National Council for Road Safety

Annual Report - 2019

Ministry of Transport and Civil Aviation
No . 01, D.R.Wijewardena Mawatha,
Colombo -10.

Vision

Safe Roads for Everyone

Mission

Creating a Society Free From Road Accidents for Sustainable Development

Office of the National Council for Road Safety

Office of the National Council for Road Safety has been established in a part of the office premises, where Ministry of Transport has been established by now, belongs to the Department of Railways and located at the D.R. Wijewardena Mawatha, Colombo 10.

Official Address -

National Council for Road Safety
No . 01,
D.R. Wijewardena Mawatha,
Colombo -10.

Official Telephone No. - 0112696890
Fax - 0112680163
email address - ncrstransport@gmail.com

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Annual Report **- 2019**
(From 01.01.**2019** to 31.12. **2019)**

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National Council for Road Safety

Introduction

National Council for Road Safety has been established as an institute functions under the Ministry of Transport and Civil Aviation as per the section 213a and 213b of the Motor Traffic Act no. 5 of 1998. Accordingly, National Council for Road Safety comprises of 17 representatives inclusive of a chairperson appointed by minister in charge of the subject of Transport and representatives from 16 government institutes and a representative from a non-government institute. All these institutes which represent the National Council for Road Safety are government institutes responsible on the subject of Transport and Highway security in this country. The revenue required for the operation of the National Council for Road Safety is provided by insurance companies, and authorization regarding the fund of the National Council for Road Safety has been provided by the Government Gazette Extraordinary No. 1368/18 dated 24th November 2004. According to that, "all institute that insure an insurance policy or guarantee, as the case may be, in connection with a third party risk shall make payment of one percent (1%) of the premium as contribution."

Accordingly, all insurance companies registered under the Insurance Board of Sri Lanka shall credit the amount of 1% of the insurance premium charged on all third party vehicles insured by their institutions to the National Council for Road Safety Fund with effect from 01 December 2004.

The functions to be performed by this fund are mentioned in the Gazette Extraordinary Notification No. 1387/04 issued on 04th April 2005. One of the main roles of responsibility need to be accomplished by this fund is compensation to those who are deceased or disabled by victimizing the accidents which have been identified as hit-and-run accidents as approved by the Council after confirming that such vehicles could not be identified.

Fund deposited in this account will be able to utilize for the purposes of ensuring road safety by eliminating all oppressive actions as a whole inclusive of ensuring road safety, minimization of traffic accidents, prevention of accidents to lives of pedestrians and passengers, create awareness among general public and guidance for minister in charge of the subject for incorporation of necessary new laws or amendment of existing laws.

Similarly, administrative and other expenses related to road safety shall be borne by the fundar all.

Members of the National Council for Road Safety

01 Dr. Mr. SisiraKodagoda	-	Chairman , National Council for Road Safety
02 A.M.R.J.K. Jayasinghe	-	Secretary , National Council for Road Safety
03 Mr. M.U.S. Priyadarshana	-	Accountant, National Council for Road Safety
04 Mr. B.A.W.R. Padmashantha	-	Assistant Education Director, Ministry of Education
05 Mr. K.A.S.S.K. Perera	-	Additional Director General, Ministry of Finance
06. Mr. Nayana Nathwitharana	-	Additional Secretary (Administration and finance),Ministry of Local Government and Provincial councils
07. Mr. D..K.S. Dissanayake	-	Director (Engineering) , Ministry of Highways and Road Development
08.Mr. H.R. Pasindu	-	Senior Lecturer, University of Moratuwa
09Mr. D.M.B. Ranathunga	-	Deputy Director General (Planning), Urban Development Authority
10.Mr. R.A. Sudath	-	Deputy Director (Planning), Road Development Authority
11.Mrs. N.V.N.D. Jayawarden	-	Senior Assistant Secretary, Ministry of Transport and Civil Aviation
12.Mr. Janaka Mallimaarachchi	-	Chairman, National Transport Commission
13.Mr. J.A.S. Jayaweer	-	Assistant Commissioner (Technical), Department of Motor Traffic
14.Mr. P.D. Balasooriya	-	Chief Executive Officer, Sri Lanka Transport Board
15.Mrs. K.S.M. Samarasekara	-	Chief Medical Officer, National Transport Medical Institute
16.Mr. Dhammika Atigala	-	Chairman, Sri Lanka Auto Mobile Association
17. Mr. Indika Hapugoda	-	Director, (Traffic) Sri Lanka Police Department
18. Mrs. G.A.C.R. Ganepola	-	Deputy Director (Traffic), Colombo Municipal Council
19. Mrs. C.P.I. De Siva	-	Senior Executive Officer, Sri Lanka Insurance Commission
20. Mr. Gihan Ramanayake	-	Chairman, Sri Lanka Accident Prevention Association.

Staff of the National Council for Road Safety.

1. Dr. Mr. Sisira Kodagoda	-	Chairman , National Council for Road Safety
2. Mr. A.M.R.J.K. Jayasinghe	-	Secretary , National Council for Road Safety
3. Mr. M.U.S. Priyadarshana	-	Accountant, National Council for Road Safety
4. Mrs. W.P.J. Sewwandika	-	Development Officer
5. Mrs. J.D.R. Jayasinghe	-	Development Officer
6. Mr. K.B.N. Gishan Kumar	-	Development Officer
7. Mr. E.G. S. Ekanayake	-	Development Officer
8. Mrs. I.N.P. Jayasinghe	-	Management Assistant
9. Mrs. P.A.ChithraniJayathissa	-	Management Assistant
10. B.P.A. Ruwan	-	Clerk
Mr. G.A. BuddikaPrabhath	-	Technical Officer
11. Mr. K.L.D.N. Jayawardena	-	Office Employee Service
12. Mrs. P.A.D.C Palawaththa	-	Office Employee Service
13. Mrs. K.D.H.Dilhani	-	Office Employee Service

Objective

- Prepare the background required for building a high quality Driver Service through creation of disciplined and lawful drivers.
- Provide financial assistance to families affected by the hit-and –run accidents and take action to minimize such accidents.
- Identifying and implementation of actions that can be taken for the safety of road and the vehicles that use it including passengers as well as pedestrians.
- Collection of data on road safety, conducting surveys and researches and improving international relation.
- Implementation of national road safety policies and minimization of weaknesses arisen in collaboration with state sector, non-government organizations and private institutes.
- Necessary action to rehabilitate persons who are disabled due to road accidents.
- Providing financial aids and instructions to follow activities that can be implemented economically, technically and socially and eco friendly safety guidelines relevant to ensuring road safety as well as minimization of traffic accidents
- Providing contribution for formulation of the national Transport Policy and its' operation.
- Providing contribution required for activities such as formulation and revision of rules relevant to road safety etc.

Functions and Authorities of the National Council for Road Safety

Authority on the role of the National Council for Road Safety and the manner of functioning is delegated by the Gazette Extra Ordinary no. 1387/4 issued on 04th April 2005. The functions of the National council for Road safety as ordered by the said gazette notification are as follow.

(a) Maintaining a computer database on the following facts.

I. Number of Traffic accidents and their features and composition

II. Road Accidents

III. Local and international statistics on road safety.

(b) Maintaining a library on the subject of road safety.

(c) Collection of information on related subjects, Conducting researches and conduction field researches.

(d) Providing assistance to researches on related subjects to suit the needs.

(e) Liaise with similar international organizations and exchange knowledge and experience.

(f) Providing knowledge and information to relevant government and non-government agencies responsible for road safety and subject related projects.

(g) Development and implementation of road safety projects.

(h) Coordinating road safety and related activities within governmental and non-governmental organizations.

(i) Compensation for victims of hit-and-run accidents.

(j) Obtaining financial and other assistance for road safety activities.

(ඵ) Advise the Government on road safety related policies and projects.

Activities of National Council for Road Safety within Year 2019.

01. Planning and implementation of road safety projects within year 2019.

1.1. Project to install awareness boards for unprotected level crossings.

The value of lives and property lost to the country due to accidents at unprotected level crossings are increasing day by day. Actions have been taken by the National Council for Road Safety to fix awareness boards and to establish boards with instructive sentences at the level crossings to create awareness among railway passengers in order to minimize this circumstance.

