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திறன் அபிவிருத்தி, தொழிற்சார் கல்வி, ஆராய்ச்சி மற்றும் புதிய கண்டுபிடிப்புகள் இராஜாங்க அமைச்சு
State Ministry of Skill Development Vocational Education Research and Innovation

2020



වාර්ෂික වාර්තාව
வருடாந்த அறிக்கை
Annual Report



ශ්‍රී ලංකා වෘත්තීය පුහුණු අධිකාරිය
இலங்கை தொழிற்பயிற்சி அதிகாரசபை
Vocational Training Authority of Sri Lanka



Institution	– Vocational Training Authority of Sri Lanka
Ministry	– State Ministry of Skill Development Vocational Education Research and Innovation
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Bankers	– Peoples Bank

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VISION

To be the most dynamic and innovative vocational training provider in Sri Lanka catering to the global employment market

MISSION

To facilitate the fulfilment of the international skilled employment demand by developing competencies in individuals through methods and technologies in vocational training and education.

We realize this mission by setting the highest standards in our services and facilities and focusing on global employability trends.

FUNCTIONS

- Prepare vocational training programmes and provide vocational training required to obtain talents for an employment to the qualified youth, directly or through a State or Private sector representing agency.
- Conduct National Trade Tests and examinations and issue certificates and other offers for the apprentices who obtained the vocational training.
- Conduct researches on vocational training and develop vocational training.
- Examine and supervise the vocational training centers to maintain the formal standards of those centers.
- Order and charge fees or other charges for the facilities and equipment provided for vocational training by the Authority.
- Acquisition, affords, lease or let, mortgage, rent or execution of any movable or immovable property required for the functions of the Authority.
- Facilitate monetary aid and welfare facilities for the apprentices who are under training in the Authority and the employees.
- Enter to all the agreements required to accomplish the objective of the Authority and implement them.
- Enter to agreements with employers to provide vocational training for the apprentices who are selected for the vocational training and register them in the Authority.
- Authorize for the fact that each employer who intended to provide vocational training to the apprentices of the Authority should enter to an agreement with the trainee and the said agreement should be registered in the Authority.
- Implement Career Guidance programmes and provide counseling.

ACKNOWLEDGEMENT

Honorable Minister Dr. Susil Premajayantha,
Minister of Education,
Ministry of Education,
Isurupaya,
Battaramulla.

Hon. Minister,

Annual Report - 2020
Vocational Training Authority of Sri Lanka (VTASL)

I submit the Annual Report of the Vocational Training Authority of Sri Lanka for the year 2020, in terms of Section 25 of the Sri Lanka Vocational Training Authority Act No 12 of 1995 and Section 14 (2) C of the Financial Act No 38 of 1971.

Yours faithfully,



A. T. Upali keppitipola
Chairman / CEO
Vocational Training Authority of Sri Lanka

INTRODUCTION & STRUCTURE

The Vocational Training Authority of Sri Lanka was established under the Vocational Training Authority of Sri Lanka Act No 12 of 1995.

The Board of Governors of Vocational Authority of Sri Lanka is compiled with the Chairman, Vice Chairman including 10 members appointed as per the Section 5 of the Vocational Training Authority of Sri Lanka Act No 12 of 1995.

Board of Directors

- **Mr. Damitha Wickckramasinghe**
Chairman
Vocational Training Authority of Sri Lanka
- **Mr. B.K. Prabath Chandrakeerthi**
Commissioner General (Labour)
Department of Labour
- **Mr. Sanjaya Jayamanna**
Vice Chairman
Vocational Training Authority of Sri Lanka
- **Mr. Vindika Priyarathne**
Director (Planning)
Ministry of Industrial & Commercial Affairs
- **Mr. T.M.J. Bandara**
Director
Ministry of Finance
- **Mr. Tharanga Nalin Gamlath**
Chairman
National Apprentice & Industrial Training Authority
- **Mrs. Badra Vithanage**
Additional Secretary (School Affairs)
Ministry of Education
- **Mr. Saman D. Waduge**
Director
Ministry of Sports & Youth Affairs
- **Mr. R.G. Ranjan**
Lecturer
- **Mrs. Swarna Neelawala**
- **Mr. Yasith Gamage**
- **Mr. W.J.M. Damith Lokubandara**

There were 11 meetings for the Board of Directors had been conducted during the year 2020.

REPORT OF THE BOARD OF DIRECTORS

The Vocational Training Authority of Sri Lanka was established on 16th August 1995, under the Vocational Training Authority of Sri Lanka Act No 12 of 1995.

The Authority implements a network of 216 vocational training centers consisted of 08 National Vocational Training Institutions, 22 District Vocational Training Centers, 181 Regional Vocational Training Centers and 05 registered Prisons & Rehabilitation Centers in the year 2020 and conducted 1,099 full time & 213 part time vocational training programmes for 24,705 youth. The Institution celebrated its 25th anniversary in this year.

Achievements of the year 2020

Even though it was planned to intake 55,800 youth for the full time and part time courses in 216 island wide training centers in the year 2020, only 24,705 youth were intake as 19,766 for full time courses and 4,939 for part time courses for the first quarter of the year 2020 due to Covid - 19 epidemic. Since the courses holding has halted since March 2020, it was not able to conduct the courses until the end of the year. Most of the apprentices admitted to the trainings in the year 2020 were scheduled to be concluded their trainings in February 2021.

- Issued 18,853 certificates as 17,243 National Vocational Qualification (NVQ) certificates, 9,62 Non – NVQ certificates and 648 certificates under Recognition of Prior Learning (RPL) system.
- Directed 2,755 trainees for the employments as 2,316 for local employment opportunities, 13 for foreign employment opportunities and 426 for self – employments.
- Aware 29,318 persons on vocational training through conducting 617 Career Guidance programmes.
- Provided entrepreneurship development training for 237 trainees by conducting 12 Entrepreneurship Development Training programmes.
- Conducted 13 Skills Promotion programmes under Public & Private Partnership (PPP) building programme and updated the new technological knowledge & skills of 1,459 vocational trained trainees.
- In view of enhancing the capacity of the staff, provided training to 892 employees of the Academic staff through 26 programmes and 37 employees of the non – Academic staff through 06 programmes, under human resources development programme.
- Introduced the new website and Mobile App for the Vocational Training Authority.
- Commenced the Digital Rupavahini channel (Skill TV – You Tube)
- Prepare performance criteria for the Deputy Directors / Assistant Directors and Training Officers in District centers and grade them.
- Commenced 02 new courses of Solar Technicians and established Information Technological centers for the Gampaha and Weyangoda centers.
- Since there are less employment opportunities for the apprentices in ICT IV courses transformed the ICT courses for Part time Level III (24 courses) and increased the intakes and fulfill the requirements of the society.
- Established Smart Class Rooms in National Vocational Training Center – Narahenpita as a pilot programme.

- Implemented the “13 year certified Continuous Education programme” in 311 schools and provided training for 2,074 school students for 279 courses.
- Commenced and conduct the draughtsman NVQ level V part time course.
- Obtained accreditation of the tertiary and Vocational education Commission for 64 courses and update the accreditation of 147 courses. The total number of already accredited courses is 996.
- Conduct Vocational trade tests to give E - plus certificates jointly with the IDM Nation Campus and offered 1,500 certificates.
- Enter to a Memorandum of Understanding (MOU) with Rakna Lanka Security College to train Sea Marshal officers and implement the following courses in the said sector.
 - Private Security Officer Training course
 - Train the Trainer on Private Security Training
 - Security Management & Consultancy course
 - Sea Marshal Training course
- Commenced 10 Korean language training courses in 09 centers jointly with Korean Language Training center.
- Enter to a Memorandum of Understanding (MOU) with Brandix Company and renovated the training centers in Katana / Mahiyangana.
- Provide the required skills gap under RPL method to electricians in electrical sector jointly with ACL Cables and commenced the courses to offer NVQ certificates.
- Intake and train 212 employees for 11 courses in the Ceylon Electricity Board.
- Provide 03 months practical training for the instructors in Wood Technology Training Courses since 10.08.2020 jointly with Leema Creations PVT Ltd. in the districts which could not be able to hold the said course due to Covid – 19 epidemic.
- Conduct one day Skill Development Training programme for the instructors in plumbing sector with the assistance of S-lon Lanka Company.
- Implement 03 days Skills Development Training programme for 20 trainers in Hotel sector jointly with GIZ Institution.
- Provide part time training on Computer Practices and Business Management to 600 employees in Ceylon Transport Board.
- Enter to a Memorandum of Understanding (MOU) with Bellose Lanka PVT Ltd to provide required training for the Hair Stylists course.
- In view of providing introduction to the National Vocational Training center – Orugodawaththa to the community of Sri Lanka, conducted a Career Guidance exhibition in the same premise with the participation of 10,000 school students in Western Province.
- In view of Career Guidance and promotion of employments, participate for the EDEX Exhibition, Cash Bonanza Exhibition – Moratuwa and Technocrats -2020 Technological Exhibition.
- Conducted forums of industry owners for 07 vocational sectors to enhance the quality of the courses implemented by the Vocational Training Authority and to aware the industry owners.
- Conduct 04 feasibility studies on the establishment of vocational training centers.
- Technology Technician course jointly with Oracal Academy.
- Introduce the new courses like “Aluminum Fabricator with Interior Decorator and Care Giver”.

PROGRAMMES & TARGETS FOR THE YEAR 2021

1. Provide full time and part time vocational training for 75,000 island wide trainees to give a meaning to the “Vistas of Prosperity and Splendor” policy statement. As such organize the “VTA Village to Village” island wide programme and conduct broaden publicity programmes to aware the rural youth community.
2. Regulate the NVQ certificate issuing system and issue 26,000 certificates as 23,000 NVQ and 3,000 non – NVQ certificates.
3. Aware 123,050 people on Career Guidance through 3,122 awareness programmes for school children, school leavers, parents and teachers of the trainees and the members of other social organizations.
4. Conduct 30 entrepreneurship training programmes to inspire the successful 600 trained trainees and provide the financial facilities to 150 trained trainees to commence enterprises and to develop the existing enterprises under Self Employment Provident Initiatives (SEPI) loan scheme.
5. Direct 9,950 for the employments as 8,200 trained apprentices for local employments and 500 for foreign employments and 1,250 for self - employments.
6. Conduct 05 job fairs aiming employ the trained apprentices and to provide further training opportunities.
7. In view of improving knowledge and skills of the trainees, organize 70 factory observation trips.
8. Conduct 60 Skills Promotion programmes for 3,660 skilled craftsmen, aiming to update the vocational trainees in knowledge and technological skills of their sectors.
9. In view of aware the new trends in the vocational training sector and identify the new trends in industry, conduct 24 awareness workshops for industry owners.
10. Implement 20 programmes for Quality Improving Systems (QIS) and 20 programmes for Quality Management Systems (QMS) to enhance the quality of the vocational training centers.
11. Implement 15 Skills Upgrading Programmes and 12 Training Methods Programmes (TMP).
12. Improve the facilities to teach Hybrid technology for 05 Automobile Technicians Training courses.
13. Enter to a Memorandum of Understanding (MOU) with Probationary & Child Care Service to improve the skills development activities of the Northern Province children who are under Probation.
14. Enter to a Memorandum of Understanding (MOU) with Indranatha Thenuwara Photo Academy to commence training courses on Photography to offer NVQ certificates.
15. Link with the courses introduced by the SLASCOM Institution to update the knowledge of the trainees and the Instructors in the sector of Information Technology in NVQ level V.
16. Provide opportunities to the instructors in Information Technology to join with the industrialized training.
17. Enter to a Memorandum of Understanding (MOU) with Tourist Development Authority to commence the Driving Course for Tourists.
18. Commence full time courses (360 hours) jointly with Access and Maga Institutions in Construction Technology sector.

19. Intake 5,000 apprentices for 350 courses from 423 schools which implemented the “13 Year Continuous Education” Programme.
20. Commence part time courses for Japanese language to support apprentices for JLPT examination.
21. Enter to a Memorandum of Understanding (MOU) with Bours Pvt LTD to commence Swiss Hotel Management courses.
22. Introduce 15 new courses in Apparel Design Technician (NVQ level IV).
23. Commence Customer Service Associate courses by entering to a Memorandum of Understanding (MoU) with Keels institute and placed the trainees in employments in said Company.
24. Offer TOT for the instructors in Baker, Cook, Food & Beverages, Room Attendant courses in Hotel sector jointly with YOU LEAD Sri Lanka and provide continuous training in soft skills / attitude development programmes.
25. Implement Soft Skills / Attitudes Development programmes for the trainees in Hotel sector jointly with GIZ Institution and provide continuous programmes to train trainers for instructors.
26. In view attracting modern day youth generation for the construction sector commence the courses in “Block Laying Technician, Tiling Technician, Rigging Technician, Painting Technician by giving awareness to the youth community through social media via “ Viru Pawura” Programme together with “Chamber of Construction Industry Sri Lanka Institution.
27. Under the theme of “Be a real Professional”, implement “Vikasitha” programme with the aim to develop the physical and human resources of the Vocational Training Authority in new trend and equip the Sri Lankan youth generation with knowledge and skill. Similar to the programme it is expected to generate young entrepreneurs.
28. In view of strengthen the Sri Lankan women, VTASL implement the programme “ Rakawarani” to provide special programme for the Care Giver Level IV course with Japanese language proficiency to direct the trainees for the foreign employments.
29. Implement 15 for Quality Improving Systems (QIS) programmes and 08 Quality Management Systems (QMS) programmes.
30. Commence part time courses under following.
 - Beauty Culture and Hair Stylist course (NVQ Level VI)
 - Bridal Dressing
 - Sinhala language training programmes for Tamil Medium training apprentices
 - CNC Operator (Turning and Milling)
 - Auto Cad 2 D (Computer aided Designer)
 - Auto Cad 3 D (Computer aided Designer)
 - Conduct update courses in Information Technology and Business Management to the staff of the Transport Board
31. Develop the VTA center in Ballapana – Kegalle under Skills Sector Development Programme (SSDP) and being provided the infrastructure facilities under Business Plan. It is expected to develop 14 VTA centers in the year 2021.
32. Enter to a Memorandum of Understanding (MOU) with Foreign Employment Bureau and direct the trained trainees to foreign employments.

33. Commence Skills Development programmes for the instructors in Information Technology courses jointly with SLASCOM and ORACAL Institutions.
34. Conduct the 06 months Welding course as a one year course by including the modules relevant to Metal Fabrication.
35. Conduct a research study to identify the issues and challenges in the existing courses in Automobile sector of VTASL during the past 05 years.



