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திறன்கள் அபிவிருத்தி, வேலைவாய்ப்பு மற்றும் தொழில் உறவுகள் அமைச்சு
Ministry of Skills Development, Employment and Labour Relations



ලංකා ජර්මානු කාර්මික අභ්‍යාස ආයතනය
இலங்கை ஜேர்மன் தொழில்நுட்பபயிற்சிநிறுவகம்
Ceylon German Technical Training Institute

වාර්ෂික වාර්තාව
ஆண்டு அறிக்கை
ANNUAL REPORT
2019

නො. 582, ගාලු පාර (ගල්කිස්ස), මොරටුව.

இல.582, காலிவீதி, கல்கிசை.

No.582, Galle Road (Mount Lavinia), Moratuwa.

**Report of the Director / Principal
Ceylon German Technical Training Institute – 2019**

Ceylon German Technical Training Institute is a pioneer Institution that established for generating technocrats equipped with the skills in Motor Mechanic Sector and it's allied other sectors. The key objective of our Institution is to provide advanced level training for the trainees through technology which is developed for the said occupations by maintaining the standard as the center of excellence for training in the automotive sector of Sri Lanka. The training gained by the apprentices will open the path to refer them to local and foreign employments.

As a result of an agreement entered between the government of Sri Lanka and the German Federal Republic, this Institute was established in the year 1959 at the premise of Central Workshop – Werahera named as "Lanka German Technical School" with the aim of repairing the buses with modern technology which is imported to this country from Germany. Its first batch was compiled with 60 apprentices. With the increasing of fleet of busses in the Ceylon Transport Board, the demand also risen up for the trained technicians and subsequently 150 apprentices were recruited in the year 1974. Therefore the Institution was shifted to the current premise in Moratuwa.

At present the Institution conducts 11 full time courses, 04 Diploma courses, 45 part time courses allied to the motor mechanic sector. Since the demand for the trained technicians of this Institution has increased in the local and foreign industrial sector, the annual intake of the students also has to be increased. During this year 6,000 apprentices for full time courses, 147 apprentices for diplomas and 4,000 apprentices for part time courses were enrolled.

This year, Ceylon German Technical Training Institute has won the first place in "Island wide Awards for the best large scale Training Provider in Sri Lanka" on 17.07.2019 which celebrated to mark the "International Youth Skills Day". In addition to that, the number of enrolling students for the full time courses could be able to increase, up to 32 during this year. CGTTI has achieved the efficiency and success of the courses through taking actions to develop the infrastructure facilities cater to the requirements of the apprentices.



Upali Ranasinghe
Director / Principal
Ceylon German Technical Training Institute

Performance Report 2019

Ceylon German Technical Training Institute

Introduction

Ceylon German Technical Training Institute is a pioneer technical education institute established to generate skilled technicians in Motor Mechanic and other relevant sectors in Sri Lanka. This Institute was established in the premise of Central Workshop – Werahera of the Ceylon Transport Board in year 1959. As a result of an agreement entered between the government of Sri Lanka and the German Federal Republic, the Institute was established in the same year and the prime objective was aimed to generate skilled technicians required to maintain and repair the C.T.B. buses. The Institution was shifted to the current premise in Angulana – Moratuwa in 1974. The administration and organizing activities of the CGTTI was performed by a German Director together with the supervision of the staff, up to 29th February 1976. Subsequently the administrative activities of the Institution were entrusted to a Sri Lankan Director / Principal and the staff.

At present the Institute is being functioned under the Ministry of Industries & Commercial Affairs, Resettlement of Protracted Persons, Cooperative Development and Skills Development & Vocational Training.

1. Objectives and the role of the Institution

- 1.) Produce skilled craftsmen required for the local and foreign labour market.
- 2.) Conduct full time courses relevant to Motor Mechanic & other sectors.
- 3.) Conduct short term courses as evening classes and weekend classes aiming to provide technical knowledge for the students who concluded the school education and the employed persons who aspire to explore their knowledge.
- 4.) Carrying out vehicle repairing for the vehicles in external institutions and for the outsiders for concessionary prices.
- 5.) Conduct special courses and seminars to accomplish the requests of Public Institutions, Industrial sector and three forces of the army.

Vision:

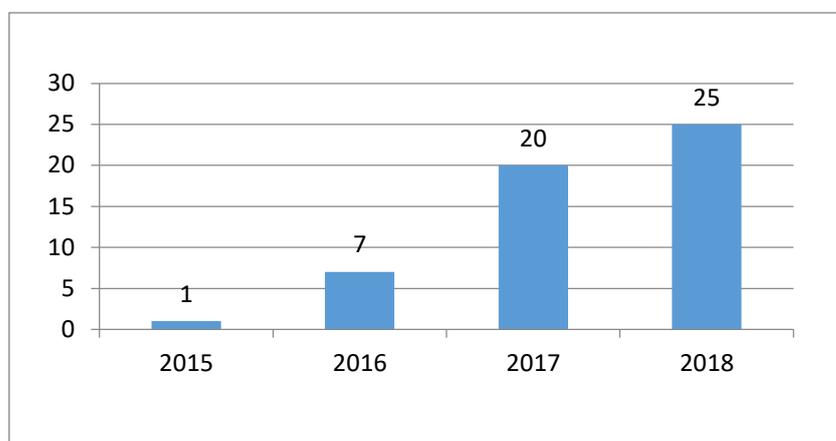
To become the best Automotive Training Institute in South Asia.

Mission:

Systematically develop the technology related to Automobile and other technical trades and to provide training to students to be appropriately equipped to perform at the highest level of acceptance and thereby maintain the standard as the center of excellence for training in the Automotive sector of Sri Lanka.

2. Achievements

- 1.) Ceylon German Technical Training Institute (CGTTI) has won the first place of Island wide Award for the Best Large Scale Training Provider in Sri Lanka among other Institutions in “International Youth Skills day” celebrated in 17th July 2019.
- 2.) 610 apprentices were recruited for the fulltime courses in November 2019.
- 3.) Intake 4,000 apprentices for the 42 short term courses as at 31st August in this year.
- 4.) Increase the annual number of apprentices who enrolled for the courses.



- 5.) Purchase modern technological machineries to enhance the standards of the existing courses of the Institution since it is a timely requirement.
- 6.) The construction work of a hostel for students is in progress.
- 7.) Develop the infrastructure facilities of the Institution commensurate to the increased apprentices.
- 8.) There are 04 National Diplomas are being conducted at present as follows.

Diploma Course	No. of Students
Diploma in Automobile Technology	60
Diploma in Ref & Air-conditioning Technology	32
Diploma in Mechatronic Technology	30
Diploma in Production Technology	25
Total	147

- 9.) Modern Training equipment has provided by the GIZ Institution to conduct the training activities in Automobile Technician, Automobile Electrician, Diesel Technician and Mechatronic Divisions in advanced level.

Performance as at 31.12.2019

In this year 600 students were recruited to the basic training course which is the foundation for all the full time courses conducted by the institute. The students recruited in the last year for the full time courses have divided to the 11 trades which they have selected at the end of their first year of the 3,3 1/2, & 4 year courses. The number of students sent to the trades is given below.

• Automobile Mechanic	145
• Millwright Fitter	50
• Power Electrical	50
• Ref & Air Conditioning Mechanic	48
• Tool Machinist	40
• Mechatronic	42
• Auto Electrical	50
• Diesel Engine Mechanics	40
• Welder	30
• Automobile Air Conditioning	10
• Vehicle Body Repair and Painter	53

Short term courses

In view of provide the opportunity to the persons who are unable to obtain the opportunity to follow full time courses which implemented in the Institution due to existing competition as well as the students who left the school education and the persons who are engage in professions and expected to be uplifted the knowledge, the CGTTI conducts 42 short term courses relevant to the following sectors during evenings and weekends. The administrative expenditure required to conduct these short term courses has been recovered from the courses fees charged from the apprentices.

- Industrial Training
- Automobile Mechanic
- Power Electrician
- Machinist
- Air Conditioning
- Planning
- Welding
- Electrician (Automobile)
- Electronic Science
- Machine Repairing & Maintenance
- Machines Automation

Special Knowledge

- Electronic Fuel Injection (EFI)
- Anti - Slip Break System (ABS/ EFB)
- Automatic Transmission
- Hybrid Technology

Modern Technological Training Division of the Institution provides knowledge of the following sectors.

- CNC Technology
- Auto CAD
- Inventor
- Solid Works
- Solid CAM

Mechatronic Knowledge

- Robotic Technology
- Micro Control
- Remote Monitoring & Controlling
- Building Automation
- Industrial Automation

Targets of the year 2020

- ✓ Establish a Quality Management System and Management Information System for the Institution.
- ✓ Obtain an ISO certificate for the Institution.
- ✓ Plans are being executed to establish a new German Technical Training Institution to Matara district under the aid of German government.



