22,410	20,859	20,859
(02) Festival Advance	30	20	20
Sub Total	**22,440**	**20,879**	**20,879**
OTHERS			
(03) Trade	10,462	7,214	6,683
(04) Advance to Suppliers	189	33	33
(05) Retention Receivable	3,846	3,418	3,915
(06) V.A.T. Receivable (Refund)	1,263	1,263	1,263
(07) Other Receivables	1,659	1,727	1,727
(08) Shortage of Stocks	-	118	118
Sub Total	**17,419**	**13,773**	**13,739**
TOTAL RECEIVABLES	**39,859**	**34,652**	**34,618**
(09) Less : V.A.T Payable	-	-	(1,157)
GRAND TOTAL	**39,859**	**34,652**	**33,461**

NOTE NO: 07
INVENTORIES

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
MATERIALS & SPARES			
Vehicle Spares	2,435	2,504	2,504
Vehicle Spares (DSWRPP)	1,992	2,037	2,037
Fuel & Lubricants	1,681	1,304	1,304
Ground Water Consumables	26,538	25,825	25,825
Building Materials	723	908	908
Stationery	367	440	440
Machinery Spares (with 2 KR)	56,211	56,662	56,662
Machinery Spares (DSWRPP)	37,110	38,464	38,464
Machinery Spares (MINISTRY)	2,411	2,415	2,415
Laboratory Consumables	2,741	2,197	2,197
GRAND TOTAL	**132,209**	**132,756**	**132,756**

NOTE NO:08
PRE-PAYMENTS

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
Stamp Duty	24	88	88
Cash In Transits	9	9	9
Others	4,463	-	-
GRAND TOTAL	**4,496**	**97**	**97**

PROPERTY, PLANT & EQUIPMENT
NOTE: 09

Cost	Balance as at 01.01.2021 Rs'000	Additions Rs'000	Disposal / Adjustments Rs'000	Balance as at 31.12.2021 Rs'000
Lands	1,897	-	-	1,897
Buildings	12,779	37,811	-	50,590
Motor Vehicles	130,500	-	-	130,500
Machinery	485,207	1,004	-	486,211
Laboratory Equipments	122,807	-	(32,536)	90,271
Furniture Fittings & Office Equipments	27,287	811	(1)	28,097
Computers & Accessories	11,461	16	-	11,477
Scientific Equipments	87,430	570	-	88,000
Buildings (Work in Progress)	1,384	114	(300)	1,198
GRAND TOTAL	**880,752**	**40,326**	**(32,837)**	**888,241**

Depreciation	Balance as at 01.01.2021 Rs'000	Additions Rs'000	Disposal / Adjustments Rs'000	Balance as at 31.12.2021 Rs'000
Buildings	1,253	639	-	1,892
Motor Vehicles	-	32,603	-	32,603
Machinery	255,047	97,126	-	352,173
Laboratory Equipments	41,463	19,612	(11,949)	49,126
Furniture Fittings & Office Equipments	4,140	2,751	-	6,891
Computers & Accessories	6,779	1,704	-	8,483
Scientific Equipments	50,274	17,574	-	67,848
GRAND TOTAL	**358,956**	**172,009**	**(11,949)**	**519,016**
NET BOOK VALUE	**521,796**			**369,225**

NOTES TO THE PROPERTY PLANT & EQUIPMENT
cont.... NOTE: 09

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

Depreciation	Charges for the Year Rs'000	Deferred Income for the Year Rs'000	Disclosed Amount Rs'000
Buildings	639	326	313
Motor Vehicles	32,603	28,830	3,773
Machinery	97,126	96,950	176
Laboratory Equipments	19,612	19,509	103
Furniture Fittings & Office Equipments	2,751	1,255	1,496
Computers & Accessories	1,704	546	1,158
Scientific Equipments	17,574	15,723	1,851
GRAND TOTAL	**172,009**	**163,139**	**8,870**

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

03 An extent of 40.0 perches land at Battaramulla has allocated from the Urban Development Authority to the Water Resources Board for the period of 30 years on ground rental basis and commencement of construction of Head office building is in progress.

04 Land 0f Circuit Banglow at Anuradhapura (0.0759 Hect.) ha been transferred for a period of 30 years on lease basis by the Gazette notification no 1982 dated 26.08.2016.
The provision has not been made due to unavailability of Annual assessment notice.

05 Details of the Land & Buildings which are utilizing of the Board without having legal ownership as at 31.12.2021 are as follows.

LAND	(Appox.)
Work Shop at Rathmalana	1.79378 Hect.
Work Site at Vauniya	0.1050 Hect.