Damitha Wickckramasinghe
Chairman / Chief Executive Officer
Vocational Training Authority of Sri Lanka

SUPERIORS & SENIOR MANAGEMENT STAFF

-

Chairman

1. Mr. Damitha Wickckramasinghe

Vice Chairman

1. Mr. Sanjaya Jayamanna (2020 .03.02)

Director General

Mrs. H. Chulangani Perera

Directors

1. Mr. W. A. Ranaweera (Human Resources & Administration)
2. Mr. Saman Kulasooriya (Career Guidance, Job Placement and Promotions)
3. Mr. U.K. Nandha (Examinations & Evaluations)
4. Mrs. S.M. Edirisinghe (Training)
5. Mrs. G.H.P. Damayanthi (Planning, Research & Development)
Up to the date 20.05.2020 – Acting basis)
6. Mr. J.A.D.S. Nishamani (Finance) (To cover up duties since 19.12.2019)
7. Mr. M.A. Najeed Ahamad (Planning , Research & Development since 21.05.2020)
(On Secondary basis)

Chief Internal Auditor

1. Mr. R.P. Hettiarachchi (Duty cover up)

Deputy Directors

1. Mr. N.D.P. Dhammika (Retired from the date of 01.09.2020)
2. Mr. H.A.P. Gunawardana
3. Mr. N.S.D. Nawarathne
4. Mr. V.G. Nimalsiri
5. Mr. R.Sunil
6. Mr. P.N. Abeysinghe
7. Mr. E.A.D.S. Senarathne
8. Mr. D.A.S. Athukorala
9. Mr. G.V.P.N. Perera
10. Mr. R.M.R. Rathnayake
11. Mr. R.N.K.M.J. Senavirathna (Retired from 26.10.2020)
12. Mr.B.H.A. Nelson
13. Mr. A.A. Jabeer (19.02.2020)
14. Mr. S. Maddegoda
15. Mr. H.W. Rohan Priyantha
16. Mr. M.G.G. Saman
17. Mr. D.R.S.L. Dasanayake
18. Mr. K.D.N. De Silva
19. Mr. W.G. Wijerathne
20. Mrs. R. Pathirage
21. Mr. P.L.A. Peris
22. Mrs. P.H.P.Damayanthi
23. Mr. A.M.T.S.Atigala
24. Mrs. N.M.V.K. Herath
25. Mr.T. Vinodharaja
26. Mrs. P.J. Jayawardhana
27. Mr. V. Kanagasundaram
28. Mr. M.K.B. Jayathilaka
29. Mr.C.J. Vidhanapathirana
30. Mr. M.B. Naleem
21. Mrs. W.M.A.S.L. Wijenayaka

Assistant Directors

1. Mr. M.M.N.B.Madurasinghe
2. Mr. Thilina Ranasinghe
3. P.B.G.I.B. Weganthale (Vacated the post since 03.03.2020)
4. Mrs. G.D. Shayamali
5. Mr. Radha Krishnan Madhurathan
6. Mr. C.D. Samaranayaka
7. Mr. K. Niranjana
8. Mrs. C.U.M. Kodithuwakku
9. Mr. A.A.W.G.R.R. Bandara
10. Mr. Sunil Abeysinghe
11. Mr. P.G. Prasanna
12. Mr. G.K.D.C. Kumara
13. Mrs. H. Edirisinghe
14. Mr. S.M.J. Suwendra
15. Mr. Mr. A.A.D.T. Shantha
16. Mrs. S.M.M.K. Siyamudhali
17. Mr. T.V.W. Dewapriya
18. Mrs. N.K. Ambagahawaththa
19. Mr. U.G.J. Priyadhrshana
20. Mrs. D.C.O. Vithana
21. Mrs. R.D. Pradeepika
22. Mr. A.D.S. Samarasinghe
23. Miss J. Inoka U.G. Gunawardhana
24. Mr. Jagath Nishantha
25. Mr. E.J. Wijethunga
26. Mr. L.P.K.W. Weliwaththa
27. Mr. H.L. Sisira
28. Mr. D.M.P.S. Athukorala
29. Mr. W.K. Sumith Wasantha
30. Mr. D.M. Yahampath
31. Mr. R. Ahilan
32. Mr. K.P.D.P. Sirisena
33. Mr. H.T.D.R.S. Wijesinghe
34. Mr. N.A.A.D. Nagahawaththa
35. Mrs. N.D.D. Edirisinghe
36. Mr. M.P. Harashana Kusumsiri
37. Mrs. M.T. Daluwaththa
38. Mrs. M.T. Daluwaththa

Legal Officers

39. Mrs. D.M.H.G.A.D.V. Kumari (Since 14.10.2019 to 12.01.2020)
40. Mrs. D.A.S. Aloka De Silva (Since 2020.07.01)

COMPOSITION OF THE STAFF AND DEVELOPMENT

As per the provisions of the Department of Management Services, the composition of the staff of the Vocational Training Authority of Sri Lanka is 1,914 employees as at 31.12.2020 and the approved cadre for the year 2020 is 2,656.

* These posts have been approved in order to personal for the person who hold the position. Since then the post will be revoked.

	Designation	Approved staff	Staff as at the end of the year	Vacancies / Surplus at the end of the year	Service category
01.	Director General	1	1	0	HM 2 - 1
02.	Director	6	5	1	HM1-1
03.	Chief Internal Auditor	1	0	1	
04.	Principal	1	0	1	MM 1-3
05.	Deputy /Assistant Director	85	64	21	MM 1-1
06.	Assistant Director - Procurement	1	1	0	
07.	Assistant Director – Academic	3	0	3	
08.	Assistant Director – Mechanic	1	0	1	
09.	Assistant Registrar	1	0	1	
10.	Legal Officer	1	1	0	
11.	Internal Auditor	1	1	0	
12.	Engineer	1	0	1	
13.	Administrative Officer	3	2	1	JM 1-1
14.	Testing & Evaluation Officer	13	9	4	
15.	Investigation Officer	1	1	0	
16.	Transport Officer	1	0	1	
17.	Supplies Officer	1	1	0	
18.	Printing Officer	1	0	1	
19.	Internal Auditor	3	3	0	
20.	System Analyst	1	0	1	
21.	Welfare Officer	1	1	0	
22.	Finance Officer	33	32	1	
23.	Senior Programme Officer	10	10	0	

24.	Training Officer	98	62	36	
25.	Research Officer	2	2	0	
26.	Planning Officer	2	2	0	
27.	Personal Assistant to Chairman	1	0	1	
28.	Personal Assistant*	7	5	0	
29.	Translator (Sinhala / English)	1	0	1	MA 5-2
30.	Translator (Sinhala / Tamil)	3	0	3	
31.	Senior Instructor	201	124	77	MA 4
32.	Programme Officer	70	62	8	
33.	Audit Assistant*	3	0	0	
34.	Assistant Librarian	1	0	1	MA 3
35.	Project Assistant*	34	7	0	
36.	Technical Assistant	3	1	2	MA 2-2
37.	Instructor	1,529	1,108	421	
38.	Sports Instructor	31	0	31	
39.	Planning Officer	1	0	1	
40.	Quantity Surveyor	2	0	2	
41.	Technical Officer (Civil)	5	0	5	
42.	Management Assistant	196	169	27	MA 1-2
43.	Assistant Instructor (LRUC)*	38	31	0	
44.	Compositor (Printing)	3	1	2	
45.	Hostel Keeper	2	0	2	
46.	Supervisor (Printing)	1	0	1	
47.	Supervisor (Building)	1	0	1	
48.	Driver	67	62	5	PL - 3
49.	Store Keeper*	2	2	0	PL 2
50.	Printing Assistant	3	2	1	
51.	Book Binder (Printing)	2	1	1	
52.	Machine Operator (Printing)	2	2	0	

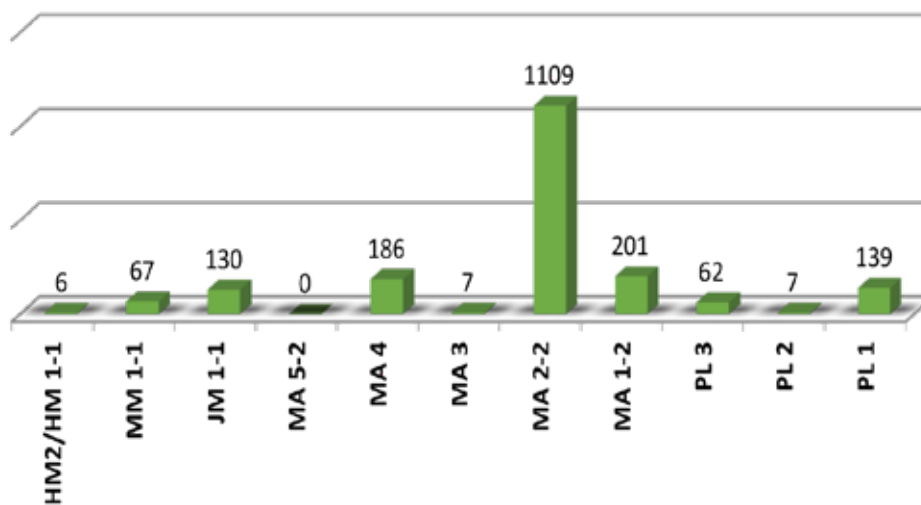
53.	Office Assistant	8	5	3	PL - 1
54.	Watchers*	65	38	0	
55.	Labourers	101	96	5	
	Total	2,656	1,914	676	

COMPOSITION OF THE STAFF (AS PER THE SERVICE CATEGORY)

	Designation	Approved staff	Staff as at the end of the year	Vacancies / Surplus at the end of the year
01.	HM 2-1 Senior Manager HM 1 -1 Senior Manager	08	06	02
02.	HM – 1-1 Manager	95	67	28
03.	JM 1-1 Junior Manager	178	130	46 (*05 Personal)
04.	MA 5 -2 Enforcing /Implementing Extension Officers	04	0	04
05.	MA 4 Operational / Counselling Service	274	186	85
06.	MA 3 Associated Officers	35	07	1 (*07 Personal)
07.	MA 2 -2 Management Assistant - Technical	1571	1109	462
08.	MA 1-2 Management Assistant* Non - Technical	241	201	33(* 31 personal)
09.	PL 3 Primary Skilled	67	62	5
10.	PL 2 Semi Primary Skilled	09	07	02 (* 02 Personal)
11.	PL 1 Non – Primary Skilled	174	139	08 (*38 Personal)
	Total	2,656	1,914	676

* These posts have been approved in order to personal for the person who hold the position. Since then the post will be revoked.

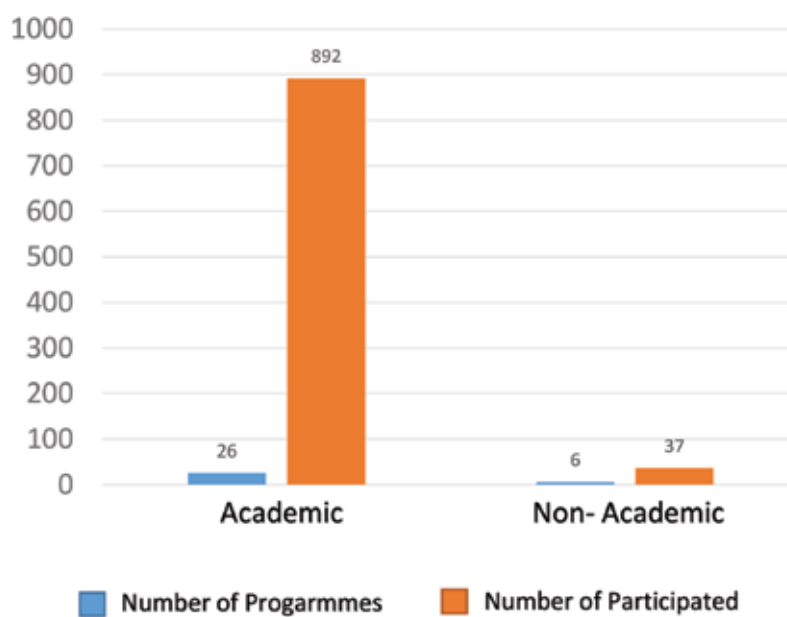
STAFF AS PER THE SERVICE CATEGORY



IMPROVE THE KNOWLEDGE, ATTITUTDES & THE SKILLS OF THE STAFF

In the year 2020, it was able to participate the staff in relevant programmes under following categorization.

	Number of Programmes	Number participated
Academic	26	892
Non – Academic	6	37



PROVISION OF VOCATIONAL TRAINING TO THE YOUTH THROUGH THE IMPLEMENTATION OF VOCATIONAL TRAINING PROGRAMMES

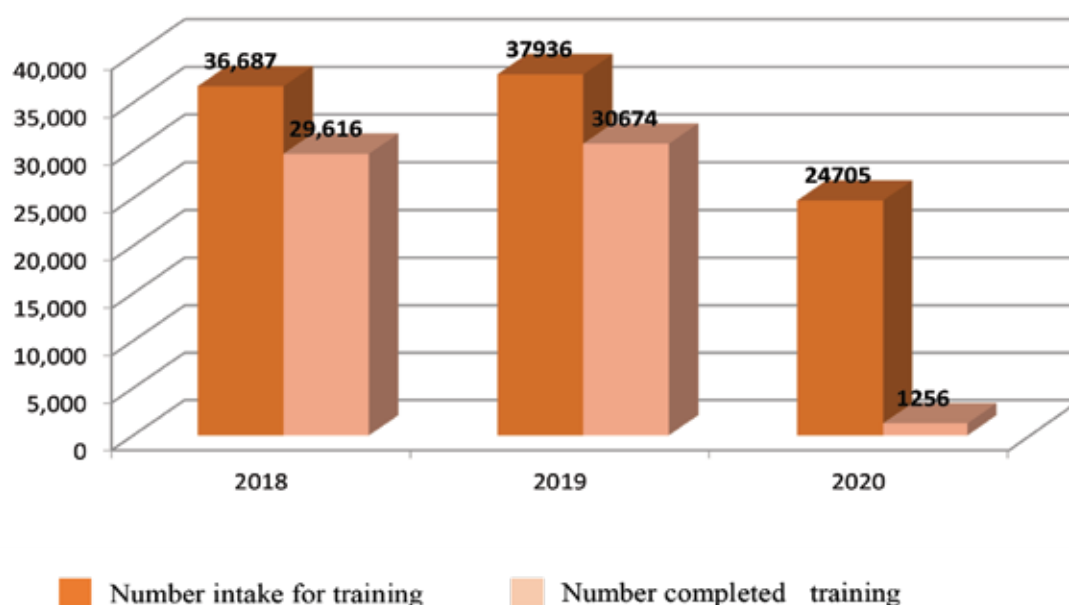
24,705 of apprentices have been trained in the Institutional training through 1,312 island wide training programmes comprising of 132 full time and part time courses in the year 2020.