Ceylon German Technical Training Institute has won the Island wide Awards for the Best Large Scale training Provider in Sri Lanka



Apprentices engaged in training activities in Innovations and Applied Researches Division.



Apprentices engaged in training activities in Innovations and Applied Researches Division.

Human Resources Management and Development

The Department of Management Services approved the cadre for the Ceylon German Technical Training Institute as 303 for the year under review. Out of them 207 is for the Academic Division and 96 for Non – Academic Division.

Approved cadre 303			
Service category	Approved	Academic	Non – Academic
Higher Management (HM)	08	05	03
Medium Management (MM)	12	09	03
Junior Management (JM)	48	38	10
Management Assistant (MA)	193	155	38
Primary (PL)	42	-	42
Total	303	207	96

New recruitments, resignations, vacate the posts, retirements, service terminations and deaths in the year under review are in the following table.

New recruitments	Resignations	Vacate the post	Retirement	Termination of the service	Deaths
07	01	01	05	02	02

Staff training activities

In view of enhancing the subject knowledge, language proficiency, technological knowledge and special management ability of the staff, the CGTTI has provided the opportunity to participate in various programmes in 2019.

Staff of the CGTTI has participated in 39 local training programmes in 2019 and 88 employees in Academic staff and 22 employees in Non – Academic staff have obtained the training in knowledge, skills and attitudes development. Rs.1,865,234.00 has incurred for the local training programmes.

Estimate for the employees as at 31.12.2019 – 235

Nationality of the employees		Permanent			Contract			Daily		
		Age Less than 18 years	Age between 18- 54	Age 55 years and more	Age Less than 18 years	Age between 18- 54	Age 55 years and more	Age Less than 18 years	Age between 18- 54	Age 55 years and more
Sri Lankans	Male	-	200	05	-	-	-	-	-	-
	Female	-	27	03	-	-	-	-	-	-
Non – Sri Lankans	Male	-	-	-	-	-	-	-	-	-
	Female	-	-	-	-	-	-	-	-	-

Service Category	Male	Female
Senior Management (HM)	02	-
Management (MM)	09	02
Junior Management (JM)	39	02
Management Assistant – Technological (MA 2-2)	109	03
Management Assistant – Non - Technological (MA 1-2)	11	21
Primary (PL)	35	02
Total	205	30
Total	235	

CEYLON- GERMAN TECHNICAL TRAINING INSTITUTE
Financial Position as at 31st December 2019

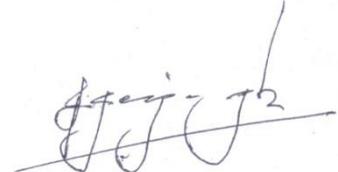
DESCRIPTION	NOTE	2019 Rs	2019 Rs	2018 Rs	2018 Rs
ASSETS					
Non Current Assets					
Property, Plant & Equipment	2	1,823,463,191		1,977,889,260	
Investment	8	39,188,961		35,624,865	
Other Financial Assets					
			1,862,652,152		2,013,514,125
Current Assets					
Spair parts Stocks		7,183,211		7,010,788	
Canteen Chairs WIP					
Stationery & Paints Stocks	29	200,867		208,067	
Income Receivable	26	1,706,375		1,601,519	
Advance A/C	5	11,648,599		12,199,451	
Deposit	4	302,000		302,000	
Advance for Fixed Assets	30	273,324		497,169	
Debtors	3	3,849,591		2,746,816	
Cash & Cash Equivalentents	6	21,003,107		31,839,500	
			46,167,075		56,405,310
TOTAL ASSETS			1,908,819,227		2,069,919,435
LIABILITIES					
Current Liabilities					
Current Accounts	39	-		-	
Payables	28	-		-	
Accrued Expenses	9	13,812,212		15,147,342	
Current Accounts – S.L.C.T.B.	7	1,975,291		1,975,291	
Loans	10	553,535		679,076	
Refundable Deposits	11	1,002,431		491,294	
Part Time Course Fees (2020)		8,000,000		9,000,000	
Creditors	27	11,149,550	36,493,019	4,983,367	32,276,370
-					
Non Current Liabilities					
Deferred Income	13	574,632,681		734,949,464	
Gratuity payable		105,883,193		110,558,257	
			680,515,874		845,507,721
TOTAL LIABILITIES			717,008,893		877,784,091
			1,191,810,334		1,192,135,344

NET ASSETS / EQUITY

Accumulated Fund	844,877,725	844,877,725
Capital Reserve	4,407,578	4,407,578
Revaluation Reserve-Land/Building	699,375,298	699,375,298
Accumulated Surplus	14 <u>(356,850,267)</u>	<u>(356,525,257)</u>
	<u>1,191,810,334</u>	<u>1,192,135,344</u>



Director / Principal
C.G.T.T.I.
Upali Ranasinghe



Accountant
C.G.T.T.I.
J.D.Y.B. Jayasinghe

The Accounting policies on pages 34 to 35 and Notes on pages 15 to 30 from an integrate part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These financial statements wear approved by the Advisory committee and signed on their behalf.



Chairman
Director Board



Member
Director Board

CEYLON - GERMAN TECHNICAL TRAINING INSTITUTE
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
31ST DECEMBER 2019

DESCRIPTION	NOTE	2019	2018
OPERATION REVENUE		Rs.	Rs.
Recurrent Treasury Grant	12	234,800,000	236,475,000
Other Income	15	11,613,586	10,156,384
Part Time Income	1	63,356,736	75,784,488
MTTC Course Income		3,205,875	3,325,000
Transfer from Differed Income	13	196,816,783	205,134,502
SSDP Funds	38	13,836,502	15,703,561
Production Income	16	8,286,983	5,529,227
TOTAL INCOME		531,916,464	552,108,162
OPERATING EXPENSES			
Personnel Emoluments	17	193,990,870	191,676,167
Travelling	18	146,671	437,588
Staff Training & Development	19	1,865,234	3,076,174
Contractual Service	20	18,582,317	17,518,677
Supplies & Consumable Used	21	15,261,458	14,004,179
Maintenance Expenses	22	11,541,032	10,441,446
Depreciation	2	196,816,783	205,134,502
Other Recurrent Expenses	23	33,774,736	31,161,262
Production Expenses	16	5,535,733	2,758,193
Part Time Expenses	1	53,935,807	55,117,260
Research & Development	24	157,680	3,418,636
Finance Cost	25	504,205	506,303
TOTAL OPERATING EXPENSES		532,112,526	535,250,387
Surplus/(Deficit) from Operating Activities		(196,062)	16,857,775
Deficit on Canteen Building Disposal			
Net Surplus/(Deficit) Before Extra-Ordinary Items		(196,062)	16,857,775
Bonus Payment		-	(2,976,000)
Net Surplus/(Deficit) for the Period.		-	13,881,775
Prior Year Adjustment	32	(106,849)	(2,123,136)
Prior Year Adjustment PT	1	(22,099)	(489,544)
Net Surplus/(deficit) After Prior Year Adjustment		(325,010)	11,269,095

CEYLON – GERMAN TECHNICAL TRAINING INSTITUTE
CASH FLOWS STATEMENT
YEAR ENDED 31st DECEMBER 2019

	Note	2019(Rs.)	2018(Rs.)
Cash Flows From Operating Activities			
Surplus (Deficit) from Ordinary Activities		(196,062)	16,857,775
Bonus Payment		-	(2,976,000)
Prior Year Adjustment PT		(22,099)	(489,544)
Prior Year Adjustment		(106,849)	(2,123,136)
Staff Loan Interest Income		(415,278)	(65,903)
Fixed deposit Interest Income - PT		(2,620,591)	(3,016,121)
Treasury Bill Interest Income - PT		(1,015,460)	(1,027,927)
		<u>(4,376,339)</u>	<u>7,159,144</u>
Non Cash Movements			
Depreciation		196,816,783	205,134,502
Gratuity Provision		7,989,856	8,641,056
Amortization – Deferred income		(196,816,783)	(205,134,502)
		<u>3,613,517</u>	<u>15,800,200</u>
Increase/ Decrease in Payables		-	(5,250)
Increase/ Decrease in Accrued Expenses		(1,335,130)	5,212,159
Increase/ Decrease in Current Liabilities		5,551,779	(1,147,639)
Gratuity Payments		(12,664,920)	(11,844,765)
Increase/ Decrease in Current Assets		(606,923)	(7,797,357)
Increase/Decrease in Stocks		(165,223)	(8,899)
		<u>(9,220,418)</u>	<u>(15,591,751)</u>
Net Cash Flow from Operating Activities			
Cash Flow from Investment Activitie			
Acquisition of fixed Assets		(42,390,714)	(56,156,849)
Recovery of Advance paid for Fixed Assets		223,845	
		<u>(42,166,869)</u>	<u>(56,156,849)</u>
Cash Flow from Financing Activities			
Increase / Decrease Investments		(3,564,096)	10,293,681
Reserves/Capital Grant		36,500,000	60,866,070
Staff Loan Interest		415,278	65,903
Fixed deposit Interest Received - PT		2,571,272	2,949,785
Treasury Bill Interest Received - PT		1,014,923	1,025,972
		<u>36,937,377</u>	<u>75,201,411</u>
Net Increase in cash & Cash Equivalents		(10,836,393)	19,253,011
Cash & Cash equivalents at beginning of the Period.		31,839,500	12,586,489
		<u>21,003,107</u>	<u>31,839,500</u>
Cash & Cash Equivalents at End of the Period.		21,003,107	31,839,500

