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மாகாண சபைகள் மற்றும் உள்ளுராட்சி விவகாரங்கள் இராஜாங்க அமைச்சு
State Ministry of Provincial Councils & Local Government Affairs

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இலங்கை உள்ளூர் ஆள்கை நிறுவகம்
SRI LANKA INSTITUTE OF LOCAL GOVERNANCE



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ANNUAL REPORT 2019

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கொழும்பு 07

No. 17, Malalasekara Mawatha,
Colombo 07.

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1.0. INTRODUCTION

Sri Lanka Institute of Local Governance (SLILG) emerged in the background of the search for a developmental vision for Local Government in the country. In order to make this vision a reality, a Presidential Commission was appointed in 1997 to carry out a study and make recommendations in this regard. This Commission emphasized the importance of creating a national institute in order to cater to the need of enhancing the performance of the local governance sector. The Presidential Commission noted that the local governance sector should be considered as an independent sector with self-authority which can directly contribute to the development activities and provide people with an efficient and satisfactory service to achieve their aspirations in order to uplift their living standards. Sri Lanka Institute of Local Governance was believed to be the most appropriate institute that can work towards achieving these goals. As an institute that is closest to the public, this has the ability to act as a representative body of the general public. With these objectives, Sri Lanka Institute of Local Governance was established under the parliament act No. 31 of 1999. Its functions were commenced in October the same year.

1.1. Vision

“A Provincial and Local Government System which is Vibrant and Accountable and Assures High Quality service delivery to the Community”

1.2. Mission

“Develop human capital to promote sustainable development and good governance in provincial councils & local government through advocacy, training & researches”

1.3. Mandate of the Institute

Sri Lanka Institute Local Governance was established as a public sector agency to perform the following functions as stated in the strategic plans.

- ❖ Train the members, officers and other employees attached to provincial councils and local authorities and building up of a cadre of competent officers in those institutes with a view to ensuring good governance in the country.

- ❖ Providing consultancy services for improving the organizational structures and management capabilities of provincial councils and local authorities.
- ❖ Providing a forum for the critical appraisal of management systems and processes of provincial councils and local authorities.
- ❖ Assisting Provincial Management Development Training Units in management development.
- ❖ Providing necessary information to the Hon. Minister for formulating the national policies in local government.
- ❖ Collaboration with local and international networks for publishing books and magazines on provincial and local government, disseminating information and conducting seminars and workshops.

1.4. Core Areas



1.5. Message from the Governing Council

In 1999 – twenty years ago – the Sri Lanka Institute of Local Governance (SLILG) was created with a bold vision in mind: by focusing on capacity building of the Elected Members and Staff of the Local Government & Provincial Councils in Sri Lanka. SLILG conducts in-house, on-location and overseas training programmes for local government sector within and outside the country within this period. The training programmes cover a wide range of subjects relevant to local government by the established division in SLILG such as Engineering, Legal, Physical Planning, Financial Management, General Management and Human Resource Management, ICT applications. In line with its mission, SLILG has since trained over 50000 government officials and Elected Members from the region in macroeconomic government policies, statistics in financial and legal issues, etc.,. Lectures, workshops, and case studies are geared to bring knowledge from around the world to the region and to highlight lessons and success stories from Asia. SLILG also conducts studies, research and consultancy on contemporary topics in related fields.

SLILG endeavours, through its wide range of services, to help its clientele evolve and decide on appropriate set of interventions and strategies in addressing local government needs to the public sector by providing requisite capacity and skill building facilities. We look forward to the active participation of all stake holders in our endeavour to enhance professionalism at all levels in the field of regional development. We believe, our sole parameter for our success is the success of local authorities which in turn depends on the success of the Public.

In these efforts, SLILG will stay true to its goal of tailoring its programs to the needs of our country. We will continue draw on regional expertise and focus on knowledge sharing and collaboration with our training partners in the region as well.

We are grateful for 20 years of service provided by SLILG.

1.6. Objectives

The above mission leads towards the achievement of following objectives;

1. To formulate programmes for improvement of performance in order to enhance institutional strengthening of provincial and local governance in partnership with Provincial Management Development Training Units.
2. To strengthen the capacity of Provincial Management Development Training Units towards formulating and delivering training programmes for improving the performance of provincial councils and local government bodies giving assistance for the same.
3. To function as a resource center for provincial councils and local government providing technical and other information to the stakeholders local governance.
4. To function as the central institute for provincial and local governance in collaboration with relevant national and international institutions.
5. To provide special support services in the development of human resources, improvement of management systems and facilitating organizational changes to sub national government institutions.
6. To improve the performance of Sri Lanka Institute of Local Governance to enable efficient and effective provision of training, consultancy and research services for strengthening provincial and local government institutions.

To fulfill those objectives the SLILG provides with

- National Level / Provincial Level Training Programmes / Workshops
- International / National Seminars
- Practical training sessions

Example: - a) Preparation of By-Laws

b) Preparation of Final Accounts of Local Authorities

- **Diploma Courses:**

- a. Diploma in Local Governance (for Elected Members)

- b. Diploma in Local Governance (for Officers)

- **Certificate Courses**

- a. Certificate Course in Project Management

- b. Certificate Course for Investigation Officers in LAs

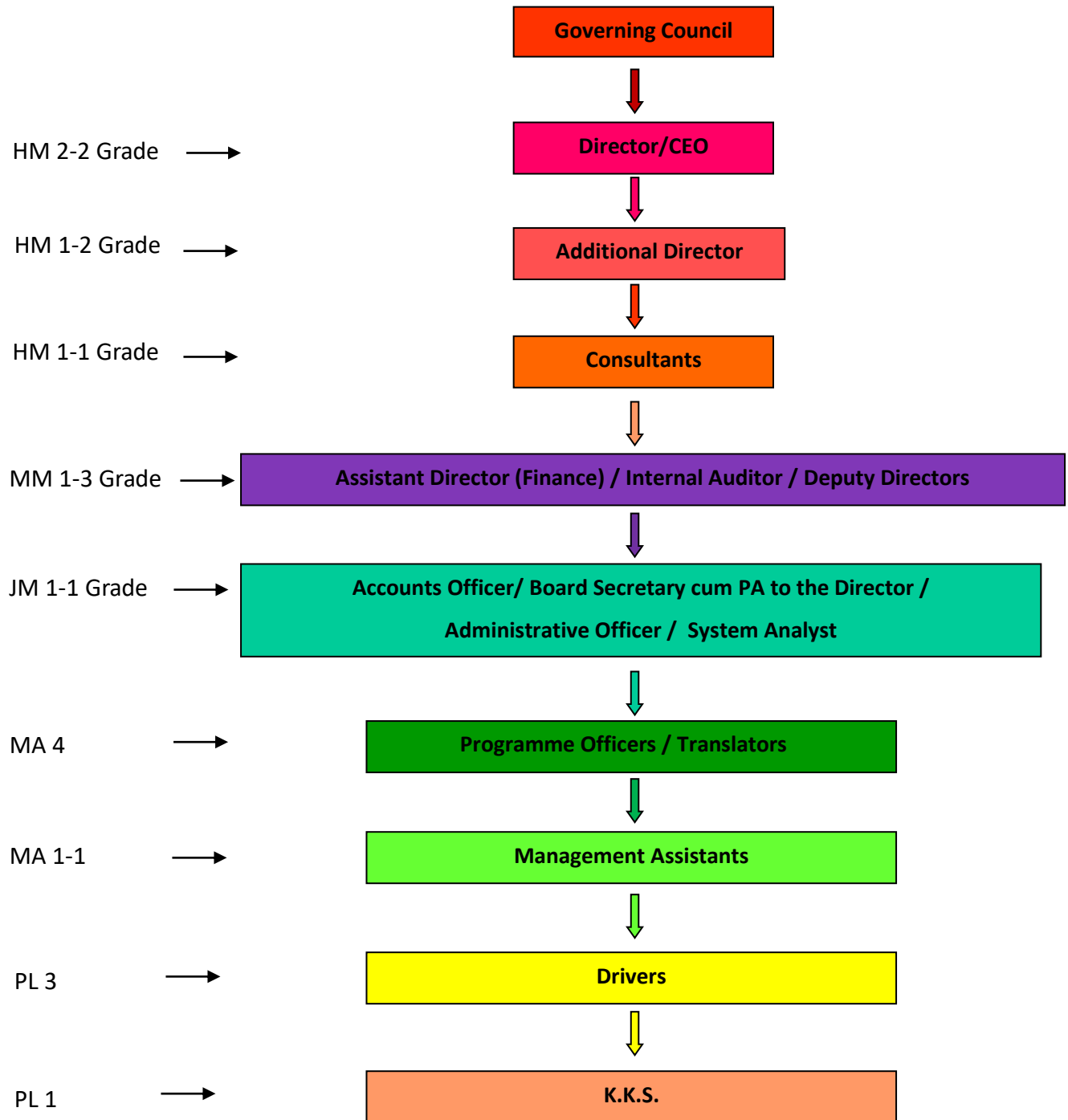
- c. Certificate Course in Computer Applications

- d. Certificate Course in Local Governance

- Research
- Consultancy Services
- Publishing Handbooks & Leaflet
- The Sri Lanka Institute of Local Governance also publishes a News Letter “Palath Palana” in quarterly basis in Sinhala & Tamil languages and “Local Governance Journal” in yearly basis.

1.7.

Management Structure of SLILG



**** The management structure will be changed as per the discussions with Management Services Department

1.8. Existing Staff



SLILG already re designed its organization structure after several discussions had with Ministry of Provincial Councils & Local Government and Department of Management Services. Further, we have taken steps to submit our proposal to Department of Management Services which is still on discussion.

However, improvement of performance and quality of work of the staff is essential in order to ensure efficient and effective services to local government sector. Therefore, SLILG has organized various staff development programmes to improve their knowledge and understanding with a view to ensuring effective and efficient service provision.

The staff of SLILG will also receive external training opportunities both national and international level to improve their capacity development.

