



Annual Report 2016

Buddhasasana Fund

No. 135

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01. Buddhasasana Fund

1.1 Vision

To create a virtuous and pious society that upholds the principles and values of Buddhism.

1.2 Mission

Taking actions for the stability of Buddhasasana by improving the facilities of the temples with contributing to the spiritual and social development of the monks to protect and nurture the Sambuddhasasana.

1.3 Objectives

1. Conducting suitable programs to protect the Buddhasasana
2. Implementing development programs to nurture the Buddhasasana

1.4 Role of the Fund

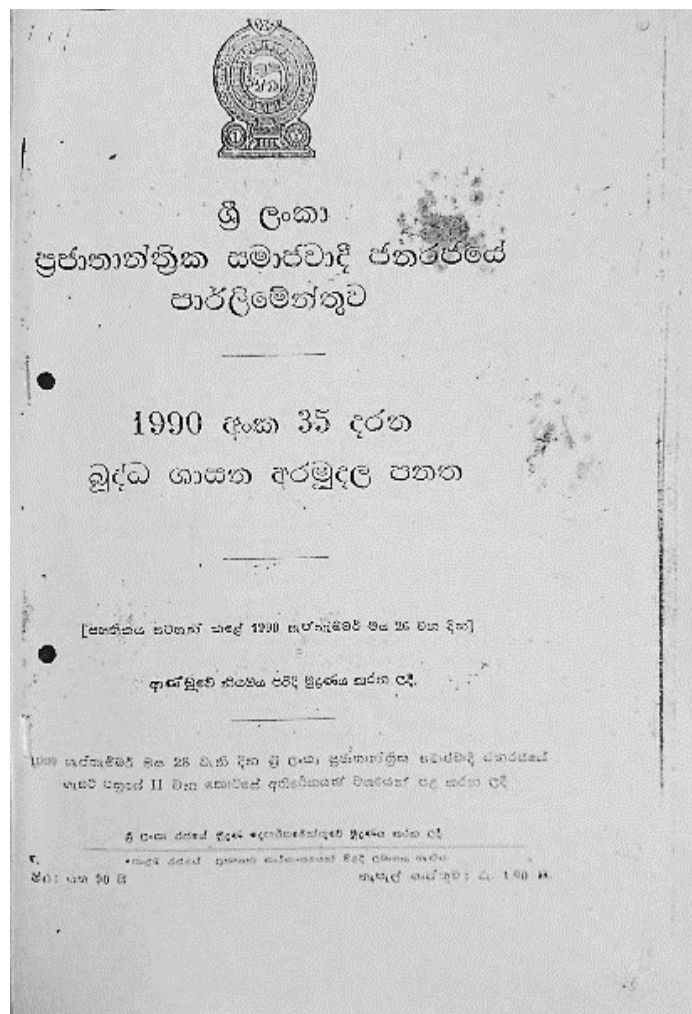
1. Offering monthly financial assistance to novice institutions providing novice bhikku education to more than 5 novice monks
2. Annual evaluation of the Dhamma knowledge and practices of the novice bhikkus in the novice institutions.
3. Providing the physical needs of the temples with less facilities all over the island
4. Sambuddhathva Jayanthi Samanera Sponsorship Scheme
5. Providing the opportunity to get engaged in Dambadiva pilgrimages for adult monks who have not been engaged in pilgrimages to sacred places of Dambadiva.
6. Implementation of a medical aid scheme for monks
7. Conducting programs to give knowledge on Dhamma, clergy practices to the monks who entered the clergy in adulthood and young monks.