CEYLON- GERMAN TECHNICAL TRAINING INSTITUTE

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31ST DECEMBER 2019

	Accumulated Fund	Government/ Grant Deferred Income	Accumulated Surplus	Capital Reserve	Revaluation Reserve	Total
Balance as at 31.12.2018	844,877,725	734,949,464	(356,525,257)	4,407,578	699,375,298	1,927,084,808
Prior Year Adjustment (Note -32)			(106,849)			(106,849)
Prior Year Adjustment - PT(Note -01)			(22,099)			(22,099)
Balance as at 31.12.2018	844,877,725	734,949,464	(356,654,205)	4,407,578	699,375,298	1,926,955,860
Net Surplus / (Deficit) For the Period			(196,062)			(196,062)
Capital Grant Treasury		36,000,000				36,000,000
Vehicle Donation		350,000				350,000
Training Equipment Donation		150,000				150,000
	844,877,725	771,449,464	(356,850,267)	4,407,578	699,375,298	1,963,259,798
Less:						
Transfer to Finance Performance A\C		(196,816,783)				(196,816,783)
Balance as at 31.12.2019	844,877,725	574,632,681	(356,850,267)	4,407,578	699,375,298	1,766,443,015

Note: 01

CEYLON- GERMAN TECHNICAL TRAINING INSTITUTE
PART TIME COURSES

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2019

	Note	Rs	Rs
		2019	2018
Income			
Interview Fees		1,182,850	1,298,475
Course Fees & Admission		53,124,630	64,882,915
Course Fees- Diploma	35	5,281,800	5,425,850
Interest on Treasury Bills-E.W.P.T		1,015,460	1,027,927
Miscellaneous Income	34	131,405	133,200
Fixed Deposit Interest- E.W.P.T		2,620,591	3,016,121
Total Income		63,356,736	75,784,488
Expenditure			
Part Time & Other Allowances		44,292,343	45,646,108
Diploma course expenses (NVQ)	36	3,081,840	1,985,690
Refreshments		13,105	12,900
Stationery		1,242,534	1,353,478
Postage & Telegrams		146,052	138,486
Bank Charges		67,125	94,895
Electricity		3,772,142	3,785,054
Advertisements		346,449	445,568
Stamp Duty		21,725	21,725
Training Materials		952,492	1,633,356
Miscellaneous Expenses			
Total Expenditure		53,935,807	55,117,260
Surplus/Deficit Before Bonus		9,420,929	20,667,228
Less: Bonus		-	(2,976,000)
Prior Year Adjustment		(22,099)	(489,544)
Surplus/Deficit		9,398,830	17,201,684

Note -02

Property, Plant and equipment	Land		Building		other		Vehicle		Machinery & Training Equipment		Furniture & Fittings		Library Books		Office Equipment		TOTAL
	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI	BORE.	CGTTI/BORE.
Balance as at 01.01.2019	940,350,00	209,000,000	434,170,664	11,242,617	19,031,458	-	39,420,000	202,000	1,182,437,226	16,538,162	68,308,698	714,395	3,600,602	-	72,009,565	400,170	2,997,425,557
Additions	-	-	17,769,596	-	152,700	-	350,000	-	19,243,571	-	476,655	-	102,569	-	3,974,274	-	42,069,365
Other Transfers											(9,064,259)				9,064,259		
SSDP											321,349						321,349
Balance as at 31.12.2019	940,350,000	209,000,000	451,940,260	11,242,617	19,184,158	-	39,770,000	202,000	1,201,680,797	16,538,162	60,042,443	714,395	3,703,171	-	85,048,098	400,170	3,039,816,271
Depreciation																	
Balance as at 01.01.2019	-	-	253,294,143	6,084,209	12,272,503	-	38,487,917	202,000	588,417,028	16,496,131	29,989,665	697,871	3,398,794	-	69,795,866	400,170	1,019,536,297
Charge for the Year	-	-	57,668,200	1,100,000	184,525	-	374,583	-	125,980,386	16,813	2,727,799	3,773	191,942	-	8,568,763	-	196,816,783
Balance as at 31.12.2019	-	-	310,962,343	7,184,209	12,457,028	-	38,862,500	202,000	714,397,414	16,512,944	32,717,464	701,644	3,590,736	-	78,364,629	400,170	1,216,353,080
Written down Value As at 31.12.2019	940,350,000	209,000,000	140,977,918	4,058,408	6,727,130	-	907,500	-	487,283,383	25,219	27,324,978	12,751	112,435	-	6,683,469	-	1,823,463,191

Note-03

Debtors Accounts					Rs	Rs
					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Other Debtors		4,168,981			4,168,981	3,333,990
Provision for bad debtors		(657,330)			(657,330)	(657,330)
MTTC Allowance				70,156	70,156	70,156
TVEC		267,784.50			267,785	
Total		3,779,435		70,156	3,849,591	2,746,816

Note-04

Deposit					2019	2018
					TOTAL	TOTAL
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Electricity (Official Bungalow - Dehiwala)		-		2,000	2,000	2,000
Fuel (CTB Filling Station – Ratmalana)		300,000			300,000	300,000
Total		300,000	-	2,000	302,000	302,000

Note-05

Advance					2019	2018
					TOTAL	TOTAL
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Festival Advance		115,700			115,700	121,950
Special Advance		586,500			586,500	532,500
Trainees Advance		29,150			29,150	29,150
Book Loan		373,100			373,100	494,600
Local Purchase		348,577			348,577	355,904
Distress Loan		316,304			316,304	1,006,606
Ten Month staff Loan		9,879,269			9,879,269	9,658,741
Total		11,648,599			11,648,599	12,199,451

Note-06

Cash & Cash Equivalents					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Return Money Order				2,400	2,400	2,400
Cash/Bank Balance		8,894,580		12,106,127	21,000,707	31,837,100
Total		8,894,580	-	12,108,527	21,003,107	31,839,500

Note-07

Current A/C S.L.C.T.B					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
S.L.T.B.Current A/C					(1,975,291)	(1,975,291)
Total		-	-	-	(1,975,291)	(1,975,291)

Note-08

Investment					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Fixed Deposit- E.W.P.T				27,385,483	27,385,483	24,836,310
Treasury Bills-E.W.P.T.				11,803,478	11,803,478	10,788,555
			-			
Total				39,188,961	39,188,961	35,624,865

Note-09

Accrued Expenses					Rs 2019	Rs 2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Salary Payable /4093		1,695,488			1,695,488	1,052,670
E.T.F Payable		294,497			294,497	288,660
E.P.F Payable		2,050,930			2,050,930	2,034,411
Trainees Welfare		-			-	53,860

Union – SLNSS	4,700		4,700	7,000
Telephone Bill Payable	107,023		107,023	-
Staff Insurance	2,483		2,483	3,762
Union Payable	7,307		7,307	9,607
Welfare - Society -CGTTI	103,807		103,807	104,707
Sports	43,370		43,370	49,950
Welfare - Society -Trainees	46,982		46,982	-
Insurance Payables-Trainees	195,316		195,316	36,041
Book Loan	-		-	59,832
Vehicle Rent Payable	292,026		292,026	-
Social Security Board Payable	7,659		7,659	7,659
Singer Sri Lanka	-		-	6,598
4080/1 Accrued Expenses	-	759,676	759,676	3,250,636
Tax	407,769		407,769	391,190
Security Payable	600,623		600,623	-
P.T Allowances	-	3,232,868	3,232,868	3,057,281
Union – Teachers Association	3,300		3,300	3,300
4048/5012 Payable	15,268		15,268	15,268
Electricity Payable	769,629		769,629	-
Attendance Incentive	-		-	7,500
Rukula	-		-	31,164
Bonus Payable	-		-	2,976,000
Performance Allowance payable	2,047,500		2,047,500	1,056,432
SSDP-Cell Member All Payable	53,391		53,391	137,989
Band Trainer Allowance Payable	25,375		25,375	
Agrahara	181,000		181,000	180,000
Textile Loan	3,450		3,450	3,450
Progressive Union	8,200		8,200	6,700
Provision for Audit Fees	700,000		700,000	300,000
Book Loan	10,332		10,332	
Stamp Duty	17,454		17,454	15,675
Water Bills Payable	124,790		124,790	
Total	9,819,668	3,992,544	13,812,212	15,147,342