The existing staff members including Names & Designations,

No.	Name	Designation
01	Mr. E.M. D.B. Ekanayake	Director / CEO
02	Mr.R.M.A.K.Rathnayake	Consultant (Physical Planning)
03	Mr.P.S.Dharmarathne	Deputy Director (Research)
04	Ms.K.A.P.R.Kariyapperuma	Deputy Director (Training)
05	Mr.P.A.D.Hiran Radeesha	Accounts Officer / Assistant Director (Finance) – Cover up
06	Ms.S.A.S.S.N.Perera	Board Secretary cum PA to the Director/CEO
07	Mr. A.E. Samarathne	Administrative Officer
08	Mr. Anjana Dodamgoda	ICT Officer
09	Ms. S.N.P.Rosa	Programme Officer
10	Mr.D.M.Jagath Pushpakumara	Programme Officer
11	Ms.M.D.I.D.Wijemanna	Programme Officer
12	Ms.R.M.G.K.Ranasinghe	Programme Officer
13	Ms.A.D.Weerasekara	Programme Officer
14	Ms. G.B.M.S.P. Bandara	Programme Officer
15	Mr. Suresh Kumara	Programme Officer
16	Ms. Hema Rathnayake	Management Assistant
17	Ms.O.W.T.P.Owitipana	Management Assistant
18	Ms.H.D.M.Priyadarshani	Management Assistant
19	Ms. D.M.T.Randunu	Management Assistant
20	Ms. M.S.C.Wimalaweera	Management Assistant
21	Ms. A.P.Rathnahewa	Management Assistant
22	Mr.B.G.C.B.Karunaratne	Driver
23	Mr.L.S.Sampath	Driver
24	Mr.N.H.D.Thushara	Driver
25	Mr. R.R.P.W. Sujath Bandara	Driver
26	Mr. L.U.S.Ariyasingha	Driver
27	Ms. B.G. Dingiri Amma	Office Aid
28	Mr. K. Kamal Krishantha	Office Aid
29	Mr. A.A.H.N. Adikari	Office Aid
30	Mr. N.S.D. Perera	Office Aid

2.0. LAYOUT

2.1. Introduction to SLILG

The prime objective of this institute is to improve their organizational systems and management excellence of the provincial councils and local authorities in order to enable them to provide people with an efficient and satisfactory service. Decentralization of administrative powers was commenced with the introduction of the 13th amendment to the constitution in 1987. It is an essential condition that the powers that are vested be implemented correctly in order to achieve the objectives of transferring administrative powers and the primary objectives of democracy. Accordingly, it was expected to establish an institutional administrative role at provincial council level.

It has been Twenty One (21) years since the establishment of Sri Lanka Institute of Local Governance as mentioned above. During this period it has implemented the plans that should be put into operation annually by the institute and has effectively conceptualized the aims and objectives of the Institute under the guidance of the Governing Council of the Institute. The Institute has received invaluable co-operation of international local government institutes as well as local training institutes in achieving its conceptualized aims and objectives successfully within a short period of time. The contribution of the staff of the Institute have helped immensely in achieving the expected objectives of the Institute.

However, the decentralization programme seems to have distanced itself especially in the process of implementation. For example:

- Increase of efficiency resulting from decentralization and ensuring the distribution of resources for addressing the immediate and prioritized needs of society.
- Ability to enhance the responsiveness of decentralization in policy making and implementation of policies in addressing the needs of target groups.
- Effectiveness of decentralization in poverty reduction and development activities.
- Implementing the decisions taken at these levels to reflect the high priority placed on citizens, especially the poor categories.
- Concerns of decision making with the involvement of grass root communities in order to uplift their living standards.

As of November 2019 there were 341 local authorities (24 Municipal Councils, 41 Urban Councils and 276 Pradeshiya Sabhas). All local authorities are elected using the mixed electoral system. Distribution of the local authorities are as follows,

Province	District	No. of Municipal Council/s	No. of Urban Councils	No. of Pradeshiya Sabhas	Total
Western	Colombo	06	05	03	14
	Gampaha	01	05	12	18
	Kalutara	00	04	13	17
North Western	Kurunegala	01	01	19	21
	Puttalam	00	02	10	12
Central	Kandy	01	04	17	22
	Matale	02	00	11	13
	N'eliya	01	02	09	12
Sabaragamuwa	Kegalle	00	01	11	12
	Ratnapura	01	02	14	17
Uva	Badulla	02	01	15	18
	Monaragala	00	00	10	10
North Central	Anuradhapura	01	00	17	18
	Polonnaruwa	01	00	07	08
South	Galle	01	02	17	20
	Matara	01	01	15	17
	Hambantota	01	01	10	12
North	Jaffna	01	03	14	18
	Kilinochchi	00	00	03	03
	Mannar	00	01	04	05
	Vavuniya	00	01	04	05
	Mulativu	00	00	04	04
East	Ampara	02	01	17	20
	Trincomalee	00	02	11	13
	Batticaloa	01	02	09	12
TOTAL					341
Total No. of Elected Members in the year 2019					8570

Since local councils are the prime delivery entities of local services to the public, these councilors need to make decisions with sound knowledge and awareness regarding the dedicated principle of the present government of good governance and emphasis on transparency and accountability.

Thus, the goal of every year would be to consider showing the path way leading to provincial level democratic processes to which local authorities and provincial councils are committed and to orient the capacity enhancement process in local authorities & provincial councils accordingly.

2.2. Corporate Governance Statement

Name of the Institute	: Sri Lanka Institute of Local Governance (Incorporated by an Act of Parliament No. 31 of 1999)
Date of commencement of the Operations	: 15.10.1999
Registered Office	: No. 17, Malalasekara Mawatha, Colombo 07.
Auditors	: Auditor General Department of the Auditor General
Bankers	: Bank of Ceylon Independence Square Branch, Colombo 07.
Overseas Associations	: (a) Commonwealth Local Government Forum (CLGF) (b) Network of Local Government Training and Research Institutes in Asia and the Pacific (LOGOTRI)
Local Associations	: a) UNDP b) UNHABITAT c) CHRYSALIS
Affiliated Projects /Assignments	: (a) State of Sri Lankan Cities Project (b) Introduction of New Accounting System to LAs funded by UNDP

2.3. Members of the Governing Council

Governing Council from 01st January 2019 to 31st December 2019

The Governing Council of the Institute comprises thirteen (13) members including eight (08) ex officio members and five (05) appointed members.

The ex officio and the appointed members are as follows,

- Mr. H.T. Kamal Pathmasiri (upto April 2019)
Secretary – Ministry of Provincial Councils and Local Government - Chairman
- And
- Mr. H.M. Gamini Senevirathne (Since August 2019)
Secretary – Ministry of Public Administration, Home Affairs,
Provincial Councils & Local Government
- Mr. M.M.P.K. Mayadunne - Member
Secretary – Ministry City Planning & Water Supply
- Mr. Anura Dissanayake - Member
Secretary – Ministry of Mahaweli Development and Environment
- Mr. Bernard Wasantha - Member
Secretary – Ministry of Housing, Construction and Cultural Affairs
- Mrs. B.M.M.M. Basanayake (Since August 2019) - Member
Additional Secretary – Investigation, Monitoring & Research
Ministry of Public Administration & Management
- Dr. M.K.C. Senanayake - Member
Director – Dept. of Fiscal Policy, Ministry of Finance & Planning
- Dr. U. Anura Kuamara - Member
Dean - Faculty of Management – University of Sri J'pura
- Mr. Naveen Shanaka Hettiyadurage - Member
Attorney-at-Law
- Mr. D.H.P.A.S. de Silva - Member
Deputy Director General – Ministry of Health

- Mr. Buddhi Jayawardane - Member
- Mr. Ananda Wickrama - Member
- Mr. M.S.M. Rismy / Mr. E.M.D.B. Ekanayake - Member & Convenor
Director – Sri Lanka Institute of Local Governance

Secretary of the Governing Council

- Ms. Niranjala Perera
Board Secretary cum PA to the Director/CEO

All the decisions related to the functioning and management of the Institute is made by the Governing Council. The Governing Council of the Institute consists of secretaries to specified ministries and representatives of professional organizations. The chairperson is the Secretary to the Ministry of Local Government & Provincial Councils.

The Director of SLILG, who is also the convener of the Council, is the Chief Executive Officer of the Institute. He acts on the overall guidance of the Governing Council. The Director is assisted by the Additional Director and a team of Consultants, Deputy Directors, Assistant Director (Finance) and the support staff.

SLILG is presently organized into Thirteen divisions, namely the General Management and Human Resource Management Division, Engineering Division, Physical Planning Division, Financial Management Division, Legal and Legislative Affairs division, Research and Publications division, Institutional Capacity Building division, Information & Communication Technology division, Waste Management & Environment Protection, Internal Audit, Administration division and Accounts division.

	Name of the Governing Council Chairman / Member	Designation	Governing Council Dates				
			Meeting No. 165 09 th April 2019	Meeting No. 166 06 th August 2019	Meeting No. 167 26 th September 2019	Meeting No. 168 28 th October 2019	Total
1	Mr. H.T. Kamal Pathmasiri (upto April 2019) Secretary – Ministry of Provincial Councils and Local Government And Mr. H.M. Gamini Senevirathne (Since August 2019) Secretary – Minsitry of Public Adminsitration, Home Affairs, Provincial Councils & Local Government	Chairman	√	√	√	√	04
2	Mr. M.M.P.K. Mayadunne Secretary – Ministry City Planning & Water Supply	Member	ab	ab	√	√	02
3	Mr. Anura Dissanayake Secretary – Minsitry of Mahaweli Development and Environment	Member	√	ab	ab	-	01
4	Mr. Bernard Wasantha Secretary – Ministry of Housing, Construction and Cultural Affairs	Member	ab	ab	√	√	02
5	Mrs. B.M.M.M. Basanayake (Since August 2019) Additional Secretary – Investigation, Monitoring & Research) Ministry of Public Administration & Management	Member	ab	√	√	-	02
6	Dr. M.K.C. Senanayake Director – Dept. of Fiscal Policy, Ministry of Finance & Planning	Member	√	√	ab	√	03
7	Dr. U. Anura Kuamara Dean - Faculty of Management – University of Sri J'pura	Member	√	ab	√	ab	02
8	Mr. Naveen Shanaka Hettiyadurage Attorney-at-Law	Member	√	√	ab	√	03
9	Mr. D.H.P.A.S. de Silva Deputy Director General – Minsitry of Health	Member	√	√	√	√	04
10	Mr. Buddhi Jayawardane	Member	ab	ab	ab	ab	00
11	Mr. Ananda Wickrama	Member	ab	√	ab	ab	01
12	Mr. M.S.M. Rismy / Mr. E.M.D.B. Ekanayake Director - Sri Lanka Institute of Local Governance	Convenor	√	√	√	√	04
			07	07	07	07	

2.4. Members of the Audit and Management Committee

The following members were engaged in activities of the Audit and Management Committee during year 2019.