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

NOTES TO THE FINANCIAL STATEMENTS CONTD;

NOTE NO:10

OTHER PROVISIONS & PAYABLES

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
(1) Provision for Audit Fees	450	732	732
(2) Accrued Expenses (Pl. see Page No.21 for details)	9,339	9,428	9,428
(3) Other Payables	11,238	16,063	3,957
(4) Retention Payable	-	40	40
GRAND TOTAL	**21,027**	**26,263**	**14,157**

NOTE NO:11

DEFERRED INCOME			
Flow Meter Advance	-	677	677
Service Advance (Pl.see Page No. 26 to 27 for details)	29,773	18,897	18,897
Survey Reports Advance (Pl. See Page No. 28 for details)	39	51	51
GRAND TOTAL	**29,812**	**19,625**	**19,625**

NOTE NO:12

EMPLOYEE BENEFITS

12.1 Defined Contribution Plans

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

Employees' Provident Fund

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
Employers' Contribution - 12%	15,976	16,821	16,821
Employees' Contribution - 10%	13,313	14,018	14,018
	-		
Employee Trust Fund - 3%	3,994	4,205	4,205

12.2 Defined Benefit Plan

	2021 Rs.'000	Restated 2020 Rs.'000	2020 Rs.'000
Defined Benefit obligation as at beginning of the Year	72,644	73,281	73,281
Interest cost for the Period	5,812	7,694	7,694
Current Service cost	4,130	5,221	5,221
Actuarial (Gain)/Loss	(10,943)	2,472	2,472
Benefit paid during the year	(11,428)	(16,024)	(16,024)
Benefit Payable	(1,126)	-	-
	59,089	**72,644**	**72,644**

12.2.1 Expense recognized during the year in Income Statement

Current Service Cost	4,130	5,221	5,221
Interest cost for the Period	5,812	7,694	7,694
	9,942	**12,915**	**12,915**

Equity Statement - (Please see page No.03)

Actuarial Gain / (Loss) on Retirement benefit obligation	**10,943**	**(8,471)**	**(2,472)**

12.2.2. An actuarial valuation for gratuity liability was carried out as at 31.12.2021 by Mr.Poopalanathan of Ms. Actuarial & Management Consultants (Pvt) Ltd, a firm of Professional Actuaries.

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

	2021	**2020**
Discount rate	11.5%	8.0%
Salary Increment rate	9.5%	7.0%
Staff Turnover Rate	3.0%	8.0%

NOTES TO THE FINANCIAL STATEMENTS CONTD.

12.2.3 Defined benefit plan

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

The normal retirement age of an individual is assumed to be 62 years and employees over 62 years are assumed to retire on their respective next birthdays.

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

12.2.4 Sensitivity Analysis

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

	2021	
	Increase by +1% Rs. '000'	**Decrease by -1% Rs. '000'**
Discount rate	54,354	64,562
Salary increment rate	63,775	54,970

	2021	**Restated 2020**	**2020**
	Rs'000	**re'000**	**re'000**
NOTE NO:13			
Deferred Income (Pl. see Page No.20 for details*	**334,244**	**478,574**	**478,529**

NOTE NO:14

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

NOTE: 13

Deferred Income

	Balance as at 01.01.2021	Additions During the Year	Charges for the Year		Balance as at 31.12.2021
			Depreciation	Revaluation Adjustments/ Disposal	
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Lands	-	-	-	-	-
Buildings	6,521	37,812	(326)	-	44,007
Motor Vehicles	115,400	-	(28,830)	-	86,570
Machinery	229,562	920	(96,950)	-	133,532
Laboratory Equipments	81,024	-	(19,509)	(20,586)	40,929
Furniture Fittings & Office Equipments	11,051	-	(1,255)	-	9,796
Computers & Accessories	1,569	-	(546)	-	1,023
Scientific Equipments	33,447	549	(15,723)	-	18,273
Building Work in Progress	-	114	-	-	114
GRAND TOTAL	**478,574**	**39,395**	**(163,139)**	**(20,586)**	**334,244**

EFFECT ON THE FAIR VALUE OF PROPERTY PLANT & EQUIPMENTS.

	YEAR 2020	YEAR 2018	YEAR 2017	YEAR 2016	
		Surplus	Deficit	Surplus	Deficit
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Motor Vehicles	15,100	-	-	916	-
Machinery	-	-	-	-	5,317
Laboratory Equipments	-	-	-	-	631
Furniture Fittings & Office Equipments	-	3,228	-	-	-
Computers & Accessories	-	-	-	256	-
Scientific Equipment	-	-	242	-	-
GRAND TOTAL	**15,100**	**3,228**	**242**	**1,172**	**5,948**
Effect	Financial Position	Financial Position	Income Statement	Financial Position	Income Statement

Auditor General's Report

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය } எனது இல. My No. } ඔබේ අංකය உமது இல. Your No. } දිනය திகதி Date }

Chairman
Water Resources Board

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Water Resources Board for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above report is attached herewith.

W.P.C. Wickramaratne
Auditor General

Copy:
01. Secretary - Ministry of Irrigation
02. Secretary - Ministry of Finance

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எனது இல.
My No.