8. Improving the basic facilities of temples / monasteries in the Northern and Eastern Provinces

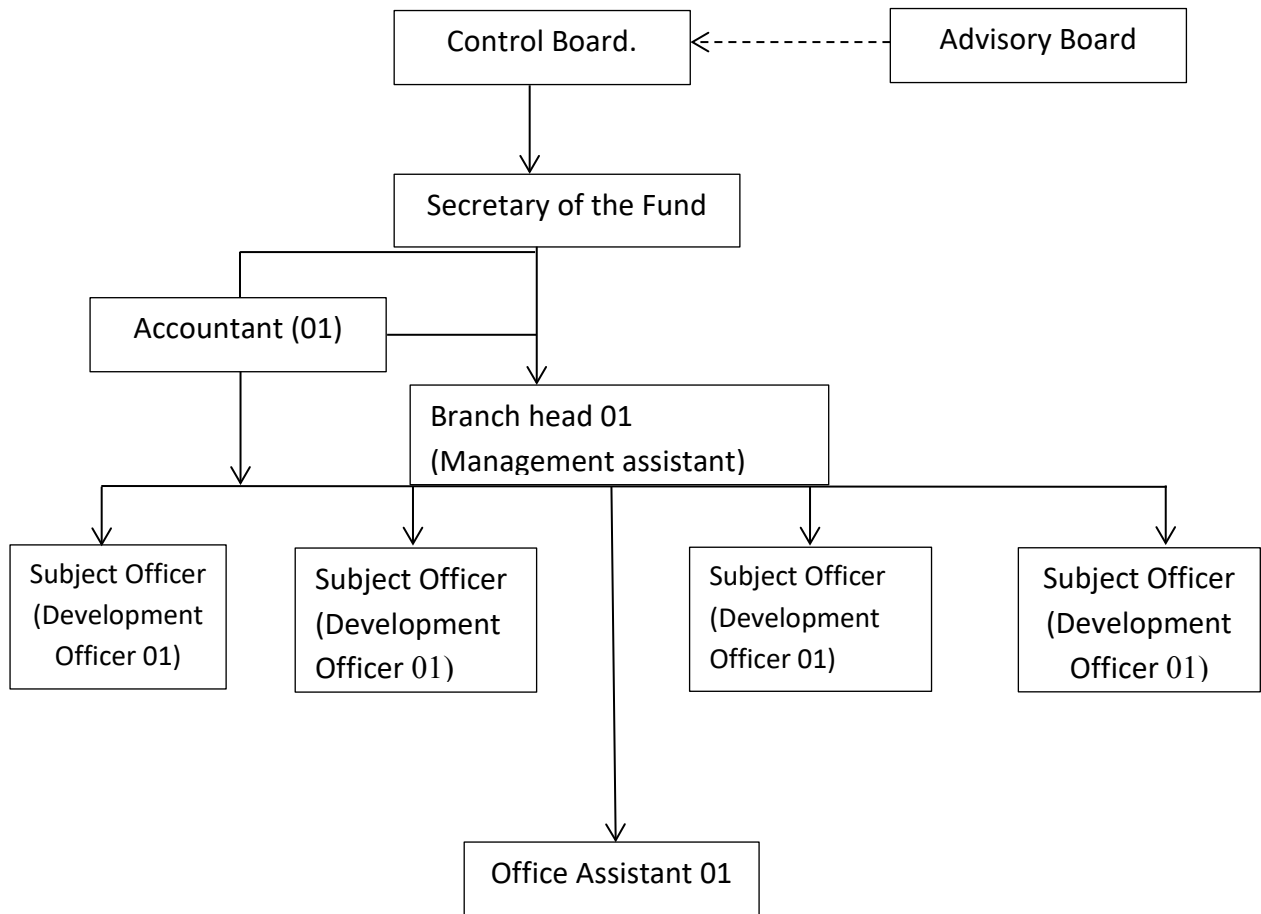
1.5 Legal framework in which the fund is established

Article 9 of the Constitution of the Democratic Socialist Republic of Sri Lanka states, "The Republic of Sri Lanka shall give to Buddhism the foremost place and accordingly it shall be the duty of the State to protect and foster the Buddhasasana, while assuring to all religions the rights granted by Articles 10 and 14(1)(e)."

In accordance with that role, the Buddhasasana Fund was established by an Act No. 35 of 1990 to raise and compile funds for the protection and nurturing of the Buddhasasana. According to the said act, the Buddhasasana Fund should take actions to assist in the management of institutions that are involved in the protection and nurturing of the Buddhasasana, and also carry out all other constructive and incidental activities and things which facilitate the role of the Fund.



02. Organizational structure



03. Staff

According to the rules laid down by the control board under Sections 7 (f) and 14 of the Buddhasasana Fund Act No. 35 of 1990, there should be a secretary appointed by the control board as the Chief Executive of the Fund. The secretary should also be the Chief Accounting Officer and It is mentioned that, the secretary should be nominated from the Government Staff Officers attached to the Ministry of Buddhasasana whenever possible.

Accordingly, a Grade 1 Officer of the Sri Lanka Administrative Service is acting in this post of Secretary in addition to his regular duties. The Chief Accountant of the Ministry is acting as the Accountant of the Fund in addition to his regular duties. Also the staff of the Ministry support for the activities of the Fund.

04. Performance of the Fund

4.1 Program of providing financial assistance to novice bhikku institutions

The child who leaves the secular life and enters the clergy life will be directed to the Pirivena education after a short period of time. It was customary for a child to stay in a temple for two or three years and voluntarily enter to the clergy life after gaining an understanding of the life of a monk and the Dhamma in the past. But at present, the children entering the clergy life have less opportunities to have an understanding of the clergy life before being a monk.