Note-10

Loans(Third Party)					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Bank Loans (Third Party)		553,535			553,535	679,076
Total		553,535	-	-	553,535	679,076

Note-11

Refundable Deposit					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Canteen Tender		290,000			290,000	160,000
Tender		665,022			665,022	278,885
Play Ground Deposit		47,409			47,409	52,409
Total		1,002,431	-	-	1,002,431	491,294

Note-12

Treasury A/C	Rs.	Rs.
	2019	2018
Capital Grant	36,000,000	52,000,000
Recurrent Grant	234,800,000	236,475,000
Total Grant	270,800,000	288,475,000
Less:- Deferred Income	36,000,000	52,000,000
Performance A/C	234,800,000	236,475,000

Note-13

Capital reserve	2019			2018
	Debit	Credit	Total	Total
Opening Balance		4,407,578		4,407,578
Balance	-	4,407,578	-	4,407,578
Deferred Income				
Opening Balance		734,949,464		879,217,896
Received from Treasury Account		36,000,000		52,000,000
Library Books		-		38,070
Vehicle		350,000		1,440,000
Training Equipment		150,000		7,376,000
Furniture & Office Equipment		-		12,000
Received from SSDP Ac. Equipment – OB Australia				
10% Transfer to P & L Account	196,816,783		-	(205,134,502)
Total	196,816,783	771,449,464	574,632,680.87	734,949,464

Note-14

Accumulated Surplus	2019		2018
		Credit	Credit
Opening Balance		(356,525,257)	(367,794,352)
Net Surplus (Deficit) for the Period		(196,062)	16,857,775
Prior Year Adjustment		(106,849)	(2,123,136)
Prior Year Adjustment - PT		(22,099)	(489,544)
Bonus Payment		-	(2,976,000)
Total		(356,525,257)	(356,525,257)

Accumulated Fund	2019	2018
Opening Balance	844,877,725	844,877,725
Total	844,877,725	844,877,725

Note-15

Other income		C.G.T.T.I	BORELLA	PART TIME	Rs	Rs
					2019	2018
					TOTAL	TOTAL
Examination Income		1,725,600			1,725,600	1,763,500
Traveling Pass		-			-	85,875
Miscellaneous Income		2,628,861			2,628,861	1,513,963
Trainees Registration Fees						871,500
Trade Test Fees		188,950			188,950	213,275
Staff Loan Interest		415,278			415,278	65,903
Special Course Fees		6,139,849			6,139,849	5,022,550
Canteen Rent		120,000			120,000	75,000
Tender Fees		218,000			218,000	411,000
Official Bungalow rent		177,047			177,047	133,818
Total		11,613,586			11,613,586	10,156,384

Note-16

Production Unit		C.G.T.T.I	BORELLA	PART TIME	2019	2018
					TOTAL	TOTAL
Production Income Private		1,617,397			1,617,397	2,267,057
Vehicle Fitness		169,450			169,450	100,501
Production Income - SLTB		6,500,135			6,500,135	3,161,669
Others					-	-
Total Income		8,286,983	-	-	8,286,983	5,529,227
Less : Production Materials		4,471,394			4,471,394	1,979,932
Paints Materials						
Incentive		1,058,008			1,058,008	748,377
Fitness Charges		6,331			6,331	29,884
Total Expenses		5,535,733			5,535,733	2,758,193
		2,751,250			2,751,250	2,771,034

Note-17

Personal Emoluments		C.G.T.T.I	BORELLA	PART TIME	2019	2018
					TOTAL	TOTAL
Salaries & Wages	17A	139,781,929		-	139,781,929	137,234,208
Allowances	17B	42,139,050			42,139,050	42,946,428
Gratuity		7,989,856			7,989,856	8,641,056
Over Time		4,080,035			4,080,035	2,854,475
Total		193,990,870	-	-	193,990,870	191,676,167

Note-17A

Salaries & Wages					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Salaries		97,786,403			97,786,403	88,634,100
Additional Allowances(COL)		21,988,200			21,988,200	22,474,140
Additional Allowances		849,927			849,927	7,049,135
Special Allowances		278,000			278,000	-
Contract Salaries		735,595			735,595	1,343,844
E.P.F. Board contribution		14,511,959			14,511,959	14,147,281
ETF		3,631,845			3,631,845	3,585,708
TOTAL		139,781,929	-	-	139,781,929	137,234,208

Note-17B

Allowances					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Band Training Allowances		333,600			333,600	405,450
English Teachers Allowances		1,248,400			1,248,400	1,047,050
Tamil Teachers All.		140,400			140,400	-
MTTC Allowances		164,587			164,587	1,301,886
Trainees Allowances		40,252,063			40,252,063	40,192,042
Total		42,139,050	-	-	42,139,050	42,946,428

Note-18

Traveling					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Foreign Travelling		-			-	360,114
Traveling Expenses		146,671			146,671	77,474
Transport Expenses		-			-	-
Total		146,671	-	-	146,671	437,588

Note-19

Staff Training & Development					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Capacity Building-Teacher /Staff	33	1,026,019			1,026,019	2,231,117
Training		839,215			839,215	845,057
Foreign Training/Travelling					-	-
Total		1,865,234	-	-	1,865,234	3,076,174

Note-20

Contractual Service					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Electricity & Water Expenses	20A	9,461,566		-	9,461,566	9,290,633
Postage & Telecommunication	20B	1,423,582			1,423,582	1,020,348
Security Expenses		7,697,169			7,697,169	7,207,696
Total		18,582,317	-	-	18,582,317	17,518,677

Note-20A

Electricity & Water Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Electricity		7,568,331			7,568,331	7,605,205
Water		1,893,236			1,893,236	1,685,428
Total		9,461,566	-	-	9,461,566	9,290,633

Note-20B

Postage & Telecommunication					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Postage & Telecommunication Stamps		1,423,582			1,423,582	1,020,348
Total		1,423,582	-	-	1,423,582	1,020,348

Note-21

Supplies & Consumable Used					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Stationary		1,234,688			1,234,688	1,027,442
Fuel & Lubricants		6,105,329			6,105,329	6,371,067
Training Materials		7,921,441			7,921,441	6,605,670
Total		15,261,458	-	-	15,261,458	14,004,179

Note-22

Maintenance Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Furniture & Office Equipment		2,063,461			2,063,461	1,692,363
Vehicle Maintenance		2,071,755			2,071,755	1,526,473
Civil Maintenance		2,419,853			2,419,853	3,203,767
Official Bungalow Maintenance		-			-	111,435
Work Shop Equipment Maintenance		3,952,003			3,952,003	3,150,174
Electrical Maintains		1,008,337			1,008,337	739,554
Garden Maintenance		25,623			25,623	17,680
Total		11,541,032	-	-	11,541,032	10,441,446

Note-23

Other Recurrent Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Miscellaneous Expenses	23A	9,226,239			9,226,239	6,002,794
Welfare Expenses	23B	1,592,461			1,592,461	901,989
Verification Expenses		111,800			111,800	105,600
Social Marketing	38	197,250			197,250	520,931
Accounts Translate & Annual Report		171,474			171,474	-
Admin: Manual Preparation Fees		-			-	833,777
Vehicle rent		3,796,333			3,796,333	3,149,278
Audit Fees & Audit Meeting		1,150,720			1,150,720	323,835
Technological studies- schools	37	8,400			8,400	-
Taxes	23C	-			-	-
Insurance	23D	1,309,042			1,309,042	1,401,884
Other Allowances	23E	16,211,017			16,211,017	17,921,174
Total		33,774,736	-	-	33,774,736	31,161,262

Note-23A

Miscellaneous Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Examination Expenses		1,419,221			1,419,221	1,132,190
Develop & Revised Curricula & Flexible Learning	38	1,291,938			1,291,938	1,502,226
News Papers		59,150			59,150	47,840
Sundry Expenses		-			-	402,061
Refreshments		272,035			272,035	399,717
Course		-			-	-
Other Miscellaneous		2,273,122			2,273,122	-
Cash Verification exp.		-			-	2,400
NVQ Registration Fees		-			-	154,000
Paper Advertisement		1,491,205			1,491,205	1,070,759
Ceremony Expenses		2,289,359			2,289,359	528,951
Bad Debtors		-			-	657,330
QMS - SSDP	38	130,210			130,210	105,320
Total		9,226,239	-	-	9,226,239.16	6,002,794.00