Intakes for vocational training / completion of the training

Year	2017	2018	2019
Number intakes for training	36,667	37,936	24,705
Number completed training	29,616	30,674	1,256

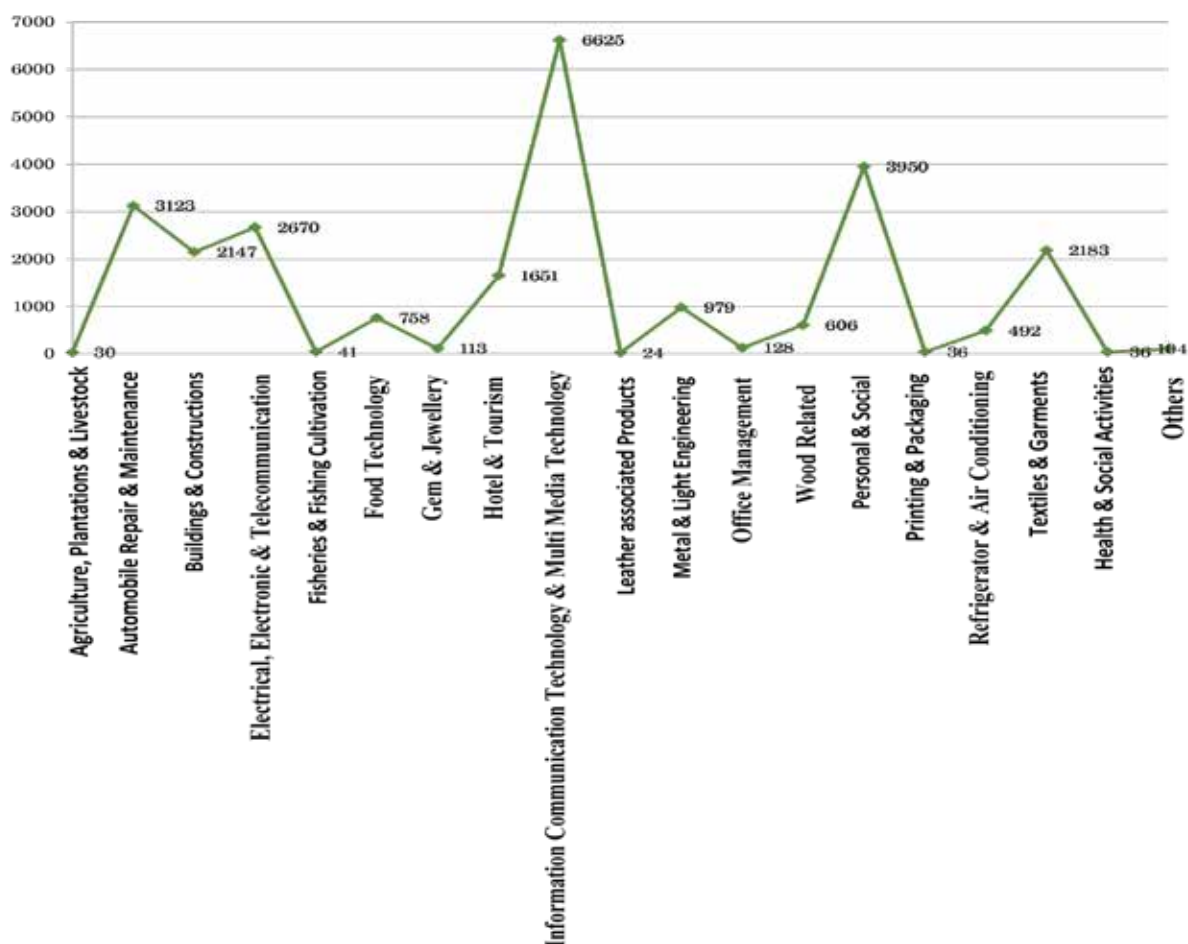
* Majority of the trainees who admitted to the training in the year 2020 under Covid – 19 epidemic situation are scheduled to be completed the training in the month of February in year 2021.

ENROLLMENT TO THE VOCATIONAL TRAINING /COMPLETION OF THE TRAINING



DEMAND OF THE APPRENTICES FOR TRAINING SECTORS – 2020

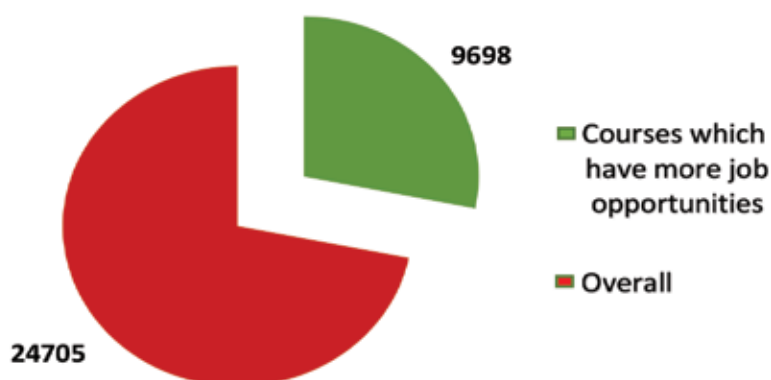
	Sector	No of enrolled apprentices (Institutional Training)	Percentage
1.	Agriculture, Plantations & Livestock	30	0.12
2.	Automobile Repair & Maintenance	2,074	8.63
3.	Buildings & Constructions	2,147	8.69
4.	Electrical, Electronic & Telecommunication	2,670	10.81
5.	Fisheries & Fishing Cultivation	41	0.17
6.	Food Technology	758	3.07
7.	Gem & Jewellery	113	0.46
8.	Hotel & Tourism	1,651	6.68
9.	Information Communication Technology & Multi Media Technology	6,625	26.82
10.	Leather associated Products	24	0.10
11.	Metal & Light Engineering	979	3.96
12.	Office Management	128	0.52
13.	Wood Related	606	2.45
14.	Personal & Social	3,950	15.99
15.	Printing & Packaging	36	0.15
16.	Refrigerator & Air Conditioning	492	1.99
17.	Textiles & Garments	2,183	8.84
18.	Health & Social Activities	36	0.15
19.	Others	104	0.42
	Total	24,705	100.00



RECRUITMENT FOR THE TRAINING - 2020

The number of apprentice's intake to the courses which have more employment opportunities and labour market demand is 39.25% from total enrolment.

Sector	Male	Female	Total	Percentage
Automobile Repairing & Maintenance	2,074	58	2,132	8.63
Buildings & Constructions	1,684	463	2,147	8.69
Electrical, Electronic & Telecommunication	2,623	47	2,670	10.81
Hotel & Tourism	1,394	257	1,651	6.68
Wood Associated	594	12	606	2.45
Refrigeration & Air Conditioning	492	0	492	1.99
Total	8,861	837	9,698	39.25

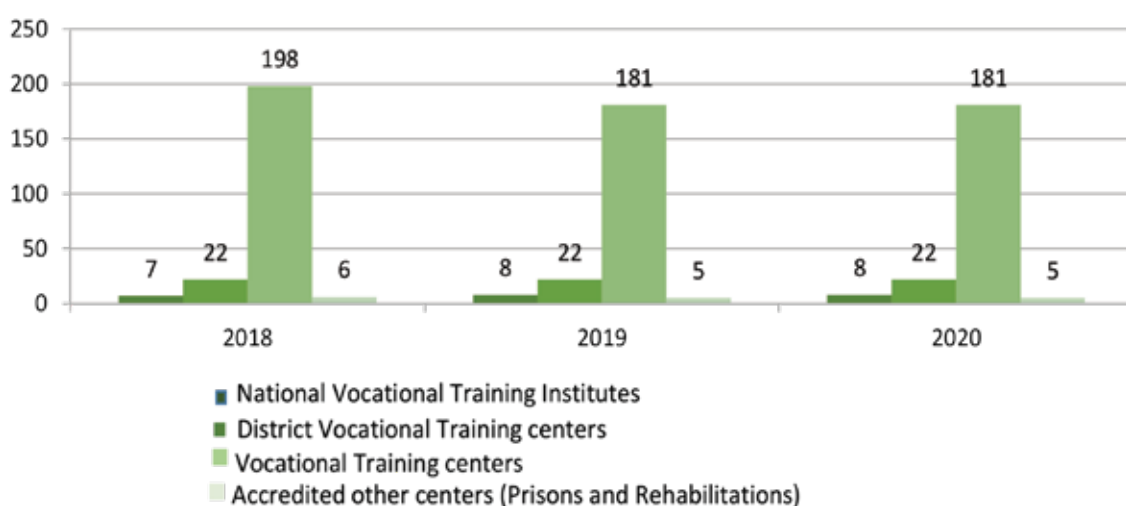


DISTRIBUTION OF THE TRAINING CENTERS

The number of training centers Functions Island widely in the year 2020 is as follows. In addition to that, vocational training has conducted in 16 centers in Prisons, 02 centers in rehabilitation centers

Training centers	2018	2019	2020
National Vocational Training Institutions	07	07	08
District Vocational Training centers	22	22	22
Vocational Training centers	191	181	181
Other centers which registered in the Tertiary & Vocational Education Commission (prisons and Rehabilitation centers)	06	05	05
Total	226	216	216

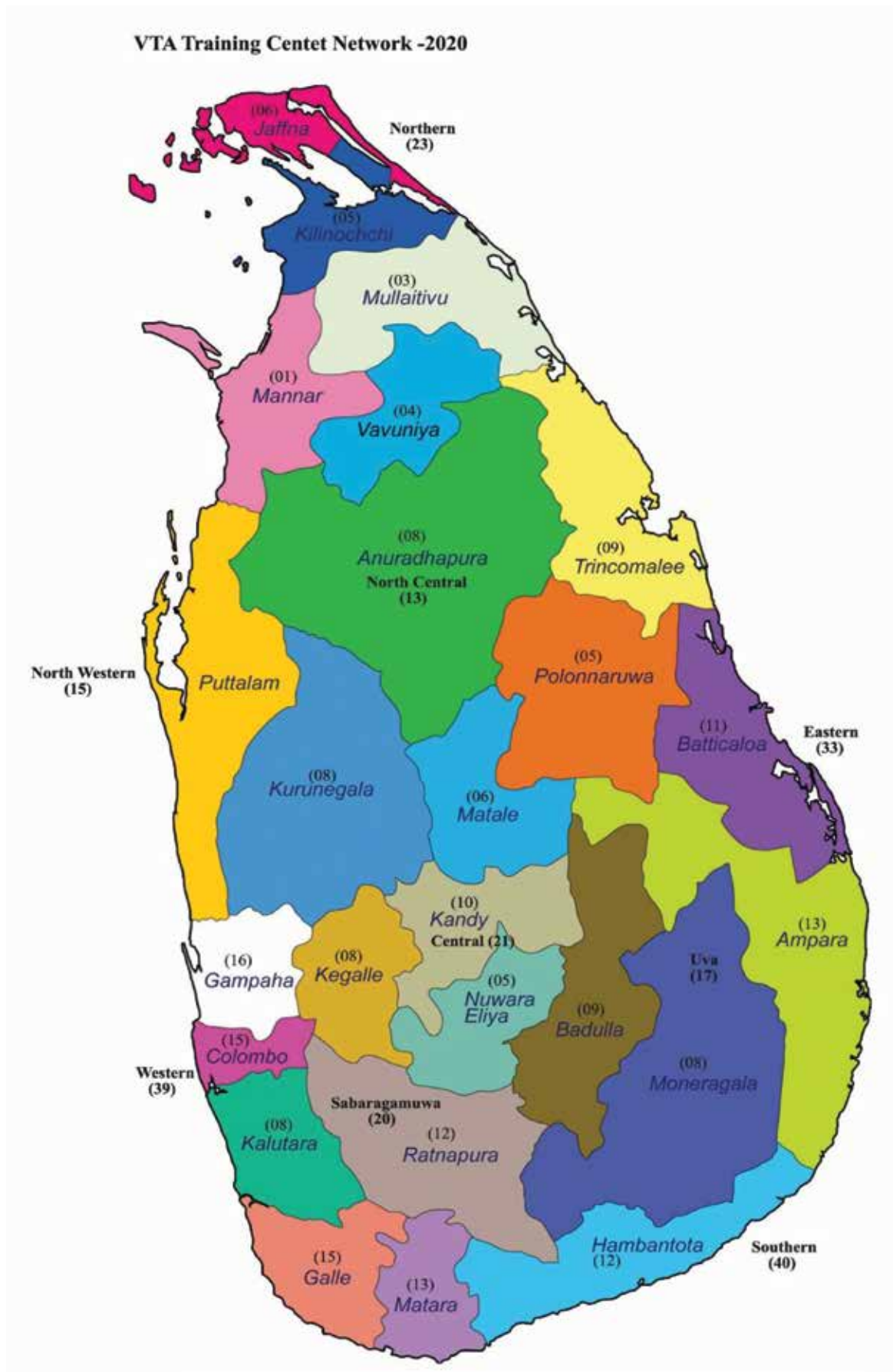
DISTRIBUTION OF THE TRAINING CENTERS



DISTRIBUTION OF THE VOCATIONAL TRAINING CENTERS IN 2019

Province	District	Number of Institutions						Total
		<i>NVTI</i>	<i>DVTC</i>	<i>VTC</i>	<i>AT</i>	<i>PC</i>	<i>Reh</i>	
Western	Gampaha	-	1	14	3	[1]	-	16
	Colombo	3	1	10	1	[1]	-	15
	Kalutara	-	1	7	1	1	-	08
North Western	Puttlam	-	1	6	-	-	-	07
	Kurunegala	-	1	7	-	-	-	08
North	Jaffna	-	1	5	0	-	-	06
	Kilinochchi	-	1	4	-	-	-	05
	Mulativu	-	1	2	1	-	-	03
	Mannar	-	-	1	-	-	-	01
	Vavuniya	-	1	3	4	-	-	04
East	Trincomalee	-	1	8	-	-	-	09
	Bataloa	1	-	10	-	-	-	11
	Ampara	-	1	12	1	-	-	13
South	Galle	2	1	12	3	2	-	15
	Matara	1	-	12	-	-	-	13
	Hambantota	1	1	09	-	[1]	-	12
Sabaragamuwa	Kegalle	-	1	7	-	1	-	08
	Rathnapura	-	1	11	-	-	-	12
Uva	Badulla	-	1	7	-	1	-	09
	Monaragala	-	1	7	-	1	-	08
Central	Kandy	-	1	9	-	2	-	10
	Matale	-	1	5	1	-	-	06
	Nuwara Eliya	-	1	4	-	-	-	05
North Central	Anuradhapura	-	1	7	1	1	-	8
	Polonnaruwa	-	1	2	1	[1]	[1]	5
	Total	8	22	181		04	1	216

- NVTI** - National Vocational Training Institutions
DVTC - District Vocational Training Centers
VTC - Vocational Training Centers
At - Affiliated
PC - Prisons
Reh - Rehabilitation Centers
[] - Centers registered as training centers in TVEC

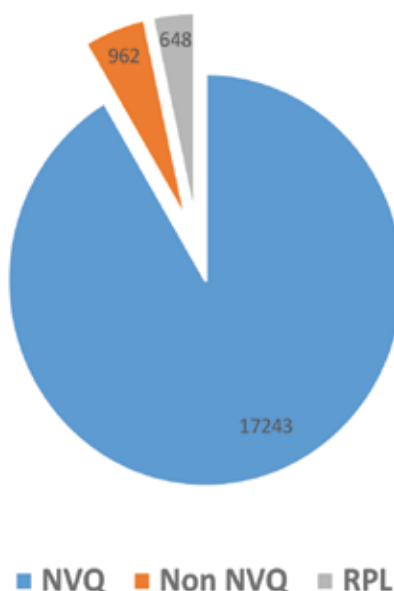


VOCATIONAL TRAINING TESTS & ASSESSMENTS

The trained trainees are evaluated through an Assessment System of Vocational Training Authority of Sri Lanka and award certificates for them. Rs 5 Mn is incurred annually for this. Accordingly, the number of certificates issued by carrying out assessments in the year 2020 is as follows.