Understanding this need, this novice bhikku education program can be identified as a productive project initiated after the establishment of the Buddhasasana Fund. The objective of a novice bhikku institution is to raise love of bhikkhuism in little novice monks, to build up good attitudes towards the life of a bhikkhu, and to create a bhikkhu who is rich in knowledge of rituals and practices.

The novice bhikku institution is engaged in presenting a complete bhikkhu as defined in the Dasa Dhamma Sutra to the society, making understood that, the life of a Bhikkhu is a life arranged according to the buddhist practices and the difference between a Bhikkhu and a layman and the supremacy of Bhikkhu, teaching the way to live a Bhikkhu life without burdening anyone else.

The requirements for obtaining assistance

1. No educational institution other than the Dhamma School should be held in the temple.
2. There should be the three bodhis.
3. The novice monks having education should be residents.
4. Must have basic requirements such as lodging, water, electricity, toilets etc. to live as residents.
5. Should be a temple with adequate contributors providing sufficient alms for breakfast and lunch.
6. There should be a learned and virtuous preceptor bhikku to train the young novice monks.

Institutions that provided financial assistance in the year 2016

Serial number	Institution (Name, Address)	Number of novice monks in the institution
01	Pallepola Sri Saripuththa Novice Institution	05
02	Mihindu Novice Institution	12
03	Gunnepana Sri Dhammapala Novice Institution	06
04	Sirisudassi Novice Institution, Galle	19
05	Vidyadeepa Novice Institution, Galle	05
06	Siri Parakum Novice Institution, Amunugoda	05
07	Siri Dhammarathana Novice Institution, Kandy	12
08	Sambuddhaloka Novice Institution, Ambulpura	09
09	Jinarathana Novice Institution, Dambulla	10
10	Vidyawansha Novice Institution	11
11	Indrajothi Novice Institution, Kalutara	05
12	Maha Mahinda Novice Institution	06
13	Sudhammananda Novice Institution, Katugastota	19
14	Siri Ariyawansa Novice Institution, Tangalle	11
	Total	135



4.2 The program of conducting end-of-year examinations of the novice bhikku institutions

This novice bhikku education program can be clearly identified as a productive project initiated after the establishment of the Buddhasasana Fund. The objective of a novice bhikku institution is to raise love of bhikkhuism in little novice monks, to build up good attitudes towards the life of a bhikkhu, and to create a bhikkhu who is rich in knowledge of rituals and practices.

An examination of the knowledge and attitudes of the novice monks who have been trained in these purposes is carried out here. Accordingly, after having a sufficient training, novice monks will be able to sit for the examination conducted by the Buddhasasana Fund at the end of each year. In this evaluation, a written test and also a practical test will be conducted by a board of inquiry consisting of nayaka theros. The Buddhasasana Fund conducts a special evaluation of the novice bhikkus who obtain excellent and supreme pass from this examination.

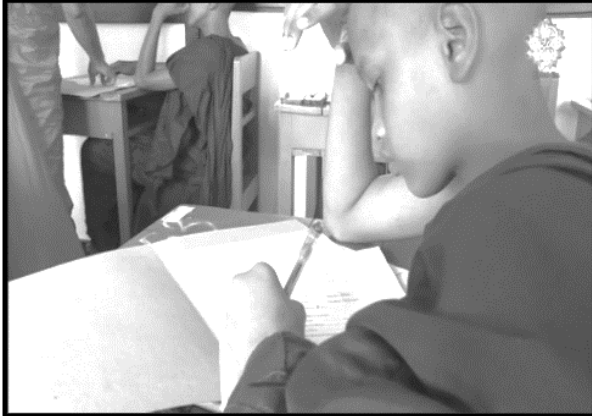
Implemented methodology

1. Calling applications for the examination from registered novice bhikku institutions
2. Organizing examination activities
3. Conducting the examination
4. Awarding of scholarships



Information on the examination held in 2017 in relation to 2016

Location of the examination held	Kelaniya, Peliyagoda, Vidyalankara Pirivena
Date and time of the examination held	2007.01.28 (9.00 am-3.00 pm)
Number of monks who sat for the examination	54
Amount spent	Rs 103,720/-



Written examination



Oral examination

4.3 Providing assistance for sanitary facilities for the temples with difficulties

There are many temples without basic facilities among the temples all over the island. Therefore, the objective of this project is to give opportunity for the residing monks to improve sanitary and other facilities of those temples without minimum facilities.

One Divisional Secretariat with difficulties get selected per year and the selection of temples is done according to a report prepared in accordance of the priority list regarding that area and the requests made directly to the Buddhasasana Fund are obtained with the recommendation of the Divisional Secretary / Coordinator of Buddhist Affairs and the financial assistance is given with the approval of the control board.