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date
2022 July 11

Chairman
Water Resources Board

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Water Resources Board for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Water Resources Board for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of comprehensive income, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

Although District Secretary, Thimbirigasyaya informed to obtain a license yearly with the payment of Rs. 12,772,000 for an annum from 2013 for the premises of the Water Resource Board who carrying out the Head office at the Hector Kobbekaduwa Mawatha since 1978, The District Secretary has been launched a legal complaint against Water Board at the High court, Colombo on 2019 because of not acted accordingly. After the judgment advice to District secretary of the Thimbirigasyaya come to the compromise of the ownership of the premises, despite of the judgment of the Attorney General the water board shipped over to rented premises from where the water Board carried out the Head office for last 45 years from 2021 July 18. The Water Board has not been disclosed the enforcement on monitory and management in the Financial Statement.

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 The report contained the other information's in the Council of annual report on 2021

The management should responsible for the other information that has been describe as other information included in the Annual report but not included in the financial statement as well as my audit report which I received one day before for this annual report of Council on year 2021.

I am not covering the other information when I expressing the opinion of the financial statement and I am not responsible or not expressing any opinion about the other information.

In connection with the audit of these financial statements, it is my responsibility to disclose any other information as described above and thereby consider whether other information is sufficient to the best of my knowledge obtained with the financial statements or during the audit or in any other way.

1.4 Responsibilities of Management and Those in charge with Governance for the Financial Statements

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

2. Report on Other Legal and Regulatory Requirements

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

2.1.1 Except for the effect of the matters described in the Basis for Qualified Opinion paragraph, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Board as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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

2.2.1 To state that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Board which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018

2.2.2 To state that the Board has not complied with any applicable written law, general and special directions issued by the governing body of the Board as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018

Reference to law/ Direction	Description
(a) Gazette Extraordinary No. 2010/23 of 16 March 2017	
Order No: 01	written approval of the Water Resources Board should be taken for cultivation wells with a diameter of 4 meters or more to be built for agricultural purposes, no approval has been obtained from the Board for any cultivation well so far.
(b) Order No: 02	(i). All Tube ling construction Institutions Engaged in Water Resources Board, Although they are required to be registered with the board, only 67 institutions were registered by the end of the year under review. Also, the organization has not taken adequate measures to identify the unregistered organizations.

	(ii). The above registered organization should provide a report containing the data of all new construction of deep or shallow tubewells to the Water Resources Board every 03 months, but none of the 67 registered organizations had submitted the above report until now.
(c) Order No: 03	(i). If any state of local government agency, non-governmental organization, agency or person engaged in the water bottling industry and beverage production uses a natural water source or ground water for its production activities, a water sample of that source of water should be taken every 6 months accepted by the government. Although a laboratory test should be done and the relevant analysis report submitted for approval at the end of the year under review, 40 institutions had registered with the board, but none of the institutions had given the above reports to the board.
	(ii). A status report (Perimeter Protection Report) regarding the relevant water source should be obtained from the Water Resources Board for projects that obtain 30,000 liters of groundwater per month for commercial agriculture or industries. According to its provisions, non of the institution had received the relevant status report.
(d) Order No: 05	Establishments or places where production and service activities are carried out using natural water source or ground water, with or without prior notice, at any reasonable time of the day can enter and inspect the said

	production or service places. No on-site inspection was conducted in 40 water bottling plants.
(c) Order No: 06	Necessary measures have not been taken in terms of Section 20 of the Water Resources Board Act No. 29 of 1964 and amended No. 42 of 1999 against the state or local authorities or non-governmental organizations or individuals who do not act in accordance with the above provisions.

2.2.3 To state that the Board has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 To state that the resources of the Board had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

The Water Resources Board had undertaken to carry out the tasks related to testing 50 water samples from the tube well established in the vicinity of the Lak Wijaya Power Plant located in the Norochchola area. Nevertheless, due to breakdowns in the electrical system that started in the year 2018 at the Anuradhapura laboratory owned by the board, the board was unable to carry out the heavy metal analysis related to the said water tests. It was decided in the departmental main meeting held on 30 March 2021 to get the work done by external agencies. Accordingly, the board had arranged to pay a value of Rs. 3,831,300 from the Institute of Industrial Technology (ITI). The heavy metal analyzer (shimaza AA-6300) installed in the laboratory at the main office premises of the Water Resources Board has been inactive since the year 2018 and until the year under review, no necessary measures were taken to repair it. Accordingly, the board had lost an income of Rs. 3,831,300 in the year under review due to the board not utilizing its resources properly

2.3 Other Observations

(a) Out of the balance in the Service Advance Account, Rs. 5,382,771 worth was an advance balance more than a year old. Out of which Rs. 3,553,471 had to be repaid due to non-fulfilment of related tasks by the board. Also due to failure of construction of tube wells Rs. 1,597,000 had to be repaid by the board. The board had lost an income of Rs. 5,150,471 due to the delay in the performance of the tasks by the board and the lack of effectiveness of the tasks carried out.

(b) During the year under review, only 28 received out of the 360 water samples sent to the Anuradhapura laboratory for testing were completed. As 332 more tests were to be done, it was observed that the performance was at a very low level.

(c) An amount of Rs. 6,095,000 was paid to the Board in the year 2020 for the construction of 6 borewells in the estate houses in Nuwara Eliya and Kandy districts by the Indian Subsidized Housing Project under the Ministry of New Upcountry Villages, Infrastructure and Community Development. Due to failure of 03 constructed pipe shafts, the related amount of Rs. 2,883,000 had to be repaid. Accordingly, the board had incurred a loss and the geohydrologists of the board who had made recommendations related to the construction of tube wells had not taken any action regarding doing so.