- | | |
|---|------------|
| (a). Dr. M.K.C. Senanayake
Director – Dept. of Fiscal Policy, Ministry of Finance & Planning | - Chairman |
| (b). Mr. Naveen Shanaka Hettiyadurage
Attorney –at-Law | - Member |
| (c). Mr. E.M.D.B. Ekanayake (upto April 2019)
Member of the Governing Council | - Member |
| (d). Mr. E.M.D.B. Ekanayake (since July 2019)
Director – Sri Lanka Institute of Local Governance | - Member |
| (e). Internal Auditor
Sri Lanka Institute of Local Governance | - Convener |

External Observers

- | | |
|---|--|
| (f). Mr. Asoka Dhanapala
Superintendent of Audit – Dept. of Auditor General | |
| (g) Mr. D.S.R. Fernando
Chief Internal Auditor – Ministry of Provincial Councils and Local Government division | |

Secretary to the Audit & Management Committee

- | | |
|---|--|
| (h). Ms. Niranjala Perera
Board Secretary cum PA to the Director/CEO | |
|---|--|

SLILG Staff

- | | |
|---|--|
| (i). Mr. Hiran Radeesha
Accounts Officer / Cover up for Assistant Director (Finance) | |
| (j). Mr. A.E. Samararatne
Administration Officer | |

The Audit and Management Committee comprises three members from the Governing Council. Dr. M.K.C. Senanayake, representative of the General Treasury, held its chair and Mr. Naveen Shanaka Hettiyadurage and Mr. E.M.D.B. Ekanayake appointed as the Members nominated by the Governing Council for the AMC.

In addition, Audit Superintendent in charge of the Auditor General's Department and Chief Internal Auditor of the Ministry of Provincial Councils and Local Government attended the Meetings of the Audit and Management Committee as main observers.

The Administration Officer and the Accounts Officer/Asst. Director - Finance (Actg.) as well as officers holding other relevant positions appeared before the Committee whenever necessary to give clarifications upon being summoned by the Audit and Management Committee.

The internal auditing activities were carried out by the Internal Audit Division. The operations within the purview of audit has been planned to be implemented within the year covering operational, financial and administrative divisions. In addition, the Auditor General's Department subjected the deficiencies existing in terms of operations, administration and finance as well as shortcomings in internal controls to evaluation, side by side with auditing the Financial Statements. Measures were adopted to make the necessary rectifications by discussing the internal audit report with the management. The audit was planned and implemented to obtain an assurance that the affairs of the Institute are conducted in accordance with the internal Circulars of the Institute, the Financial Regulations, the Establishments Code and other regulations. All the financial, administrative and operational activities including the preparation of the Financial Statements of SLILG, preservation and maintenance of the assets of the institute and maintaining the liquidity of SLILG were subjected to audit in this endeavor.

The Audit and Management Committee inspected the Financial Progress Reports prepared by the Accounts Officer/Asst. Director- Finance (Actg.) and submitted recommendations to the Governing Council pertaining to the action that should be taken regarding it. The Audit and Management Committee discussed with the Auditor General's Department their observations, conclusions and recommendations at its meeting.

In addition, the Audit and Management Committee evaluated the facts unveiled by the internal audit reports and the effectiveness of the auditing methodologies and provided the instructions and guidance necessary to minimize the deficiencies. The Audit and Management Committee conducted meetings three times during this year.

NOTE : Due to the Resignation of Mr. Ranjith Liyanarachchi – Internal Auditor of SLILG and delay in appointing a new Internal Auditor, the Audit & Management Committee meetings were held by the direct Supervision of Director/SLILG.

Further, Mr. E.M.D.B. Ekanayake who was a member of the Governing Council & AMC appointed as the Director/CEO of SLILG but a new nomination for AMC was not given by the Governing Council to the vacant position of Mr. Ekanayake.

	Names of the Audit & Management Committee Members	Position at the Council	AMC Dates			No. of days present
			Meeting No. 01 30 th April 2019	Meeting No. 02 11 th June 2019	Meeting No. 03 23 rd July 2019	
1	Dr. M.K.C. Senanayake Director - Dept. of Fiscal Policy, M/Finance & Mass Media & Member of the Governing Council	Chairman	✓	✓	✓	03
2	Mr. Naveen Shanaka Hettiyadurage Member of the Governing Council	Member	✓	✓	✓	03
3	Mr. E.M.D.B. Ekanayake Member of the Governing Council	Member	✓	✓	✓	03
4	Internal Audit Officer - SLILG	Convener	--	--	--	00
External						
5	Mr. Asoka Dhanalapala Superintendent of Audit, Dept. of Auditor General	Observer	✓	✓	✓	03
6	Mr. D.S.R. Fernando Chief Internal Auditor, Ministry of Provincial Councils and Local Government division	Observer	✓	✓	✓	03
			05	05	05	

Mrs. S.A.S.S.Niranjala Perera - Board Secretary cum PA to the Director was the Secretary to the AMC

3.0. REVIEW OF THE MANDATE OF THE AUTHORITY AND THE ROLE OF THE INSTITUTE TOWARDS THE IMPROVEMENT OF PERFORMANCE OF PROVINCIAL COUNCILS AND LOCAL AUTHORITIES

3.1. Consultancy Service of Sril Lanka Institute of Local Governance

SLILG has established nine (09) major divisions for consultancy services, namely:

- a. Engineering
- b. General Management & Human Resource Management
- c. Physical Planning
- d. Financial Management
- e. Legal and Legislative Affairs
- f. Research
- g. Training and Development
- h. ICT
- i. Waste Management & Environment Protection

3.2. Target Group

The beneficiaries of training, research and consultancy services, etc. are the nine provincial councils and the local government bodies which comprise elected representatives and officials respectively.

Each category of the target group differs from one another. Therefore programmes have been designed to cater to the needs identified through training need analysis and discussions with Provincial Management Development Training Units. The SLILG has also played a supporting role in designing provincial level programmes.

3.3. Co-ordination and Monitoring

Co-ordination and monitoring of training activities implemented by Provincial Management Development Training Units and Local Government Commissioners are considered to be important activities implemented by this institute. The progress of these activities is reviewed through monthly review sessions conducted by Provincial Management Development Training Units (MDTU) and the SLILG.

MDTU Meetings at SLILG



3.4. Business Promotion

The past experience of the SLILG makes it clear that various governmental and non-governmental organizations seek the support of the SLILG for the implementation of their projects related to local governance. It is necessary to filter these activities in order to identify the result-oriented projects. These business promotion activities are under the supervision of the Director of the SLILG. After negotiating with the relevant organizations, the Director has taken measures for the appropriate implementation of the programmes with the approval of the Governing Council as well.

Visit of Qatar Delegation – 29th March 2019

The Central Municipal Council, which comprises 29 elected members representing 29 constituencies from more than 242 regions in the State of Qatar was an independent entity and aims to use all available means to develop the country in Municipal matters. The Embassy of the State of Qatar – Colombo initiate exchange of visits between the relevant officials in both countries in order to share technical know-how, best practices and mechanisms of cooperation.

Accordingly, Sri Lanka Institute of Local Governance organized a one day programme on “Decentralization of Local Government System in Sri Lanka” to the delegations from the State of Qatar including His Excellency Mohammed bin Hamoud Shafi Al-Shafi – Chairman of the Central Municipal Council in the State of Qatar.



3.5. Linkages with National / International Training and Educational Institutions

Sri Lanka Institute of Local Governance is linked with both national and international organizations. These linkages have been maintained in a way that both parties are mutually benefited. The linkages thus established have helped in creating the opportunity for enhancing overseas training opportunities with their facilitation (CLGF). SLILG expects to exchange information with USAID, UN-HABITAT, UNDP, CHRYSALIS, DFAT - Australia, World Bank and the European Union during the year 2019.



European Union

ஐரோப்பிய ஒன்றியம்



Further, in the year 2019 SLILG had an opportunity to be registered under Tertiary and Vocational Educational Commission (VTEC) as per TVE Act No. 20 of 1990. Registered No. P01/0881.



3.6. SPECIAL EVENTS

3.6.1. National Symposium on ICT strategies of Local Government Sector in year 2020

Objective:

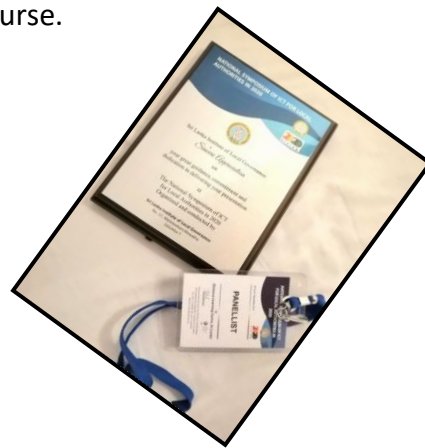
- The purpose of this Symposium is to provide understanding of the main issues related to adoption of modern technology & computer systems. This covers underlying concepts and foundations of computer applications basic knowledge about ICT in decision making of LAs and in designing IT infrastructures, techniques to secure innovative solutions.
- To enhance the Knowledge and Skills of the Elected Members and Officers who are working in Local Authorities & other Organizations on ICT and related technologies

For Whom:

- Elected members of the Local Authorities, Commissioner / Secretaries of the Local Authorities , Technical offices / ICT offices and Who are Interested in this Subjects , Hon. Member of Local Authorities, officers who are working in public Sector and who are interested and wish to Study this Course.