Temples which provided financial assistance for the sanitation facilities in 2016

Serial number	Name of the temple	Address	Amount given
01	Sri Vardhanaramaya	Wadawalakanda, Kobonilla	100,000/-
02	Purana Gallen Viharaya	Udawela, Kahataliyadda	100,000/-
03	Sri Kheththarama Temple	Thalagune, Ududumbara	100,000/-
04	Sri Ratnaloka Viharaya	Aadideniya, Kahataliyadda	100,000/-
05	Sri Isipathanarama Temple	Halyala, Ududumbara	100,000/-
06	Sri Sudarshanarama Temple	Hapukanda, Bopana	100,000/-
07	Sri Daladagaman Temple	Kevulgama, Hunnasgiriya	100,000/-
08	Sri Abhinavaramaya	Oyathenna, Poppitiya	100,000/-
09	Sri Dharmaramaya	Mahawala, Uduwahinna	100,000/-
10	Sri Devagiri Viharaya	Devahandiya	100,000/-
11	Sri Sumangalamaya	Minuwangamuwa, Bopana	100,000/-
12	Sri Dharmachakra Viharaya	Padupola, Kalugala	100,000/-
13	Sri Pushparamaya	Kalugala	100,000/-
14	Sri Monastic Buddhist Center	5th pillar, Kahataliyadda	100,000/-
15	Sri Jayadamvehera Buddhist Center	Kalawala, Madugalle	100,000/-
16	Sri Sumanaramaya	Bopana, Kalunthenna	100,000/-
17	Sri Vijitaramaya	Madugalle Udagammedda, Madugalle	100,000/-
18	Sri Gangaramaya	Kaikawala, Meemure	100,000/-
19	Sri Bodhimalu Viharaya	Pitawala, Bopana	100,000/-
20	Sri Sumithrarama Viharaya	Alugolla, Hewadiwala	100,000/-
21	Mihindu Dharma Vijaya Meditation Center	Wijayasreegama, Digana	100,000/-
	Total amount		2100,000/-

4.4 Sambuddha Jayanthi Samanera Scholarship Sponsorship Scheme

This project is applicable to the Sambuddhatva Jayanthi year and a special novice scholarship sponsorship scheme for novice monks who have entered to the clergy life since 2010 and also for the novice bhikkus who have become monks after September of 2014. It is expected from this project to support the Sasana existence of the monks who have been entered to the clergy life during the aforesaid period of time by making financial contributions for their education or other basic needs. Only the novice monks with following qualifications will be selected for this novice scholarship sponsorship scheme.

- I. Must be a novice bhikku who became a monk during the period from 1st January 2010 to the last day of Vesak week 2013.
- II. Must be under 18 years of age on the day of ordination.
- III. Must have 3 months passed after becoming a monk.
- IV. Must be registered as a novice monk at the Department of Buddhist Affairs.
- V. A maximum of ten novice monks from one temple.
- VI. It is expected to make all the Bhikkus who have entered to clergy life after September of 2014 get contributed in this scholarship scheme.

The arrangements have been made to pay a sum of Rs.500 / - per month from January to August 2016 and Rs.700 / - per month for novice Monks from September 2016 under the Samanera Scholarship Sponsorship Scheme for novice Monks with the approval of the 76th control board held on 10/08/2016.

Monthly allowances have been paid to 613 novice monks in January of this year and from September allowances were given to 663 novice monks under this. Accordingly, the amount granted in this year is Rs.4, 454, 026.50 / =. This project also includes a commission for post offices as the payments for this project are made through post offices.

4.5 Program of providing opportunity for adult monks to visit Dambadiya sacred places

Although it was planned to hold this program as an assistance program to provide opportunities to get engaged in Dambadiya pilgrimages for the adult monks who have not been to Dambadiya pilgrimages before, the control board has decided to cancel this program due to the implementation of this program had a problematic situation.

4.6 Bhikku Medical Aid Program

This is implemented as a medical aid method for monks all over Sri Lanka. Providing assistance for medical facilities to the monks who are continuously receiving medical treatment throughout the island on the occasion of the 2559th Vesak Festival is related with this.

A sum of Rs.5000 / = per month will be paid as medical aid to the monks on the recommendation of the Divisional Secretary and the Registrar thereto of the Sasanarakshaka Board and on the medical recommendations for the qualified monks living island wide.

The Bhikku Medical Aid allowance which was given to only one Bhikkhu at the beginning of 2016 has been increased to 7 Bhikkhus by August of 2016. In addition, Ven. Kurunegala Upananda Thero has also been assisted for an MRI medical test.