(d) GC MS-MS equipment worth Rs. 32,535,430, which was provided to the laboratory established in the Anuradhapura provincial office, used to analyze the agrochemicals present in the ground water, remained inactive since the date of supply. The said equipment supplier company (Analytical Instrument (Pvt) Ltd) had not repaired it during the warranty period of one year (2018.08.09 to 2019.08.08). It was a problematic situation in the audit that the Chairman had arranged to give this equipment as a useless equipment to another project under the condition that the Water Resources Board did not have any other equipment that could analyze the agrochemical composition of the water.

(e) The Council of Ministers had ordered on 2021 July 12 to amend the Water Resources Board Act. However, the relevant draft was not submitted to the Attorney General until the end of the year under review. Due to the lack of efforts to amend the Act, the offenses identified as the purpose of amending the Act and the related penalties arose during the investigation. The board had failed to take action on the issues of rising and misuse of ground water and excessive extraction.

(f) The Water Resources Board had 16 drilling rigs, out of which 03 had been planned to be decommissioned since 2013 due to being inactive, but have not been decommissioned yet. Nos. 05 drilling rigs were in a condition to be renewed, but the relevant work had not been completed so far. During the year under review, only 08 drilling rigs were put into service. In the year 2021, only 80 tube wells were constructed and accordingly it was observed that the performance of the drilling sector is at a very low level.

(g) Based on a project plan prepared by the Water Resources Board in 2015 to establish a data system necessary to manage the quantitative and qualitative conditions of underground water in Sri Lanka, the Minister of Irrigation on 10 July 2015 to establish a groundwater monitoring information network for Sri Lanka. The Cabinet Memorandum had been submitted. The Cabinet Decision had approved the implementation as a pilot project in selected districts such as Anuradhapura and Polonnaruwa where kidney disease is widespread. An agreement was reached on 2017 October 03, for the implementation of the said project to the Royal Earth Sampling Group (EijkelkampEarth Sampling Group) in the Netherlands at a cost of 20,629,921 euros. These project under 2,240,030 euros or Rs. 393.976 million valuable high Technical drilling Machines After the completion of the project, these 02 machines were to be handed over to the Water Resources Board, but the necessary training was not given to operate those machines. However, until now, no action has been taken to identify the officers required to take over and operate the machines and provide them with the necessary training. 1,033,928 Euros were allocated for the construction of the data center building proposed under the project, but the relevant building was not constructed even though it took 4 years. In parallel with the operational activities of the project, the basic objectives and expected benefits of the project could not be properly achieved in not constructing the data center building.

W.P.C. Wickramaratne
Auditor General

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Water Resources Board for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

2.2.2 Reference to law/ Direction			
	a)	Gazette Extraordinary No. 2010/23 of 16 March 2017 **Order No:01** Although the written approval of the Water Resources Board has to be taken for cultivation wells with a diameter of 4 meters or more to be built for agricultural activities, no approval has been obtained from the Board for any cultivation well so far. **Order No.02** (i). All Tube ling construction Institutions Engaged in Water Resources Board, Although they are required to be registered with the board, only 67 institutions were registered by the end of the year under review. Also, the organization has not taken adequate measures to identify the unregistered organizations. (ii). The above registered organization should provide a report containing the data of all new construction of deep or shallow tubewells to the Water Resources Board every 03 months, but none of the 67 registered organizations had submitted the above report until now. **Order No. 03** (i). If any state of local government agency, non-governmental organization, agency or person engaged in the water bottling industry and beverage production uses a natural water source or ground water for its production activities, a water sample of that source of water should be taken every 6 months accepted by the government. Although a laboratory test should be done and the relevant analysis report submitted for approval at the end of the year under review, 40 institutions had	**Management Comments** According to the Gazette Extraordinary No.2010/23 of 2017 March 16, measures have been taken to improve the following sectors in order to streamline and maintain the groundwater regulation activities. Since the provisions of the Water Resources Board Act are not sufficient to take legal action in cases of non-compliance with the regulations, the Water Resources Board Act has been amended and submitted to the Ministry, Cabinet approved been recieved according to the amendment of the Act. A draft amendment to the Act has been completed and arrangements have been made to inform the group of honorable Members of Parliamentso far. After that, on the advice of the Attorney General's Department, relevant amendments will be made and legal regulations will be implemented and the regulatory system will be formalized. Since the staff of the Water Resources Board is not sufficient for the regular maintenance of the groundwater regulation activities, new positions were created to carry out the relevant regulatory activities covering Sri Lanka and the necessary approvals were made to the Department of Management Services to formalize the recruitment activities. The related work is being done. Taking into account the economic conditions in the country after the Covid-19 epidemic situation, with the aim of streamlining the regulatory system, plans are being prepared to collect information from the institutions that extract water for commercial purposes and to carry out relevant activities. Vacant essential posts of the approved staff were recruited to a certain extent and due to the