Content:

- Introduction ICT trends
- Vision 2020
- e-LG and more
- Challenges of the Millennium
- ICT Human Resource Development
- Automation of Revenue Collections



4.0 OVERALL PERFORMANCE OF THE INSTITUTE DURING YEAR 2019

4.1. Summary of the National Level Programmes conducted by the Institute – Year 2019

Table 2

	Western	North Western	North Central	Sabaragamuwa	Central	Southern	Uva	Eastern	Northern	Total
Engineering	03	03	03	03	03	03	03	02	02	25
General Management	03	03	03	03	03	03	03	03	03	27
Physical Planning	03	03	03	03	03	03	03	03	03	27
Financial Management	02	02	02	02	02	02	02	02	02	18
Legal & Legislative	03	03	03	03	03	03	03	03	03	27
Information & Communication Technology	03	03	03	03	03	03	03	03	03	27
Research	01	--	01	01	01	01	01	--	01	07
Solidwaste & Ennvironmental Protection	03	02	02	02	02	02	02	02	01	18
Total	21	19	20	20	20	20	20	16	18	174

4.2. Target & Actual Beneficiaries

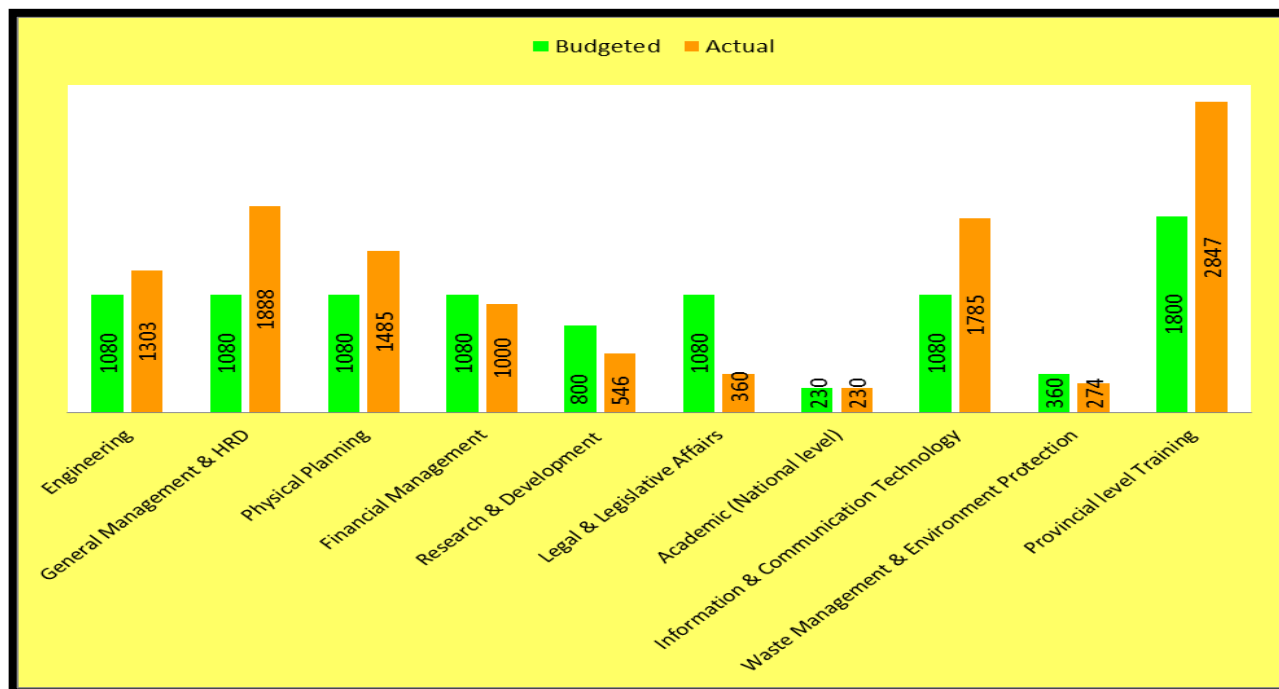


Figure 1

4.3. Budget allocation and Actual expenditure in all divisions

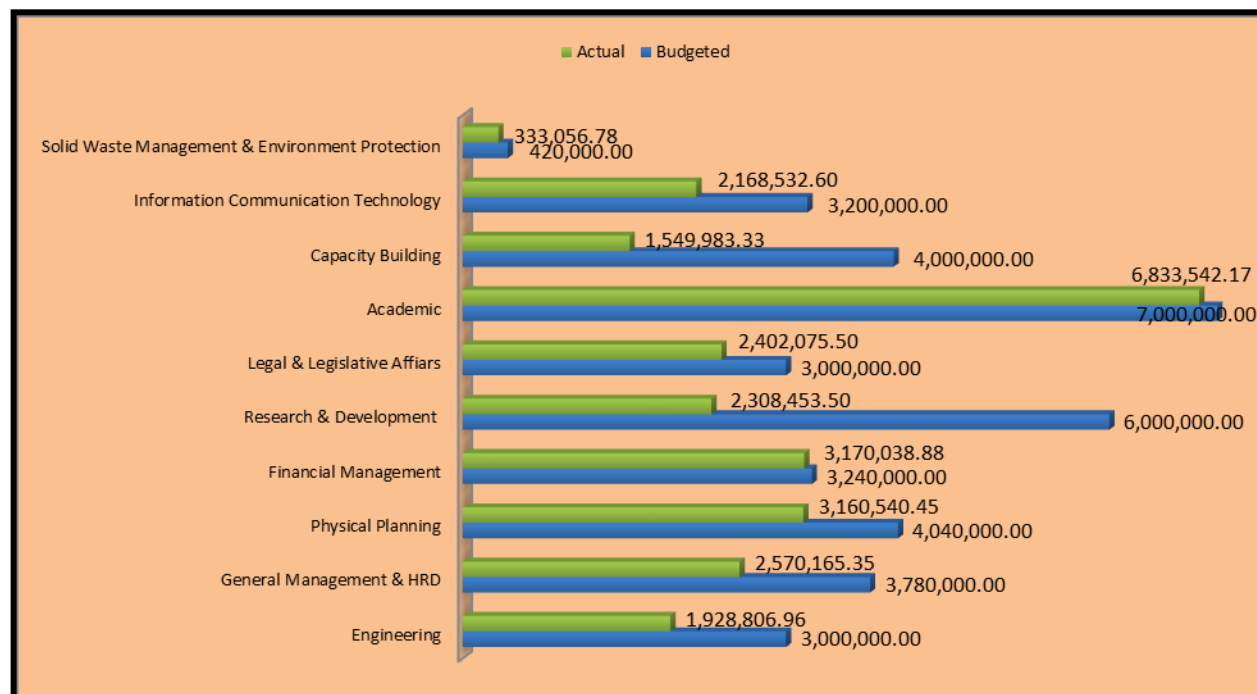


Figure 2

*** The actual expenses are taken excluding fee levy allocations

4.4. Comparison of Financial Utilization of Treasury Funds - Year 2015, Year 2016, Year 2017, Year 2018 and Year 2019

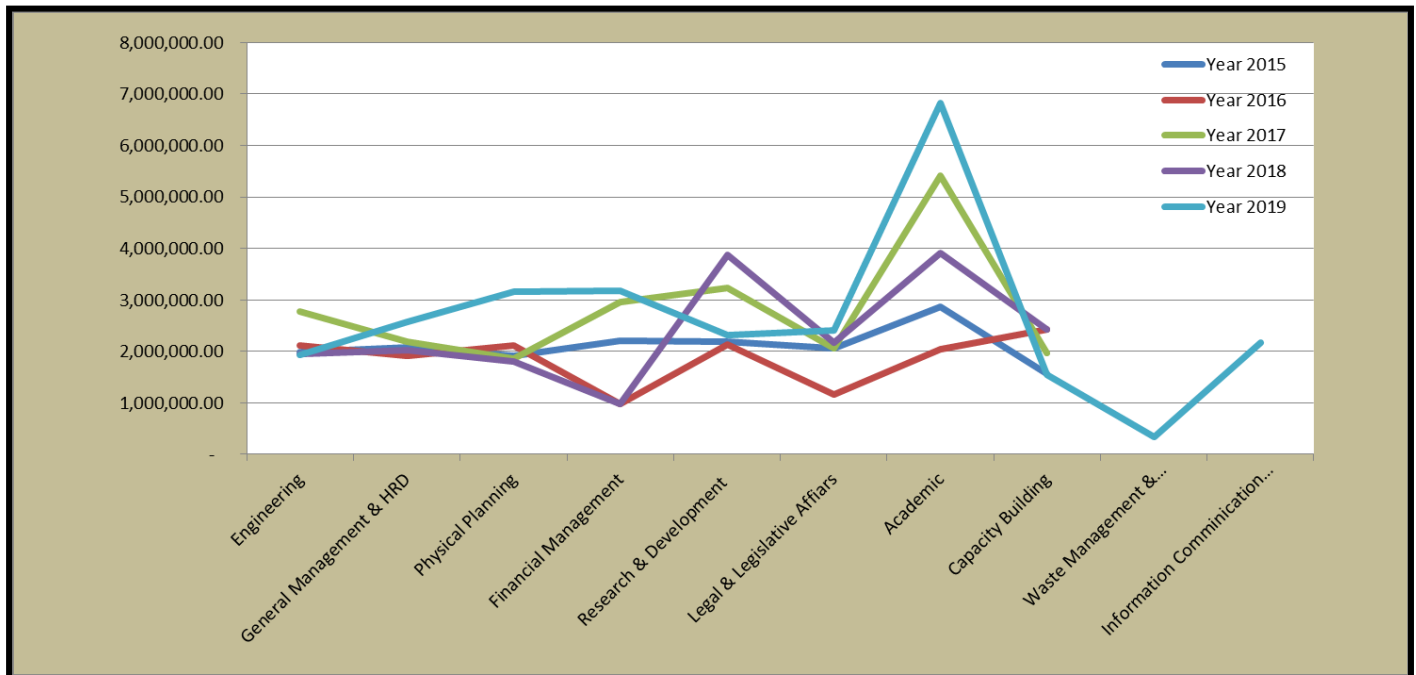
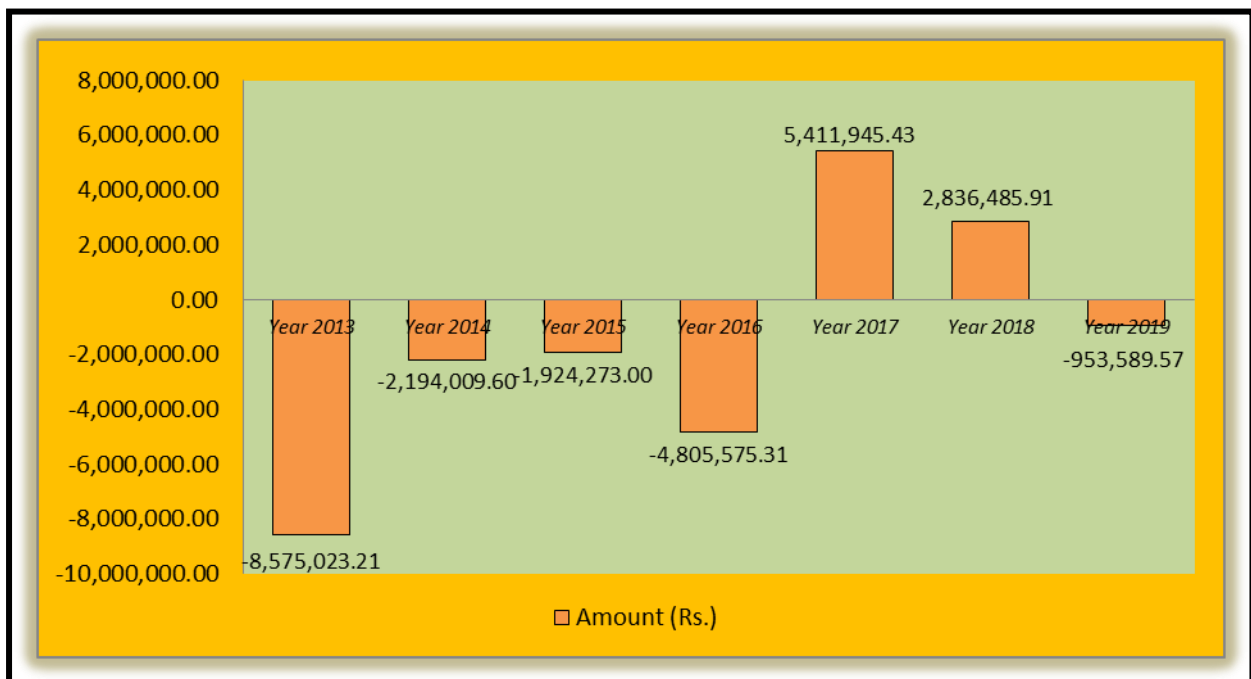


Figure 3

4.5. Profit/Loss for the past few years



Figure

4.6. INFORMATION ON THE PERFORMANCE OF EACH DIVISION OF THE INSTITUTE

4.6.1. ENGINEERING DIVISION

- Allocated Budget - Rs. 3,000,000.00
- Utilized Amount - Rs. 1,928,806.96
- No. of Programmes / Workshops etc. completed
(including Provincial level programmes) - 24
- Actual beneficiaries - 1303
- Usage percentage of funds - 64.29%

Code SLILG/07/NL/2019	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
E/07/NL/2019/01	Knowledge and Skills Development programme (Surveying and Leveling)	TO,s and Relevant Staff	02 days	WP - March NCP - May SP - July NWP - June EP - August NP - October Uva - September CP - April SGP. - September	9
E/07/NL/2019/02	Knowledge and Skills Development programme (Concrete Technology, Site Investigation Identification of Soil for Engineering Purpose, and Foundation)	TO,s and Relevant Staff	02 days	WP - May NCP - May SP - March NWP - January EP - August NP - July Uva - April CP - June SGP. - February	9
E/07/NL/2019/03	Knowledge and Skills Development programme for Environmental Law EPL process and Court Procedure	TO,s and Relevant Staff	01 days	WP - June NCP - March SP - August NWP - January EP - October NP - September Uva - July CP - February SGP. - October	9

E/07/NL/2019/04	Knowledge and Skills Development programme for power saving and Identify for quality products	TO,s and Relevant Staff	02 days	June Jul August	3
E/07/NL/2019/05	Procurement Method & Bond (Fee-levy Course)	TO, Sec and Subject officer (around 50 person)	03 Months	March to May	1
E/07/NL/2019/06	Engineering Diploma (Fee-levy Course)	TO's and Relevant Staff (around 50 person)	18 month	May 2019 to November 2020	1

Engineering Division of SLILG bears the complete responsibility of improving the performance of Technical Departments of Local Authorities and Engineering Divisions of Provincial Councils. These objectives are expected to be achieved through training and research activities designed in accordance with the institutional objectives.



Engineers, Work Superintendents and Technical Officers were given training on relevant areas that were selected. In addition, programmes on capacity building were provided to Technical Officers and Provincial Engineers attached to Provincial Councils.

4.6.2. GENERAL MANAGEMENT & HUMAN RESOURCE DEVELOPMENT DIVISION

The General Management Division of the SLILG is set up to enhance the managerial capabilities of the elected members and the staff of the Provincial Councils and the Local Government Institutions in Sri Lanka. The Institutional strengthening programmes implemented under the division especially focused on the contemporary capacity building needs of the PCs and LAs. Priority is given to raise the general awareness on devolution and good governance among political leaders, government officials and the civil society. In addition to the national level programs, customized programs too are to be introduced according to needs.

- Allocated Budget - Rs. 3,780,000.00
- Utilized Amount - Rs. 2,570,165.35
- No. of Programmes / Workshops etc. completed
(including Provincial level programmes) - 35