Information on medical aid paid in the year 2016,

Serial No	Name of the monk	Disease	Month in which the payments were initiated in 2016	Annual amount given
01	Ven. Adaulpatha Buddhasara thero	has been disabled from the assassination of monks in Aranthalawa.	January	60,000
02	Ven. Weligamuwe Suseema thero (Nagavanaramaya, Koshinna, Rambukkana,)	High blood pressure, asthma	January	60,000
03	Ven. Walgowwagoda Sri Medhankara Wimalabuddhi Thero (Walgowwagoda Temple of Malwathu Maha Viharaya, Kandy)	Paralysis	August	25,000
04	Ven. Pilane Jayashantha Thero (Deniyaya Kiriwelkandula, Dehigampola Siri Soratharama Temple)	Nerve weakness	August	25,000
05	Ven. Bihalpola Narada thero (Madawalatenna, Uhumiya Meditation Center)	Medical treatment is required for the lifetime due to the donation of a kidney and a part of the liver	August	25,000
06	Ven. Dodamgollegama Pugngnarathana Thero (Sudharmarama Tampita Viharaya, Muwapitiya, Rambukkana)	Paralysis	August	25,000
07	Ven. Attidiye Sri Vijithasiri Thero (Sri Asokarama Temple, Mahaiyawa, Asgiriya, Kandy)	Suffering from insentient lower part from waist of the body)	August	25,000
08	Ven. Kurunegala Upananda Thero	MRI medical test	August	15,800
	Total amount			260,800/-

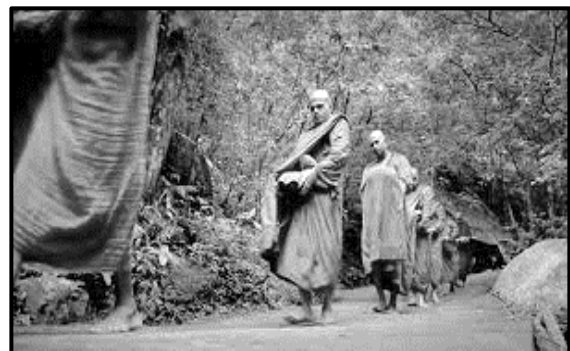
4.7 Providing practical training to monks who have entered to the clergy life at the old age.

There is a growing trend of monks entering the clergy life as they age, and there are times when such monks are frustrated and criticized by lay buddhists for behaving without a proper understanding of the clergy life. Also, there are instances of people being subjected to the philosophy of social error due to the temptation to do many things that are detrimental to the Sasana. Accordingly, these workshops are conducted to give knowledge to such monks about the supremacy of the clergy life and the difference between the clergy and the laity, as well as the basic rituals and theological dhamma knowledge.

Information on monks who have entered to the clergy life beyond their childhood is called by the divisional secretariats through district secretaries in relevant division. Based on the information received, a three-day program is expected to be held. The above program get to organized in the relevant district with the assistance of the Buddhist Affairs Coordinator of the District Secretariat and a minimum of 10 monks are expected for each program.

Details of programs conducted in 2016

District	Anuradhapura
Location	Galnewa Sri Gangarama Pirivena Viharaya
Coordination	Ven. Karakole Piyadassi Thero
Manipulation	Ven. Lakshahene Gnanananda Thero
Number of days	03
Number of monks participated	10
Money spent on the program	Rs.341,139 / -



4.8 Assistance Program for the Northern and Eastern Provinces

The objective of this program is to develop the Dhamma knowledge of Tamil Buddhist children and a grant of Rs. 138,000 has been provided to the Chunnagam Tamil Buddhist Association in Jaffna for the maintenance of the Nandarama Tamil Buddhist Dhamma School of Jaffna in 2016.

05. Future targets

Programs expected to be implemented in 2017

Serial number	Program	Annual targets
1	Implementing a sponsorship contributing scheme for the temples with less facilities in the island.	Identifying 20 institutions as sponsors and providing financial assistance.
2	Sambuddhatva Jayanthi Scholarship Sponsoring Scheme	Granting scholarships to 700 novice monks.
3	Providing medical assistance to monks living island wide.	Providing medical assistance to a large number of qualified monks from all over the island on the recommendations of the Divisional Secretary and the Registrar therof of the Sasanarakshaka Board and also with the medical recommendation.
4	Providing practical training in regard of the bhikku life for the monks who entered clergy at their old age.	The number of programs is 04.
5	Providing assistance for sanitary facilities for the temples with difficulties throughout the island	Obtaining a report on the provision of sanitary facilities with the recommendation of the Divisional Secretary from the selected Divisional Secretariat divisions and providing financial assistance to 50 temples according to that report.
6	Project of building monasteries for the temples with difficulties located throughout the island	Construction of 10 monasteries by selecting the 10 most suitable temples from the districts with difficulties with the recommendations of Divisional Secretary and Registrar therof of the Sasanarakshaka Board.