		registered with the board, but none of the institutions had given the above reports to the board. (ii). A status report (Perimeter Protection Report) regarding the relevant water source should be obtained from the Water Resources Board for projects that obtain 30,000 liters of groundwater per month for commercial agriculture or industries. According to its provisions, non of the institution had received the relevant status report. **Order No. 05** Establishments or places where production and service activities are carried out using natural water source or ground water, with or without prior notice, at any reasonable time of the day can enter and inspect the said production or service places. No on-site inspection was conducted in 40 water bottling plants. **Order No. 06** Necessary steps have not been taken according to Section 20 of the Water Resources Board Act No. 29 of 1964 and amended No. 42 of 1999 against the state or local authorities or non-governmental organizations or individuals who do not act according to the above provisions.	impact of the ongoing Covid-19 epidemic situation on the country, the vacancies could not be fully filled. However, with the participation of the existing staff, the activities related to the state responsibility related to the management of underground water resources are being carried out. Taking into account the existing state mechanism, arrangements have been made to collect information in underground water sources through the coordination of the District Secretary, Regional Secretary, Water Supply Board, Community Water Department, and accordingly, the data is currently being received by the Water Resources Board. In order to obtain this information in a formal manner, the Secretary of the Ministry also informed the district secretaries about the importance of the work and the necessary activities are being carried out to obtain the information systematically. In view of the current situation in the country, there are some difficulties in completing these tasks as soon as possible. However, in spite of the existing difficulties, this data is being analyzed and work is being done to identify the pipelines used for cultivation, commercial, agricultural and industrial purposes, and accordingly, the regulatory activities are being carried out further.
2.2.4		Water Resources Board had undertaken to carry out the tasks related to testing 50 water samples from the tube well established in the vicinity of the Lak Wijaya Power Plant located in the Norochchola area. Nevertheless, due to breakdowns in the electrical system that started in the year 2018 at the Anuradhapura laboratory owned by the board, the board was unable to carry out the heavy metal analysis related to the said water tests. It was decided in the departmental main meeting held on March 30, 2021 to get the work done by external agencies. Accordingly, the board had arranged to pay a value of	**Management Comments** AAS instrument is a time-honored instrument and ICP-MS instrument is a modern high-tech, A sensitive device that can analyze several parameters (Cd, Pb, Mn, Mg, Ca, Na, K etc.) simultaneously. As the requirement of the project was to carry out the analytical work with more precision using a modern equipment, it was decided to give this analytical work to the ITI institute during the main meeting held on 30.03.2021.

		Rs. 3,831,300 from the Institute of Industrial Technology (ITI). The heavy metal analyzer (shimaza AA-6300) installed in the laboratory at the main office premises of the Water Resources Board has been inactive since the year 2018 and until the year under review, no necessary measures were taken to repair it. Accordingly, the board had lost an income of Rs.3,831,300 in the year under review due to the board not utilizing its resources properly.	
2.3	**Other Observations**		
	(a)	Out of the balance in the Service Advance Account, Rs. 5,382,771 worth was an advance balance more than a year old. Out of which Rs.3,553,471 had to be repaid due to non-fulfilment of related tasks by the board. Also due to failure of construction of tube wells Rs. 1,597,000 had to be repaid by the board. The board had lost an income of Rs. 5,150,471 due to the delay in the performance of the tasks by the board and the lack of effectiveness of the tasks carried out.	**Management Comments** Due to the ongoing Covid pandemic in the country in 2021, the attendance of officers /employees was very low. Therefore, the daily work of the institution was carried out and faced many difficulties. Due to this reason, coordination activities with the provincial offices were at a very low level during the relevant period. Therefore , in the year 2021 , the service work at various places was delayed to some extent. Hydrologists of the Water Resources Board use geological equipment to carry out ground water surveys as a service in various areas . But the geological characteristics of some areas make it difficult to determine the accuracy of those surveys. Although the relevant tests show that there is enough underground water in such areas, there are also cases when the underground water is not available to the required extent when tube wells are constructed.
	(b)	During the year under review, only 28 received out of the 360 water samples sent to the Anuradhapura laboratory for testing were completed. As 332 more tests were to be done, it was observed that the performance was at a very low level.	**Management's Comments.** A plan was prepared from December 2021 to February 2022 to analyze and complete the amount of water samples and instructions were given to the relevant experts, and accordingly, the work could be completed on time.