No	Category	Number of certificates issued
01	National Vocational Qualification (NVQ)	17,243
02	Non – National Vocational Qualification	962
03	Recognition of Prior Learning (RPL)	648
	Total	18,853

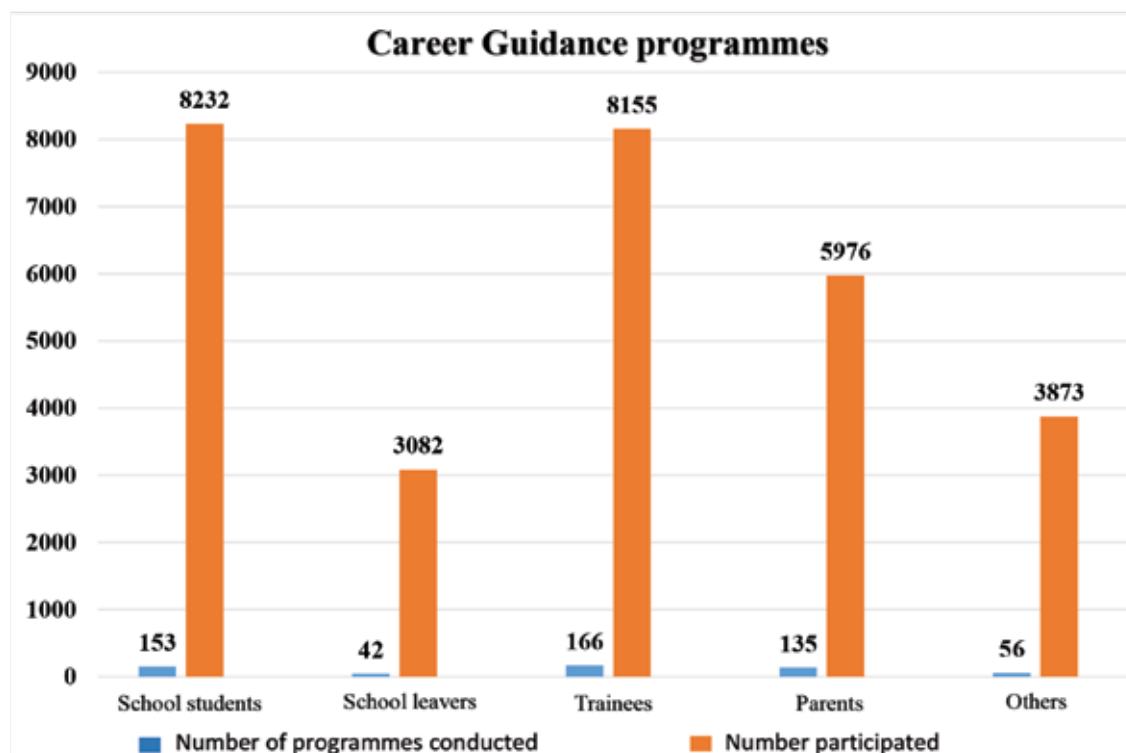
Number of certificates issued



CAREER GUIDANCE & COUNSELLING

The Vocational Training Authority of Sri Lanka directs the youth to select suitable vocational sectors according to their preferences and qualifications. A set of qualified officials perform island wide carrier guidance programmes to provide the assistance to the youth to select vocational trades as per their preferences and qualifications. The programmes implemented in the year 2020 is as follows.

Target group	Number of programmes conducted	Number participated
School students	153	8,232
School leavers	42	3,082
Trainees	166	8,155
Parents	135	5,976
Others	56	3,873
Total	552	29,318

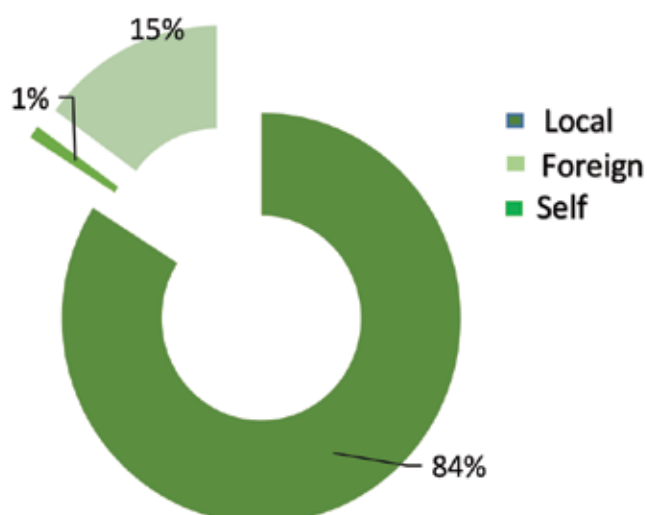


JOB PLACEMENT

There were 2,755 trained trainees have placed in direct and indirect employments to accomplish the job market requirements for the year 2020 through the Institutions registered under the Sri Lanka Vocational Training Authority.

No	Training sector	Number of trained trainees placed in employments			
		Local	Foreign	Self	Total
01.	Buildings & Constructions	227	-	30	257
02.	Automobile Repairing & Maintenance	210	1	8	219
03.	Electrical, Electronic & Telecommunication	273	-	80	353
04.	Refrigeration & Air Conditioning	67	-	3	70
05.	Food Technology	71	3	3	77
06.	Communication & Multi Media Technology	411	1	19	431
07.	Hotel & Tourism	285	2	0	287
08.	Metal & Light Engineering	110	-	04	114
09.	Wood Associated	46	-	15	61
10.	Gem & Jewellery	3	1	-	04
11.	Printing & Packages	25	-	-	25
12.	Textile & Garments	269	1	158	428
13.	Personal & Social	311	4	106	421
14.	Office Management	8	-	-	08
	Total	2,316	13	426	2,755

JOB PLACEMENT



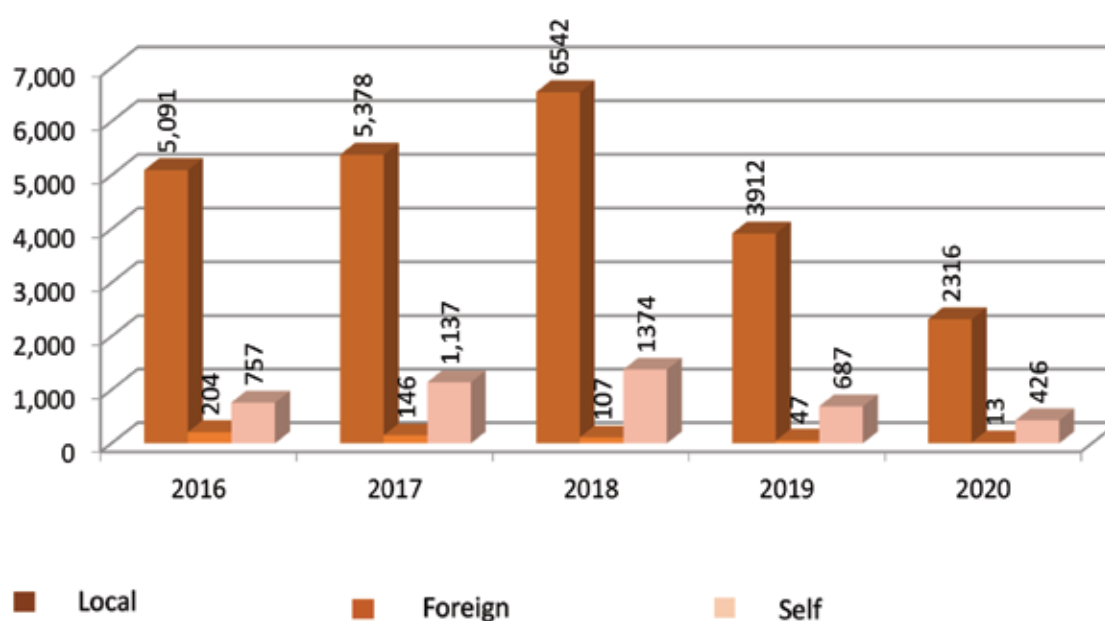
CONTRIBUTION GIVEN TO THE NATIONAL ECONOMY THROUGH JOB PLACEMENT

Category	No of employed	Contribution to the National economy (Rs. Million)
Local jobs	2,316	881.93
Foreign jobs	13	18.34
Self – Employments	426	150.83
Total	2,755	1051.1

(Prepared on the basis of the information of Labor Market Bulletin of the Tertiary and Vocational Education Commission (TVEC) and as per the data issued by the Institutions which placed the trainees in the jobs on estimating approximately the income earned by the trainees within one year who placed in employments for the year 2020)

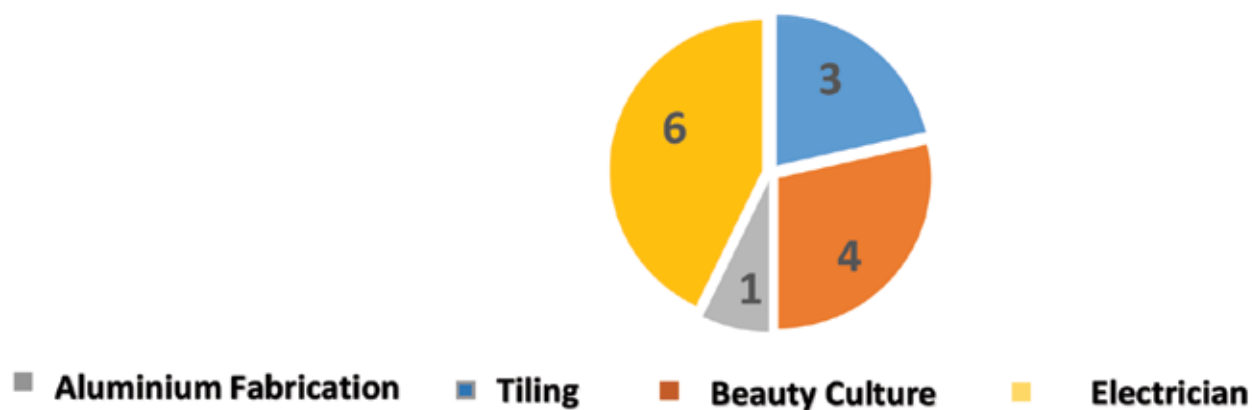
Year	Local	Foreign	Self	Total
2016	5,091	204	757	6,052
2017	5,378	146	1,137	6,662
2018	6,542	107	1,374	8,023
2019	3,912	47	687	4,646
2020	2,316	13	426	2,755

(Information of the trainees placed in jobs are only by the Vocational Training Authority of Sri Lanka.



PROGRAMMES IMPLEMENTED JOINTLY WITH THE PUBLIC & PRIVATE INSTITUTIONS

Programme	No of Programmes	No. of participated	Sponsoring institutions
Lying of Tiles	03	123	Lanka Tiles Company
Beauty Culture, Hair Cutting	4	765	Nature Beauty Creation Tiara Marketing Company
Aluminium Fabrication	1	40	Swistech Aluminium
electrician	6	531	ACL Cables
Total	14	1,459	



CONDUCT ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES

Encourage the youth entrepreneurs and improve their entrepreneurship skills and give hands to them is the main objective of the Sri Lanka Vocational Training Authority.

Accordingly, VTASL conducted 12 entrepreneurship development training programmes and provided entrepreneurship development training for 237 persons.

CHALLENGES

- Shortage of sufficient monetary and physical resources to meet the demand created through the commencement of delivering free education.
- No much tendency of the youth for the courses which have high labour demand in the industrial sector.
- More efforts have to be taken to attract the youth for the vocational training.
- Due to the availability of more facilities in the vocational providers in the non-government organizations and other institutions than the public sector vocational training providing centers, high competition has created.
- Implementation of the work competitively with the private sector institutions which provides vocational training.
- Launch wide publicity programmes to aware the society on the importance of vocational training and to develop attitudes.
- Insufficient financial facilities to provide infrastructure facilities for vocational training centers.
- Failure to provide equal level facilities to each vocational training center which implement island widely.
- Insufficient capital and recurrent provisions allocated by the government for VTASL as a service providing institution.
- Minimize the mismatch between the training sectors and the demand for the employments.
- To enhance the quality of the training courses, dearth of instructors with knowledge, skills, ability to teach, using modern technology and failure to pay high level salaries for them.
- Tendency to vacate the posts by the essential instructors who required to provide a quality training, dInsufficient resources to absorb modern technological training methods to the courses implementing at present.

Vocational Training Authority of Sri Lanka

Performance – 2020

Only one Audit and Management committee meeting has conducted during the year 2020 and the composition of the members of the said meeting is as follows

Members of the Committee

Mr. T.M.J. Bandara - Chairman of the Committee & the member of the Board of Directors

Mr. Saman D. Waduge - Member of the Committee & member of the Board of Directors

The important decisions taken by the Audit & Committee meeting during the year 2020 are as follows.

- Strengthen the procedures & systems with avoiding the shortages and weaknesses pointed out by the Audit Reports on existing procedures & systems.
- Followed formal procedure to prepare the answers through reviewing the drafted answers for the government audit inquiries.
- Review the audit plans & audit programmes and provide the required guidance to implement it.
- Provide required instructions to conduct the Accounts policy and other affairs of the Authority in optimum level.

FORWARD

**FINANCIAL STATEMENT FOR THE YEAR ENDED
31ST DECEMBER 2020
Vocational Training Authority of Sri Lanka**

During the year under review a total grant of Rs.1,815,726,663 was released to the Authority by the Treasury, Ministry, Skill Sector Development Project and other Organizations the details are given below.

In addition to that VTA has earned its own income for part Time Courses.

1 1.1 Government Grant	Allocation (Rs)	Amount Released (Rs)
TTreasury Grant – Recurrent	1,594,250,000	1,562,250,000
Treasury Grant – Capital	48,400,000	48,400,000
Skill Sector Development Project	323,813,000	125,420,738
Ministry Funds	4,159,004	4,159,004
Income	67,821,996	67,821,996
Other Projects	7,674,925	7,674,925
Total	2,046,118,925	1,815,726,663

The Financial Statements for the year ended 31st December 2020 are presented here with for the approval of the Board of Directors.

The following Component is included with the Financial Statement:

01. Statement of Financial Position as at 31st December 2020
02. Statement of Financial Performance for the year ended 31st Dec.2020
03. Cash flow statement for the year ended 31st December 2020
04. Statement of changes in Net Assets for the year ended 31st December 2020
05. Notes to the Financial Statement



J.A.D.S. Nishamini
Director Finance (Act.)



Eranga Basnayake
Chairman/CEO

STATEMENT OF THE CHARIMAN ON BEHALF OF THE BOARD

THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020 VOCATIONAL TRAINING AUTHORITY OF SRI LANKA

The Financial Statements of the Vocational Training Authority of Sri Lanka for the financial year ended 31st December 2020 have been prepared in accordance with the Sri Lanka Public Sector Accounting Standards and in the form and manner specified by the Vocational Training Authority of Sri Lanka Act No. 12 of 1995 and the Finance Act. No. 38 of 1971.