06. Financial Management

Buddhasasana Fund

For the year ending at 31.12.2016

6.1 Revenue Expenditure Account

	Note	2016		2015	
		Rs	C	Rs	C
<u>Revenue</u>					
Investment income	5	34,748,961.49		34,011,621	.29
Profit from the sale of Dhamma books	6	214,798.62		231,376	.67
Donations and other income	4	74,675.57		160,624.84	
<u>Total Revenue</u>		35,038,435.68		34,403,622.80	

Deduction - Project expenditures

Assistance for the Novice Bhikku Institutions	1,015,000.00	1,632,500.00
Novice Bhikku Institutions - Supervision Expenditure	14,245.00	23,075.00
Novice Sponsorship Contribution Premiums	4,454,026.50	2,572,900.00
Bhikku Medical Aid	260,800.00	
Financial assistance for sanitation activities	2,100,000.00	
Expenses for the distribution of checks in Ududumbara	138,000.00	
Book donations for alms giving		235,099.90
Novice Bhikku Institutional Examinations	8350.00	385,370.00
Expenses of the Elder Bhikku Attitude Promotion Program	341,139.00	226,998.00

Administrative expenses

Stationery and office requirements	24,866.00	15,332.00
Allowances for the control board and salaries of the staff	342,032.27	856,722.20
Travel expenses	52,082.00	51,843.00
Computer training allowances	218,000.00	238,000.00

Taxes paid on earnings		15,550.09
Overtime	14,694.00	
Hospitality expenses	15,980.00	26,845.00
Expenditure	67,566.00	58,200.00

Various depreciation reservations

Safe	4,310.00	4,310.00
Building construction	87,500.00	87,500.00
Furniture equipment decay	5775.00	5775.00
Loudspeaker	5735.00	5735.00
Equipment and fixing	<u>16,294.00</u>	<u>16,294.00</u>
Total of the expenses	<u>9,186,394.77</u>	<u>6,458,049.19</u>

Net Excess for the year / (Deficit)	<u><u>25,852,040.91</u></u>	<u><u>27,945,573.61</u></u>
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Buddhasasana Fund

6.2 Balance check as at 31.12.2016

		Debit	Credit
Safe		57,456.00	
Office furniture		57,750.00	
Fittings and office equipment		162,940.00	
Fixed Deposits in National Savings Bank		178,000,000.00	
Bank of Ceylon Investment		28,070,493.93	
Under the sponsorship scheme of the National Savings Bank		38,700,000.00	
National Savings Bank Novice Institutional Project		30,583,224.22	
Treasury bill Investment (Bank of Ceylon)		86,066,406.70	
People's Bank fixed deposits		102,731,400.05	
Medical Aid Project of the National Savings Bank		15,000,000.00	
No. 01125 Savings Account of the National Savings Bank		3,898,433.91	
Loudspeaker		45,885.00	
Lands		7,000,000.00	
Buildings and Other Constructions in Anuradhapura		3,5000,000.00	
Buddha Jayanthi coin stock		317,400.00	
Various Buddhist books		1094,626.49	
Pali Teeka Sinhala Translations		5,010,401.11	
'1600 Years of Buddhism' Book		1,080,165.00	
Cost of book sales		1,290,702.38	
Books from Nedimala Buddhist Cultural Center		7,988,635.88	
Nedimala Buddhist for Pali Teeka English Translation		1,080,165.00	
Books for sale at the Buddhist Cultural Center		3,955,745.33	
Treasury Bills Interest to be Received		2,384,330.33	
National Savings Bank Interest to be received		8,415,434.35	
Novice Guardian Interest Receipts			3,051,661.11
Interest to be received of novice institutional projects		1,258,484.35	
National Savings Bank - Medical Aids Fixed Deposit interest to be received		479,178.08	
People's Bank Fixed Deposit Interest to be received		6,392,423.08	
Novice Institution Interest Receipts			2,897,037.02
Receivables for fuel to the Co-operative Marketing Development Society		0.00	
Royal Asiatic Society		7282.00	
Taxes payable on earnings withheld on interest		656,427.96	
Central Bank		16,479,971.22	
Bank of Ceylon		672,936.96	
Novice Institutional Allowances to be paid			425,000.00
Novice Sponsor Scholarships to be paid			1,415,623.00
To the Nedimala Buddhist Cultural Center for Pali Teeka			544,409.50
Supplying articles to the book of '1600 Years of			1,168,025.00