	(c)	An amount of Rs. 6,095,000 was paid to the Board in the year 2020 for the construction of 6 borewells in the estate houses in Nuwara Eliya and Kandy districts by the Indian Subsidized Housing Project under the Ministry of New Upcountry Villages, Infrastructure and Community Development. Due to failure of 03 constructed pipe shafts, the related amount of Rs. 2,883,000 had to be repaid. Accordingly, the board had incurred a loss and the geohydrologists of the board who had made recommendations related to the construction of tube wells had not taken any action regarding doing so.	**Management's Comments** 06 tube wells have been constructed under these projects out of which only 02 tube wells have failed due to lack of sufficient water. Since the road needed to construct to reach the drilling machines for construction of the tube well (before the construction of the tube well, it is stated in the geological survey report that the relevant road should be prepared so that the drilling machines can reach it.) the well has not been constructed. However , the drilling reports and The soil samples were checked and it was revealed that the water channels were blocked due to the deposition of clay and graphite minerals in the affected zones shown in the geological survey. However, instructions were given to the relevant geologists to avoid such situations in the future.
	(d)	GC MS-MS equipment worth Rs.3 2,535,430, which was provided to the laboratory established in the Anuradhapura provincial office, used to analyze the agrochemicals present in the ground water, remained inactive since the date of supply. The said equipment supplier company (Analytical Instrument Pvt) Ltd) had not repaired it during the warranty period of one year (2018.08.09 to 2019.08.08). It was a problematic situation in the audit that the Chairman had arranged to give this equipment as a useless equipment to another project under the condition that the Water Resources Board did not have any other equipment that could analyze the agrochemical composition of the water .	**Management's Comments.** Worth 32,535,430 million rupees (GCMSMS) has now been handed over to the China Sri Lanka Research Project under the Ministry of Water Supply, Join Research & Development Demonstration Center for Water Technology (JRDC). This equipment has not been idle since the date of supply. During the training of the laboratory staff of the Water Resources Board by the relevant supplier company, the equipment malfunctioned and a part worth 3,820,129.56 rupees needed to be installed to repair it. By that time, the one-year warranty period had ended, so the Water Resources Board could not bear the amount. Due to the financial difficulties of the Water Resources Board, the management of the Water Resources Board decided to provide this (GCMSMS) equipment to the JRDC project.

			Related to analyzing the agrochemical composition of water (GCMSMS) equipment is a very high-tech sensitive equipment and requires special chemicals and other equipment for its use. But since the Water Resources Board does not have the financial ability to maintain such a valuable device and carry out analysis activities at this time and because a part worth 3,820,129.56 rupees has to be re-installed, the majority of the public in the country are confident in their ability to use it for projects that are more effective. It was decided to be handed over by the Chairman to the China Sri Lanka Research Project affiliated to the Ministry.
	(e)	The Council of Ministers had ordered on 2021 July 12 to amend the Water Resources Board Act. However, the relevant draft was not submitted to the Attorney General until the end of the year under review. Due to the lack of efforts to amend the Act, the offenses identified as the purpose of amending the Act and the related penalties arose during the investigation. The board had failed to take action on the issues of rising and misuse of ground water and excessive extraction.	**Management's Comments.** The Water Resources Board Act has been amended and forwarded to the Ministry and accordingly this amended Bill was planned to be submitted to the Honorable Ministers and Members of the Government Party Parliament on 08.02.2022 as per the instructions of the Ministry Secretary and however, on the basis of the Covid-19 situation in the country on those days. It was not possible to present it on that day. In the future, it is hoped to discuss with the Secretary of Ministries and submit the revised bill to the Parliament, and plans have been made to obtain clarifications from the Attorney General.
	(f)	The Water Resources Board had 16 drilling rigs, out of which 03 had been planned to be decommissioned since 2013 due to being inactive, but have not been decommissioned yet. 05 drilling rigs were in a condition to be renewed, but the relevant work had not been completed so far. During the year under review, only 08 drilling rigs were put into service. In the year 2021, only 80 tube wells were constructed and accordingly it was observed that the performance of the drilling sector is at a very low level.	**Management's Comments.** Under the covid situation in the country, there were not many requests for tubewell drilling. Also, in view of the covid situation, J.S.M. 80 paid tube wells were constructed in 2021 . By the end of 2021 , the rest of the pipe wells were constructed in January and February. The amount is 20 pipe wells . Due to the shortage of spare parts in the drilling rigs and due to the covid situation, there is a delay.