Note-23B

Welfare Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL Rs.	TOTAL Rs.
Welfare Expenses		1,373,609			1,373,609	503,933
Medical Bills		218,852			218,852	398,056
Trainees Welfare		-			-	-
Total		1,592,461	-	-	1,592,461	901,989

Note-23C

Taxes					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Other TAX		-			-	-
Total		-	-	-	-	-

Note-23D

Insurance					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Assets Insurance		1,027,842			1,027,842	1,141,671
Insurance (Money in Transit)						
Vehicle		281,200			281,200	260,213
Total		1,309,042	-	-	1,309,042	1,401,884

Note-23E

Other Allowances					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Chairman Allowances		825,000			825,000	773,367
Procurement Committee/ TEC Allowance		3,900			3,900	178,250
Performance Allowance-SSDP Funds	38	12,302,166			12,302,166	13,472,565
Advisory Com. Allowance		135,000			135,000	459,841
Technical Advertiser Allowance		-			-	192,440
Attendance Allowance – Technical Staff Only		1,137,620			1,137,620	1,176,421
Special Course		1,489,023			1,489,023	1,530,301
SSDP Cell Member Payment (Nov & Dec 2019)		53,391				
SSDP Cell Member Payment	38	264,918			264,918	137,989
Total		16,211,017	-	-	16,157,626.68	17,921,174.00

Note-24

Research & Development					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Research & Development		157,680			157,680	3,418,636
Total		157,680			157,680	3,418,636

Note-25

Finance Cost					2018	2017
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Bank Charges		504,205			504,205	506,303
Total		504,205	-	-	504,205	506,303

Note-26

Income Receivable					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Fixed Deposit Interest Receivable				1,029,388	1,029,388	980,069
Treasury Bills Interest Receivable				595,588	595,588	595,051
Official Bungalow rent		11,399			11,399	11,399
Canteen Rent		70,000			70,000	15,000
		81,399	-	1,624,976	1,706,375	1,601,519

Note-27

Fixed Asset Creditors					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Metropolitan Engineering (Pvt)Ltd		406,304			406,304	406,304
Southern Constructions		(0)			(0)	759,675
BS Engineering		6,650			6,650	6,650
Softlogic		-			-	31,694

EW Information System	-			-	59,112
Abans pvt Ltd	66,883			66,883	66,883
Marco Auto Tech	8,529			8,529	85,216
Megaheaters	53,395			53,395	53,395
Pawana Motors	-			-	75,500
NGP Engineering	994,914			994,914	902,481
Eser Marketing	116,187			116,187	116,187
Electro Serve	965,976			965,976	965,976
Oreal Co	51,523			51,523	312,959
Leema Creation					50,272
DPJ Holdings	110,296			110,296	110,296
DIMO	77,761			77,761	39,150
Gangoda Enterprises	30,180			30,180	30,180
Ace Cam pvt ltd.	90,835			90,835	90,835
Nett Engineering	25,303			25,303	25,303
Sri Wijaya Industries	18,161			18,161	18,161
Design World (Pvt) Ltd	326,078			326,078	-
John Keells Office	40,994			40,994	73,244
Unicon Metalic	60,833			60,833	60,833
Malbo Trading	42,660			42,660	-
Electro Automotives	300,000			300,000	300,000
Name Board	5,000			5,000	5,000
Rockwell International	32,120			32,120	32,120
Sundry Creditors	142,463			142,463	142,463
Alcrobronz	62,500			62,500	62,500
Debug	-			-	34,500
Inko Engineering (Pvt) Ltd	201,399			201,399	-
TCI Enterprises (Pvt) Ltd	94,801			94,801	-
Finex Engineering (Pvt) Ltd	6,817,805			6,817,805	
Total	11,149,550	-	-	11,149,550	4,916,889

Note-28

Payables					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Housing Loan payable					-	-
Procurement Fees Payable					-	-
Total		-	-	-	-	-

Note-29

Stocks					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Stationery		50,867			50,867	58,067
Paints		150,000			150,000	150,000
Spare Parts		-			-	-
Total		200,867		-	200,867.26	208,067.00

Note-30

Advance Payments					2018	2017
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Engineering Technocracy (pvt) Ltd		273,324			-	-
					273,324	497,169
Total		273,324	-	-	273,324	497,169

Note-31

Sales of Non Movement Stocks					2018	2017
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Sales Value		-				-
Book Value		-				-
Total		-	-	-	-	-

Note-32

Prior Year Adjustment					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Prior year expenses		(103,567)			(103,567)	(300,000)
Prior year expenses		(16,782)			(16,782)	(435,317)
Prior year Income		13,500			13,500	24,000
Debtors		-			-	(1,411,819)
Stocks		-			-	-
Total		(106,849)	-	-	(106,849)	(2,123,136)

Note-33

Capacity Building – Capital Expenses					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Training & Capacity Building – SSDP	38	-			-	1,158,945
Training & Capacity Building		1,026,019			1,026,019	1,072,172
Transfer to training & devp A/C	19	(1,026,019)			(1,026,019)	(2,231,117)
Total		-	-	-	-	-

Note-34

Miscellaneous income part time					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Examination fees				118,050	118,050	121,375
Miscellaneous income				13,355	13,355	11,825
Total		-	-	131,405	131,405	133,200

Note-35

Diploma Course income NVQ					2019	2018
		C.G.T.T.I	BORELLA	PART TIME	TOTAL	TOTAL
Course Fees / Others				5,281,800	5,281,800	5,425,850
Registration fees					-	-
Total		-	-	5,281,800	5,281,800	5,425,850

Note-36

Diploma Course expenses NVQ		C.G.T.T.I	BORELLA	PART TIME	2019	2018
					TOTAL	TOTAL
Visiting lecture				2,745,757	2,745,757	1,461,900
Other Expenses				336,083	336,083	523,790
		-	-	3,081,840	3,081,840	1,985,690

Note-37

Technological studies – Schools		C.G.T.T.I	BORELLA	PART TIME	2018	2017
					TOTAL	TOTAL
Ministry of Skills Development Teaching Allowance		8,400			-	-
Other recurrent expenses	23	(8,400)			(8,400)	-
		-	-	-	-	-

Note-38

Skills Sector Development Program (SSDP)	Note	2019	2018	Note	2019	2018
		Receipt	Receipt		Payment	Payment
Performance Allowance	PL	11,311,098	12,416,132.00	23 E	12,302,166	13,472,565
Training & Capacity Building	PL	-	1,158,945.00	33	-	1,158,945
Quality Management System Develop & Revised Cu.& Flexible Learning	PL	130,210	105,320.00	23 A	130,210	105,320
Cell Member Allowances	PL	518,113	1,502,226.00	23 A	1,291,938	1,502,226
Cell Member Allowances	PL	402,908		23 E	264,918	137,989
Social Marketing	PL	197,250	520,931.00	23	197,250	520,931
Capital Payments	13	517,248		2/27	321,348	
Capital Payments				2	195,900	
Retention Payment		759,675			759,675	
		13,836,502	15,703,554.00		15,601,394	16,897,976

Note-39

Current Account					2019	2018
				Note	Payment	Payment
Part Time CGTTI					99,245,458 (99,245,458)	85,109,425 (85,109,425)
		-	-	-	-	-

Note-40

Payable/Receivable					2019	2018
				Note	Payment	Payment
MTTC Allowance receivable					-	72,058
MTTC Allowance Payable					-	(72,058)
Electricity receivable					595,043	264,256
Electricity Payable					(595,043)	(264,256)
		-	-	-	-	-

CEYLON- GERMAN TECHNICAL TRAINING INSTITUTE
STUDENTS PERSONAL ACCIDENT INSURANCE & BENEVOLENT SCHEME
Income Expenditure Account Year ended 31.12.2019

	2019	2018
Income		
Premium Income	447,375	326,025
Interest Income	834,715	788,713
Total Income	1,282,090	1,114,738
Expenses		
Other Expenses		1,208
Insurance claim Payment		1,085
Bank Charges		1,400
Total Expenses	-	3,693
Surplus	1,282,090	1,111,045
Prior Year Adjustment		29,097
Surplus	1,282,090	1,140,142

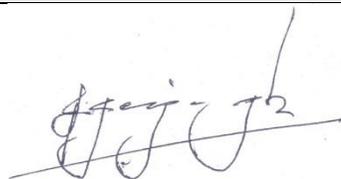
**CEYLON- GERMAN TECHNICAL TRAINING INSTITUTE
STUDENTS PERSONAL ACCIDENT INSURANCE & BENEVOLENT SCHEME**

Statement of financial position as at 31.12.2019

Assets	2019	2018
Current Assets		
Current Assets		
Bank Balance	3,325,664	2,706,671
Premium income receivable	160,325	98,975
Interest Receivable	314,250	279,299
Fixed Assets		
Investment		
Fixed Deposit	8,604,785	8,039,075
Total Assets	12,405,024	11,124,020
Liabilities		
Insurance Claim payable		1,085
	12,405,024	11,122,935
Net Assets/ Equity		
Accumulated Fund	11,122,934	9,982,792
Ad: Surplus	1,282,090	1,140,142
Total Liabilities	12,405,024	11,122,934