Buddhism'			
Tsunami aid			1,348,796.00
Buddhasasana Fund			512,425,953.15
National Savings Account No. 100011259873 Interest			203,573.56
National Savings Bank Account No. 100010101125 Interest			141,027.34
National Savings Bank Account No. 100011259873		717,240.78	
Novice Sponsor Scholarship Payments		4,454,026.50	
Novice Institution Payments		1,015,000.00	
Payment of Bhikku Medical Aid		260,800.00	
Novice Institution Examination Account		8350.00	
Office salaries and allowances		270,097.27	
Financial assistance to the Tamil Dhamma School		0.00	
Elder Bhikku Program Expenditure		341,139.00	
Financial assistance for sanitation		2,100,000.00	
Cumulative decay of buildings			262,500.00
Reservation of cumulative depreciation of the safe			25,860.00
Cumulative decay of furniture and office equipment			17,325.00
Cumulative decay of loudspeakers			17,205.00
Reserve the depreciation of fixtures and office equipment			48,882.00
Building decay		87,500.00	
The decay of safe		4310.00	
Decay of furniture and office equipment		5775.00	
Depreciation of loudspeakers		5735.00	
Depreciation of fixtures and office equipment		16,294.00	
N.S.B. Direct deposit interest			14,455,307.03
B.O.C. Treasury bill interest			2,501,883.61
Bank of Ceylon Interest			2,149,639.26
People's Bank Interest			8,103,298.32
Medical Aid			1,242,534.24
Book sales revenue			1,505,501.00
Donations			14,472,266.18
Receipt of donations			5,297,972.18
Release of donations		5,223,296.61	
Ududumbara Check Distribution Ceremony		138,000.00	
Allowances of the Novice Institutions Supervisory Board		14,245.00	
Cost of hospitality		15,980.00	
Other expenses		67,566.00	
Travel expenses		52,082.00	
Stationery purchases		24,866.00	
Computer allowances		218,000.00	
Overtime		14,694.00	
Interest to be received by the National Savings Guardian Sponsorship		621,698.00	
Bank of Ceylon Interest to be received		1,117,193.79	
Total		573,724,279.50	

Buddhasasana Fund

6.3 - Balance Sheet to the date of 31.12.2016

	Note	2016	2015
		Rs C	Rs C
<u>Assets</u>			
Fixed assets	1	10,452,259.00	10, 571,873.00
Investment	2	483,767,199.59	483,124,345.78
Net current assets	3	59,879,597.65	34,550,796.53
		554,099,056.24	528,247,015.31

This represents -

Buddhasasana Fund	4	538,277,994.06	512,425,953.13
Various donations		14,472,266.18	14,472,266.18
Tsunami aid		<u>1,348,796.00</u>	<u>1,348,796.00</u>
		<u>554,099,056.24</u>	<u>528,247,015.31</u>

These Financial Statements, prepared in accordance with the Accounting Standards of the Public Sector of Sri Lanka, are submitted to the first control board that will be gathered in future of the Buddhasasana Fund for approval.

The control board of the Buddhasasana Fund is responsible for the balance sheet and statements of accounts submitted to the date of 31.12.2016 of the Buddhasasana Fund.

G.N. Munaweera
Accountant
Buddhasasana Fund

W.T.H. Ruchira Withana
Secretary
Buddhasasana Fund

Deshabandu Prof. Kapila Gunawardena
Secretary
Ministry of Buddhasasana
Member of the control board of
the Buddhasasana Fund

G.B. Karawita
Public Trustee
Member of the control board of
the Buddhasasana Fund

6.4 Audit Report

NATIONAL AUDIT OFFICE

My No - සී.එස්/ ඩී/ ඩිඑස්එල්/01/2016/එල්එ
2021

Date - 10th of March

Secretary,

Buddhasasana Fund

Auditor General's Report on the Financial Statements of the Buddhasasana Fund for the year ended at 31st December 2016.

The above mentioned report is attached herewith.

W.P.C. Wickramaratne

Auditor General

Copies: - 1. Secretary, Ministry of Buddhasasana, Religious and Cultural Affairs
2. Secretary, Ministry of Finance

NATIONAL AUDIT OFFICE

My No - සී.එස්/ ඩී/ ඩෙපෑම්/01/2016/එල්එ

Date - 10th of March 2021

Secretary,

Buddhasasana Fund

Auditor General's Report on the Financial Statements of the Buddhasasana Fund for the year ended at 31st December 2016

The balance sheet of the Buddhasasana Fund as at 31st December 2016 and the financial statements for the year ending at 31st December 2016 consist of the Income and Expenditure Account for the year ending on that day, the Declaration of Funds Change and a summary of important accounting policies and other explanations. The financial statements for the year ending at 31.12.2016 have been audited under my direction in accordance with the provisions contained in Article 154 (3) of the Constitution of the Democratic Socialist Republic of Sri Lanka to be read in conjunction with Article 12(4) of the Buddhasasana Fund Act No. 35 of 1990. This report contains my comments and observations on the said financial statements.