Date	Railway Station	Activity
12.01.2019	Kaluthara,Aluthgama	Establishment of awareness boards to educate railway passengers.
23.03.2019	Weligama, Ahangama,Kamburugamuwa	
30.03.2019	Alawwa, Polgahawela	
26,27,28.06.2019	Jaffna, Wawniya	
24,25.10.2019	Badulla	

Installation of awareness boards - Badulla

02 Implementing awareness programs on road accidents for school children.

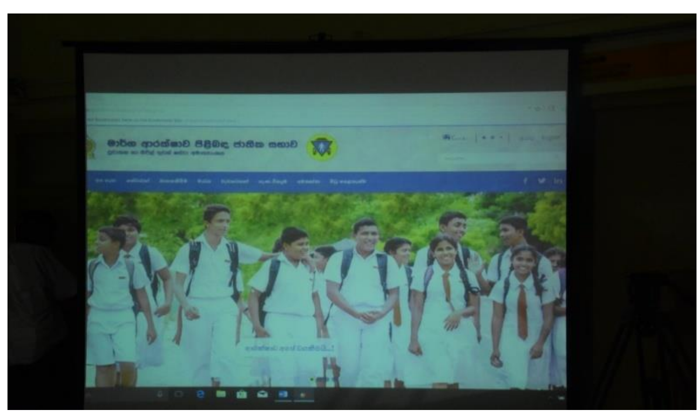
- Awareness programmes on road accidents were conducted for school children in the year 2019, and there, theoretical and practical knowledge on road sign laws as well as how the road should be used safely by pedestrians avoiding accidents ,proper and correct treatment that should be given in such accident etc. were given by inviting officers with the skills in the relevant field.

Date	Place	Activities
11.02.2019	Gampaha Bandaranayake College	Create awareness on road safety among school children
13.06.2019	Polgahawela St Bernadeth Central College	Create awareness on road safety among school children
24.06.2019	Kurunegala Mawathagama Central College	Create awareness on road safety among school children


Create awareness among school children - Gampaha Bandaranayake College

03. Launching the Website of the National Council for Road Safety.

It was conducted on 19.06.2019 under the patronage of minister of Transport and Civil Aviation and the state minister.



Launching the website of the National Council for Road Safety. - **Ministry of Transport and Civil Aviation**

04. Create Awareness and Three Wheeler Drivers and School Van Drivers.

Awareness programme on road safety for three wheeler drivers and school van drivers in the Kurunegala Police Division was held at the Bravo Hotel, Kurunegala under the patronage of the Hon. State Minister of with the aim of establishing a disciplined drivers' service. Similarly, an awareness programme on maintaining a high quality three wheeler service was held for three wheeler drivers in the Kandy Police Division at the Young Men's Buddhist Association Hall in Kandy.

05. Create Awareness among Public Officers, Officers in Private Sector, Private and Public Three Wheeler Drivers.

- A mobile service programme was held on 28.07.2019 at the Sangabodhividyagala Stadium, Nittambuwa under the patronage of the Hon. Minister. There, school children, public officers and officers in the private sector were informed by the National Council for Road Safety. There, awareness was created among people by distribution of hand outs, exhibition of video tapes and posters and banners.
- An awareness programme on road safety was conducted for doctors, nurses and ambulance drivers of the Matara General Hospital at the hospital premises on 19.09.2019 ,and awareness boards were also installed at the hospital premises.
- An awareness programme on ensuring road safety and minimization of traffic accidents was held for student monks of the Sariputta National College of Education and its' staff.
- Two day awareness programmes on Road Safety was held on 27, 28. 09.2019 for driving school owners in Jaffna, Kilinochchi, Wavniya and Mannar districts.
- Create awareness on road safety among doctors, nurses and staff of the Kegalle hospital on 11.10.2019.
- Create awareness on road safety among doctors, nurses and staff of the Peradeniya hospital on 21.10.2019.
- Drivers and Conductors underwent a full medical examination free of charge at the Colombo Bastian Mawatha Main Bus Station on 17.09.2019 to popularize public and private buses as more safe transport media, and there, this test was conducted to test blood pressure, diabetes as well as narcotics.

06. Establishment of Provincial Road Safety Units.

The Northern Provincial Road Safety Unit was held on 01.08.2019 at the Northern Provincial Head Office under the patronage of the Governor of the Northern Province. Secretaries of Provincial Ministries and Public Officers participated for this.

07. Proving Financial Aids for victims of Hit and Run Accidents.

Pertaining to the year 2019, financial aids were given for victims approved by the Standing Committee and National Council at four occasions under the patronage of minister of Transport and Civil Aviation.

Date	Place	Number of Victims	Amount of compensation paid Rs. Lakhs
23.01.2019	Auditorium of the Maradana Ministry	20	24
14.06.2019	Mahaweli Center Auditorium	27	40
28.07.2019	At the Nittambuwa Sangabodi College	10	14
28.11.2019	Accounted to the bank account of the victim	10	13

Providing Financial Assistance for victims – Ministry of Transport and Civil Aviation

08. “Yowun Pura – City of Youth” National Programme

“Yowun Pura – City of Youth” National Programme was held at Weerawila, Hambanthota from 26 to 31.03.2019 ,and there, a toad safety awareness stall was maintained by the National Council for Road Safety. There, school children, public officers and officers of the private sector were briefed on minimization of road safety. Public awareness was created by distribution of leaflets, showing videos and banners.

- **Enterprises Sri lanka National Programme**

Enterprises Sri Lanka programme was held in Jaffna from 07.09.2019 to 10.09.2019 ,and there, an awareness stall on road safety was maintained by the National Council for Road Safety. School Children, Public Officers and officer of the private sector were briefed on road accidents ,and public awareness was created by distribution of leaflets, showing videos, showing posters and banners.

Enterprise Sri Lanka Programme - Jaffna

09. Data on Road Accidents

Vehicles Responsible for Fatal Accidents in year 2019	
Responsible Vehicle	**Deaths**
Motor cycles	**1186**
Lorries	**354**
Three wheelers	**341**
Cars	**235**
Vans	**184**
Private Buses	**200**
Cabs	**108**
SLTB buses	**40**
Tractor	**41**
Foot Cycles	**37**
Jeeps	**33**
Containers	**10**
Bouser	**15**
Hand tractors	**02**
Other	**04**
Hit and Runs	**61**
Total	**2851**

Source - Sri Lanka Police

Number of Traffic Accidents Took Place in Year 2019 within the Island

Year	Deaths	Serious	Minor	Losses	Total	Dead
2019	2688	7718	10679	9391	**30476**	2851