**Director/Principal
CGTTI**



**Accountant
CGTTI**

CEYLON - GERMAN TECHNICAL TRAINING INSTITUTE
STUDENTS PERSONAL ACCIDENT INSURANCE & BENEVOLENT SCHEME
Cash Flow Statement as at 31.12.2019

	Note	2019 (Rs.)	2018 (Rs.)
Cash Flows From Operating Activities			
Surplus (Deficit) from Ordinary Activities		1,282,090	1,140,142
Prior Year Adjustment			
		1,282,090	1,140,142
Non Cash Movements			
Increase/ Decrease in Payables			
Increase/ Decrease in Accrued Expenses			
Increase/ Decrease in Current Liabilities		(1,085)	1,085
Increase/ Decrease in Current Assets		(96,302)	(122,699)
Net Cash Flow from Operating Activities		1,184,703	1,018,528
Cash Flow from Investment Activitie			
Acquisition of fixed Assets			
Cash Flow from Financing Activities			
Increase / Decrease Investments		(565,710)	(549,148)
		618,993	469,380
Cash & Cash equivalents at beginning of the Period.		2,706,671	2,237,291
Cash & Cash Equivalents at End of the Period.		3,325,664	2,706,671

CEYLON - GERMAN TECHNICAL TRAINING INSTITUTE
STUDENTS PERSONAL ACCIDENT INSURANCE & BENEVOLENT SCHEME
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31st December 2019

	Accumulated fund	Total
Opening Balance 01.01.2019 Prior Year Adjustment	11,122,934	11,122,934
Net Surplus/(Deficit) for the Period	1,282,090	1,282,090
Less :	12,405,024	12,405,024
Balance as at 31.12.2019	12,405,024	12,405,024

1. General Information

1.1 Ceylon German Technical Training Institute is a Technical Training Institute incorporated by Act, No. 15 of 2017.

1.2 Financial period

The financial period of the Institute represents a twelve month period from 1st January to 31st December 2019.

2. Basis of preparation of financial statements.

2.1 Statement of compliance

The financial statements of the Institute have been prepared in accordance with Sri Lanka Public Sector Accounting standards issued by the Institute of Chartered Accountants of Sri Lanka.

These Financial statements comprise the statement of financial position, statement of financial Performance, statement of changes in funds and reserves, statement of cash flows, Accounting policies and notes to the financial statements.

2.2 Going concern

Financial Statements have been prepared on the assumption that the institute is a going concern.

2.3 Basis of measurement

The financial statements have been prepared on accrual basis and under the historical cost basis, except where appropriate disclosures are made with regard to fair value under relevant notes. Land & Building revalued by Department of Valuation at the year 2013 and vehicle revalued at the year of 2014. Value of Library books Rs.1,899,262.00 taken for year 2014 accounts.

2.4 Depreciation

Depreciation is provided from month of purchased. The annual rates of depreciation generally used by institute are as follows.

	Per annum
Buildings	10%
Vehicles	25%
Machinery & Training Equipment	12.5 %
Furniture & Fittings	10%
Office equipments	25%
Other equipments	25%
Library Books	25%

Assets classified as Current Assets on the balance sheet are those which are expected to be realized in cash during the normal operating cycle or within one year from the Balance Sheet date whichever is shorter and stocks valued under FIFO method.

2.5 Foreign Currency Transaction

All transaction involving foreign exchange was converted to Sri Lankan Rupees at the rate of exchange prevailing at the time of transaction in this financial statement.

2.6 Event Occurring subsequent to the balance sheet

All material events occurring after the balance sheet date have considered in the financial statement.

3. Liabilities and Provisions

3.1All known liabilities have been accounted in preparing the financial statement and Adequate provision has been made for liabilities which are known to exist.

3.2 Retirement Gratuity

Provision is made in the financial statements for retiring Gratuity which may fully Due for payment, under the payment of gratuity act no 12 of 1983 and additional two weeks salary as gratuity for each year of service to employees who were in service at the time the peoplisation programme commenced (28.12.1990) under the SLTB Board Paper 21 of 1994.

3.3 Deferred Income

Capital Grant received under the Treasury funds are treated as deferred income and amortized of depreciation amount per year.

3.4 EPF Payment

Institute contribution for EPF is 12% and Employees contributions 8% for the CGTTI appointed employees and 10% for the SLTB appointed employees.

NATIONAL AUDIT OFFICE

My No. : VTY/A/CGTTI/1/19/05

21st July 2020

Chairman
Ceylon German Technical Training Institute

Audit Report on the Financial Statements and the other legal and regulatory requirements of the Ceylon German Technical Training Institute for the year ended 31st December 2019 in terms of Section 12 of the National Audit Act No. 19 of 2018

1. Financial Statements

1.1 Disclaimer Opinion

The financial position statement of the Ceylon German Technical Training Institute for the 31st of December 2019 and the financial performance statement for the year ended to the same date, rights changing statement and the cash flow statement and respective notes to the financial statements for the year ended to the same date, the financial statements for the year ended 31st December 2019 consisted of summarized important accounting policies were audited under my order as per the Provisions of Financial Act No. 30 of 1971 and the National Audit Act no. 19 of 2018 which should be read with the 154 (I) clause of the Constitution of Democratic Socialist Republic of Sri Lanka.

I do not express an opinion on the financial statements of the Institution. As a result of important facts set out in “Basis for Disclaimer of Opinion” of this report, I have not been able to obtain sufficient and appropriate audit evidences to provide a basis for an audit opinion, in respect of these financial statements.

1.2 Basis for Disclaimer of Opinion

- (a.) As the useful lifetime of non-current assets had not been revised annually in terms of paragraph 65 of the Sri Lanka Public Sector Accounting Standard 07, property, plant and equipment costing Rs. 328,475,190 had still been in use despite being fully depreciated by the end of the year under review. No action had been taken to revise the estimated error relating thereto in accordance with Sri Lanka Public Sector Accounting Standard No. 03. Further, Gross carrying value of this had not been disclosed in the financial statements.
- (b.) Even though, in terms of paragraph 15 of the Sri Lanka Public Sector Accounting Standard No. 09, the stock should be value at a cost or net realizable value whichever is lower, the cost of the spare parts stock amounting to Rs. 7,183,211 had been stated in the accounts of the Institution without being calculating the net realizable value.
- (c.) The vehicle and training equipment value totaled Rs. 500,000 which had been received as grant during the year under review, had been inappropriately presented as an acquisition of assets and under the capital reserve in the statement of cash flows.

- (d.) The value of the machine which had received as a grant from a private institution on 27th October 2019 for welding training had not been assessed and accounted.
- (e.) Nineteen items of accrued expenditure totaled Rs. 566,302 pertaining to the year 2019 had not been accounted.
- (f.) The building valued at Rs. 129,578,570 which had been constructed by Skills Sector Development Fund in 2015 had been omitted from the accounts.
- (g.) Rs. 478,528,464 valued 223 journal vouchers with formal approval had not been presented to the Audit. Similarly, the confirmations of the balances relevant to the Debtor/ Creditor, totaling amount of Rs. 14,999,141 had not been submitted for the Audit.
- (h.) Rs. 200,866 difference had been shown in comparing the Spare Parts stock mentioned in the Financial Positions Statement as at 31st December 2019 with Physical Stock Verification Report.

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

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

In preparing the financial statements, management is responsible for assessing the Institute'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 intend to liquidate the Institution or to cease operations, or has no realistic alternative but to do so.

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

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

1.4 Auditor's responsibility in Auditing 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 Institute'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 Institute'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 to cease to continue as a going concern.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentations.

The scope of the audit also extended to examine as far as possible and as necessary the following.

2. Report on the other legal and regulatory requirements

Special Provisions are included in respect of the following requirements of the National Audit Act No. 19 of 2018.

- As per the requirement of the Section 12 (a) of the National Audit Act No. 19 of 2018, I have not been able to obtain all the required information and clarifications and determine through my inquiry that the Institution has not maintained proper financial reports.

- As per the requirement of the Section 6 (I) d (iii) of the National Audit Act No. 19 of 2018, the submitted financial statements are consistent with the previous year.
- As per the requirement of the Section 6 (I) d (iv) of the National Audit Act No. 19 of 2018, the recommendations issued by me in the previous year are included in the submitted financial statements, except the paragraphs (a), (b) and (g) included under the Basis for “Disclaimer of Opinion”.

Within the frame of, actions which have taken, audit evidences and sufficient facts obtained based on the Audit, no any other fact has been subject to my attention, except the following statements.