1.2 Responsibility of the management regarding the financial statements

It is the responsibility of the management to prepare these financial statements in accordance with the Sri Lanka Public Sector Accounting Standards and to make reasonable submissions and to determine the internal control required to enable the preparation of financial statements free from quantitative erroneous statements that may arise due to frauds or misrepresentations.

1.3 Responsibility of the Auditor

It is my responsibility to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Sri Lanka Audit Standards in accordance with the International Auditing Standards (ISSAI 1000-1810) of the Supreme Auditing Institutions. These standards expect me to comply with the requirements of the Code of Ethics and the audit to be planned and implemented to ensure that financial statements are quantitatively free from erroneous statements.

An audit involves the execution of procedures to obtain audit evidence relevant to the values and disclosures in the financial statements. Selected procedures are based on the auditor's judgment, including quantitative risk assessments that may result in financial statements due to fraud or error. In those risk assessments, the Auditor General takes into account the internal controls that are relevant to the preparation and fair presentation of the Fund's financial statements in order to plan appropriate audit procedures from time to time, but does not intend to express an opinion on the effectiveness of the Fund's internal controls. The audit also includes evaluating the appropriateness of the accounting policies adopted by management and the fairness of the accounting estimates used, as well as the overall presentation of the financial statements. I am confident that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 The basis for the statistical opinion

My opinion is substantiated on the basis of paragraph 2.2 of this report,

2. Financial Statements

2.1 Statistically based opinion

I am of the view that the financial statements, other than those affected by paragraph 2.2 of this report, reflect a true and fair financial position of the Buddhasasana Fund as at 31 December 2016 and its financial performance and cash flow for the year ended 31 December 2016 in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Commenting on Financial Statements

2.2.1 Accounting Deficiencies

Interest income on bank deposits and treasury bills for the year under review was Rs. 4,407,978 less shown in accounts.

2.2.2. Lack of evidence for the audit

The evidence shown for each of the following items has not been submitted. Therefore, vouching and accepting those could not be satisfactorily done at the audit due to the lack of evidence presented in front of it.

	<u>Subject</u>	<u>Value</u> <u>_Rs</u>	<u>Evidence not submitted</u>
i.	Buddhist Dhamma books	11,605,348	Survey Board Reports
ii.	Tsunami aid	1,348,796	Detailed information
iii.	Advances and other receivable money	13,031,848	Balance confirmations and age analysis
iv.	Mobile liabilities	1,712,435	Balance confirmations and age Analysis
v.	Fixed assets	10,452,259	fixed asset register
vi.	Transfers relating to the accounts Of allowances to be paid, assets depreciation and sales	3,630,939	Journal notes and related vouchers

3. Financial Review

3.1. Financial results

According to the financial statements submitted, the financial result of the Fund for the year ended 31st December of the year under review was surplus of Rs. 25,852,041. In comparison of it with the surplus of Rs.27, 945,573 in previous year, there was a decline of Rs.2, 093,532. Although the total return including investment interest income increased by Rs.634,813, the increase in expenditure by Rs.2,728,345 was the main reason for this decline.

4. Operational review

4.1 Performance

The following observations are made.

- (A) Although Rs. 35,038,436 was received as revenue of the Fund during the year under review, Rs.9, 186,395 which means only 26% of it had been spent for the purposes of the Fund. Excess cash was invested annually and the total value of the investment as at 31st December of the year under review was Rs. 483,767,200. Although the role of the Fund was to finance the most appropriate work to protect and nurture the Buddhasasana, the Fund had failed to implement programs that were commensurate with the revenue received by the Fund annually.
- (B) The land of 2 acres, 01 rood, 13 perches in the Basawakkulama area in Anuradhapura belonging to the Fund and the buildings constructed thereon were leased to the Sri Anuradhapura Amdhyapana Sangraha Society on 15th August 1994 at an annual rent of Rs.50. The lessee has the power to revise the lease taking into account the annual land valuation and other factors carried out by the local authority in the area where the leased land is located in terms of clause (c) of the lease agreement and the market value of these properties up to Rs. 10,500,000 as per the assessment report for the year 2014. However, there was no focus on tax reform.

5. Systems and controls

The Secretary to the Fund was informed from time to time in regard of the shortcomings observed during the audit and special attention should be paid to the following areas of control.

- (A) Investment and utilization of funds
- (B) Accounting
- (C) Performance level according to objectives
- (D) Budget document control

W.P.C. Wickramaratne

Auditor General