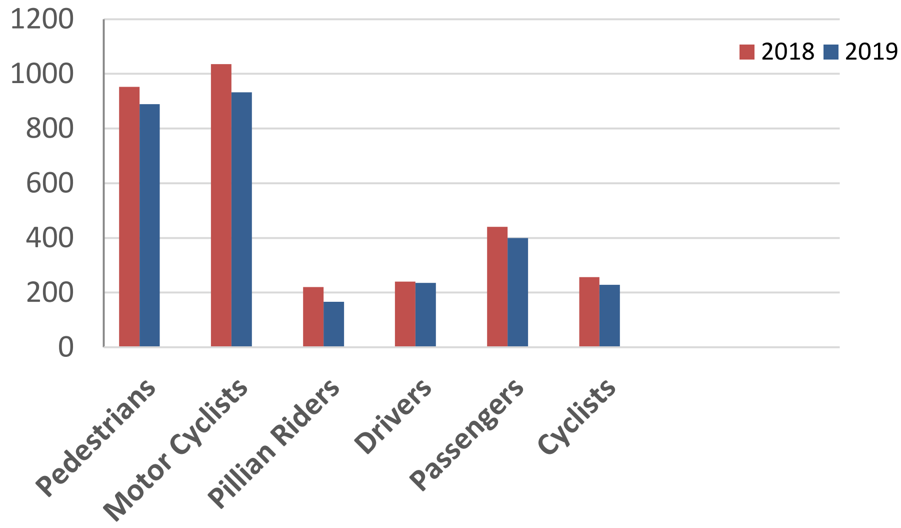
Source - Sri Lanka Police

2019 Number of Deaths

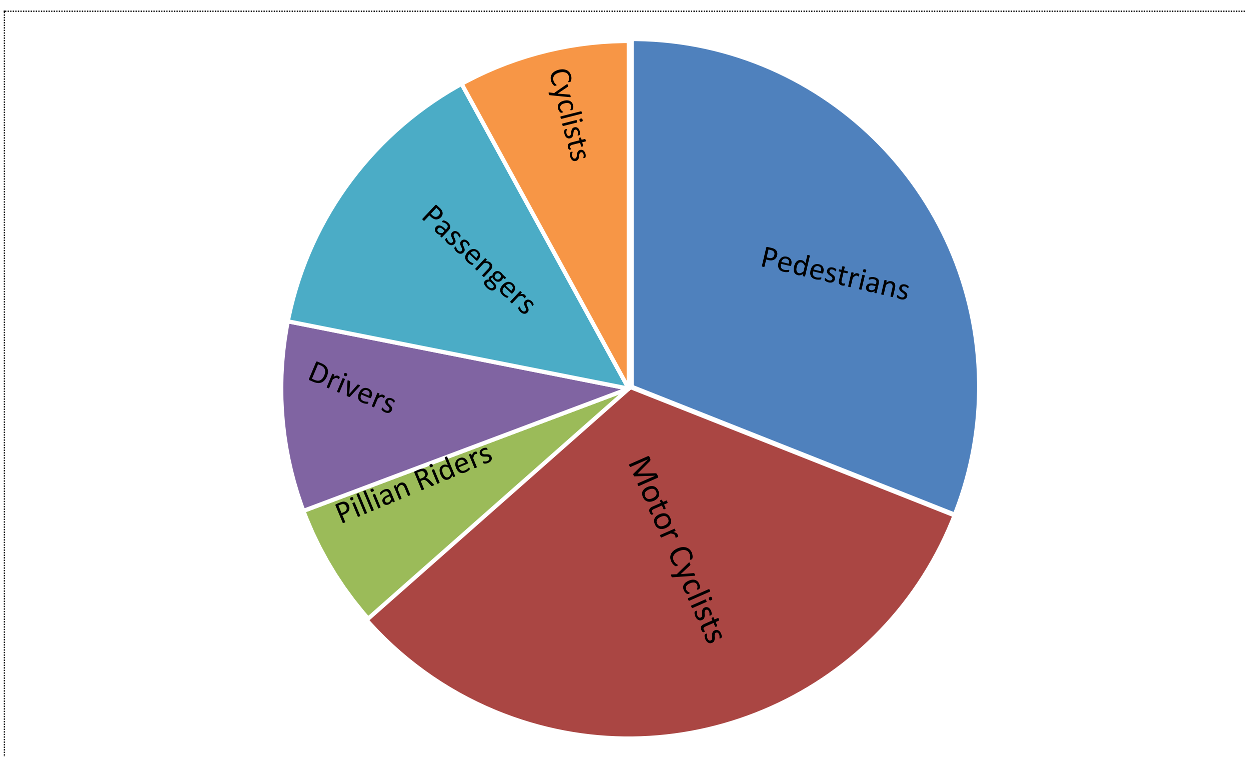
2019	
Pedestrians	**889**
Motor Cyslists	**932**
Pillion Passengers	**166**
Drivers	**235**
Passengers	**399**
Foot Cyclists	**229**
Other	**01**
Total	**2851**

Source - Sri Lanka Police

Number of deaths in year 2019



Number of Deaths in Year 2019



Registered Insurance Companies which provide contribution for Road Safety Fund

01. Amãna Takaful Insurance Ltd	-	No. 660/1,Galle Road,Colombo - 03.
02. Allianz InsuranceLtd	-	No. 46/10,NawamMawatha, Colombo - 02.
03. Ceylinco Insurance Ltd.	-	3rd Floor,"CeylincoNiwasa", No. 69 JanadhipathiMawatha, Colombo - 01.
04. Continental Insurance Company	-	No. 79,C.W.W. KannangaraMawatha, Colombo -07
05. Co-operative Insurance Company Limited	-	"Insurance Niwasa",No. 74/05, Granspass Ltd.,Colombo 14
06. H.N.B. Insurance Ltd.	-	No. 30,Sri UttaranandaMawatha, Colombo 03
07. L.O.L.C. Insurance Company	-	No 440, Havelock Road, Colombo - 06.
08. National Insurance Trust Fund	-	No 97,Maradana Road, Colombo -10
09. M.B.S.L. Insurance Company	-	No. 122, Kivi Road,Colombo - 02.
10. Orient Insurance Company	-	No.79, C.W.W. Kannangara Mawatha, Colombo 07
11. Peoples Insurance Company	-	No. 53,Darmapala Mawatha, Colombo- 03.
12. Sanasa Insurance Company Ltd	-	No.340, 2/1,R.A. De Mal Mawatha, Colombo 03
13. Sri Lanka Insurance Company	-	No.21,Vauxhall Street, Colombo -02
14. Fairfirst Insurance Company	-	Access Towers 11,(14th Floor) No.278/4 Union Place, Colombo 02.

FINANCIAL STATEMENTS - 2019

NATIONAL CONCIL FOR ROAD SAFETY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEARENDED 31 ST DECEMBER 2019

	NOTES	2019 RS.	2018 RS.
INCOME			
CONTRIBUTION FROM INSURANCE COMPANIES	1	44,902,844.33	44,386,270.00
OTHER INCOME	2	29,506,478.10	28,772,459.13
TOTAL INCOME		**74,409,322.43**	**73,158,729.13**
LESS – EXPENES	4	14,943,405.65	13,670,965.57
EXCESS OF INCOME OVER EXPENDITURE (NET SURPLAS (DEFICIT) FOR THE YEAR)		**59,465,916.78**	**59,487,763.56**

STATEMENT OF FINANCIAL POSITION
AS AT 31 ST DECEMBER 2019

	NOTES	2019 RS	2018 RS
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT & EQUIPMENT	5	7,727,538.08	7,646,313.55
TOTAL NON CURRENT ASSETS		7,727,538.08	7,646,313.55
FIXED DEPOSITS		91,606,733.27	84,000,000.00
TREASURY BILLS	3	250,234,059.36	229,569,677.16
CURRENT ASSETS			
RECEIVABLE FROM INSURANCE COMPANIES		3,661,311.68	3,397,889.23
F D INTERESTRECEIVABLE		1,884,353.38	2,014,945.20
TREASURY BILL INTEREST RECEIVABLE		1,938,329.90	2,027,925.00
PREPAYMENTS		-	40,859.33
CASH AT BANK	6	62,878.499.21	31,818,550.63
TOTAL CURRENT ASSETS		**412,203,286.81**	**352,869,846.55**
LESS- CURRENT LIABILITIES			
AUDIT FEES PAYABLE		375,000.00	353,232.00
OTHER PAYABLES		-	73,020.00
		375,000.00	426,252.00
TOTAL NETASSETS		**419,555,824.89**	**360,089,908.10**
NATIONAL COUNCIL FOR ROAD SAFETY FUND A/C			
FUND ACCOUNT BALANCE B/F		360,089,908.10	300,602,144.54
EXESS OF INCOME OVER EXPENDITURE		59,465,916.78	59,487,763.56
TOTAL FUNDING		**419,555,824.89**	**360,089,908.10**

THE SIGNIFICANT ACCOUNTING POLICIES AND THE NOTES FROM PAGE 5 TO FROM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CERTIFICATION

WE CERTIFY THAT THE ABOVE FINANCIAL STATEMENTS GIVE A TRUE AND FAIR VIEW OF AFFAIRS AS AT DECEMBER 31.2017 AND ITS SURPLUS/(DEFICIT) FOR THE YEAR ENDED DECEMBER 31.2017 THE COUNCIL IS RESPONSIBLE FOR THE PREPARATION AND PRESENTATION OF THESE FINANCIAL STATEMENTS. THESE FINANCIAL STATEMENTS WERE APPROVED BY THE COUNCIL AND SIGNED ON THEIR BEHALF

ACCOUNTANT
NATIONAL COUNCIL FOR ROAD SAFETY

M. U. S. Priyadarshana
Accountant
Ministry of Transport Services Management
7th Floor, Sethsiripaya (Phase II)
BATTARAMULLA

Dr. (Mrs.) K.S.M. S...
National Council for Road Safety
No. 170, High Level Road

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CHAIRMAN
NATIONAL COUNCIL FOR ROAD

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NATIONAL COUNCIL FOR ROAD SAFETY
INDIRECT METHOD CASH FLOW STATEMENT(STATEMENT OF CASH FLOW)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIS	RS	RS
PROFIT BEFORE TAXATION	59,465,916.78	59,487,763.56
ADJUSTMENTS FOR		
PRIOR YEAR ADJUSTMENTS (NET)		
DEPRECIATION1	1 ,066,275.47	450,477.45
GRANT OF FIXED ASSET	-	(5,281,320.00)
INTEREST INCOME	(29,342,978.10)	(22,845,127.14)
OPEARATING PROFIT BEGORE WORKING CAPITAL CHANGES	31,189,214.15	31,811,793.87
WORKING CAPITAL CHANGES		
DECREASE / (INCREASE) IN TRADE AND OTHER RECEIVANLES	(2,376.20)	(4,054,609.44)
INCREASE / (DECREASE) IN TRADE PAYABLES	(51,252.00)	268,893.00
CASH GENERATED FROM OPERATINGACTIVITIES	31,135,585.95	28,026,077.43
NET CASH FROM OPERATING ACTIVITIES	31,135,585.95	28,026,077.43
CASHF FLOWS FROM INVESTING ACTIVITIES		
PURCHASE OF PROPERTY PLANT AND EQUIPMENT	(1,147,500.00)	(521,011.00)
INTEREST RECEIVED	29,342,978.10	22,845,127.14
FD REINVESTMENT	(7,606,733.27)	(70,000,000.00)
TREASURY BILL REINVESTMENT	(20,664,382.20)	(17,567,408.31)
NET CASH USED IN INVESTING ACTIVITIES	**(75,637.37)**	**(65,243,292.17)**
CASH FLOWS FROM FINANCING ACTIVITIES		
PROCEEDS FROM ISSUEOF SHARE CAPITAL	-	-
PROCEEDS FROM LONG TERM BORROWINGS	-	-
PAYMENT OF FINANCE LEASE LIABILITIES	-	-
DIVIDENDS PAID	-	-
NET CASH USED IN INVESTING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIPMENT	**31,059,948.58**	**(37,217,214.74)**
CASH AND CASH EQUIPMENTS AT BEGINNING OF PERIOD	**31,818,550.63**	**69,035,765.37**
CASH AND CASH EQUIPMENTS AT END OF PERIOD	**62,878,499.21**	**31,818,550.63**