Financial rules and procedures prescribed by the Vocational Training Authority of Sri Lanka have been complied with, and the systems of controls have been maintained as far as practicable to ensure & safeguard the assets and effectiveness and efficiency of the transactions. To best of knowledge, the Financial Statements for the year ended 31st December 2020 have been prepared satisfactorily and exhibits a true and fair view of the financial position of the Vocational Training Authority of Sri Lanka.



Chairman/CEO

On behalf of the Board of Directors
Vocational Training Authority of Sri Lanka



Director of the Board



Director of the Board

VOCATIONAL TRAINING AUTHORITY OF SRI LANKA
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2019

	Note	2020 (Rs.)		2019 (Rs.) as Restated	
ASSETS					
<u>Non - Current Assets</u>					
Property Plant and Equipment	2	6,279,850,791.18		6,431,006,615.55	
Capital Work in progress	3	24,408,156.27		38,194,328.94	
<u>Other Financial Assets</u>					
Fixed Deposit		40,000,000.00	6,344,258,947.45	40,000,000.00	6,509,200,944.49
<u>Current Assets</u>					
Inventories	4	31,340,350.93		24,395,927.44	
Receivables	5	69,854,436.92		67,118,408.03	
Staff Loans	6	45,661,296.96		45,926,079.80	
Cash and Cash equivalent	7	119,671,492.24	266,527,577.05	169,327,298.82	306,767,714.09
TOTAL ASSETS			6,610,786,524.50		6,815,968,658.58
EQUITY & LIABILITIES					
<u>Accumulated Surplus (Deficit)</u>		(991,200,526.21)		(954,912,358.72)	
Revaluation Surplus	8	2,653,836,821.05		2,653,836,821.05	
Gov. Grant - Capital	9	14,291,743.97		15,477,668.39	
Differed Income Grant	10	4,144,150,968.72	5,821,079,007.53	4,300,623,086.56	6,015,025,217.28
<u>Non - Current Liabilities</u>					
Finance Lease Liability (BOC)	11	18,360,000.00		25,400,000.00	
Provision for Gratuity	12	587,431,040.50	605,791,040.50	506,840,886.50	532,240,886.50
<u>Current Liabilities</u>					
Finance Lease Liability (BOC)	13	7,040,000.00		8,073,144.00	
Payables	14	148,861,781.35		224,913,557.33	
Accrued expenses	15	28,014,695.12	183,916,476.47	35,715,853.47	268,702,554.80
TOTAL EQUITY & LIABILITIES			6,610,786,524.50		6,815,968,658.58

The Significant Accounting Policies and the notes from pages 14 to 29 form and integral part of these financial Statements.



J.A.D.S. Nishamini
Director Finance(Act.)



Eranga Basnayake
Chairman/CEO

Certification

We Certify that the above Financial Statements give a true and fair view of affairs as at December 31st 2020 and its surplus/(Deficit) for the year ended December 31st 2020

The Board of the Management is responsible for the preparation and presentation of these Financial Statements.

The Financial Statements were approved by the Board of Management and Signed on their behalf.



Director of the Board



Director of the Board

VOCATIONAL TRAINING AUTHORITY OF SRI LANKA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020
(ILLUSTRATING THE CLASSIFICATION OF EXPENSES BY NATURE)

Description	Note	2020 (Rs.)	2019 (Rs.) as Restated
Operating Revenue			
Recurrent Grant - Treasury		1,562,250,000.00	1,591,500,000.00
Differed Income Grant		519,143,699.02	525,315,668.59
Other Income			
Other Income	16	44,049,601.35	44,731,495.44
Production Unit Income (Net)	17	23,772,394.82	40,019,339.08
Fund Received For Special projects	18	90,707,598.51	175,433,957.90
Total Revenue		2,239,923,293.70	2,377,000,461.01
Operating Expenses			
Staff Cost	19	1,302,809,839.15	1,214,613,309.36
Travelling	20	8,132,371.96	11,513,385.07
Supplies and consumable used	21	23,022,528.20	38,047,706.32
Maintenance	22	23,836,455.21	36,010,293.48
Contractual services	23	157,862,857.84	186,768,794.78
Training material		70,166,921.06	114,921,976.62
Staff Training		1,823,212.43	3,895,671.50
Promotional & Career Guidance		11,644,305.07	27,391,059.98
Job placement, Research & Entrepreneurship	24	6,341,996.16	12,820,920.06
Depreciation		519,143,699.02	525,315,668.59
Revaluation loss			27,730,090.18
Interest on Finance Lease		2,365,180.00	927,260.00
Lease/Rent Vehicle Under Operating Lease		4,276,540.80	2,106,592.32
Other operating expenses	25	53,969,337.98	76,662,280.58
Expenditure on Special projects	26	90,707,598.51	175,433,957.90
Finance Cost	27	108,617.80	138,173.10
Total Operating expenses		2,276,211,461.19	2,454,297,139.84
Net Surplus /(Deficit) for the period		(36,288,167.49)	(77,296,678.83)
Statements of Accumulated Surplus/Deficit			
As at 1st January as Restated		(954,912,358.72)	(877,615,679.89)
Net surplus/(deficit) for the period		(36,288,167.49)	(77,296,678.83)
Balance as at 31st December		(991,200,526.21)	(954,912,358.72)

VOCATIONAL TRAINING AUTHORITY OF SRI LANKA
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st DECEMBER 2020

	2020 (Rs.)	2019(Rs.) as Restated
<u>Operating Activities</u>		
Surplus /(deficit)for the period	(36,288,167.49)	(77,296,678.83)
Prior year adjustment		
<u>Adjustment for:</u>		
Depreciation	519,143,699.02	525,315,668.59
Amortization of deferred income grant	(519,143,699.02)	(525,315,668.59)
Gratuity provision	94,673,961.02	90,844,725.63
Gratuity paid	(14,083,807.02)	(21,392,466.13)
Revaluation loss	-	27,730,090.18
Prior year adjustment	-	
(Increase) / Decrease in receivables	(2,736,028.89)	43,668,397.46
(Increase) / Decrease in Staff Loans	264,782.84	323,515.00
Increase/(Decrease) in Lease payable	(1,033,144.00)	33,473,144.00
Increase/(Decrease) in payable	(76,051,775.98)	(42,793,297.20)
Increase/(Decrease) in accrued expenditure	(7,701,158.35)	(7,287,891.92)
(Increase)/Decrease in inventories	(6,944,423.49)	2,930,385.08
	(13,611,593.87)	127,496,602.10
Net cash flow from operating activities	(49,899,761.36)	50,199,923.27
<u>Investing Activities</u>		
Purchases of property plant & Equipment	34,376,621.17	(250,331,432.07)
Work in Progress	13,786,172.67	54,963,589.93
Fixed Deposit	-	
Net cash flows from investing activities	48,162,793.84	(195,367,842.14)
<u>Financing Activities</u>		
Government Grant Capital	48,400,000.00	102,500,000.00
Other Income Grant	<u>(96,318,839.06)</u>	<u>56,130,466.99</u>
Net cash flow from Financing Activities	(47,918,839.06)	158,630,466.99
Net increase/decrease in cash & cash Equivalents	(49,655,806.58)	13,462,548.12
Cash & cash equivalents at beginning of period	<u>169,327,298.82</u>	<u>155,864,750.70</u>
Cash & cash equivalents at end of period	<u>119,671,492.24</u>	<u>169,327,298.82</u>

VOCATIONAL TRAINING AUTHORITY OF SRI LANKA
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31st DECEMBER 2020

Description	Accumulated Fund	Government Grant Capital	Differed Income Grant	Revaluation Surplus	Total
Balance as at 1st January 2019	(877,615,679.89)	17,554,429.60	4,042,089,031.65	2,640,724,907.99	5,822,752,689.35
Opening balance Adjustments	0.00	(470,270.00)	(215,912,905.03)	13,111,913.06	(203,271,261.97)
Opening balance reststed	(877,615,679.89)	17,084,159.60	3,826,176,126.62	2,653,836,821.05	5,619,481,427.38
Grant received during the year		102,500,000.00			102,500,000.00
Amount transferred to differed income Grants		(104,106,491.21)	949,753,107.47		845,646,616.26
Amortization for the year			(475,306,147.53)		(475,306,147.53)
Surplus / (Deficit) for the year	(77,296,678.83)				(77,296,678.83)
Balance as at 31st December 2019 as Restated	(954,912,358.72)	15,477,668.39	4,300,623,086.56	2,653,836,821.05	6,015,025,217.28
Balance as at 1st January 2020	(954,912,358.72)	15,477,668.39	4,300,623,086.56	2,653,836,821.05	6,015,025,217.28
Opening balance Adjustments	0.00	0.00	0.00		0.00
Opening balance reststed	(954,912,358.72)	15,477,668.39	4,300,623,086.56	2,653,836,821.05	6,015,025,217.28
Grant received during the year		48,400,000.00			48,400,000.00
Amount transferred to differed income Grants		(49,585,924.42)	362,671,581.18		313,085,656.76
Amortization for the year			(519,143,699.02)		(519,143,699.02)
Surplus / (Deficit) for the year	(36,288,167.49)				(36,288,167.49)
Balance as at 31st December 2020	(991,200,526.21)	14,291,743.97	4,144,150,968.72	2,653,836,821.05	5,821,079,007.53

1 - ACCOUNTING POLICIES

1.0 Corporate Information

- 1.1 Vocational Training Authority of Sri Lanka (VTASL) is a Statutory Board Incorporated in Sri Lanka under the Act No. 12 of 1995 of Vocational Training Authority of Sri Lanka.
- 1.2 The principal place of business is situated at No. 354/2, 'Nipunatha Piyasa', Elvitigala Mawatha, Narahenpita, Colombo 05.
- 1.3 During the year, the principal activity of the Authority was providing of vocational training to students.

1.4 General Policies

1.4.1 Statement of Compliance

The Statement of financial position, statement of financial performance, statement of changes in net asset and cash flow statement, together with the accounting policies and notes to the financial statements have been prepared in compliance with the Sri Lanka public sector Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka.

1.4.2 Basis of preparation

The financial statements, presented in Sri Lanka rupees, have been prepared on an accrual basis and under the historical cost convention unless stated otherwise.

1.4.3 Comparative Information

The accounting policies applied by the authority are, unless otherwise stated, consistent with those used in the previous year. Previous year's figures and phrases have been re-arranged wherever necessary, to conform to the current year's presentation.

1.4.4 The notes to the financial statements on pages 04 to 32 form an integral part of the financial statements.

1.4.5 The value presented in the financial statements are in Sri Lanka Rupees unless otherwise indicated. The significant accounting policies are shown below.

1.4.6 Events after the balance sheet date

No circumstances have arisen since the Balance Sheet date which requires adjustments to or disclosure in the accounts.

1.5 Taxation

No provisions for income tax is made as the Authority is not expected to earn profits which operate on Government funds.

1.5.1 Deferred tax

The tax effect for timing difference has not occurred according to the taxation policy of the Authority. Therefore, the deferred taxation is not provided.

1.6 Valuation of Assets and Their Measurement Bases

1.6.1 Recognition of Property, Plant & Equipment

Cost of an item of Property, Plant & Equipment should be recognized when,

- a) It is probable that future economic Benefits associated with the asset will flow to the Vocational Training Authority.
- b) Cost of the asset to the Vocational Training Authority can be measured reliably
The capitalization threshold of Vocational Training Authority is Rs. 2,000/-. However, identification of Property, Plant & Equipment not only depends on the capitalization threshold but the following facts should also be considered.
 - (i) Expected useful life time of the asset
 - (ii) Intended purpose of the asset.
 - (iii) Durability of the asset
 - (iv) Whether the asset is a consumable or not

1.6.2 Inventories

Inventories are valued at lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. The costs incurred in bringing inventories to its present location and condition are accounted on FIFO basis as follows:

1. Training materials	-	at cost
2. Stationeries	-	at cost
3. Raw materials (printing)	-	at cost
4. Other consumables	-	at cost

1.6.3. Property , Plant and Equipment

- a) Property, plant and equipment are stated at cost or valuation less accumulated depreciation. Items of property, plant and equipment are derecognized upon replacement, disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognizing of the asset is included in the income statement in the year the asset is derecognized.

The property plant & equipment owned by Vocational Training Authority as at 31.12.2018 has been revalued by professional revaluation. The difference between the revaluation and the book written down value has been transferred to the differed income grant. Reconciliation between the revaluation and the book value of the assets is given in respective notes to this financial statement.

- b) **Depreciation**

Provision for depreciation has been calculated by providing depreciation in the year of purchase. The following depreciation rates are applied.

Category	%
Building & Improvements	5%
Motor vehicles	25%
Furniture & Office Equipment	10%
Training Equipment	20%
Computer Equipment	20%

c) Capital Work-in progress

Projects are valued at cost of work completed.

1.6.4 Receivables

Receivables are stated at the amounts they are estimated to realize, net of provisions for bad and doubtful receivables. A provision for doubtful debt is made when the debt exceed 365 days and collection of the full amount is doubtful.

1.6.5. Cash and Cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand net of outstanding bank overdrafts.

1.7 Liabilities and provisions

1.7.1 All known liabilities have been accounted for in preparing the Financial Statements.

1.7.2 Staff Retirement Gratuity

The liability for retirement gratuity is computed on the basis of half (1/2) a month salary for each completed years of service in respect of all employees.

However, as per the Payment of Gratuity Act No. 12 of 1983 the liability arises only upon completion of five (05) years continued service.

The Gratuity liability is not assessed on Projected Unit Credit Method as the Gratuity liability is funded by General Treasury. No fund has been created in respect of this liability.

1.7.3 Defined Contribution Plans

Employees Provident Fund & Employees Trust Fund

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respecting statutes and regulations.

1.7.4. Government Grants and Subsidies.

- Government grant on which the organization depends for its expenditure are being accounted on receipt basis. Grant related to recurrent expenditure are being presented as a credit to the income and expenditure account whereas the grant related to capital expenditure are being credited to Capital Grant Account.
- Initially grants received from donor agencies related to the assets are recognized as a liability until it is utilized. The amount utilized from the grant is transferred to the Deferred Income Grant and subsequently amortized during the useful life time of the asset.

1.7.5 Provisions and Contingent Liabilities

When it is probable that such an obligation will result in an outflow of resources and a reliable estimate can be made of the quantum of the outflow.

All contingent liabilities are disclosed under note 27 to the financial statement and equipment in a state of efficiency has been charged to income in arriving at the net surplus or deficit for the year

1.8 Income & Expenditure Statement

1.8.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Authority, and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The following specific criteria are used for recognition of revenue.

a) Grants received for recurrent expenditure

Grants received from General Treasury for recurrent expenditure is recognized as income.

b) Initially the grants received from donor agencies are recognized as a liability until it is utilized. The amount utilized from the grant is transferred to income.

c) Income from training courses

Students fees for training courses are recognized on an accrual basis.

d) Income from student production units

The income of student production units are recognized on an accrual basis.

e) Rental Income

Rental income is recognized on an accrual basis over the term of the lease.

f) Other income is recognized on an accrual basis

1.8.2 Expenditure Recognition

- a) Expenses are recognized in the Income & Expenditure Statement on the basis of direct association between the costs incurred and the earnings of specific items of income. All expenditure incurred in the running of the VTASL and in maintaining the Property, Plant and equipment in a state of efficiency has been charged to income in arriving at the net surplus or deficit for the year.