- Actual beneficiaries - 1888
- Usage Percentage of Funds - 67.99%

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
GM/01	Workshop on Public Relations as Relationship Management	Elected Members/Commissioner/ Council Secretaries/ Administration Officers	12 Months	Jan - Dec	09
GM/02	Workshop on Performance management & supervision	Administration Officers /Subject Clerks	12 Months	Jan - Dec	09
GM/03	ToT on the Awareness of Drug Prevention	Elected Members/Commissioner/ Council Secretaries/ Administration Officers/Development officer/Minor staff	12 Months	Jan - Dec	09
GM/04	Awareness programme on Drug Prevention	Selected Officials	03 Months	May - July	01



Objectives of the Division,

- ❖ Improve managerial capabilities of elected members and officials of Provincial Councils and Local Authorities for good governance.
- ❖ Strengthen the capacity of elected members and officials of PCs and LAs to improve their performances and changing attitudes to provide better public service to the community.
- ❖ Develop private public partnership to eliminate any barriers for the development in sub national level.
- ❖ Improve the institutional efficiency, effectiveness and productivity to provide better service to general public and other customer satisfaction.

The action plan for every year is formulated after scrutinizing the best practices in local governance in the country as well as in the region. Especially the present situation and the existing capacity levels in the provincial councils and local authorities are taken into accounts.

4.6.3. PHYSICAL PLANNING DIVISION

The Functions of Physical Planning Division came into operation in 2003. Having studied the needs and having assessed the requirements, module preparation was undertaken as a result of which training programmes were stated from 2004. Then Annually Revised Training Programmes with the need assessments done by the Research Division of SLILG. The division is headed by a full time consultant and is assisted by a Physical Planning Officer. Local Authorities are tasked with the function of approving building plans, identification of locations, efficient and rationalized land use and implementing the legislative provision for land use and building plans. The LAs are expected to prepare plans in keeping with Basically, UDA and NPPD Laws and other relevant laws ordinances reforms. Hence this division covers an important field of Local Government activities based on a development platform.

In addition to that started certificate course on project management (fee levy) in the year 2019.

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
PP/13/NL/2019-01	W/S on Physical Planning	Council Members, Commissioner Secretary /MC/UC/PS, PPAs, EOs, DAs, CDOs, TOs Of Local Authorities.	02 Days	Jan - May	09 Programmes (02 Tamil Medium)
PP/13/NL/2019-02	W/S on Physical Planning , Development Activities and Revenue Generation	Council Members ,Commissioner Secretary /MC/UC/PS , PPAs, EOs, DAs, CDOs, TOs Of Local Authorities.	02 Days	May - Aug	09 Programmes (02 Tamil Medium)
PP/13/NL/2019-03	W/S on Application of Urban Design principles and Practice for local Authorities.	Council Members , Commissioner Secretary /MC/UC/PS, PPAs, EOs, DAs, CDOs, TOs Of Local Authorities.	02 Days	Sept. – Nov.	09 Programmes (02 Tamil Medium)
PP/13/NL/2019-04	Certificate Course in Projects Management	EM, PPAs, EOs, DAs, CDOs, TOs Of Local Authorities.	03 months	May – Aug.	01

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Progrms.
PP/13/NL /2019-05	National Semeina on Physical planning	Higher officers engaig with the development activities	02 Days	May-Nov	01

Objectives

Section 3 of the SLILG Act No. 31 of 1999, defines the functions of the institute. Out of those functions, the following are related to the Physical Planning Division. The objectives of the division are perform the following functions:

- To provide training to the members and officers and servants of provincial councils and Local Authorities with a view to equipping them to perform their official duties efficiently and effectively.
- To undertake consultancy assignments in the field physical planning for provincial and local government.
- To collaborate with other organizations in Sri Lanka and abroad having objectives similar to those of the Institute and division.
- To conduct, promote and assist research into aspects of physical panning for provincial and local government with the support of Research Division of SLILG.