NATIONAL COUNCIL FOR ROAD SAFETY
STATEMENTOF CHANGES IN EQUITY
AS AT 31ST DECEMBER 2019

	FUND A/C RS.	TOTAL RS.
BALANCE AS AT 01/01/2017	260,040,799.57	260,040,799.57
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	40,561,344.97	40,561,344.97
BALANCE AS AT 31/12/2017	300,602,144.54	300,602,144.54
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	59,487,763.56	52,006,537.33
BALANCE AS AT 31/12/2018	360,089,908.10	352,608,681.87
EXCESS OF INCOME OVER EXPENDITURE	59,465,916.78	57,042,514.40
BALANCE AS AT 31/12/2019	419,555,824.89	409,651,196.27

NATIONAL COUNCIL FOR ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 ST DECEMBER 2019

01 CORPORATE INFORMATION

1.1 GENERAL

THE COUNCIL IS A STATUTORY BODY UNER MINISTRY OF TRANSPORT & CIVIL AVIATION WAS ETABLISHED BY THE MOTOR TRAFFIC (AMENDMENT) ACT NO 5 OF 1998, ADDITIONAL NEW SECTIONS 213 9(A) 213 (BO WAS INTRODUCE BY REGULATION TO MAKE COUNCIL FUNCTIONS THE REGISTERED OFFICE OF THE COUNCIL IS LOCATED IN THE MINISTRY OF TRANSPORT & CIVIL AVIATION BUILDING AT NO 01,D R WIJEWARDANA MAWATHE, COLOMBO 10.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 GENERAL ACCOUNTING POLICIES

2.1.1 BASIS OF PREPARATION

THESE FINANCIAL STATEMENT PRESENTED IN SRI LANKA RUPEES HAVE BEEN PREPARED UNDER THE HISTORICAL COST BASIS IN ACCORDANCE WITH SRI LANKA PUBLIC SECTOR ACCOUNTING STANDARDRDS AND THE STANDARDS LAID DOWN BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA.

2.1.2STATEMENT OF COMPLIANCE

STATEMENT OF FINANCIAL POSITION, STATEMENT OF FINANCIAL PERFORMANCE, CHANGES IN EQUITY AND CASH FLOWS TOGETHER WITH ACCOUNTING POLICIES AND NOTES (FINANCIAL STATEMENT) OF THE COUNCIL AS AT 31 ST DECEMBER 2017 AND FOR THE YEAR THEN ENDED, COMPLY WITH SRI LANKA PUBLIC SECTOR ACCOUNTING STANDARDS.

2.2 ASSETS& BASES OF THEIR VALUATION

2.2.1 PROPERTY, PLANT AND EQUIPMENT

(a) PROPERTY PLANT & EQUIPMENT ARE RECORDED AT COST LESS ACCUMULATED DEPRECIATION

(b) DEPRECIATION

PROVISION FOR DEPRECIATION IS CALCULATED BY USING STRAIGHT LINE BASIS. THIS POLICY HAS BEEN APPLIED ,OVER THE EFFECTIVE LIFE PERIOD OF THE ASSET, ON THE DATE OF PURCHASED PROPORTIONATELY.

THE PRINCIPAL ANNUAL RATES USED AS FOLLOWS

01.	COMPUTER/ MACHINERY & OTHER EQUIPMENT	-	25%
02.	FURNITURE AND FITTINGS	-	10%
03.	BUILDING & STRUCTURES	-	12.5%
04.	DRIVING LEARNING MACHINE	-	10%

DURING THEYEAR UNDER REVIEW, SOME ADDITIONS ARE MADE AND NO DISPOSALS OF FIXED ASSETS

2.3 INVESTMENTS

CONTRIBUTIONS TO THE ROAD SAFETY FUND ARE RECEIVED FROM INSURANCE COMPANIES ON THE MONTHLY BASIS AND ADDITIONAL FUNDS ARE INVESTED INTREASURY BILLS & FIXED DEPOSITS AT BANK OF CEYLON.

(a) CURRENT INVESTMENTS

CURRENT INVESTMENTS ARE STATED AT COST PROVISION HAS NOT BEEN MADE FOR FALL IN VALUE AND INTEREST INCOME FROM TREASURY BILLS ARE CAPITALIZED AT MATURITY.

2.4 LIABILITIES & PROVISIONS

LIABILITIES STATED UNDER CURRENT LIBILITIES IN THE STATEMENT OF FINANCIAL POSITION ARE THOSE EXPECTED TO FALL DUE WITH IN ONE YEAR FROM THE FINANCIAL POSITION DATE.

2.4.1 OTHER PAYABLES

CREDITORS AND OTHER PAYABLES ARE STATED AT THEIR BOOK VALUES

2.4.2 PROVISIONS

PROVISIONS ARE RECOGNIZED WHEN THE COUNCIL HAS A PRESENT OBILIGATION AS A RESULT OF A PAST EVENT . WHERE IT IS PROBABLE THAT AN OUT FLOW OF RESOURCESEMBODYING ECONOMIC BENEFITS WILL BE REQUIRED TO SETTLE THE OBLIGATION AND A RELIABLE ESTIMATE CAN BE MADE OF THE AMOUNT OF THE OBILIGATION

2.5 REVENUE ROAD SAFETY FUND

SERENTEEN REGISTERED INSURANCE COMPANIES COUNTRIBUTE 1% OF ALL THIRD PARTY INSURANCE PREMIUMS FROM THEIR INSURANCE POLICIES . THEY SHOULD PAY THEIR MOUNTHLY COUNTRIBUTION BEFORE THE 15 TH OF FOLLOWING MONTH.

2.6 STAFF

A COORDINATOR HAS BEEN APPOINTED WITH COUNCIL APPROVAL ON A CONTRACT BASIS HIS ALLOWANCE IS PAID FROM THE NCRS FUNDS. THE OTHER SUPPORTING STAFF ACCOUNTANT, ENGLISH STENOGRAPHERS, HAS BEEN TRANSFERRED TO THE ROAD SAFETY COUNCIL FROM THE MINISTRY OF TRANSPORT & CIVIL AVIATION. THE MINISTRY STAFF IS PAID THEIR SALARIES BY THE MINISTRY OF TRANSPORT & CIVIL AVIATION.

2.7 ERRORS

THE COUNCIL CORRECT MATERIAL RIOR PERIOD ERRORS RETROSPECTIVELY IN THE FIRST SET OF FINANCIAL STATEMENTS AUTHORIZED FOR ISSUE AFTER THEIR DISCOVERY BY :

(A)RESTATING THE COMPARATIVE AMOUNTS FOR PRIOR PERIOD(S) PRESENTED IN WHICH THE ERROR OCCURRED ; OR

(B) IF THE ERROR OCCURRED BEFORE THE EARLIEST PRIOR PERIOD PRESENTED, RESTATING THE OPENING BALANCES OF ASSETS LIABILITIES AND NET ASSETS/ EQUITY FOR THE EARLIEST PRIOR PERIOD PRESENTED.

DURING THIS YEAR SOME ERRORS WERE FOUND IN PREVIOUS FIANCIAL STATEMENT AND THEY WERE CORRETED BY RESTATING 2018 FINANCIAL STATEMENT. THE NATURE OF THE ERROR ITS IMPACT ON PREVIOUSLY PRESENTED AMOUNTS IN 2018 AND RESTATED BALABCRS ARE SUMMARIZED BELOW.

EFFECT OF CHANGES AS A RESULT OF ERROR CORRECTION OF 2018 YEAR

IMPACT ON THE STATEMENT OF FINANCIAL PERFORMANCE

ITEM	NOTE	2018 PREVIOUSLY REPORTED BALANCE	ADJUSTMENT	RESTATED BALANCE
EXPENSES				
REPAIR AND OFFICE MAINTENANCE	2.7.1	1,452,571.39	(47,359.00)	1,405,212.39
PRINTING AND TRANSLATION	2.7.2	178,103.50	(6,000.00)	172,103.50
VEHICLE MAINTENANCE	2.7.3	1,232,884.50	(40,859.33)	1,192,025.17
DEPRECIATION	2.7.5	418,283.75	32,193.70	450,477.45
FD INTEREST WHT	2.7.6	7,419.61	(7,419.61)	-
COMPONSATION (HIT/RUN)	2.7.7	5,200,000.00	75,000.00	5,275,000.00
AUDIT FEE EXPENSE	2.7.12	238,260.00	182,102	420,362.00
INCOME				
OTHER INCOME	2.7.6 2.7.5 2.7.9 & 2.7.10	21,624,586.14	7,147,873.99	28,772,459.13