- As per the requirement of the Section 12 (d) of the National Audit Act No. 19 of 2018, that one of the member of Board of Governors of the Institution has a connection directly or in any other way, excluding to the general procedural situation, regarding an agreement relevant to the Institution.
- As per the requirement of the Section 12 (e) of the National Audit Act No. 19 of 2018, except the following observations, the Institution has not complied with applicable written Law or other general or special directions issued by the Institution.

<u>Reference to Laws, Rules and Regulations</u>	<u>Non – compliance</u>
(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka (i) Financial Regulation 756	Even though a Committee Board of Survey should be appointed on or around 15 December of each year and a Board of Survey should be conducted as at 31 st December, it had not been conducted by the Institute until the audited date of 03 June 2020 and the recommendations pointed out by the board of survey in year 2018 had not been implemented.
(ii.) Financial Regulation 1646	Even though, the daily running chart of each months should be forwarded to the Auditor General before 15 of next month after submission of the Report, the Institution had not been act accordingly from the beginning.
(b) Public Finance Circular, No PF/PE/9, dated 27 June 2000	The excess funds of the government institutions should not be invested in fixed deposits, time deposits or treasury bills without obtaining prior approval of the Treasury. However, without obtaining the Treasury approval in such a manner, the institute had been invested Rs. 27,385,483 as fixed deposits and Rs. 11,803,478 as Treasury Bills.
(c) Paragraph 3.1 of Public Administration Circular No. 30/2016, of 29 December 2016.	Even though the consumption of fuel must be re- tested after a period of 12 months from each fuel test or after running a distance of 25,000 km or after carrying out a major repair to the engine, whichever occurs first, the Institution had not acted accordingly for 25 vehicles belonging to the Institution.

- As per the requirement of the Section 12 (g) of the National Audit Act No. 19 of 2018, the Institute has acted with non – compliance to its Powers, Functions and Duties
- As per the requirement of the Section 12 (h) of the National Audit Act No. 19 of 2018, the institute has not procured and utilized its resources economically, efficiently and effectively within the time frames and in compliance with the applicable laws, except the following observations.

According to the Technical Evaluation Committee Report, in the procurement of 05 numbers of training equipment through a private company, thus the value after tax had been stated as Rs. 1,342,950 and while paying for that, Rs. 191,371 had been over paid due to the fact that the tax had been added again.

3. Other Audit observations

- a.) Although the Secretary to the Ministry had instructed to provide the necessary safety equipment through the Student Insurance Benefit Fund for the relevant trainees in providing practical training by the Institution, this had not been done even as at 31st January 2020. Also the types of safety equipment that the trainees should be wear had not been identified.
- b.) Even though, at the Audit and Management Committee meeting held at the Ministry on 25th June 2019, the Director/ Principal of the Institution had informed that the Institute will provide uniforms when recruiting the students, the Welfare Association of the Institution had charged Rs. 3,800 per student for the materials for the uniforms, books and bags.
- c.) Although, the Rs. 500,000 had been allocated for the purchase of library books in the year 2019, only 197 books had been purchased by utilizing Rs. 117,223 equivalent 23 percent. Also, 416 books which had been donated to the library by the Borellea branch on 28th January 2019, had been piled up in the library premises without any use.
- d.) The decision taken at the meeting of the Committee on Public enterprises on 23rd may 2019 had not been implemented until 31st January 2020.
 - (i) Reports for the years 2016 and 2017 to be tabled in Parliament within a month.
 - (ii) Action should be taken to fill the vacancies by preparing equal salary scales according to the educational qualifications pertaining to the five key positions in consultation with the Treasury.
 - (iii) Negotiations with the Treasury and rectifying the problems which has been arisen with regard to the salary increments in restructuring the post of employees of the Institution.
- e.) Organization of the United Nations had introduced “Sustainable Development Agenda 2030”, which is a universal statement and should be implemented by all member countries for the economic development and social development on the basis of providing environmental protection by 2030 for all the member countries. Thus, even though Ceylon German Technical Training Institution had identified 4 objectives according to this agenda, targets which are

necessary to achieve those objectives, the way those targets have to achieve, indicators for measuring targets had not been identified.

- f.) Debtor balances in the statement of financial position as at 31 December 2019 was Rs. 3,849,591 after making a provision of Rs. 657,330 for doubtful debts which includes debtor balances of Rs. 886,702 over 10 years and Rs. 993,160 between 5 to 10 years. Even though the recoverability of these receivables are in doubt, no provision had been made for doubtful debts.

W.P.C. Wickramarathna
Auditor General

Audit Reply

Audit Report on the Financial Statements and the other legal and regulatory requirements of the Ceylon German Technical Training Institute for the year ended 31st December 2019 in terms of Section 12 of the National Audit Act No. 19 of 2018

3. Financial Statements

1.1 Disclaimer Opinion

1.2 Basis for Disclaimer of Opinion

- a.) A committee has appointed to revalue the assets of the Institution. Due to Covid – 19 epidemic existed in the country in the years 2020 and 2021, planned activities could not be completed in due period. Since there are large amount of training equipment and machineries in the Institution, more time has to spend to complete this task. Relevant officers are instructed to complete the revaluation the assets and thereafter actions will be taken to include the values in the accounts.
- b.) The spare parts stock will be accounted to the net realizable value and the value will be added to the annual accounts of year 2020. As such the defect which pointed out in the Audit has been rectified.
- c.) The defect of, including the Grant receivables as vehicles and training equipment under Acquisition of assets in the Statement of cash flows, has rectified in preparing the Annual accounts of 2020.
- d.) The value of the machine pointed out in the Audit, had been accounted and adjusted to the annual accounts of the year 2020.
- e.) Rectified under previous year adjustments when preparing Annual accounts for the year 2020.
- f.) The defect has been rectified by accounting the value of this building, when preparing Annual accounts for the year 2020.
- g.) Journal Vouchers were examined by the Accountant and approved by the Chief Accountant. However, Audit Officers of the Government pointed out that the journal vouchers should approve by the Head of the Department. The approval of the Head of the Department has granted for the journal vouchers since 2020 and accordingly the defect has rectified. Letters were referred to the Debtors / Creditors to confirm the balances and the replies have not been received. Letters were referred in the years 2020 and 2021 too to receive confirmations for the balances.
- h.) The spare part stock valued Rs. 7,183,211.00 and the documentaries and painting stock valued Rs. 200,867 of the Financial Position Statement as at 31 December 2019 have stipulated separately. This both items have stipulated as one item in the Physical Stock Verification report too. Accordingly, hereby verified that no difference had been shown in the Accounts.

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

3.4 Auditor's responsibility in Auditing Financial Statements

4. Report on the other legal and regulatory requirements

	Reference to Laws, Rules and Regulations	Non – compliance	Reply
a.)	(i) Financial Regulation 756	Board of Survey in year 2019	Conclude the board of Survey in 2019 and the report has submitted to the Auditor General.
	ii. Financial Regulation 1646	Submission of the Daily Vehicle Running Charts to Auditor General.	The copies of the Vehicle Running Chart book which has prepared to use continuously for few years and consisted of 100 pages (PV 11) have submitted to the Auditor General.
b.)	Public Finance Circular, No PF/PE/9, dated 27 June 2000	Invested the Fixed Deposits and Treasury Bills.	<p>Even though request has made to obtain the approval of the Treasury for the investments belonged to the Institution, the reply has not been received. The Committee on Public Enterprises (COPE) also instructed to utilize these investments to the effective tasks of the Institution. Therefore, the matter has discussed in the Audit and Management Committee Meeting of the Ministry too.</p> <p>As such, under the Memorandum of Board of Governors No: 2020/04/01 & dated 08.06.2020 approval has been given to utilize Rs. 10 Mn for Employee Loan Schemes and to renew the Borella branch and under the Memorandum of Board of Governors No: 2020/04/01 & dated 29.06.2020, complete the shortages of the building on which the Vehicle Body Painting Division is being operated, Renovate the quarters of the Director / Principal, enhance the class rooms. Most of the planned activities have already been completed. Required provisions have been facilitated through Fixed Deposits to do the payments for these and Rs. 18.69 Mn valued Fixed deposit has spent up to now. Actions will be taken to utilize the remained investments too for these tasks.</p>

	Paragraph 3.1 of Public Administration Circular No. 30/2016, of 29 December 2016.		Since in the inception of the Institution fuel consumption is noted in the Running Chart (P11), the fuel tank is totally filled in each occasion when obtain the fuel. Fuel test has carried out in few of the buses for employees and due to Covid -19 the said tests have been temporally halted and since this year the fuel consumption will be tested continuously.
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2.) 3. Other Audit Observations

a.) Actions were taken to provide safety helmets for cover faces to the apprentices in the Vehicle Body Painting Division and also provide eyes washing equipment to utilize after the training for the apprentices in Welding Division. All apprentices in the Institution were provided a face mask to secure from the virus during Covid – 19 epidemic. Funds of the Student Insurance Scheme has utilized for this effort.

b.) Even though it has mentioned in the 1.3 VI chapter of the report of the respective Audit and Management Committee Meeting, that Institution has provided the uniforms to the apprentices, such expenditure has not been carried out by the Institution to facilitate uniforms to the apprentices.