Notes to the Financial Statements

2 Property, Plant & Equipment

in Rs.

Cost or Valuation	Land	Building & Improvement	Motor Vehicles	Lease Vehicle	Furniture & Office Equipment	Training Equipment	Computer Equipment	Total
At the beginning of the year	1,576,048,632.44	4,315,444,194.52	241,672,793.96	35,670,270.00	308,416,021.96	1,337,629,328.15	317,743,401.23	8,132,624,642.26
Additions during the year	2,633,485.53	278,597,029.99	3,700,000.00	-	6,797,666.20	58,444,662.33	17,815,030.60	367,987,874.65
At the end of the year	1,578,682,117.97	4,594,041,224.51	245,372,793.96	35,670,270.00	315,213,688.16	1,396,073,990.48	335,558,431.83	8,500,612,516.91
Accumulated Depreciation								
At the beginning of the year		1,304,405,007.59	49,882,494.82	2,959,013.12	50,157,540.19	235,124,520.46	59,089,450.53	1,701,618,026.71
Charge for the year		160,929,303.00	48,132,574.79	8,133,492.87	37,301,525.97	207,224,070.22	57,422,732.17	519,143,699.02
At the end of the year	-	1,465,334,310.59	98,015,069.61	11,092,505.99	87,459,066.16	442,348,590.68	116,512,182.70	2,220,761,725.73
Written Down Value								
As at 31st December 2020	1,578,682,117.97	3,128,706,913.92	147,357,724.35	24,577,764.01	227,754,622.00	953,725,399.80	219,046,249.13	6,279,850,791.18
As at 31st December 2019 as Restated	1,576,048,632.44	3,011,039,186.93	191,790,299.14	32,711,256.88	258,258,481.77	1,102,504,807.69	258,653,950.70	6,431,006,615.55

2.1 Adjustment to the Opening Balance

Cost

Assets Category	Opening Balance Before Adjustment	Adjustment made	Opening Balance After Adjustment
Land	1,778,326,790.44	(202,278,158.00)	1,576,048,632.44
Building & Improvement	4,269,177,760.69	46,266,433.83	4,315,444,194.52
Motor Vehicles	244,632,293.96	(2,959,500.00)	241,672,793.96
Lease Vehicle	35,200,000.00	470,270.00	35,670,270.00
Furniture & Office Equipment	341,436,515.16	(33,020,493.20)	308,416,021.96
Training Equipment	1,307,957,071.10	29,672,257.05	1,337,629,328.15
Computer Equipment	312,452,998.24	5,290,402.99	317,743,401.23
Total	8,289,183,429.59	(156,558,787.33)	8,132,624,642.26

Depreciation

Assets Category	Opening Balance Before Adjustment	Adjustment made	Opening Balance After Adjustment
Land	-	-	-
Building & Improvement	1,303,586,463.55	818,544.04	1,304,405,007.59
Motor Vehicles	50,622,369.82	(739,875.00)	49,882,494.82
Lease Vehicle	2,914,691.78	44,321.34	2,959,013.12
Furniture & Office Equipment	26,361,644.99	23,795,895.20	50,157,540.19
Training Equipment	219,883,491.78	15,241,028.68	235,124,520.46
Computer Equipment	46,805,925.02	12,283,525.51	59,089,450.53
Total	1,650,174,586.94	51,443,439.77	1,701,618,026.71

Notes to the Financial Statements

2.2 Unvalued Land & Buildings

1. The Land and Buildings at Following Vocational Training Centers has not been included in the annual A/C as it was not been valued.

• Vocational Training Center Matale	- Matale
• Vocational Training Center Yakkalamulla	- Galle
• Vocational Training Center Ginimellagaha	- Galle
• Vocational Training Center Akmimana	- Galle
• Vocational Training Center Wathurawila	- Galle
• Vocational Training Center Katana	- Gampaha
• Vocational Training Center Kirinda	- Hambantota
• Vocational Training Center Siribopura	- Hambantota

The valuation of the above Land & buildings is ongoing, after getting the values; those values will be accounted in the year 2021

2. The following Buildings are constructed on funds from skill Development Project at lands which are not belongs to VTA. The valuation of the above land & building will be included in year 2021

• Vocational Training Center Bingiriya	– Kurunegala
• Vocational Training Center Veyangoda	– Gampaha
• Vocational Training Center Yakkalamulla	– Galle
• Vocational Training Center Niyagama	– Galle
• Vocational Training Center Ruwanwella	– Kegalle
• Vocational Training Center Kantale	– Trincomale
• Vocational Training Center Hambanthota	– Hambanthota
• Vocational Training Center Waskaduwa	– Kalutara
• Vocational Training Center Haldumulla	– Badulla
• Vocational Training Center Welimada	– Badulla
• Vocational Training Center Wellawaya	– Monaragala
• Vocational Training Center Bibila	– Monaragala
• Vocational Training Center Mihinthale	– Anuradhapura
• Vocational Training Center Galnewa	– Anuradhapura
• Vocational Training Center Thabuththegama	– Anuradhapura
• Vocational Training Center Rajanganaya	– Anuradhapura
• Vocational Training Center Minneriya	– Polonnaruwa
• Vocational Training Center Yatiyanthota	– Kegalle
• Vocational Training Center Kilinochchi	– Jaffna
• Vocational Training Center Rathmalana	– Colombo

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
3	Capital Work in Progress-Buildings		
	Badulla	334,750.50	334,750.50
	Batticaloa	158,850.00	158,850.00
	Colombo	3,263,083.69	8,662,065.33
	Galle	718,970.00	10,992,090.47
	Hambantota	19,053,095.65	19,053,095.65
	Kalutara	3,964,497.60	
	Mathale		
	Rathnapura	879,406.43	879,406.43
		24,408,156.27	60,271,912.96
	Opening Balance Adjustment		(22,077,584.02)
		24,408,156.27	38,194,328.94
4	Inventories		
	Training Materials	24,743,377.29	19,714,243.20
	Stationary	5,645,499.64	4,308,868.14
	Other Consumables	951,474.00	372,816.10
		31,340,350.93	24,395,927.44
5	Receivables		
	Advances for programs	25,000.00	10,000.00
	Advance payment for Land	43,342,340.00	43,342,340.00
	Mobilization advance for construction	-	1,811,995.02
	Deposit for compulsion	3,227,736.75	3,227,736.75
	Deposits	1,662,250.00	1,416,892.66
	Ministry of Vocational Training & Rural Industrial	3,548,334.94	3,548,334.94
	Receivable course fees	18,945,180.00	15,307,635.00
	Receivable salary	1,255,462.71	1,240,242.88
	Shortage of income	11,732.00	11,732.00
	State Organizations	1,964,635.71	1,964,635.71
	Trade & Other receivables	1,271,700.46	2,170,611.67
	Prepayments	-	278,182.07
	Vehicle Service Income Receivables	113,035.00	113,035.00
		75,367,407.57	74,443,373.70
	Less:- Provision for Bad Debts	(5,512,970.65)	(5,512,970.65)
		69,854,436.92	68,930,403.05
	Less :- Opening Balance Adjustme-		1,811,995.02
		69,854,436.92	67,118,408.03
		68,930,403.05	112,598,800.51

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
6 Staff Loans			
Balance at the beginning of the year		45,926,079.80	46,249,594.80
Add: Loans granted during the year		28,010,000.00	48,486,375.33
		73,936,079.80	94,735,970.13
Less: Repayments during the year		28,274,782.84	(48,809,890.33)
Balance at the end of the year		45,661,296.96	45,926,079.80
7 Cash & Cash Equivalents			
Gold coins		193,025.00	104,000.00
Cash at Banks			
Cash in hand		37,254.00	1,010.00
Peoples Bank		119,441,213.24	169,222,288.82
		119,671,492.24	169,327,298.82

7.1 Two gold coins have been received by the Authority as rewards from Seylan Bank. Each gold coin weight is 8.02 grams and each gold value is 22.03 karat.

8 Revaluation Surplus			
Balance at the beginning of the year		2,653,836,821.05	2,640,724,907.99
Add:- Opening balance Adjustment		-	13,111,913.06
balance at the end of the year		2,653,836,821.05	2,653,836,821.05
9 Government Grant - Capital			
Balance at the beginning of the year		15,477,668.39	17,554,429.60
balance as reststed		15,477,668.39	17,554,429.60
Add: Grants received during the year		48,400,000.00	102,500,000.00
		63,877,668.39	120,054,429.60
Less: Transfers to Differed Income Grant		(49,585,924.42)	(104,106,491.21)
Opening Balance Adjustment		(470,270.00)	
Balance at the end of the year		14,291,743.97	15,477,668.39

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
10	Differed Income Grant		
	Balance at the beginning of the year	4,300,623,086.56	4,042,089,031.65
	Add: Transfers during the year	9.1 362,671,581.18	949,753,107.47
		4,663,294,667.74	4,991,842,139.12
	Less: Amortized for the year	(519,143,699.02)	(475,306,147.53)
	Add:- Opening balance adjustment		(215,912,905.03)
	Balance at the end of the year	4,144,150,968.72	4,300,623,086.56
10.1	Transfers to Differed Income		
	Government Grant - Capital	38,175,085.65	104,106,491.21
	SSDP Grants	256,066,921.06	202,869,903.85
	13 Years	52,644,275.24	142,906,399.14
	National planning	3,700,000.00	-
	Early Child Hood Development	7,926,295.30	-
	Ministry	4,159,003.93	-
	Establishment of Colombo VTC (K-Tec)	-	462,276,014.37
	Other Grants	-	37,594,298.90
		362,671,581.18	949,753,107.47
11	Finance Lease Liability (BOC)		
	Vehicle No		
	CBH 1166	7,481,404.00	10,687,720.00
	CBI 8163	8,266,269.00	11,272,185.00
	CBI 6076	8,780,607.00	11,973,555.00
		24,528,280.00	33,933,460.00
	Less- Interest in suspence	(6,168,280.00)	(8,533,460.00)
		18,360,000.00	25,400,000.00
12	Provision for Gratuity		
	Balance at the beginning of the year	506,840,886.50	437,388,627.00
	Add: Provision Made During the year	94,673,961.02	90,844,725.63
		601,514,847.52	528,233,352.63
	Less: Payments during the year	(14,083,807.02)	(21,392,466.13)
	Balance at the end of the year	587,431,040.50	506,840,886.50

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
13 Lease Interest Payable			
CBH 1166		3,206,316.00	3,206,316.00
CBI 8163		3,005,916.00	3,380,916.00
CBI 6076		3,192,948.00	3,591,281.34
		9,405,180.00	10,178,513.34
Less- Interest in suspense		(2,365,180.00)	(2,105,369.34)
		7,040,000.00	8,073,144.00
14 Payables			
Audit Fees		2,222,963.00	1,122,963.00
Course fee payable		317,580.00	214,900.00
Deposit		60,000.00	45,000.00
Employee Provident Fund		17,130,486.10	16,067,171.11
Employee Trust Fund		2,569,572.81	2,408,677.92
Lecture fees		8,297,688.50	7,672,511.00
Other Payables		7,779,308.67	10,965,527.00
Min.of Youth Affairs & Dev. - 13 Years		43,354,501.46	96,000,554.84
Project funds Payable		2,806,065.20	9,402,110.00
Received in Advance		1,781,400.00	1,486,433.00
Refundable Tender Deposit		2,792,642.71	2,270,987.31
Retention Money		19,905,181.57	20,846,341.45
Salary payable		945,078.73	1,121,030.77
Staff Incentive payable		157,500.00	191,950.00
Student insurance scheme	13.1	37,883,500.00	37,883,500.00
Trade Creditors		812,970.60	17,168,557.93
W & O.P		45,342.00	45,342.00
		148,861,781.35	224,913,557.33
14.1 Student insurance scheme			
At the bigining of the year		37,883,500.00	37,872,250.00
Add :- Contribution during the year		-	11,250.00
Balance at end of the year		37,883,500.00	37,883,500.00

Notes to the Financial Statements

	Note	2020	2019 Restated
		Rs.	Rs.
15	Accrued expenses		
	Carrier Guidance	38,077.00	179,159.00
	Electricity	1,961,756.26	3,612,412.81
	Examination & Evaluation	718,556.00	3,009,716.90
	Fuel & Lubricant	19,000.00	31,600.00
	Janitorial Services	1,256,671.00	1,270,109.00
	Maintenance	1,194,419.39	779,564.20
	News papers & periodicals	11,710.00	13,350.00
	On The Job Training Payable	296,500.00	774,000.00
	Overtime & Holiday pay	1,759,267.40	2,201,341.50
	Part Time Expenses Payable	11,951,941.95	13,012,330.50
	Promotional Activities	566,522.00	530,417.50
	Rent, Rates & Taxes	457,500.00	749,833.28
	Season tickets	668,301.39	1,039,451.37
	Security Charges	4,253,258.16	3,788,308.49
	Stipend	369,750.20	1,841,000.00
	Telephone	1,373,551.30	1,479,793.94
	Transport	55,960.00	161,300.00
	Travelling	332,561.21	601,528.74
	Water	620,891.86	640,636.24
	Vehicle hire charges	108,500.00	-
		28,014,695.12	35,715,853.47

Notes to the Financial Statements

	Note	2020	2019 Restated
		Rs.	Rs.
16 Other Income			
Auction Income		357,255.25	1,715,280.00
Course fees		1,972,000.00	773,250.00
Canteen income		309,520.00	455,695.00
Company registration		-	13,500.00
Daily Diary		3,376,050.00	2,263,950.00
Enterprenure Development programmes		86,500.00	151,000.00
Fines		176,060.77	1,681,946.61
Hall Income		448,325.00	1,168,630.00
Hostel Fees		554,185.00	44,170.00
Katharagama circuit Bangalow		226,880.00	520,175.00
Loan Interest		1,631,896.76	1,943,406.61
Miscellaneous		1,580,283.83	2,955,179.85
Non Refundable Tender deposit		140,000.00	1,023,100.00
Record Book		4,967,300.00	2,995,450.00
Registration fees		11,772,000.00	7,707,600.00
Sale Finish goods		247,187.75	590,775.05
Savings A/C Interest		4,051,456.99	4,843,787.32
Supplier Registration		603,800.00	1,640,900.00
English Book Income		-	4,000.00
Exam Fees		11,548,900.00	12,239,700.00
		44,049,601.35	44,731,495.44

Notes to the Financial Statements

	Note	2020	2019 Restated
		Rs.	Rs.
17 Production Unit Income			
Earning 10%		2,141,723.16	2,398,660.46
Income from Part time courses		16,897,486.42	26,413,465.42
Printing School -Narahenpita		65,043.10	255,305.30
Recognition of prior learning (RPL)		3,332,908.60	9,519,401.93
Thalalla restaurant		39,281.91	176,817.51
Vehicle Service		-	-
Other Production Income		1,288,177.63	1,255,688.46
		23,772,394.82	40,019,339.08