IMPACT ON THE STATEMENT OF FINANCIAL POSITION

ITEM	NOTE	PREVIOUSLY REPORTED BALANCE	ADJUSTMENT	RESTATED BALANCE
PREPAYMENT	2.7.3	-	40,859.33	40,859.33
PROPERTY PLANT AND EQUIPMENT	2.7.4 &2.7.5	1,819,786.25	5,826,527.30	7,646,313.55
OTHER PAYABLES	2.7.5	-	73,020.00	73,020.00
TREASURY BILL INVESTMENT	2.7.8	235,548,983.16	(5,979,306)	229,569,677.16
INTEREST RECEIVABLE ON TREASURY BILL	2.7.8	-	2,027,925.00	2,027,925.00
FD INTEREST RECEIVABLE	2.7.9	140,972.60	1,873,972.60	2,014,945.20

IMPACT ON THE STATEMENT OF CHANGES IN EQUITY

DESCRIPTION	NOTE	2017
PREVIOUSLY RECORDED EXCESS OF INCOME OVER EXPENDITURE		44,959,713.23
ERRORS CORRECTION		
ERRORS CORRECTION OFERRORS IN CLEANINGCHAREG	2.7.1	(47,359.00)
ERRORS CORRECTION OFERRORS IN PHOTCOPY CHARGF	2.7.2	(6,000.00)
CORRECTNESS OF DEPRECLATION OF FIVE COMPUTERS	2.7.4	(16,630.00)
RECORDINGCANCELLED COMPENSATION IN THE RELEVANT PERIOD	2.7.7	75,000.00
CORRECTION OF OVER RECORDED TREASURY BILL	2.7.8	(3,951,381.00)
ERROR CORRECTION OF 2017 EXCESS OVER EXPENDITURE VALUE	2.7.11	(451,998.26)
RESTATED BALANCE		**40,561,344.97**

2.7.1 - J/E 15

CLEANING CHARGE OF RS.47,359.00 WHICH IS RELEVANT FOR 2017 YEAR HAS BEEN ERRORNOUSLY RECOREDED AS AN EXPENSE OF 2018. IT IS CORRECTED BY RESTATING 2018 FINANCIAL STATEMENTS.

2.7.2 - J/E 17

A PHOTOCOPY CHARGE OF RS.6,000.00 WHICH IS RELEVANT FOR 2017 YEAR HAS BEEN ERRORNOUSLY RECOREDED AS AN EXPENSE OF 2018 YEAR. THIS IS CORRECTED BY RESTATING 2018 FINANCIAL STATEMENTS.

2.7.3 - J/E 18

AN INSURANCE PREMIUM WHICH IS RELEVANT FOR 2019 FINANCIAL YEAR HAD BEEN PAID IN 2018 YEAR AND THE AMOUNT IS RS. 40,859.33. BUT THIS WAS ERRONEOUSLY RECORDED AS AN EXPENSE IN 2018 FINANCIAL STATEMENTS AND IT IS CORRECTED BY RESTATING THEM.

2.7.4 - J/E 19

DEPRECIATION OF FIVE COMPUTERS WAS NOT RECORDED IN 2017 FINANCIAL STATEMENTS .THESE COMPUTERS WERE PURCHASED ON 02 ND NOVEMBER 2017 AND THE AMOUNT OF DEPRECIATION RELEVANT FOR 2017 YEAR IS RS. 16,630.00 THIS IS CORRECTED BY RESTATING 2018FINANCIAL STATEMENTS.

2.7.5 - J/E 11 & J/E 10

JAPAN GOVERNMENT HAS GRANTED A DRIVING LEARNING MACHING TO THE COUNCIL IN 2018 YEAR AND IT WAS NOT RECORDED IN 2017 FINANCIAL STATEMENTS. THE VALUE OF THE ASSET WAS DECIDED BY CONSID RING THE ACTIVE MARKET PRICE. IT IS 5,587,351AND OUT OF THAT VALUE SHIPPING CHARGE OF 73,020 WHICH IS RELEVANT FOR THIS ASSET WAS OUTSTANDING AS AT 31 ST DECEMBER 2018 AND IT WAS TO BE PAID BY THE COUNCIL THEREFORE, IT RECORDED AS CURRENT LIABILITY .CLEARING CHARGE OF RS. 521,011 HAS BEEN PAID BY THE COUNCIL IN 2018.

DEPRECIATION FOR THE ASSET WAS CALCULATED AND RECORDED ACCORDING TO THE DEPRECIATION POLICY OF THE COUNCIL DEPREICATION CHARGE FOR 2018 YEAR IS RS. 32,193.70.

2.7.6 – J/E 20

WITHHOLDING TAX OF THE INTEREST HAS BEEN RECORDED AS EXPENSE IN 2018 AND INTEREST INCOME WAS REOCORDED AT THE GROSS AMOUNT. THIS ERROR IS CORRECTED BY RECORDING INTEREST INCOME AT NET VALUE. AMOUNT IS 7,419.61

2.7.7 – J/E 21

A COMPENSATION AMOUNT OF RS. 75,000.00 WHICH WAS RECORDED AS AN EXPENSE IN 2017 HAS BEEN CANCELLED IN 2018. ERRORNOUSLY IT HAS RECORDED AS DEDUCTION OF EXPENSE IN 2018 AND IT IS CORRECTED.

2.7.8 – J/E 22 & J/E 23

ERROR CORRCTION OF OVER VALUING TREASURY BILL INVESTEMENT BY RS.3,951,381 ON 01 ST JANUARY 2018 AND ACCRUED INTEREST INCOME WHICH WAS REOCRDED IN INVESTMENT ON TREASURY BILL OF 2018 YEAR. THIS ACCRUED INTEREST INCOME RECORDED AS INTEREST INCOME RECEIVABLE ON TREASURY BILL UNDER CURRENT ASSETS, AMOUNT IS RS. 2,027,925.00

2.7.9 - J/E 13

ERROR CORRECTON OF WHO GRANT, RS. 646,00 WHICH WAS RECEIVED IN 2018 TEAR RECORDING AS FD INTEREST INCOME.

2.7.10 J/E 12

ERROR CORRECTON ON FD INTEREST INCOME RECOGNIZED ON 30MN & 40MN FDS FOR 2018 YEAR CORRECTED. THE CORRECT AMOUNT OF INTEREST ON THESE TWO FDS 2018 YEAR IS RS. 1,873,973.00.

2.7.11 – J/E 16

ERROR CORRECTON ON JOURNAL ENTRY PASSED IN 2018 FINANCIAL STATEMENTS TO CORRECT ERROR OF 2017 YEAR. AMOUNT IS 451,998.

2.7.12 – J/E 14

THERE IS AN UNDER PROVISION OF AUDIT FEE FOR 2018 YEAR AND IT IS CORRECTED BY RESTAING 2018 YEAR ACCOUNTS. AMOUNT IS RS. 182,102.00

NOTE – 01

NATIONAL COUNCIL FOR ROAD SAFETY

NAME OF INSURANCE	JUN	F.00EB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
HNB GENERAL INSURANCE LTD	87,590.00	84,870.00	77,885.00	98,465.00	67,270.00	89,605.00	91,585.00	101,585.00	99,675.00	86,720.00	91,520.00	78,700.00	1,055,470.00
AMANA TAKAFUL LTD	167,679.41	161,083.56	158,446.13	187,378.77	128,013.41	106,883.20	135,734.93	130,478.13	137,226.10	137,228.22	129,538.47	101,906.58	1,681,597.01
CEYLINCO GENERAL INSURANCE	362,565.98	398,481.38	359,855.49	419,592.47	404,039.31	382,715.70	375,701.05	435,874.82	416,228.36	380,569.56	390,338.71	360,564.83	4,686,527.66
NBSL INSURANCE CO LTD	-	-	-	-	-	-	7,251.03	4,703.36	4,698.52	4,178.34	5,106.29	4,569.36	30,506.90
CO-OPERATIVE NSURANCE CO LTD	282,447.41	317,060.81	281,632.00	237,099.00	289,191.00	294,389.00	284,236.00	313,440.00	334,383.00	336,729.00	471,951.00	442,282.00	3,884,840.22
ORIENT INSURANCE LTD	45,055.00	129,940.00	94,620.00	106,170.00	82,260.00	88,805.00	77,910.00	113,395.00	91,770.00	117,451.30	110,488.22	96,669.60	1,154,534.12
SEMASAHITHA SANASA RAKSHANA CO LTD	75,612.90	88,497.74	80,457.19	94,982.50	92,842.68	94,618.74	85,304.74	97,889.12	96,858.09	95,701.26	111,373.61	96,107.78	1,110,246.35
ALLIANZ INSURANCE LANKA LTD	306,418.00	299,142.00	290,305.00	316,410.00	280,488.00	220,422.00	269,130.00	300,650.00	312,225.00	290,122.50	306,555.00	319,285.00	3,511,152.50
SRI LANKA INSURANCE CO LTD	877,490.49	871,602.21	795,538.43	918,770.39	808,027.04	904,611.09	820,155.04	937,224.70	897,788.63	902,181.40	909,578.00	754,207.00	10,397,174.42
PEOPLE'S INSURANCE PLC	153,334.99	167,596.90	137,386.23	164,524.03	132,092.61	138,714.12	153,354.43	169,613.24	180,329.75	168,627.75	176,832.99	168,805.31	1,911,212.35
COTINENTAL INSURANCE LANKA LTD	95,813.00	113,079.00	117,272.00	133,264.00	87,899.00	122,340.00	107,445.00	120,869.00	114,134.00	108,467.00	113,396.00	99,108.50	1,333,086.50
LOLC GENERAL NSURANCE CO LTD	65,830.00	391,410.00	234,805.00	235,120.00	238,895.00	265,320.00	271,000.00	289,805.00	283,125.00	291,060.00	309,355.00	266,255.00	3,141,980.00
NATIONAL NSURANCE TRUST FUND	47,513.05	34,987.15	43,609.20	149,324.45	18,663.70	25,260.10	16,253.35	19,940.85	27,217.60	18,249.90	23,272.40	27,333.10	451,624.85
FAIRFIRST TNSURANCE LTD	830,539.00	837,560.00	803,830.00	923,660.00	768,885.00	898,300.00	872,725.00	843.955.00	930,200.00	784,345.00	941,355.00	854,115.00	10,289,469.00
TOTAL	**3,397,889.23**	**3,895,310.75**	**3,475,641.67**	**3,984,760.61**	**3,398,566.75**	**3,631,983.95**	**3,567,785.57**	**3,879,423.22**	**3,925,859.05**	**3,721,631.23**	**4,090,660.69**	**3,669,909.16**	**44,639,421.88**