The Welfare Association of the Institute has provided the opportunity to the apprentices to buy required books, bags, and uniforms for a concessionary prices.

c.) Due to unavailability of required books publications (Local publications relevant to Technical Sector) in the market, the purchases could be carried out to a minimum amount and the allocated provisions for purchasing of books for the year 2019 were saved. In the year 2020 the books purchasing were carried out from the allocated provisions for the Library and the administration of the Institution has provided the required instructions to the library to proceed the purchasing process continuously.

The number of 416 books received from the Borella – Branch in year 2019 to the library did not utilize for the reading purposes since it has not been entered to the Library system. However, at the end of the year, these books were added to the library books collection and for the general usage.

At present the library services are being provided with quality manner.

d.)

(i) The Annual Reports for the years 2016 and 2017 have prepared and submitted for the approval of the Cabinet of Ministers.

ii) Director – Director / Principal, Deputy Director / Deputy Principal, Chief Engineer (Training), Registrar – Principal (Branches) (Number of vacant posts – 05)

Director – Even though applications were called to recruit for the post of Principal, the recruitment could not be carried out since the applications with required qualifications were not received.

Director - Board of Governors of the CGTTI has appointed a member of the Board with effect from 18.02.2020 to do the duties of the Principal until a permanent appointment is carried out.

Deputy Director – Chief engineer Manufacturing Services and Maintenance has appointed with effect from 12.12.2019 to cover up the duties of the post of Deputy Principal.

Officer in the post of Assistant Registrar has appointed for the Duty Cover up of the post of Registrar with effect from 17.05.2013.

Principal (Branches) - The courses conducted then in the Borella Branch are functioning under Moratuwa Branch.

Issues regarding to do the recruitments for these posts were discussed with the Additional Secretary (Administration) of the Line Ministry and the officers of the Department of Management Services and the Additional Secretary (Human Resources) has sent a letter to the Department of Management Services in July 2021. (A copy of the relevant letter is attached herewith.)

(iii) In the event of absorption of the cadre to new salary schemes and restructuring as per the Management Services Circular No 30, the employees of the CGTTI were opposed for this for number of years. With the participation of the Consultative Board of the Institution, Officers including the Secretary of the Ministry, National Salary Cadre Commission and Department of Management Services, discussions were held in several occasions to solve the employee issues. Employee oppositions were further risen up due to delaying the absorptions has caused to postpone promotions, no addition of increased salary conversions, inability to conduct efficiency bar examinations etc. Subsequently, absorption was carried out based on the earned increments without any effect to the Seniority by a committee comprised with all the active unions of the Institution and officers of the Upper Management on par to the instructions and acknowledgements provided by the National Salary Commission and the Department of Management Services. The Internal auditor has pointed out that the process is incorrect and employee oppositions were risen again in re - charging the overpaid amounts.

The situation was reported to the Line Ministry and the Ministry has handed over the case to the Senior Assistant Secretary (Admin) of the Ministry of Fisheries & Aquatics Resources Development and Rural Economy to re- check the increments and as such again the oppositions were arisen from the employees when implement the recommendations of the aforesaid report. Then the Deputy Minister of the Line Ministry were reviewed the report of the said Senior Assistant Secretary through the Additional Secretary of the Ministry.

Due to employee oppositions in case of making salaries, CGTTI is unable to conduct its Administration and the Training activities properly. This is still an insoluble issue which exists in the Institution.

It is a considerable challenge to retain the staff in the Institution for less salary steps since a high demand is existing for the staff in local and foreign labor market. Additional Secretary who reviewed the increments also emphasized this. The Committee on Public Enterprises (COPE) has

informed to discuss the issue with National Salary Commission and Department of Management Services with the intervene of the Line Ministry and prepare a special salary scheme for the Institution. Accordingly, even though the Line Ministry has submitted a request to the National Salary Commission and Department of Management Services a reply has not been given so far.

e.) Objective 01 – Quality education

CGTTI conducts 11 full time courses. The apprentices are selected for the courses based on their preference and the marks they obtained in the examination conducted at the end of the 1st year. 04 days out of the 05 days of the week apprentices are engaged in the practical training and 1 day is for the theoretical teaching. As a rate it is 80% for practical and 20% for theories.

During the primary practical training period apprentices are given the short term Division wise training in all occupational areas and a formal training on safety equipment of a factory.

Apprentices should write a “Weekly Report” for a week and should prepare the “Projects Reports” relevant for some practical activities.

99% of the teacher staff has received the education through this Institution and their practical and theoretical knowledge provide a direct contribution for the skills development of the students. Most of the young teachers are engaged in further education and it is a benefit for the apprentices too. Many teachers of the staff have improved their knowledge and capabilities through engaging in the foreign employments, receiving foreign scholarships and gained trainings in the prior Institutions of this country. Examinations are conducted occasional to check the knowledge of the apprentices and the exam periods are different in Divisions level. During Covid – 19 epidemic students were given the on – line teaching and continue the studies. Teaching activities are carrying out with modern technology. A programme is being implemented currently by the CGTTI to provide NVQ level 05 courses for the staff and the trained apprentices and diplomas, Degrees and post degree following opportunities with required time and knowledge.

Objective 02 - Welfare activities and income receivables

The students of the CGTTI carry out number of social welfare activities. Soyzarama – Moratuwa temple which is located attached to the institution is being cleaned by the students and also provided the required participation for religious activities.

As a social hospitality activity the apprentices of the CGTTI repairs beds, wheel chairs of the Kalubowila hospital and the chairs, desks in a government preschool in Lunawa for once or twice within year.

Similarly, Old Boys Association of the Institution in Australia, contributed donations to build houses and hospitals (Kandewa hospital) for the people in fewer facilities available villages. Apprentices of the institutions provide their labour contribution for those activities. During the Tsunami catastrophe period, apprentices of the CGTTI repaired electricity systems and plumber work for rebuilt houses. Furthermore, vehicles belong the public as well as private sector could be repaired through the Institution. This will be enabling the students to brush up their practical knowledge and additionally, it helps to earn an income to the CGTTI.

Objective – 04 Equality

In each year CGTTI celebrates religious festivals. Apprentices celebrate Annual Pirith Chanting ceremony for the Buddhists, Saraswathie Pooja for the Hindus, Ramazan festival for the Moors and the year-end Christmas for the Christians with great dedication and participation considering as a common activity of the Institution irrespective the religious and racial differences.

All provides the participation for New Year celebration conducts for the Sinhala Hindu New Year cultural festival in April. In view of strengthening the sport skills, team work and tolerance of the apprentices cricket, football and volley ball matches are being conducted between the Divisions in the first and second academic terms of the each year. In addition to that, an inter house sport meet is being conducted in every two years period.

Each apprentice has given the opportunity to do the sports activities in the morning between 7.30 a.m. to 9.00 a.m. in one day per week in order to represent the each Division. A sport ground and a body fitness center is maintained properly for this purpose.

CGTTI has a band group and a Western Music group. The apprentices have the opportunity to show their talents in singing, playing musical instruments, dancing, announcing in the cultural shows which conduct occasionally as per the requirement of the Institution. The external music instructor provides the service in this regard. This will increase the equality and the relationship among the students.

Objective -05 Ensure the gender equality and empower all the females and girls

Targets for achievements

5. (a) Provide equal opportunity for the women for economic resources on par to the National Rules and Regulations.

Even though CGTTI invites applications for the courses from both male and female apprentices, the female participation is in a less level in 2016. (One or two apprentices for a year) Therefore, required measures were taken to increase the female participation (60) for the course in CGTTI through providing equal opportunities for trainings.

- Give priority to increase the female apprentices through publicity.
- Provide special opportunity for the female apprentices in the interviews for intake the students.
- Plan to create new courses for female apprentices.
- Renovate a building with a cost of Rs. 13 Mn. for provide the facilities for the female apprentices.

Progress

The number of female apprentices' intake for the year 2020 is 25.

- f.) The loan balance which pointed out, is from the receivables of repairing the C.T.B. busses. Discussions have been carried out with the C.T.B. in many occasions. Since there are no proper information on debtor balances in C.T.B. the difficulties have arisen to re - charge the amounts. The Ministry Audit and Management Committee has also been discussed this matter and necessary actions will be taken to write off the unrecoverable balances on par to the approval of the Governing Board.



Upali Ranasinghe
Director / Principal
Ceylon German Technical Training Institute