	(g)	Based on a project plan prepared by the Water Resources Board in 2015 to establish a data system necessary to manage the quantitative and qualitative conditions of underground water in Sri Lanka , the Minister of Irrigation on 10 July 2015 to establish a groundwater monitoring information network for Sri Lanka. The Cabinet Memorandum dated No. 05/2015 had been submitted. The Cabinet Decision No. AMP/15/1087/644/005 dated July 29, 2015 had first approved the implementation as a pilot project in selected districts such as Anuradhapura and Polonnaruwa where kidney disease is widespread. An agreement was reached on October 03, 2017 for the implementation of the said project to the Royal Earth Sampling Group (EijkelkampEarth Sampling Group) in the Netherlands at a cost of 20,629,921 euros . TheseThe project under 2,240,030 euros or Rs 393.976 million valuable high Technical drilling Machines (MS – FT Drilling rig mountel truck) 02 After the completion of the project, these 02 machines were to be handed over to the Water Resources Board, but the necessary training was not given to operate those machines. However, until now, no action has been taken to identify the officers required to take over and operate the machines and provide them with the necessary training. 1,033,928 Euros were allocated for the construction of the data center building proposed under the project, but the relevant building was not constructed even though it took 4 years. In parallel with the operational activities of the project, the basic objectives and expected benefits of the project could not be properly achieved in not constructing the data center building.	**Management's Comments.** Although requests have been submitted on many occasions to direct the drilling officers of the Water Resources Board to train for the training of two drilling rigs that are in use under the project, the training has not been attended due to issues such as the lack of sufficient drilling officers and the officials sent for training asking for allowances in some cases. Delivery was delayed . Also , due to the fact that the Dutch drilling crews did not come to the island for more than 1 ½ years to provide the training (due to travel restrictions due to the Covid situation) , there was a delay in the training activities . However, from 01.01.2022 , when the drilling operations started in Puttalam district, two drilling officers of the Water Resources Board were employed and trained full-time, and the Dutch Drilling Staff has reported that they acquired the relevant skills very quickly Both of them now have the ability to carry out drilling work without the help of Dutch experts However, only a few drilling officers nominated by the Water Resources Board participated in the training sessions conducted at the beginning of the drilling operations in the Malwathuoya river basin due to the shortage of drilling officers and the drilling operations of the Water Resources Board. After training from these two, two more drilling officers of the Water Resources Board have been deployed for full-time drilling operations with the help of Dutch experts. 6000 square feet building was to be constructed for the data center at Hector Kobbekaduwa Mawatha, where the Water Resources Board office is located However, since the land where the main office of the Water Resources Board is situated was taken over to the Urban Development Authority, the Urban Development Authority has acquired 40 perches of land at Battaramulla Densil Kobbekaduwa Mawatha for the construction of the main office, on the basis of charging a nominal rent determined by the Chief Assessor of the Government.

			Although a policy decision had been taken to give the land to the board, the land had not been formally assigned to the water resources board, and the Urban Development Authority delayed for a long time the assessment by the government's chief appraiser. Accordingly, the contractor was not able to prepare the building plan due to not signing the contract in due time. In addition to the data center building, this building is also used to establish the main office of the Water Resources Board. Planned to the size of 24,000 feet, of which feet 18,000 construction work was decided to be completed under the first phase, due to the need for additional provisions, 439,539.00 Euros were allocated under Provisional. Although all the relevant plans have been submitted to the Urban Development Authority, at least the rent free agreement has not been given so far .Also, due to the current economic crisis in the country, it is difficult to construct this building with the approved amount of the project (estimated amount is Rs. 840 million as of 15.03.2022) in order to obtain approval for obtaining a building through this provision under the minimum requirements. A Cabinet paper has been forwarded to the Ministry of Irrigation and Water Management. However, since a data center has already been established at the Ratmalana project office, there has been no adverse impact on the objectives of the project .

(1). Treasury Funded - Groundwater Studies –Summary 2021

1.1. Long-term groundwater monitoring project in groundwater sensitive terrains (LTGM)– (Rs. 3.0 Mn)

Targets and progress for the year 2021 are as follows;

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
Colombo –Negambo Anuradhapura Mannar Vavuniya-Killinochchi Jaffna & Islands Puttalam Kelani Ganga –Upper basin Kelani Ganga – Lower basin Moneragala Polonnaruwa Trincomalee Kiridi Oya Ampara Matalea	Well monitoring & in-situ analysis (3440 nos.) and bi-annual water sampling for chemical analysis (1720 nos.) and Heavy metal analysis (395 nos.)	3400 1720 395	74%
	Chemical analysis of water samples (1720 nos.) & heavy metal analysis (395 nos.)	1720 395	26%
	Data processing, analysis & preparation of reports		60%

1.2. The study on the direct and indirect impacts on the climate changes on the coastal aquifer system of Sri Lanka (Rs. 2.0 Million)

Targets and progress for the year 2021 are as follows'

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
■ Colombo to Galle coastal ground water Aquifer ■ Trincomalee – Mullaitivu coastal ground water Aquifer	Geophysical investigations & test well constructions (10 nos.)	10	90%
	Quarterly water level monitoring & insitu analysis (260 nos.), biannual water sampling (130 for full chemical analysis & 30 for heavy metal analysis)	260 130 30	71%
	Conducting pumping test (10 nos.)	10	40%
	Chemical analysis of water samples (130) & heavy metal analysis (30 nos.)	130 30	50%

1.3. Hydrogeological assessment and identify of favorable zones for aquifer recharge with in Ma-Oya basin (Rs. 2.5 Million)

Targets and progress for the year 2021 are as follows

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
■ Hydrogeological assessment and identify of favorable zones for aquifer recharge with in Ma -Oya basin	Desk study (Data Collection) and preparation of basin map		100%
	Quarterly water level monitoring & insitu analysis (260 nos.), biannual water sampling (130 for full chemical analysis & 30 for heavy metal analysis)	260 130 30	80%
	Geophysical Investigations (1D - 50 Nos. & 2D - 10 Nos) for identify of aquifer distribution & potential	50 (D) 10 (2D)	90%
	Construction of exploration boreholes (15 Nos.) to determine aquifer properties & assess of possibility for Aquifer recharge	15	-
	Test Pumping (10 Nos) & identify of favorable zones for aquifer recharge	10	-
	Chemical Analysis(Chemical -150 Nos. & 30 Heavy metal)	150 30	-
	Data processing, analysis & report preparation		30%