CONTRIBUTION RECEIVED FROM INSURANCE COMPANIES - 2019

INSURANCE CONTRIBUTION FOR THE YEAR 2019

	2019	2018
	RS	RS
INSURANCE RECEIPTS DURING YEAR	44,639,421.88	44,296,903.25
ADD		
RECEVAB1LE INSURANCE AS AT 31.12.2019	3,661,305.68	3,397,889.23
	48,300,727.56	47,694,792.48
LESS		
RECEVABLE INSURANCE AS 31.12.20167	3,397,889.23	3,308,522.48
	44,902,838.33	**44,386,270.00**

NOTE 02
OTHER INCOME

	2019	2018
	RS	RS
TREASURY BILL INTEREST	20,574,791.39	19,595,333.31
FIXED DEPOSIT INTEREST	8,768,186.72	3,249,793.83
TREASURY BILL ADJUST INCOME	-	11.99
GRANT FROM JAPAN GOVERNMENT	-	5,281,320.00
OTHERS	163,500.00	646,000.00
TOTAL OTHERS INCOME	**29,506,478.10**	**28,772,459.13**

NOTE 04
TREASURY BILL

Bill No	Invested Amount as at31st December 2019	Invested Income for2019 year
1	11,464,716	911,185
2	38,913,353	3,104,444
3	6,864,690	545,588
4	10,101,472	802,838
5	17,845,894	1,487,429
6	732,120	61,021
7	27,433,077	2,200,190
8	12,181,170	1,017,663
9	8,927,157	709,506
10	90,252,492	7,522,414
11	27,458,399	2,202,221
12	77,812	6,486
13	45,633	3,803
Total	**252,297,985**	**20,574,789**

NOTE – 04
EXPENSES

	2019 RS	2018 RS
ALLOWANCES	1,326,988.42	1,977,450.24
FUEL FOR VEHI	915,672.90	649,104.76
COUNCIL MEMBERS FEES	327,500.00	74,500.00
COUNCIL INSTRUCTORS FEE	42,000.00	-
COMPENSATION (HIT& RUN)	7,400,000.00	5,275,000.00
REPAIR & OFFICE MAINTENANCE	1,095,073.02	1,405,212.39
VEHICLE MAINTENANCE	179,874.04	1,192,025.17
STATIONERY EXPENSES	267,801.24	354,246.64
TELEPHONE CHARGES	165,286.57	152,504.40
NEWS PAPER	125,320.00	108,800.00
PRINTING & TRANSLATION	106,750.00	172,103.50
OT CHARGES	289,826.20	248,304.96
ADVERTISING & PUBLICITY	515,270.00	619,097.00
REFRESHMENT OF MEETING	364,173.12	322,963.81
AUDIT FEES	375,000.00	420,362.00
TRAVELLING EXPENSES	125,111.00	118,793.25
SUNDRY EXPENSES	33,510.00	21,518.00
DEPRECIATION	1,066,275.47	450,477.45
ACCOMADATION	37,300.00	78,680.00
POSTAGE	450.00	2,422.00
INCOME TAX	17,400.00	14,400.00
STAFF TRANING	166,821.53	13,000.00
TREASURY BILLS INTEREST A/C	2.14	-
	14,943,405.65	**13,670,965.57**

NOTE -05

PROPERTY ,PLANT& EQUIPMENT

	COMPUTER S	PHOTO COPY/ PRINTERS MAHING	FURNITURE & FITTINGS	AIR CONDITIONR	MEDIA EQUIPMENTS	OTHER ASSETS	DRIVING LEARNING MACHING	REFRIGERATOR	TOTAL
COST /REVALUATION	RS	RS	RS	RS	RS	RS	RS	RS	RS
BALANCEAS AT 01/01/2017	713,500.00	140,700.00	641,500.00	139,800.00	540,362.50	62,207.50	5,875,351.00		8,113,421.00
DURING THE YEAR									
ADDITION					1,014,500.00			133,000.00	
DISPOSALS									
BALANCE AS AT 31.12.2019	713,500.00	140,700.00	641,500.00	139,800.00	1,554,862.50	62,207.50	5,875,351.00	133,000.00	9,260,921.00
ACCUMULATED DEPRICIATION									
BALANCEAS AT 01/01/2019	195,005.00	17,587.50	128,300.00	17,475.00	70,225.00	6,321.25	32,193.70	-	467,107.45
CHARGE FOR THE YEAR	133,781.25	15,389.06	102,640.00	15,290.63	188,011.71	13,971.56	587,535.10	9,656.16	1,066,275.47
BALANCE AS AT 31.12.2019	**328,786.25**	**32,976.56**	**230,940.00**	**32,765.63**	**258,236.71**	**20,292.81**	**619,728.80**	**9,656.16**	**1,533,382.92**
NET BOOK VALUE									
AS AT 31/12/2018	518,495.00	123,112.50	513,200.00	122,325.00	470,137.50	55,886.25	5,843,157.30	-	7,646,313.55
AS AT 31/12/2019	384,713.75	107,723.44	410,560.00	107,034.37	1,296,625.79	41,914.69	5,255,622.20	123,343.84	7,727,538.08

TRIAL BALANCE AS AT 31 ST DECEMBER 2019 (BEFOR ADJUSTED)

	DEBIT	CREDIT
ASSETES		
COMPUTERS	713,500.00	
PHOTO COPY PRINTERS FAX MACHINE	140,700.00	
FURNITURE & FITTINGS	641,500.00	
AIR CONDITIONER	139,800.00	
DVD PLAYER ect	1,554,862.50	
OTHER ASSETS	62,207.50	
CAMARA	-	
DRIVING LEARNING MACHING	-	
FREDGE	133,000.00	
ACCUMILATED DEPRECIATION		
COMPUTERS		312,156.25
PHOTO COPY PRINTERS FAX MACHINE		32,976.56
FURNITURE & FITTINGS		230,940.00
AIR CONDITIONER		32,765.63
DVD PLAYER ect		258,236.71
OTHER ASSETS		20,292.81
CAMARA		
DRIVING LEARNING MACHING		587,535.10
FREDGE		9,656.16
FIXED DEPOSITS	84,000,000.00	
TREASURY BILLS	235,548,983.16	
TREASURY BILLS interest a/c		2.14
RECEIVABLE FROM INSURANCE COMPANY	3,397,889.23	
FUND A/C		356,555,051.87
CONTRIBUTION FROM INSURANCE COMPANY		44,639,421.88
FD INTEREST A/C		1,292,045.27
FD INTEREST RECEVABLE A/C	140,972.60	
AUDIT FEES PAYABLE		192,898.00
ULE FOR VEHICLE	915,672.90	
COUNCIL CONSULTATION FEES	327,500.00	
COUNCIL MEMBERS ALLOWANCES	1,326,988.42	
COMPONSATION	7,400,000.00	
REPAIR & MAINTANCE	1,095,073.02	
VEHICLE MAINTANACES	139,014.71	
DEPRECIATION	1,066,275.47	
STATIONERY EXPENCES	267,801.24	
TELEPHONE CHARGES	165,286.57	
NEWS PAPERS	125,320.00	
PRINTING & TRANSLATION	106,750.00	
O T CHARGES	289,826.20	
ADVERTISING & PUBLICITY	515,270.00	
REFRESHMENT OF MEETING	364,173.12	
TRAVELLING EXPENCES	125,111.00	
SUNDRY EXPENSES	33,510.00	
BANK BALANCE	62,878,499.21	
ACCOMADATION	37,300.00	
POSTAGE	450.00	
STAFF TRAINING	166,821.53	
PROJECTS (ENTERPISE SRI LANKA)	42,000.00	
INCOME TAX	17,400.00	
AUDIT FEES	375,000.00	
PRESENT & OTHERS		**163,500.00**
In payables	73,020.00	
	404,327,478.38	**404,327,478.38**