Allocated Budget - Rs. 4,040,000.00

Utilized Amount - Rs. 3,160,540.45

No. of Programmes / Workshops etc. completed
(including Provincial level programmes) - 28

Actual beneficiaries - 1485

Usage Percentage of Funds - 78.23%



4.6.4 FINANCIAL MANAGEMENT DIVISION

- Allocated Budget (LKR 000') - Rs. 3,240,000.00
- Utilized Amount (LKR 000') - Rs. 3,170,038.88
- No. of Programmes / Workshops etc. completed
(including Provincial level programmes) - 18
- Actual beneficiaries - 1000
- Usage Percentage of Funds - 97.84%

The Financial Management Division covers the following subject

- Financial Management
- Revenue Management
- Cost management
- Accounting
- Budgeting
- Salary conversion and salary preparation
- Audit

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
FM/08/NL/2019/01	Practical Training Programme on Preparation & presentation of Financial Statements for LAs based on Sri Lanka Public Sector Accounting Standards	Accountants, Finance Officers, Secretaries of Local Authorities, Investigation Officers & other Relevant Officers of LAs	04 day	May - WP June - SP,SG July - CP August - NCP, NP September - EP October - NWP November - UVA	09
FM/08/NL/2019/02	Work shop on Preparation of Salaries for Local Authorities	Accountants, Finance Officers, Secretaries of Local Authorities, Investigation Officers & other Relevant Officers of LAs	02 day	January - CP February - NWP February - SG February - NCP March - EP March - SP March - WP April - UVA , NP	09

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
FM/08/NL/2019/03	Diploma in Local Government Financial Management 2018/2019	Accountants, Finance Officers, Secretaries and Investigation Officers & other Relevant Officers of LAs	01 Year	January 2019 to December 2019	01

These subjects have been identified as a major need to ensure the achievement of the expected targets within the existing legal framework, such as the Municipal Council Ordinance, the Provincial Ordinance and the Regional Acts.

Further, the Financial Management Division of the Institute has comprehended these requirements in accordance with the Sri Lanka Public Sector Accounting Standards for Local Authorities introduced in 2017 and the above training programs are well planned to achieve this task.



4.6.5 LEGAL & LEGISLATIVE AFFAIRS DIVISION

The Legal and Legislative Affairs Division of SLILG is mandated to strengthen the legislative capacities of elected members and officials of Sub – National Government Institutions in Sri Lanka. The Provincial Councils and Local Authorities, which constitute the Sub – National Government of the country, derive their legal mandate by the respective governing legislations. Therefore the constitution, establishment, powers and functions of them have been built on a legislative foundation.

It has been observed that, elected members and officials of PCs and LAs lack the legislative capacities namely drafting, reviewing, validation and approving By-Laws and Statutes as well as applying the prevailing laws in day to day activities. This has been identified as a major drawback which led PCs and LAs to face with wide range of legal issues, irregularities, malpractices and violation of laws.

- Allocated Budget (LKR 000') - Rs. 3,000,000.00
- Utilized Amount - Rs. 2,402,075.50
- No. of Programmes / Workshops etc. completed
(including Provincial level programmes) - 30
- Actual beneficiaries - 1372
- Usage Percentage of Funds - 80.07%

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
LD/09/NL/2019/01	Levying of Taxes & Revenue	Elected Members & Relevant Officers to the Subject Matter of LAs	02 days	SP - January CP - January SGP - January WP - March NCP - April NP - May Uva - May NWP - June EP - July	09
LD/09/NL/2019/02	Preparation & Implementation of By- Law	Elected Members & Relevant Officers to the Subject Matter of LAs	02 days	CP - February SP - March EP - May SGP - June WP - June NCP - July NP - September Uva - Oct NWP - November	09

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
LD/09/NL/2019/03	Local Government Law	Elected Members & Relevant Officers to the Subject Matter of LAs	01 day	NWP - March WP - February Uva - April SP - May NCP – August SGP. –August CP - September NP – September EP. - October	09
LD/09/NL/2019/04	Certificate Course in Local Government Law (Fee-Levy Course)	Elected Members & Officials of the LAs (around 50 person)	3 Months	March to May	01
LD/09/NL/2019/05	Right to the Information Act/Optional or Request Programme	Elected Members & Relevant Officers to the Subject Matter of LAs	01 day	May - December	03

The Legal and Legislative Affairs Division of SLILG is mandated to strengthen the legislative capacities of elected members and officials of Sub – National Government Institutions in Sri Lanka. The Provincial Councils and Local Authorities, which constitute the Sub – National Government of the country, derive their legal mandate by the respective governing legislations. Therefore the constitution, establishment, powers and functions of them have been built on a legislative foundation.

It has been observed that, elected members and officials of PCs and LAs lack the legislative capacities namely drafting, reviewing, validation and approving By-Laws and Statutes as well as applying the prevailing laws in day to day activities. This has been identified as a major drawback which led PCs and LAs to face with wide range of legal issues, irregularities, malpractices and violation of laws.

The programs of the Legal and Legislative Affairs Division are specially designed having identified and assessed the present situation, training needs and requirements of PCs and LAs and to address them effectively.

This helps to fill the existing knowledge gap of LAs on general laws of the country with a deeper emphasis on the Constitution, By-Laws, Administrative Law, Court Procedure and Council Affairs of LAs. Having focused on the overall objective of strengthening legislative capacities of PCs and LAs, the following specific objectives will be addressed by the division.

4.6.6. TRAINING DIVISION

- Allocated budget (LKR 000') (National & Provincial) = Rs. 7,000,000.00
- Utilized Amount (LKR 000') = Rs. 6,833,542.17
- No. of Programmes / Workshops etc. completed
(including Provincial level programmes) = 46
- Actual beneficiaries = 2847
- Usage Percentage of Funds = 97.62%

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
T/01	Higher Diploma in Local Governance 2017/2018 Continuing from year 2017	Officers of LAs & PCs	08 Months	January to June 2019	01
T/02	Diploma in Local Governance 2019/20 Academic Year	Elected Members of LAs & PCs	One Year	May to June 2020	01
T/03	Diploma in Local Governance 2019/20	Officers of LAs & PCs	One Year	July to Aug 2020	01

Code	Name of the Programme/ Activity	Target Group	Duration	Month	No. of Programmes
T/04	Diploma in Community Development 2019	Elected Members & other Officers of LAs & PCs	One Year	June to July 2020	01
T/05	Certificate Course in Local Governance	Elected Members & other Officers of LAs & PCs	03 months	June to October 2019	01
T/06	Advanced Certificate Course in Local Governance	Elected Members & other Officers of LAs & PCs	05 months	June to October 2019	01
T/07	Meeting of Management Development and Training Units	Issues relevant to Local Governance	One Day	Quarterly Meeting	Four Meetings
T/08	Meeting of Provincial Training Co-ordinators	Issues relevant to Local Governance	One Day	Quarterly Meeting	Four Meetings
T/09	News Letter (Sinhala/Tamil)	Articles relevant to Local Governance	One Issue for a quarter	Quarterly Issue	Four Issues
T/10	Special Training Programmes for LAs & PCs	Subjects selected by the PCs based on the TNA	2- 3 days	Quarterly Issue	25 Programmes
	Module Preparation	Preparation of By- Laws for LAs, Taxes and income generation, Final Accounts, Development thought, Rural Development, Disaster Management, Debt Management in LAs, Approach to Political Science	Not Relevant	Not Relevant	Not Relevant

Training division of the institute has carried out the following activities relating to human resource development of officers and elected members of provincial councils and local authorities.

- Assessment of Training needs
- Identification of target groups
- Development of training manuals and modules
- Conduct training of trainers programme
- Arrange training programmes in key areas for members and staff of Provincial Councils and Local Government Institutions
- Conduct the National level Diplomas / Certificate Courses on Local Governance.

Diploma and Certificate Courses conducted in the Year 2019

- Contd.... Advance Diploma in Local Governance 2018/2019
 - Advance Diploma in Local Governance 2019/2020
 - Diploma in Community Development 2018/2019
 - Certificate Course for Elected Members on Local Government
-
- Disseminate information on Local Governance
 - Quarterly Newsletter (Tamil/Sinhala)
 - Governance Journal (Annually)
 - Establish and maintain an up to date Library on Local Governance
 - Support and strength the MDTUs and PCLGs for conducting Provincial and Local Government training.

Meetings conducted in the Year 2019

- MDTU Meetings - 04 nos.
- Coordinator's Meeting - 04 nos.

➤ Co-ordinate, monitor and evaluate the training programmes conducted by MDTUs and PCLGs in local levels.



4.6.7. ENVIRONMENT PROTECTION AND WASTE MANAGEMENT

Waste Management and Environmental Management has become a subject of special interest in the field of Local Government. However, the implementation of special programs for waste management and environmental management in the local government sector is not sufficiently undertaken by the institute as there is no separate division. Hence, SLILG decided to implment a new division called “Environment Protection and Waste Management” in the latter part of year 2019. As a trial SLILG conducted 07 Solid Waste Management Programmes islandwide. There was a positive response from the local authorities and this was tabled to the Governing Coucil for approval.

• Allocated budget (LKR 000') (National)	= Rs. 420,000.00
• Utilized Amount (LKR 000')	= Rs. 333,056.78
• No. of Programmes / Workshops etc. completed (including Provincial level programmes)	= 7
• Actual beneficiaries	= 274
• Usage Percentage of Funds	= 79.29%



Solid Waste Management
Sabaragamuwa Province

Solid Waste Management – Western Province



Solid Waste Management – Central Province



4.6.8. CAPACITY BUILDING OF SLILG

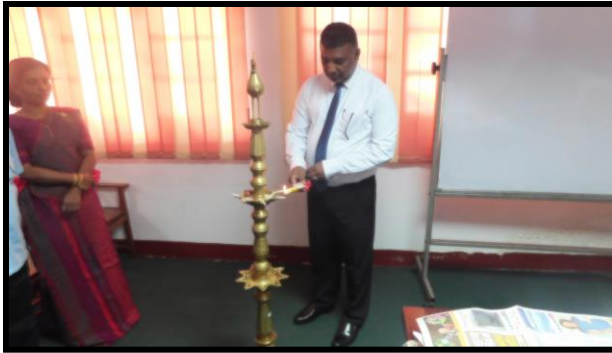
Having passed several landmarks during the period of past nineteen (19) years, it is important that the SLILG, as an Institute, looks back on its own performance up to now and gain from the exercise to guide its functions in specialized functional agendas and need to asses the impact in achieving its goals and objectives. It was expected to perform the functions of the institute eliminating isolation.