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
18 Funds on Special Projects			
World Skill Day Programme			452,480.00
Skill sector development project		87,778,342.51	149,312,162.79
Funds on Muslim Aid		311,000.00	381,200.00
Funds on Mahaweli Authority		2,238,000.00	
Funds on Ministry - 13 Years		74,945.00	5,781,968.51
Funds on Early child hood Development			305,311.00
Funds on K-Tech			18,619,331.60
Funds on Other Project			886,815.00
		90,707,598.51	175,433,957.90
19. Staff Cost			
E.P.F. & E.T.F.		155,522,519.17	143,622,793.01
E.T.F. Surcharge		-	7,898,073.41
Other Allowance		181,639,119.15	199,288,624.89
Salaries & overtime		872,709,389.81	772,959,092.42
Staff Gratuity		92,938,811.02	90,844,725.63
		1,302,809,839.15	1,214,613,309.36

Notes to the Financial Statements

Note	2020 Rs.	2019 Restated Rs.
20 Travelling		
Accommodation Expenses	120,900.00	493,515.00
Domestic	4,227,749.96	7,171,721.61
Foreign	-	621,494.96
Varification Expenses	3,783,722.00	3,226,653.50
	8,132,371.96	11,513,385.07
21 Supplies and Other Consumables		
Fuel & Lubricant	14,496,956.75	16,496,584.38
Others	1,921,252.54	3,932,661.61
Stationary & Office Requisites	6,122,496.71	10,061,934.33
printed Materials	481,822.20	7,556,526.00
	23,022,528.20	38,047,706.32
22 Maintenance		
Building	8,201,959.24	11,739,319.30
Office Equipment	1,276,494.34	1,425,942.70
Plant & Machinery	6,771,174.27	9,400,697.17
Vehicle	7,586,827.36	13,444,334.31
	23,836,455.21	36,010,293.48
23 Contractual Services		
Advertisement	1,338,259.20	5,159,143.25
Audit Fees	1,100,000.00	1,100,000.00
Consultation & Professional Fee	598,965.50	1,500,000.00
Electricity	44,072,200.47	58,453,687.61
Hire Charges	2,338,005.00	2,735,807.00
Insurance	3,310,186.38	4,310,710.40
Janitorial service	16,614,978.78	17,774,003.76
News Papers & Periodicals	1,078,765.40	498,077.62
Postal Charges	872,459.34	1,593,818.20

Rent , Rates & Taxes	8,773,939.74	9,558,758.09
Security Charges	46,077,600.76	44,949,897.14
Staff Welfare & Other	396,345.00	2,687,533.25
Telephone Charges	20,810,585.68	22,772,777.74
Transport	1,223,893.00	2,202,275.00
Water	9,256,673.59	11,472,305.72
	157,862,857.84	186,768,794.78

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
24 Job placement, Research & Entrepreneurship			
Curriculum Development		80,830.00	545,825.00
On the Job Training & Monitoring		4,753,750.00	9,876,675.00
Entrepreneurship Programs		75,493.00	510,113.50
Job Placement		254,534.00	667,735.15
Research & Tracer study		966,325.33	737,549.50
Private public partnership		211,063.83	483,021.91
		6,341,996.16	12,820,920.06
25 Other Operating Expenses			
Examination & Evaluation		33,798,801.75	39,188,412.96
Honorarium		555,200.00	26,000.00
Legal Fees		739,820.00	10,500.00
Miscellaneous		4,988,281.77	6,319,134.85
Quality Management Accreditation		1,519,793.08	1,982,431.93
Season Tickets		2,946,599.53	7,001,814.49
Special Training Programme		94,217.85	236,827.00
Stipend Allowance		8,799,000.00	20,083,084.00
Tools & Consumables		271,924.00	1,609,441.35
Training Monitoring		1,700.00	64,534.00
Approved dropout		254,000.00	140,100.00
		53,969,337.98	76,662,280.58

Notes to the Financial Statements

	Note	2020 Rs.	2019 Restated Rs.
26 Expenditure on Special Projects			
World Skill Day Programme		-	452,480.00
Skill sector development project	87,778,342.51		149,312,162.79
Expenditure for Muslim Aid Fund	311,000.00		381,200.00
Expenditure for Mahaweli Authority	2,238,000.00		
Expenditure for Ministry - 13 Years	74,945.00		5,781,968.51
Expenditure for Early child hood Development	305,311.00		
Expenditure for K-Tech Project			18,619,331.60
Expenditure for Other Project			886,815.00
		90,707,598.51	175,433,957.90
27 Finance Cost			
Bank Chages		108,617.80	138,173.10
		108,617.80	138,173.10

Note to the financial Statement

28. Commitments and Contingencies

a) Litigation against the authority

The court cases pending were as follows

Court	31.12.2020	31.12.2019
Supreme Court	2	1
Appealed Court	1	1
High Court	-	1
District Court	2	1
Labour tribunal	3	1
Labour Department inquiries	-	-
Total	8	5

b) Capital Commitments

There were no material capital commitments as at 31.12.2020

29. Bad debts Provision

Out of the bad debts Provision amounting Rs. 5,512,970.65 a sum of Rs.3,548,334.94 due from Ministry of Youth Affairs & Skills Development and Security service receivables for which a decision is expected due cause.

30. Net Deficit for the Period

In the Statement for Year 2020, there is a deficit of Rs.36 million and following reasons contributed for the above deficit

Gratuity provision of Rs. 94 million was already deducted as expenditure

Vocational Training Authority of Sri Lanka
Trial Balance as at 31 st December 2020

2020.12.31

Description	Dr.	Cr.
<u>Acquisition of Capital Assets</u>		
Acquisition of Land & Land improvement	1,578,682,117.97	
Acquisition of Buildings and Improvement	4,594,041,224.51	
Acquisition of Computer Equipment's	335,558,431.83	
Acquisition of Furniture & Fittings	315,213,688.16	
Acquisition of Motor Vehicles	245,372,793.96	
Acquisition of Training Equipment's	1,396,073,990.48	
Acquisition of Vehicles Lease Hold (Finance)	35,670,270.00	
<u>Provision For Depreciation</u>		
Provision For Dep. Buildings and Improvement		1,465,334,310.59
Provision For Dep. Computer Equipment's		116,512,182.70
Provision For Dep. Furniture & Office Equipment		87,459,066.16
Provision For Dep. Motor Vehicles		109,107,575.60
Provision For Dep. Training Equipment's		442,348,590.68
<u>Capital Work in Progress</u>		
Work in Progress - Building structures	24,408,156.27	
<u>Investment</u>		
Fixed Deposit	40,000,000.00	
<u>Inventories</u>		
Training Material	24,743,377.29	
Stationary	5,645,499.64	
Other Consumables	951,474.00	
<u>Other Receivables</u>		
Advances For Programs	25,000.00	
Advance payment for Land	43,342,340.00	
<u>Mobilization advance for construction</u>		
Deposits for Compulsation	3,227,736.75	
Deposits	1,662,250.00	
Ministry of Youth Affairs & Skills Deve	3,548,334.94	
Vehicle Service Income Receivable	113,035.00	
Receivable Course Fee	18,945,180.00	
Salary Receivables	1,255,462.71	

Description	Dr.	Cr.
Shortage Of Income	11,732.00	
State Organization	1,964,635.71	
Trade & Other receivables	1,271,700.46	
<u>Prepayments</u>		
Provision for Bad Debts		5,512,970.65
<u>Staff Loan</u>		
Distress Loan	45,377,546.96	
Festival Advance	283,750.00	
<u>Cash & Cash Equivalents</u>		
Gold coin	193,025.00	
<u>Bank Accounts</u>		
Ampara	913,475.10	
Anuradhapura	877,485.94	
Badulla	1,018,048.14	
Batticaloa	1,385,540.71	
Colombo	723,612.64	
Galle	766,602.85	
Gampaha	738,436.01	
Hambantota	713,440.31	
Head Office.	92,060,019.74	
Jaffna	1,010,248.57	
Kalutara	422,417.50	
Kandy	769,999.65	
Kegalle	995,950.64	
Killinochchi	616,855.22	
Kurunegala	225,125.80	
Matale	81,807.39	
Matara	753,320.18	
Monaragala	1,324,228.27	
Mulathive	1,163,668.12	
Nuwaraeliya	2,029,453.78	
NVTI - Baddegama	635,119.02	
NVTI - Mirijjawila	1,145,641.22	
NVTI - Narahenpita	897,148.17	
NVTI - Niyagama	819,844.61	
NVTI - Orugodawaththa	1,085,697.10	
NVTI - Rathmalana	853,915.61	
NVTI - Thalalla	1,552,918.07	
Polonnaruwa	604,213.75	

Description	Dr.	Cr.
Puttalam	99,163.06	
Rathnapura	757,577.35	
Trincomalee	117,645.17	
Uva Province	109,873.95	
Western Province	269,099.38	
Vavuniya	905,173.43	
Sabaragamu Province	220,544.00	
Central Province	290,629.65	
Southern Province	364,862.56	
Wayamba province	67,043.54	
North central province	55,367.04	
Cash-in-hand	37,254.00	
<u>Cheque in hand</u>		
Government Grant Capital		14,291,743.97
Government Grant (Treasury) - Recurrent		1,562,250,000.00
Differed Income Grant - Recurrent		519,143,699.02
<u>Reserves & Surplus</u>		
Differed Income Grant		4,144,150,968.72
Provision for Gratuity		587,431,040.50
Revaluation Surplus		2,653,836,821.05
<u>Non Current Liability</u>		
BOC - Finance Lease Liability		37,225,900.00
Interest in Suspense	11,825,900.00	
<u>Payables</u>		
Audit Fee Payable		2,222,963.00
Course Fee Payable		317,580.00
Deposit		60,000.00
E.P.F Payable		17,130,486.10
E.T.F. Payable		2,569,572.81
Lecture Fees Payable		8,297,688.50
Other Payables		7,779,308.67
Project Funds Payable		2,806,065.20
Min. of Youth Affairs & Development -13 years		43,354,501.46
Received in Advance		1,781,400.00
Refundable Tender Deposit		2,792,642.71
Retention Money		19,905,181.57
Salary Payable		945,078.73
Staff Incentive Payable		157,500.00
Student insurance payable		37,883,500.00

Description	Dr.	Cr.
Trade Creditors		812,970.60
W & O P Payable		45,342.00
<u>Accrued Expenses</u>		
Carrier Guidance Accrued		38,077.00
Electricity Accrued		1,961,756.26
Examination & Evaluation Accrued		718,556.00
Fuel & Lubricant Accrued		19,000.00
Janitorial Service Accrued		1,256,671.00
Maintenance Accrued		1,194,419.39
News Papers & Periodicals Accrued		11,710.00
On The Job Training Accrued		296,500.00
Overtime & holiday pay Accrued		1,759,267.40
Part Time Expenses Accrued		11,951,941.95
Promotional Expenses Accrued		566,522.00
Rent, Rates & Taxes Accrued		457,500.00
Season Tickets Accrued		668,301.39
Security Charges Accrued		4,253,258.16
Stipend Allowance Accrued		369,750.20
Telephone Charges Accrued		1,373,551.30
Transport Accrued		55,960.00
Traveling Accrued		332,561.21
Water Accrued		620,891.86
Vehicle hire charges		108,500.00
<u>Other Income</u>		
Auction Income		357,255.25
Course fee		1,972,000.00
Canteen Income		309,520.00
<u>Company registration</u>		
Daily Diary		3,376,050.00
Entrepreneurship Programme		86,500.00
Fines		176,060.77
Hall Income		448,325.00
Hostel Fee		554,185.00
Katharagama Circuit Banglow		226,880.00
Loan Interest		1,631,896.76
Miscellaneous Income		1,580,283.83
Non Refundable Tender Deposit		140,000.00
Record Book		4,967,300.00
Registration Free		11,772,000.00

Description	Dr.	Cr.
Finished Good Sales		247,187.75
Savings A/C Interest		4,051,456.99
Supply Registration		603,800.00
<u>English Book Income</u>		
Exam Fees		11,548,900.00
<u>Production Unit Income</u>		
10% Earnings		2,141,723.16
Part Time Courses		16,897,486.42
Printing School Narahenpita		65,043.10
RPL		3,332,908.60
Trade Test		7,774.00
Thalalla Restuarent		39,281.91
<u>Vehicle Service</u>		
Other Production Unit		1,288,177.63
<u>Funds On Special Projects</u>		
Funds for SSDP		87,778,342.51
Funds for Muslim Aid Fund		311,000.00
Funds for Ministry - 13 Years		74,945.00
Funds For Early Childhood Developm		305,311.00
Funds For Mahaweli Authority		2,238,000.00
<u>Staff Cost</u>		
E.P.F. Expenses	124,417,717.11	
E.T.F. Expenses	31,104,802.06	
<u>E.T.F. Surcharge</u>		
Other Allowance(Staff Cost)	181,639,119.15	
Salaries & Overtime	872,709,389.81	
Staff Gratuity	92,938,811.02	
<u>Surcharge for gratuity</u>		
<u>Travelling</u>		
Accommodation Expenses	120,900.00	
Travelling - Domestic	4,227,749.96	
<u>Travelling - Foreign</u>		
Verification Expenses	3,783,722.00	
<u>Supplies and Other Consumables</u>		
Fuel & Lubricant Charges	14,496,956.75	
Other Supplies	1,921,252.54	
Stationary & Office Requisites	6,122,496.71	
Printed Materials	481,822.20	

Description	Dr.	Cr.
<u>Maintenance</u>		
Maintenance of Building	8,201,959.24	
Maintenance of Plant & Machinery	6,771,174.27	
Maintenance of vehicle	7,586,827.36	
Maintenance of Office Equipment	1,276,494.34	
<u>Contractual Service</u>		
Advertisement	1,338,259.20	
Audit Fees	1,100,000.00	
Electricity Charges	44,072,200.47	
Hire Charges	2,338,005.00	
Insurance	3,310,186.38	
Janitorial Service	16,614,978.78	
News Papers & Periodicals	1,078,765.40	
Postal Charges	872,459.34	
Rent, rates & taxes	8,773,939.74	
Security Charges	46,077,600.76	
Staff Welfare & Other	396,345.00	
Telephone Charges	20,810,585.68	
Transport	1,223,893.00	
Water Bill	9,256,673.59	
Consultation & Professional Fee	598,965.50	
<u>Job Placement, Research & Entrepreneurship</u>		
Curriculum Development	80,830.00	
On the Job Training & Monitoring	4,753,750.00	
Entrepreneurship Programs	75,493.00	
Job Placement	254,534.00	
Research & Tracer Study	966,325.33	
Private Public Partnership	211,063.83	
<u>Other Operating Expenses</u>		
Examination & Evaluation	33,798,801.75	
Honorarium	555,200.00	
Legal Fees	739,820.00	
Miscellaneous expenses	4,988,281.77	
Quality Management & Accreditation	1,519,793.08	
Season Tickets	2,946,599.53	
Special Training Programme	94,217.85	
Stipend Allowance	8,799,000.00	
Tools & Consumables	271,924.00	
Training Monitoring	1,700.00	

Description	Dr.	Cr.
Expenditure On Special Projects		
Expenditure for World Skill Day Programme		
Expenditure for SSDP	87,778,342.51	
Expenditure for Muslim Aid Fund	311,000.00	
Expenditure for Ministry - 13 Years	74,945.00	
Expenditure For Early Childhood Developm	305,311.00	
Expenditure For Mahaweli Authority	2,238,000.00	
Finance Cost		
Bank Charges	108,617.80	
Training Materials	70,166,921.06	
Staff Training - Capacity Deve.	1,823,212.43	
Promotional Expenses	10,258,765.57	
Carrier Guidance	1,385,539.50	
Depreciation	519,143,699.02	
Interest on Finance Lease	2,365,180.00	
Lease/Rent Vehicle Under Operating Lease	4,276,540.80	
Profit & Loss A/C	926,291,814.55	
Prior Year Adjustment	28,620,544.17	
Approved Dropouts	254,000.00	
Total	12,080,010,940.79	12,080,010,940.79



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தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

VTY/E/VTa/01/19/21

ඔබේ අංකය
உமது இல
Your No.