JOURNAL ENTRIE -2019

J1	F D INTEREST A/C (DR)	140,972.60	
	F D INTEREST RECEIVEABLE A/C		140,972.60
	(BEING ADJUSTMENT MADE FOR THE LAST YEAR		
	F D INTEREST RECEIVEABLE A/C)		
J2	CONTRIBUTION FROM INSURANCE COMPANIES (DR)	3,397,883.23	
	RECEIVABLES FROM INSURANCE COMPANIES		3,397,883.23
	TREASURY BILL INTEREST A/C		
	(BEING ADJUSTMENT FOR THE LAST YEAR RECEIVABLES FROM INSURANCE COMPANIES		
	RECEIVABLES FROM INSURANCE COMPANIES (RD)	3,661,305.68	
J3	CONTRIBUTION FROM INSURANCE OMPANIES		3,661,305.68
	(BEING ADJUSTMENT MADE FOR RECEIVABLES FROM		
	INSURANCE OMPANIES FOR THE YEAR ENDED 31.12.2019		
J4	FD INTEREST RECEVABLE A/C	1,884,353.38	
	FD INTEREST A/C		1,884,353.38
	(BEING ADJUSTMENT MADE FOR THE RECEIVABLES FD		
	INSURANCE FOR THE YEAR ENDED 31.12.2019)		
J7	FIXED DEPOSIT A/C (DR)	7,606,733.38	
	F D INTEREST RECEVABLE A/C CR		1,873,972.60
	FIXED DEPOSIT INTEREST A/C		5,732,760.67
	BEING RECORDING INTEREST INCOME AND REINVESTMENT OF FD		
	INTEREST INCOME OF FIXED DEPOSITS – NO 4&5 INTEREST FOR THE YEAR ENDED 31.12.2019)		
J5	DERECIATION	1,066,275.47	
	COMPUTERS		133,781.25
	PHOTO COPY PRINTERS FAX MACHINE		15,389.06
	FURNITURE & FITTINGS		102,640.00
	AIR CONDITIONER		15,290.63
	DVD PLAYER ect		58,767.19
	OTHER ASSETS		13,971.56
	CAMARA		129,244.52
	DRIVING LEARNING MACHING		587,535.10
	REFRIGERATOR		9,656.16
	(BEING PROVISON MADE FOR THE DEPRECIATION		
	ADJUSTMENT FOR THE YEAR ENDED 31.12.2019)		
J6	AUDIT FEES A/C (DR)	375,000.00	
	AUDIT FEES PAYABLE A/C		375,000.00
	(BEING PROVISION MADE FOR AUDIT FEES FOR 2019 YEAR)		
J8	TREASURY BILL A/C (DR)	18,636.457	
	INTEREST RECEIVABLE ON TREASURY BILLS	1,938,332	
	TREASURY BILL INTEREST A/C		20,574,789.25
	(BEING CAPITALIZED OF TREASURY BILL		
	INTREST FOR THE YEAR ENDED 31.12.2019)		
J9	VEHICLE MAINTENANCE EXPENSE	40,859.33	
	PREPAYMENT		40,859.33
	(LAST YEAR PREAYMENT OF INSURANCE CHARGE TO EXPENSE IN 2019 YEAR)		

JOURNAL ENTRIES FOR RESTATING 2018 FINANCIAL STATEMENTS

10	DEPRECIATION (DR) – DRIVING LEARNING MACHING	32,194	
	ACCUMULATED DEPRECIATION - DRIVING LEARNING MACHING		32,194
	(RECORDING DEPERICATION OF DRIVING LEARNING MACHING FOR 2018 YEAR)		
11	DRIVIING LEARNING MACHING	5,875,351	
	OTHER PAYABLES		73,020
	OTHER INCOME - GRANT		5,281,320
	CLEARING CHARGE		521,011
	(BEING RECOGNITION MACHINE RECEIVED AS A GRANT FROM JAPAN GOVERNMENT AND ERROR CORRECTION OF PAYMENTS MADE ON THIS ASSET REGONZINS AS EXPENSE OF 2018 YEAR		
12	FIXED DEPOSIT INTEREST RECEVABLE DR	1,873,972.60	
	FIXED DEPOSIT INTEREST INCOME CR		1,873,973
	(BEING RECORDING INTEREST INCOME OF 30 MN AND 40 MN FDS 2018 YEAR)		
13	FD INTEREST INCOME DR	646,000	
	OTHER INCOME – WHO GRANTS CR		646,000
	(BEING CORRECTION OF RECORDING WHE GRANT AS INTEREST INCOME)		
14	AUDIT FEES EXPENSE DR	182,102	
	AUDIT FEE PATABLE CR		182,102
	(BEING RECORDING UNDERPROVISION OF AUDIT FEE FOR 2018 YEAR)		
15	FUND ACCOUNT – EXCESS OVER EXPENDITURE 2017 YEAR	47,359.00	
	CLEANING CHARGE EXPENSE		47,359
	(CORRECTION OF RECORDING 2017 EXPENSES AS AN EXPENSE OF 2018)		
16	FUND ACCOUNT – EXCESS OVER EXPENDITURE 2017 YEAR	451.998	
	FUND ACCOUNT – 2018		451,998
	(CORRECTION OF J/E PASSED ON CORRECTING 2017 OPENING BALANCES)		
17	FUND ACCOUNT – EXCESS OVER EXPENDITURE 2017 YEAR	6,000	
	PRINTING AND TRANSLATION EXPENSE		6,000
	(CORRECTION OF RECORDING 2017 EXPENSES AS AN EXPENSE OF 2018)		
18	PREPAYMENTS	40,859	
	VEHICLE MAININTENANCE EXPENSE		40859
	(CORRECTION OF RECORDING A PREPAYMENTOF INSURANCE MADE IN 2018 AS AN EXPENSE OF 2018)		
19	FUND ACCOUNT – EXCESS OVER EXPENDITURE 2017 YEAR	16,630	
	ACCUMULATED DEPRECIATION - COMPUTERE		16,630
	(RECORDING UNRECORDED DEPRECIATION ON FIVE COMPUTERS PURCHASED ON NOVEMBER 01 ST 2017)		
20	OTHER INCOME – F D INTEREST	7,420	
	F D INTEREST W H T EXPENSE A/C		7,420
	(CORRECTION OF OVER RECOGNTION OF INTEREST INCOME BY WHT)		
21	COMPONSATION (HIT & RUN)	75,000	
	FUND ACCOUNT – EXCESS OVER EXPENDITURE 2017 YEAR		75,000
	(CORRECTION OF RECORDING A CANCELLED COMPENSATION OF 2017 YEAR AS A DEDUCTION OF 2018 COMPENSATION		
22	FUND ACCUNT – EXCESS OVER EXPENDITURE 2017 YEAR	3,951,381	
	TREASURY BILL INVESTMENT		3,951,381
	(ERROR CORRECTION OF OVER REGONIZED INVESTMENY IN 2018 ACCOUNTS)		
23	INVESTMENT RECEIVABLE ON TREASURY BILL	2,027,925	
	TREASURY BILL INVESTMENT A/C CR		2,027,925
	(CORRECTION OF RECORDING INTEREST RE CEIVABLE ON TREASURY BILL INVESTMENT OF TREASURY BILL AS AT 31 ST DECEMBER 2018)		

Audit Query of Auditor General - 2019

The Chairman,

National Council for Road Safety

Report of the Auditor General on the financial statements and other legal & regulatory requirements of the National Council for Road Safety for the year ended 31 December 2019 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of financial statements of the National Council for Road Safety for the year ended 31 December 2019 comprising the statement of financial position as at 31 December 2019 and the statement of comprehensive income, statement of changes in equity, and the 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 the Finance Act, No. 38 of 1971. My comments and observations which I consider should be tabled in Parliament appear in this report. My report will be tabled in Parliament in due course in terms of Article 154(6) of the Constitution.

In my opinion, the financial position, financial performance and the cash flows of the National Council for Road Safety as at 31 December 2019 give a true and fair view in accordance with the Sri Lanka Accounting Standards.

1.2 Basis for the Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those audit 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 opinion.

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

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

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

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

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

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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 the report of the Auditor General 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, and its materiality depends on the influence on economic decisions taken by users 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:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit 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.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Reasonableness of the utilized accounting policies and accounting estimates, and appropriateness of the related disclosures made by the management were evaluated.
- 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 Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with the governing parties regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal and Regulatory Requirements

The National Audit Act, No. 19 of 2018 includes special provisions for the following requirements. .

I obtained all required details and clarifications in accordance with the requirements contained in Section 12(a) of the National Audit Act, No. 19 of 2018 and as my examination shows the Council has maintained proper financial records.

The financial statements of the Council are in line with that of the previous year in accordance with the requirements stated in Section 6(1) (d) (iii) of the National Audit Act, No. 19 of 2018,

In accordance with the requirements contained in Section 6(1) (d) (iv) of the National Audit Act, No. 19 of 2018, the recommendations made by me in the previous year are incorporated in the financial statements submitted.