- | | |
|-------------------------------|--------------------|
| • Allocated Budget (LKR 000') | - Rs. 3,200,000.00 |
| • Utilized Amount (LKR 000') | - Rs. 1,549,983.33 |
| • Usage Percentage of Funds | - 67.77% |

Outbound Training programme



Avurudu Celebration



4.6.8. Research & Development Division

The Research & Development Division of the SLILG support Local Authorities & Provincial Councils by conducting Research & Surveys and dissemination of finding and recommendations for the policy making process to strengthen both the Local Government & Provincial Council sectors. Also the Division conducts capacity development programs based on the findings of the research studies conducted by the division.

- Allocated Budget (LKR 000') - Rs. 6,000,000.00
- Utilized Amount (LKR 000') - Rs. 2,308,453.50
- Usage Percentage of Funds - 38.47%

Objectives:

- ❖ To undertake promote and conduct Research on Local Government and Provincial Council sectors to improve the capacities.
- ❖ Dissemination of Research findings among relevant Policy Makers & Implementing Agencies for Policy making process
- ❖ To unearth areas of Importance for new Research initiatives.
- ❖ Documentation of Research outputs.
- ❖ Publish Research findings relevant to Local Government & Provincial Councils.
- ❖ Link with National as well as International Research Bodies in the area of Governance.
- ❖ Link with the line Ministry to maintain a Data Base for Provincial Councils & Local Authorities.

- ❖ Conducting courses/workshops on Research Methodology for relevant officials of the Local Government and Provincial Council sectors at National, Provincial & District levels to develop a research culture
- ❖ To provide awareness for Elected Members and Officials of Local Authorities and Provincial Councils based on the findings of the research studies

Research Studies – Year 2019:

- ** Research study on HRM issues faced by Local Authorities and their future constraints
- ** Research study on linkage between Provincial Councils and Local Authorities



4.6.9. Information and Communication Technology

The Information & Communication Technology Division which is responsible for management of the Information and communication including websites, Local Area Network, Databases and Computer Hardware and Software Management, and involved with training various reform oriented ICT Programmes for the local government staff.



Functions

- # Provision of email and internet service to the staff of the institute and local government sector.
- # Development and Maintenance of the SLILG website
- # Maintenance of the computers and Local Area Network of the institute
- # Training of the local government staff to increase the IT literacy
- # Distribution of official information email and internet
- # Providing IT based services to the Ministry and agencies



# Allocated Budget (LKR 000')	- Rs. 3,200,000.00
# Utilized Amount (LKR 000')	- Rs. 2,168,532.60
# No. of Programmes / Workshops etc. completed (including Provincial level programmes)	- 38
# Actual beneficiaries	- 1785
# Usage Percentage of Funds	- 67.77%

4.7. ASSIGNMENTS / PROJECTS / CONSULTANCY SERVICES CONDUCTED BY SLILG – YEAR 2019

UN-HABITAT Sponsored State of Sri Lankan Cities project

The State of Sri Lankan Cities Report which was already completed in the Year 2018, presents a well- informed and action oriented analysis of the state of urbanization of major human settlements across the island. This will include quantitative and qualitative city-based data and conduct specific analyses of key national, provincial and municipal capitals in Sri Lanka.

Its specific objective was to improve information and analysis of information on the provincial capitals as the first in promoting informed and evidence-based policy and integrated city planning, as well as private and public sector investment.

Accordingly, SLILG conducted city level database awareness programmes on SOSLCP. Mentioned below was the summary report of the conducted programmes.

No	Date	City	No of Participants	Participants
1	21.01.2019	Kurunagalle MC	27	Mayor, Commissioner, MC staff and relevant authorities.
2	22.01.2019	Trincomalle UC	34	Secretary, UC staff and Relevant authorities.
3	24.01.2019	Kandy MC	29	Secretary, MC staff and Relevant authorities.
4	25.01.2019	Jaffna MC	31	Deputy Commissioner, MC Staff and relevant authorities
5	28.01.2019	Ratnapura MC	30	Commissioner, Members of MC, MC staff and relevant authorities.
6	31.02.2019	Anuradapura MC	34	Commissioner, Members of MC, MC staff and relevant authorities.
7	28.02.2019	Galle MC	31	Members of MC, MC staff and relevant authorities.
8	08.02.2019	Badulla MC	30	Mayor, Commissioner, MC staff and relevant authorities.
9	12.02.2019	Colombo MC	20	Commissioner, MC staff and relevant authorities.
10	15.02.2019	Kotte MC	35	Mayor, Commissioner, MC staff and relevant authorities.
11	22.02.2019	Dehiwalla - Mount MC	36	Commissioner, MC staff and relevant authorities.

CHAPTER 05 - Financial Information 2019

5.1. Audit Opinion

WNP2/CB/H/SLILG/FA/2019

22nd July 2020

Chairperson,
Sri Lanka Institute of Local Governance.

Auditor General's report in terms of section 12 of the National Audit Act No. 19 of 2018 on the financial statements for the year ended from 31st December 2019 of Sri Lanka Institute of Local Governance.

1. Financial Statements

1.1. Qualified Opinion

The financial statement as at 31st December 2019 of Sri Lanka Institute of Local Governance, financial performance statement for the year ended from that date, change of net assets statement as well as the the financial flow statement and the notes applicable to the financial statements and the financial statements for the year ended from 31st December 2019 consisted of summarized important financial policies were audited in terms of section 12 of the National Audit Act No. 19 of 2018 to be read in concurrence with the statute 154 (I) of the Constitution of Sri Lanka Democratic Socialist Republic of Sri Lanka. This report consists of opinions and observations which I consider that should be published along with the annual report of the institution in terms of section 12 of National Audit Act. My report will be tabled in the Parliament as per statute 154 (6) of the Constitution in due course.

According to my point of view, apart from the effect caused by the particulars described in the basis for qualified opinion of my report, the Financial Situation Statement as at 31st December 2019 of Sri Lanka Institution of Local Governance, the financial performance statement for the year ended on the same date, the net assets changing statement as well as the financial flow statement for the year ended on that day furnish an accurate and fair situation in terms of Sri Lankan state sector standards.

1.2. Basis for the qualified opinion

- a) No step had been taken to amortize identifying the assets relevant to the grant to the value of Rs. 2,601,484 mentioned under the right in the statement of the financial situation.
- b) Depletion of Rs. 218,774 more than should be for property, plant, equipment, buildings and library books had been calculated and indicated in the financial statements.
- c) The policy applied with regard to the state capital grants of Rs. 506,057,702 indicated in the financial situation statement has not been disclosed in the financial statements.
- d) Although the stock should be valued to the lesser value from the cost or the net realized value and indicated in the financial statements in terms of the paragraph 15 of Sri Lanka State Sector Accounting Standards 09, the stock has been indicated in the financial statements to its costs, without calculating the net realized value of the expired publications stock of Rs. 1,517,0202 included in the stocks of the institution.
- e) Although the income from the interest of Rs. 522,436 earned from monitoring activities is an item should be removed when calculating the net cash flow as per Sri Lanka State Sector Accounting Standard 02; the cash flow received from the monitoring activities had not been deducted while the sum of Rs. 16,000,000 invested in a fixed deposit within the year had not been indicated under investment activities of the cash flow statement.

The audit was carried out as per Sri Lanka Audit Standards (SLAS). My responsibility in terms of this audit standards has been further described in the Auditor's Responsibility on the Audit of the Financial Statements of this Report section. I do herewith believe that the audit evidences taken by me for furnishing a basis for my quality opinion are sufficient and appropriate.

- 1.4. Responsibilities of the Management and the Administration parties on the financial statements. It is the responsibility of the management to decide on the internal controls that will be required to prepare these financial statements according to Sri Lanka State Sector Accounting Standards as well as presenting them with justification and void of any false statements that can be developed due to fraud and errors.

It is the responsibility of the management to decide the capability of the continuation of the institution, and if not the operations are to be winded up either when submitting the financial statements, and the management intend to liquidate the institution or there is no other remedy, it is the responsibility of the management to reveal the matters pertaining to the book keeping and the particulars pertaining to the basis of continuity of the institution.

The responsibility of financial reporting process of the institution is held by the parties applicable for administration.

The institution shall maintain books pertaining to its income, expenditure, assets and liabilities so that the institution is capable of preparing annual and contemporary financial statements in terms of sub section 16 (1) of National Audit Act No. 19 of 2018.

- 1.5. Auditor's responsibility on the audit of financial statements.

My objective is to issue a justified confirmation that as a whole the financial statements are void of quantity false statements created from forgery and erroneous acts and to issue the auditor's report comprised of my opinion.

Although the justified certification is a higher level certification, it will not be a confirmation that ensure the quantity false statements revelation at all times when performing the audit as per Sri Lanka Audit Standards. Quantity false statements may form due to the effect of forgery and erroneous statements formed individually and group - wise whereas it is expected that there will be influences to the economic decisions taken by the users of these financial statements.