திகதி
Date

16 December 2021

Chairman

Vocational Training Authority of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Vocational Training Authority of Sri Lanka for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Vocational Training Authority of Sri Lanka for the year ended 31 December 2020 comprising the statement of financial position as at 31 December 2020 and the statement of financial performance, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Authority for the year ended 31 December 2020 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

- (a) A company was registered under the Companies Act No. 07 of 2007 in the name of VTA Holdings (Private) Limited on 18 December 2013 with the total (100%) share ownership in Sri Lanka Vocational Training Authority. But the financial statements consolidated with the financial statements of the relevant company from 18 December 2013 to 31 December 2020 had not been prepared and submitted for audit.

අංක 306/72, පොල්වත්ත පාර, පුටුරාමුල්ල, ශ්‍රී ලංකාව



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- (b) Although revenue and expenditure should not be offset unless when required or permitted in terms of Section 48 of Sri Lanka Public Sector Accounting Standard 01, expenditure amounted to Rs. 23,847,123 had been off set against 06 revenue subjects amounted to Rs. 44,150,305 and the net value of Rs. 20,303,182 had been stated in the financial performance statements.
- (c) In terms of Section 14 of the Sri Lanka Public Sector Accounting Standard 7, the cost of an item shall be recognized and accounted as an asset of the entity if it is probable that future economic benefits or service potential associated with the asset item will flow to the entity and the cost or fair value of the asset can be measured reliably. However, the value of the building in the Orugodawatta National Centre which conducting the courses by the Authority from June 2019 amounted to Rs. 1,833,749,343 and the value of 28 unacquired lands which the Authority was conducting courses had not been taken into account.
- (d) Although the fair value of property, plant and equipment has changed significantly those assets should be revalued in accordance with paragraph 47 of the Sri Lanka Public Sector Accounting Standard 07, lands and buildings owned by the authority valued for Rs. 6,172,723,341 had not been revalued since 2008. As such the fair value of those assets were not reflected in the financial statements.
- (e) Freehold lands and leased lands had not been stated separately in the Financial Statement in accordance with the Sri Lanka Public Sector Accounting Standard 12 and 05 leased lands valued for Rs. 9,842,565 had not been amortised according to the referred standard.
- (f) The land called “Atthidiya Paddy Field and Hunukumbura” in Atthidiya area extended for 02 Acres 03 Roods and 38.38 Perches received by the Vocational Training Authority of Sri Lanka instead of the land given to the National Apprenticeship and Industrial Training Authority with the approval of the Cabinet of Ministers dated 20 December 2017 had not been valued and accounted for.
- (g) Twenty four motor vehicles net valued for Rs.4,496,902 identified as assets under the motor vehicle class as at 31 December 2018 had omitted in the revaluation of the year. However, action had not been taken to rectify it during the year under review.
- (h) A sum of Rs. 1,300,000 relevant to the year 2019/2020 received on 12 August 2020 according to an agreement between the Vocational Training Authority of Sri Lanka and Mobitel Ltd for the procuring of telephone SIM cards had been used contrary to the intended purpose without being accounted for under other income. As such, the income of the year was under stated by that amount.

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



1.3 Other information included in the Annual Report 2020 of the Authority

The other information comprises the information included in the Authority's 2020 Annual Report but does not include the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report. Management is responsible for the other information. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. I have nothing to report in this regard.

1.4 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 Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism 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 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 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 overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

2. Report on Other Legal and Regulatory Requirements

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

- 2.1.1 Except for the effects of the matters described in the basis for qualified opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Authority as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.
- 2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 Except paragraphs (d), (e), (f), and (g) given in the Basis for Opinion section, the financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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

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

	Reference to law/ direction	Observations
(a)	Financial Regulations of Democratic Socialist Republic of Sri Lanka	
	i. General Form 288 of the Schedule 04 of the Financial Regulation	Although a fixed assets register should be maintained by each entity, the Authority had not maintained a fixed asset register for the fixed assets worth of Rs.6,279,859,791 as on 31 December 2020.
	ii. Financial Regulation 1646	Although the running charts of the pool vehicles should be submitted to the Auditor General before the 15th day of the following month, the daily running charts for the period from January 2019 to December 2021 related to 123 pool vehicles were not submitted for audit. As such, a sum of Rs. 28,280,105 spent for fuel of all those vehicles in the relevant period could not be checked.
(b)	Circulars	
	i. Public Finance Circular No, 03/2015 dated 14 July 2015	Although ad-hoc sub imprest up to maximum limit of Rs. 100,000 for certain specific activity could be given to the executive level officers in one instance as per the Paragraph 371 (2) of the circular, contrary to that ad-hoc imprests from Rs. 107,500 to Rs. 300,000 in 10 instances had been given at district offices and head office.



	i. Secretary to the Treasury Circular No. PED / 2020 dated 27 January 2020	(a) Despite being informed that new recruitment should not be done in appointing new chairmen as per the referred circular, two consultants were recruited which are not in the approved cadre of the Authority and a total sum of Rs. 1,749,872 had been paid as allowances and fuel allowances during the year.
		(b) It has been emphasized that the Chairmen of the Institutions should not receive any additional allowance or financial benefit in addition to the provisions in the Circular, contrary to that a sum of Rs. 446,673 as additional fuel allowance and a sum of Rs. 435,982 as external travelling, hotel accommodation and meals expenses had been paid to the Chairman.

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

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

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

- (a) Due to the Department Procurement Committee decided to award the contract to the second lowest bid submitted by a security service company ignoring the recommendations of the Technical Evaluation Committee in the procurement process for the selection of a supplier for the supply of security service for the year under review, a loss of 2,984,572 was incurred by the Authority during the year under review.
- (b) There was a loss of 3,073,038 to the Authority due to carrying out evaluation activities based on a faulty engineering estimate and selecting a bidder who submitted an unbalanced bid in comparing to the second lowest bidder in the construction of the Kegalle District Center Building constructed in the year 2019 under the Sectoral Skills Development Fund. Further, in the physical measurement taken by the audit on 01 December 2021 related to the execution of the contract, it was revealed that a sum of Rs. 4,857,017 had been overpaid.



2.3 Other Matters

- (a) A surcharge amount of Rs. 7,898,073 had been paid in the year 2019 due to not considering the Cost of Living allowance in the calculation of Employee Trust Fund contribution from the year 2006 to the month of May 2015 and action had not been taken to recover the surcharged amount from the parties responsible for it.
- (b) 157 equipment worth of Rs. 15,743,838 received from the Korean loan project for the construction of the Colombo Vocational Training Center and the Gampaha Technical College and given to the Orugudawatta Korean Tech Institute under the purview of the authority in the year 2019, were remained idle without being used and 07 equipment total valued for Rs. 1,784,794 were inactive. Further, even the doctor or nurse posts were not approved for that institution, medical equipment and medicines worth of Rs. 3,500,000 using by doctors were provided and the validity dates of those medicines had expired without being used.
- (c) The mission of the Authority is “to facilitate the fulfilment of the global skilled employment demand by developing competencies in individuals through modern methods and technologies in vocational training and education”. But in a random inspection regarding the conduct of training courses from the year 2016 to the year 2019 in the Galle district, it was revealed that the final evaluations had not been conducted for 250 apprentices who completed the courses in 09 centers in relation to 13 courses until 24 November 2020 of the date of audit. Also, the not- participation in the final evaluations of apprentices who completed the courses was ranged from 30 percent to 40 percent. Also, the authority had not focused on these issued and acted in a more efficient and effective manner socially and economically.
- (d) Despite the emphasis that the Treasury provisions should be spent only for the expenditure which provisions were made and the letter of the Secretary to the Ministry of Skills Development, Vocational Education, Research and Innovation dated 08 September 2020 informed that government funds should not be spent on the 25th anniversary celebrations of the Vocational Training Authority of Sri Lanka, treasury funds amounted to Rs. 2,296,885 and funds to be accounted as Authority’s income amounted to Rs. 1,300,000 had been spent for goods and services procured by deviation of the procurement procedure.

W.P.C. Wickramaratne
Auditor General

Answer report for the report of Auditor General as per the Section 12 of the Audit Act No 19 of 2018 on the Financial Statements for the year ended 31st December 2020 of the Sri Lanka vocational Training Authority and other legal regulatory requirements.

1.2

- a) There is no written documents or annual accounts in Vocational Training Authority regarding the shares of this Company.
- (b.) The ledgers relevant to these income and expenditure are maintaining in separate accounts and in the year 2021 actions will be taken to include these accounts separately in Operational Statements in the Final Accounts Statements and the respective notes of it, as pointed out in the Audit.
- (c.) Actions have been taken to account the value of Rs. 1,833,749,343 /= of the building of National Vocational Training Center – Orugodawaththa in the year 2021.
- (d.) Information have submitted to the Department of Valuation to assess the values of 29 lands which transferred to the VTASL and purchased by the Authority in one assessment. As such the Department of Valuation has given the valuation reports for 17 lands on 21.06.2022.
- (f.) The land in Yatiyanthota is only under operational leasing and it will be adjusted to the Accounts in the year 2022.
- (g.) The letter dated 15.12.2021 of the Commissioner General – Lands has informed to transfer the land mentioned here in extent of 02 Acres, 03 Rudes and 38.38 perches, to the Vocational Training Authority under Free Grant Paper and the actions will be taken to include immediately it in the accounts of the Financial Statements subsequent to the land transferring actions.
- (h.) A Technical Evaluation Committee has recommended to utilize these 24 vehicles as training equipment. Actions are being taken to utilize these as training equipment after following a formal process.
- (i.) An Internal inquiry has been carried out in this regard and the report has received on 21.06.2022. Actions will be taken accordingly in future.

2.2.2

- (a.)
 - I. The software adjusted to prepare the Fixed Assets Register should be updated to achieve the expected objectives. Actions are being taken to update it.
 - II. Transport Division has received all the Running Charts of all the vehicles that are currently available for running and due to the reasons of closed the offices, called limited staff to the work and delay of the postal as a result of condition of the country , running charts of the vehicles in some districts have received in delay. The running chart of the vehicles in the years 2020, 2021 have submitted to the audit in 22.06.2022.

(b.)

I. VTASL will not grant advances like this in future.

II.

a.

Mr. Sanjaya Prasadh Jayamanna

Mr. Sanjaya Prasadh Jayamanna has appointed as a Consultant with a specific duty Assignment (TOR) for a period of 06 months with effect from 06.01.2020. Since it has no experts in the staff for IT related projects, Electronics Automation and Robotics, Hospitality and Tourism to teach trainees, this appointment has been approved by the Board of Directors on 14.02.2020. Subsequent to two months period Mr. Sanjaya Prasadh Jayamanna has appointed to the post of Vice Chairman.

Mr. C.E.N. Jayawardhana

Mr. C.E.N. Jayawardhana has appointed as a Consultant with a specific duty Assignment (TOR) for a period of 06 months with effect from 02.03.2020 to 01.09.2020. Since it has no experts in the staff for Digitalized Rupavahini and Media Institutions this appointment has been approved by the Board of Directors on 28.02.2020 to obtain expertized knowledge in Digital TV channel and Promotional Activities. The Consultancy service has obtained for 06 months each within the period of 02.09.2020 – 01.03.2021.

- b. Instructions were given to the respective officers emphasizing to adhere the Circular No: PED 1/2020 and dated 21st January 2020 to pay the allowances of the Chairman of the Authority.

2.2.4

- (a.) The Institution applied for providing the Security Services as per the quotations invited by the Vocational Training Authority to provide security services to 23 District Offices and National Centers functions under VTASL for the year 2020 – 2021, has submit their quotations without general work cost and profits. The Procurement Committee was intended to include these costs to maintain a practical and quality service. Through submitting the quotations without general cost and profits, the institution would not be able to maintain a quality and efficient service and therefore the Departmental Procurement Committee selected the bidder who submitted the quotation secondly with adding profits and costs.
- (b.) The Engineering Design & Construction Company (PVT) selected through a competitive bidding prepared Engineering estimate to plan this Project in the year 2016. Since this project has commenced at the end of the year 2017, the renovation activities of a one building was amended as per the requirement. Therefore, the NPA Supplementary 14/8.13.4 (Survey plan) has revised in the year 2018.

The bidder who selected for this project is the substantially responsive bidder who presented the less prices with prior qualifications.

The State Development & Creative Corporation (SD&CC), a Public institution was selected for the subsequent contract administrative activities of this Project. It was the consultative Institution for the Project and on the recommendations of the aforesaid Institution the payments were carried out for the contractors.

The facts pointed out from this Audit inquiry were referred to the said Institution and a reply letter has sent to us dated 26.05.2022. The reply has submitted to the Internal Audit for future actions.

2.3

(a.)

The contribution amounts for the Employee Provident Fund / Employee Trust Fund have remitted to all the employees in the VTASL, which established in 1996, as scheduled when paying the monthly salaries.

As per a decision of the government, a cost of living allowance, together with the salaries was paid to the public officers, monthly, since 2006. The officers who were in those days service have identified this as an interim allowance and did not take actions to remit contributions to the ETF and EPF by accounting this allowance.

The Special Investigation officers of the Department of Labour were carried out an inquiry dated 28.05.2015. The contributions for the ETF /EPF relevant to the year 2006 to the month of May in 2015 have not been calculated. The required amount has received from the Treasury in four instances since the month of October 2016 and been able to do the permanent payments. The regional officer of the Employee Trust Fund Board was informed that a legal action will be taken against the non-payment of surcharge amount. The facts were submitted to the Board of Governors and obtain the approval to pay surcharge amount in 12 terms.

This is not an ignorance of the officers and this was occurred due to incorrect understanding on this interim allowance.

- (b.) The 07 equipment which were in idle have been repaired through a company and medicines could not utilized without recommendations of the doctors. Actions have been taken to use only the medicines for injuries and bruises.
- (c.) The final assessments of the training courses have not been held in the district of Galle in the years 2016 to 2019 and the reasons for that are attached, as Annexure 01. Majority of the trainees who did not participate for the final assessments are prisoners who release from the Prison.
- (d.) An audit inquiry was carried out in this regard and the report has been received on 21.06.2022. Future actions will be taken accordingly.

Chulangani Perera

Director General

Vocational Training Authority of Sri Lanka