According to the methods employed and the evidence obtained and in the limitation to the quantitative facts, anything substantial to make the following statements did not come under my attention.

- Whether, in accordance with the requirement stated in Section 12 (d) of the National Audit Act No. 19 of 2018, some member of the governing body the Council, directly or otherwise and deviating from the normal business manner, has involved in an agreement related to the Council.
- Whether, in accordance with the requirement stated in Section 12 (f) of the National Audit Act No. 19 of 2018, the Council has complied with applicable written law, or other general or special directions issued by the governing body of the council.

	Reference to Laws, Rules and Regulations	Description
(a)	Public finance Circular No 01/2014 of 17 February 2014	No Procurement plan had been prepared d for the year under review as per provisions in circulars.
(b)	Section 8 (I) of Finance Act No 38 of 1971 and chapter 5.2.4 chapter of PED Circular /12.	Although the Council should approve the budget three months before the commencement of financial year, approval of the Council had not been obtained for the budget prepared for the year under review.

- Except in the following observations, the Council had not complied with the powers, duties and functions of the council in compliance with the requirement stated in Section 12 (g) of the National Audit Act No. 19 of 2018.
- Except in the following observations, the resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the requirement stated in Section 12 (g) of the National Audit Act No. 19 of 2018.

03. Other Audit Observations

a) Rs. 7,400,000 had been paid in Compensation for the deaths and serious injuries occurred in unidentified accidents in the year under review and these payments had been made with a delay ranging from10 to 36 months. According to the instruction manual of the scheme of paying compensation to victims of unidentified road accidents, although such payments should be made at least within 9 months.it was observed that making such payments in respect of 09 applications had been done with a delay ranging from 10 to 26 months.

b) As per the resolution adopted by the United Nations on Road Safety, to which Sri Lanka is also signatory, although it had been recommended for the formulation and implementation of a national programme on road safety by the Government, such a policy had not been prepared even by 31 December 2019.

c) Although 10 projects for management of road safety capacity building and 30 activities to achieve this target have been shown, 100 par cent completions was recorded only in 11 activities related to 03 projects. The other 07 projects are being implemented in a weaker manner.

d) Although Insurance companies had agreed to pay 02 percent of all insurance policies, the Council had not done anything to recover them.

e) The Council should earn an income of Rs 73 million according to the annual budget estimate and Rs 73 million had been allocated of which Rs 18.85 million and Rs. 54.15 million for recurrent and capital expenditure respectively. Though the Council had earned an income of Rs.74 million, only Rs.15 million had been expended for affairs of the Council. Accordingly, using funds for achieving the objectives of the Council has been at a minimum level.

f) Even though the monthly working capital requirement of the Council had been approximately Rs.1.2 million, there was a balance of Rs.62,878, 499 in the current account of the Council as at 31 December 2019 and surplus moneys had not been made use of for an effective purpose.

g) For strengthening of the National Council for Road Safety, although it is needed to fulfil the requirement of obtaining adequate trained staff with required infrastructure facilities, this institution is functioning under the Ministry of Transport. This Council consists of 11 officers drawn from the Ministry of Transport, Department of Railways and Sri Lanka Transport Board and in addition one officer on contract basis and another casual Labourer are too serving.

h) All Government Institutions should perform duties as per the United Nations 2030 agenda" for Sustainable Development and although the National Council for Road Safety had been aware as what steps to be taken regarding functions coming under its scope, initiation of actions has been at a weaker level.

W.P.C. Wickramaratne
Auditor General

<u>Auditor General's detailed report on the Financial Statements of the National Council for Road Safety for the year ended 31 December 2019 and on its activities, submitted to the Chairman in terms of Section 13 (7) (A) of the Finance Act No. 38 of 1971</u>

Reference to Laws, Rules and Regulations

(අ) Finance Circular No. 01/2014 dated 17 February 2014.

A procurement plan has been prepared for the year 2019, and after the Secretary to the Ministry first gave instructions to the National Council for Road Safety to prepare a procurement plan, the relevant work was carried out. However, although it was not possible to present it to the National Council in 2019, action has been taken to obtain the approval of the Secretary to Ministry for the same. The procurement plan prepared for the year 2020 has been submitted to the first meeting of the National Council held on 28.02.2020 and approval has been obtained for the same.

Section 8 (1) of the Finance Act No. 38 of 1971 and Para 5.2.4 of circular PED/12.

After the new minister in charge of the subject of the Ministry assumed office, the appointment of new members for the National Council for Road Safety was carried out by the Ministry, and after appointing the members for the National Council, the National Council was convened on 30.04.2019. However, the information about the estimated amount of money expected to be spent on the activities included in the action plan had not been properly furnished. Therefore, although the action plan was submitted for the approval of the Council on 30.04.2019 after including such information, the budget estimate could not be submitted to the National Council on that day. Although the completed budget estimate was submitted to the National Council session held on 07.09.2019, the Council informed that it should be revised and submitted to the next session. The budget report prepared by incorporating those instructions and amendments was presented and approved at the session on 30.09.2019. It was noted to avoid such delays in the future.

<u>Other audit observations</u>

The National Council for Road Safety provides financial relief only for accidents involving unidentified vehicles. Accordingly, the confirmation of an accident to be a hit-and-run is decided by the final police report. The Sri Lanka Police takes about 06 months to provide such police report and payments will be made based on the report so obtained.

(b) Although the formulation and implementation of a national policy on road safety has been recommended by the government as a task to be performed for the nation, the need to establish an empowered body for the same has not yet been fulfilled. Action is underway together with the Ministry to convert the National Council for Road Safety into a Commission, and on 13.01.2020, the Bill was re-presented to the Cabinet, and the Minister of Finnace, Economic and Policy Development has recommended looking into the possibility of this Council continuing in its present manner of operation. It has been informed to submit a fresh report to the Cabinet and the related activities are being carried out.

(c) I submit the following points regarding your observations on the performance of certain projects related to the 10 projects included in the 2019 action plan to develop the capacity of road safety management.

Accordingly, the year 2019 action plan was prepared with the activities expected to be implemented within a year. But after appointing new members to the National Council under a new minister, the first National Council meeting was held on 30.04.2019. The action plan approved by the previous National Council has been approved by the Secretary to the Ministry on 09.07.2019. Accordingly, it was not possible to carry out the activities of the action plan for the period before the relevant approval was given.

Also, due to the Easter attack in the month of April 2019, there was a problem in practical implementation of certain activities. (Inability to organize programs by mobilizing people) Also, due to the setting of the date for the presidential election at the end of the year, and having to comply with the election rules, there was a lack of progress in the implementation of some projects. However, some other projects that were not affected by the above limitations have been implemented successfully.

(d) The National Council for Road Safety receives a contribution of 1% of the value of third party insurance covers. Regarding increasing this percentage to 2%, the National Council conducted several rounds of negotiations with the relevant insurance companies and obtained the agreement for the same. Even so, the necessary arrangements are to be made to legalize it in the future by obtaining written consent from the respective insurance institutions.

(e) One of the primary functions of the National Council is to provide financial relief to the people who fall victim to hit-and-run accidents. Such financial relief is given only in respect of those applications that are finally qualified after all the applications submitted to apply for are considered in the process implemented by the Council. In addition to this, money is expended from the fund of the National Council for Road Safety for the general administrative expenses of the National Council and the programs planned for the reduction of road accidents and national programs directed by the Ministry.

(f) From the cash book balance, 44 million has been deposited in fixed deposits on 20.02.2020.

(g) Currently, the functions of the National Council for Road Safety is carried out by operating as an institution under the Ministry of Transport Services Management. The staff requirement of this Council has been met by a staff made up of the officers attached from the Combined Service, Railway Department and Sri Lanka Transport Board. In the future, after the National Council for Road Safety is converted into the National Commission on Transport Safety, permanent staff will be recruited for this institution.

(h) Some work has already been accomplished by the National Council for Road Safety to comply with the United Nations 2030 Agenda for Sustainable Development. The goal is to make Sri Lanka a country with the least number of road accidents through all the functions carried out by the National Council.

Significant work such as educating school children and groups belonging to various fields, conducting research and surveys, exchanging knowledge at national and international level, providing financial relief to victims of hit-and-run accidents, working towards reducing the insecurity at railway crossings, standardization of helmets etc. have been carried out to address the vulnerabilities.

As of now, the National Council for Road Safety has started setting up of a database to measure the relevant performance in reaching the sustainable development goals.

This institution is Already carrying out work to establish road safety by collaborating with government institutions such as the Sri Lanka Police, the Railway Department, the Department of Motor Transport, the Ministry of Health, the World Health Organization and non-governmental organizations, and in the future, such work will be carried out more successfully thereby to achieve the desired objectives.

By overcoming the weaknesses, the action plan for the year 2020 of the National Council for Road Safety has been prepared.

R.L. Anton De Mens,
Chairman.
National Council for Road Safety.