1.4. Combine inspections on groundwater relating environment issues relating to groundwater depletion and pollution (INSP) - (Rs. 1.5 Million)

Targets and progress for the year 2021 are as follows

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
01	Meeting and Combine Inspection of groundwater resources	100	117%
02	Implementation of groundwater regulations (awareness programmes on community and stakeholder agencies)	25	28%

1.5. Improvement of scientific and other Capital works (ISOC)- (Rs. 4.0 Million)

Targets and progress for the year 2021 are as follows

Study area	Activity	Target of the year 2021 (Nos.)	Progress in 2021
01	Purchasing portable multi parameters	01 No	100%
02	Purchasing of submersible pumps	03 No	85%
03	Maintenance of laboratory and geophysical equipment	-	100%
04	Purchasing portable water level recorders	02 No	100%

1.6. Staff TrainingProgrammes (Rs. 1.0 Million)

Progress for the year 2021 are as follows

No.	Activity	Progress of year 2021
01	Training program for WRB staff	18%

1.7. Rehabilitation and improvement of WRB infrastructure - (Rs. 6.0 Million)

Progress for the year 2021 are as follows

No.	Activity	Progress of year 2021
01	Machinery improvement	10%
02	Renovation of roof at Anuradhapura research and training center	50%
03	Restructuring of quarters Anuradhapura	60%
04	Renovation of sanitary facilities - Puttalam	50%

(2). Ministry Funded Groundwater Development Projects

2.1. Potential realization of groundwater management and conservation in Jaffna peninsula. Phase I& II (Preparation of well inventory and hydrogeological assessment of Jaffna Peninsula) – (Rs. 2.34Million)

The following actives were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monitoring and collection of well data (Monitoring will be done with the help of School leavers & University students)	128%
02	Compilation of all data and preparation of well inventory summary report	80%
03	Final main report	75%
04	Awareness programmes in Jaffna for stake holders' group and community	30%

2.2. Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes in Yan – Oya Basin (Rs. 0.20 Million)

The following actives were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monthly groundwater level monitoring& instu analysis (600) & water sampling (110)	44%
02	Data interpretation and report preparation	15%

2.3. Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes in Malwathuoya Basin (Rs. 0.23 Million)

The following actives were completed under this study in the year 2021.

No.	Activity	Progress of year 2021
01	Monthly groundwater level monitoring& instu analysis (600) & water sampling (110)	41%
02	Data interpretation and report preparation	15%

(3) Generated Funds

3.1. Groundwater development activities – 61.45 Million

The following commercial activities were performed on the requests made by Government and other organizations including public requirements. The progress of the year 2021 is given following table

No.	Activity	Annual Target	Progress of year 2021
01	Hydrogeological Surveys	300 nos.	106 %
02	Tube Well Constructions	100 nos.	34 %
03	Pumping Tests	150 nos.	79 %
04	Tube Well cleanings	05 nos.	40 %
05	Analysis of Water Samples	400 nos.	84 %

3.2. Implementation of groundwater regulation (Rs. 9.3 Million)

In this year, arrangements were made to implement new groundwater regulations under the gazette No 2010/23 dated 16th March 2017 and following activities were completed during the year 2021.

No.	Activity	Annual Target (nos)	Progress of year 2021
01	Registration of External Hydrogeologist	20	70 %
02	Registration of drilling Company (included one drilling machinery)	140	70 %
03	Approval of external Hydrogeological reports.	800	83 %
04	Installation of Flowmeter	20	25 %

Actions taken to rectify the accounting and management deficiencies mentioned in the Auditor General's audit queries and audit reports.

01. Actions have been taken to correct the accounting deficiencies sent by the audit in accordance with the Sri Lanka Public Sector Accounting Standards.

02. Items have been identified through board of survey reports and unwanted items have been discarded.

03. According to the gazette notifications no.2010/23 dated 16.03.2017, work has commenced to further maintain the ground water diversion activities.

04. Action has been taken to recruit staff members of the Water Resources Board with the approval of the Vacancy by the Department of Management Services.

05. Actions have been taken to further formalize the research study activities.

06. Actions have been taken to systematically outsource to other Government Institutions the need for utility equipment for the work of the institution which has received various project majorities and the Water Resources Board.

07. Actions have been taken to further formalize the activities of the Anuradhapura Laboratory.

Actions taken during the year 2021 to improve the performance of the Water Resources Board

1. To formulate a mechanism for the management of ground water in the country and to amend the Water Resources Board Act to implement it.

2. To make arrangements to expand the recruitment procedure of the Water Resources Board for the recruitment of relevant staff.

3. Further implementation of software for more efficient management and control of fixed assets.

4. Arrangements will be made to recruit the required technical staff.

5. Provide necessary equipment and raw materials to maintain the activities of the board.

6. Provide training to acquire management and technical knowledge required by the staff.

7. Weekly check the progress of all sections of the Board.

8. Follow up on all the activities of the board.