I have audited with the professional judgement and professional doubtfulness and subject to Sri Lanka Audit Standards. Furthermore,

- When identifying and evaluating the risks of the quantity false statements that may appear in the financial statements due to frauds and errors, my opinion is based on obtaining sufficient and suitable audit evidences to circumvent the risks caused due to frauds and errors by planning appropriate audit procedures according to the situation,
- Although an understanding of the internal administration of the institution was obtained for planning appropriate audit planning according to the situation, no idea is expressed on the success of the internal administration.
- Justification of the accounting policies and accounting estimations as well as the eligibility of the related revelations performed by the management were evaluated.
- The decision to use the relevance of utilizing the basis of continuous existence of the institution for accounting based on the audit evidences obtained with regard to whether there is a quantity uncertainty on the continuous existence of the institution due to the incidences and circumstances. If I decide of a sufficient uncertainty prevailing, my attention of the audit report should be paid on the financial statements and if those revelations are insufficient, my opinion should be modified. However, the continuous existence may end based on the future incidents or situations.
- Attention was paid on the presentation of the financial statements in which revelations are included, while the structure along with the contents were evaluated and appraised for including the business deals and events taken as the basis appropriately and fairly in the financial statements.

The governing parties were duly informed of the important audit findings, major internal administration weaknesses as well as the other particulars found at my audit.

2. Report on other legal and regulation requirements

Special provisions on the following requirements mentioned are included in section 12 (a) of the National Audit Act No. 19 of 2018.

- Apart from the effects caused by the facts described in the section of the basis for the qualified opinion in my report, according to the requirements mentioned in section 12 (a) of the National Audit Act No. 19 of 2018, I have obtained all the required information and clarifications for the audit and the institution had maintained proper financial reports by the institution.
- The financial statements submitted by the institution according to the requirement mentioned in section 6 (1) (d) (III) of the National Audit Act No. 19 of 2018 are corresponding with that of the previous year.
- The financial statements submitted contains the recommendations issued by me in the previous year according to the requirement mentioned in section 6 (1) (d) (IV) of the National Audit Act No. 19 of 2018.

Within the limitations of the actions taken and based on the evidences obtained as well as the quantity of the particulars furnished, nothing was brought into my attention to furnish following statements.

- Direct or indirect availability of any relationship away from the general business relationship with regard to any agreement pertaining to the institution as per the requirement of section 12 (d) of the National Audit Act No. 19 of 2018.
- Any action against a written law or the other general or special provisions issued by the governing board of the institution apart from the following observations as per the requirement of section 12 (f) of the National Audit Act No. 19 of 2018.

	Reference to Terms and conditions / order	Description
(a)	Section 4 of Public Finance Circular No. 01 / 2014 of 17 th February 2014	Action plan has not been prepared as per the priorities based on annual budget.
(b)	15.1 (IX) of Chapter II of the Establishments Code of the Democratic Socialist Republic of Sri Lanka and section 4 of the recruitment procedure of the institution	Grading and promoting of 35 officers had not been formally taken place due to not conducting efficiency bar examinations on the due date.
(c)	8. 9. 3 (a) of the Procurement Guidelines	Acting against the objectives of the procurement guidelines, no agreement had been made between the two parties with regard to the CCTV camera set for a sum of Rs. 742,228.

- Taking actions not in concurrence with the powers, activities and functions as per the requirement of section 12 (g) of the National Audit Act No. 19 of 2018.
- Not carried out the procurements and utilized resources of the institutions thriftily, efficiently and productively in terms of the applicable terms and conditions within the period as per the requirement of section 12 (h) of the National Audit Act No. 19 of 2018 apart from the following observations.

Bids had been invited to construct a four (04) storied building for the institution in the year 2013 and a contractor had been selected with whom had entered into an agreement for a contracted sum of 53,196,907 whereas the construction of the pile foundation of the building had been entrusted to a sub - contractor by the chief contractor.

Deciding to extend the construction of this building from four (04) stories to eight (08) stories on the 04th November 2013 by the management board of this institution, the decision was informed to the contractor in writing but the pile foundation had only been constructed to hold four (04) stories since the main contractor had not informed of the decision for extension to the sub - contractor. Furthermore, the amount of Rs. 44,757,072/- spent for the purpose has become a futile / neutral expenditure since the institution has accepted that the construction of the building on this foundation is inappropriate.

3. Other audit observations.

- a) The amount of Rs. 492,000 recoverable from the Ministry of Provincial Councils and Local Government for the diaries printed in the year 2015 by the institution has not been received by the Ministry even during the year under review.
- b) No further steps have been taken regarding the loan balances of Rs. 1,272,582 which is the total recoverable from 14 officers who were dismissed from service and resigned from service as well as the loan balance of Rs. 805,860 of a deceased officer.
- c) The recurrent allocations of Rs. 50,000,000 as well as the capital expenditure of Rs. 62,335,000 out of the Rs. 75,000,000 which is 50 percent of the allocations remitted by the General Treasury during the year under review had not been spent.
- d) The whole staff had not been issued formal duty entrusting lists (duty lists) whereas the activities pertaining to the revision of recruitment procedure applicable to the absorption and recruitment of new staff for the the new posts created subsequent to the restructuring of the staff have not been performed up to the date of this report.

- e) Since Sri Lanka Institute of Local Governance (SLILG) had not been aware in terms of the United Nations “2030 Agenda” on Sustainable Development, steps had not been taken to evaluate / measure the sustainable development objectives in relation to its activities, objectives and the milestones as well as the indicators for measuring to reach the objectives.

W. P. C. Wickramartne

Auditor General

5.2. a) Statement of Financial Performance

ABLE OF CONTENTS

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Statement of Changes of Net Assets as at 31.12.2019	04
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SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

STATEMENT OF FINANCIAL PERFORMANCE

For the Year Ended 31st December 2019

	<u>Notes</u>	<u>31/12/2019</u>	<u>31/12/2018</u>
Operating Revenue			
Government Contribution	01	62,665,000.00	55,449,000.00
Diploma Course Income	02	5,043,700.00	3,602,500.00
Certificate Course Income	03	954,600.00	4,029,975.00
Special Projects Income	04	4,836,363.25	12,644,553.73
Other Income	05	1,374,723.64	1,234,221.36
Total Operating Revenue		74,874,386.89	76,960,250.09
Operating Expenses			
Administration & Establishment Expenses	06	38,164,837.42	36,157,098.77
Human Resources Development Expenses	07	26,092,138.54	20,862,230.68
Diploma Course Expenses	08	1,302,763.50	2,660,238.94
Certificate Course Expenses	09	285,137.43	1,041,691.06
Special Projects Expenses	10	4,057,385.71	8,297,183.28
Retirement Benefit Obligations and Depreciation	11	5,925,713.86	5,105,321.45
Total Operating Expenses		75,827,976.46	74,123,764.18
Surplus / (Deficit) for the year		(953,589.57)	2,836,485.91

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

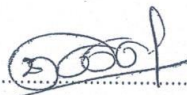
STATEMENT OF FINANCIAL POSITION

As at 31st December 2019

	<u>Notes</u>	<u>31/12/2019</u>	<u>31/12/2018</u>
ASSETS			
<i>Non-Current Assets</i>			
Property, Plant & Equipment	12	442,999,229.96	422,412,676.99
		<u>442,999,229.96</u>	<u>422,412,676.99</u>
WORKING CAPITAL			
Construction Building	13	45,357,072.25	45,357,072.25
<i>Current Assets</i>			
Stocks	14	1,697,796.75	1,787,169.45
Pre - Payments & Receivables	15	842,599.32	835,563.71
Debtors & Advances	16	11,734,959.20	11,246,982.40
Cash and Cash Equivalents	17	32,341,070.76	32,313,815.11
		<u>46,616,426.03</u>	<u>46,183,530.67</u>
Total Assets		<u>534,972,728.24</u>	<u>513,953,279.91</u>
EQUITY & LIABILITIES			
Government Contribution - Capital		506,057,701.96	508,434,195.41
Accumulated Fund		(11,255,925.83)	(13,642,053.61)
UNDP Grant		714,658.79	714,658.79
Projects Contribution - Capital		1,595,824.75	1,595,824.75
Grant from Asia Foundation		291,000.00	291,000.00
NELSIP Grant		1,034,834.88	1,400,069.88
Grant from Ministry of PC & LG		257,302.50	-
Revaluation Reserve		24,618,619.33	-
		<u>523,314,016.38</u>	<u>498,793,695.22</u>
<i>Non Current Liabilities</i>			
Retirement Benefit Obligations	18	7,433,048.50	7,645,407.50
Retention Money		1,512,000.00	1,512,000.00
		<u>8,945,048.50</u>	<u>9,157,407.50</u>
<i>Current Liabilities</i>			
Provisions - Audit Fees		700,000.00	350,000.00
Creditors & Accrued Charges	19	2,013,663.36	5,652,177.19
		<u>2,713,663.36</u>	<u>6,002,177.19</u>
Total Assets & Liabilities		<u>534,972,728.24</u>	<u>513,953,279.91</u>

The Accounting Policies & Notes on pages 05 to 15 from an integral part of these Financial Statements. We hereby, certify that These financial statements give a true and fair view of the state of affairs of Sri Lanka Institute of Local Governance as at 31.12.2019 & its Surplus/(Deficit) for the year then ended.


Mr. Jayaptha Liyanage - Attorney-at-Law
Director/ C.E.O.


Mr. P.A.D. Hiran Radisha
Accounts Officer /
Assistant Director (Finance) (Acting)

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

CASH FLOW STATEMENT

For the Year Ended 31st December 2019

		<u>31/12/2019</u>
Surplus /(Deficit) from Ordinary Activities		(953,589.57)
Adjustment of Non Cash Movements		
Depreciation	4,332,804.36	
Provision for Gratuity	1,242,909.50	
Provision for Audit Fee	350,000.00	
Payment of Income Tax	(460,669.00)	
Increasing in stocks / Debtors / Other Receivables	(405,639.71)	
Decreasing in Creditors & Payables	(3,254,817.59)	
Adjustment of Contribution Revenue	(380,932.50)	
Gratuity Payment	(331,510.60)	
Prior Year Adjustments	27,134.00	
		<u>1,119,278.46</u>
Net Cash flow from Operating activities (1)		165,688.89
Cash flow from Investing Activities		
Payments for Acquiring Non Current Assets	(660,869.69)	
		<u>(660,869.69)</u>
Net Cash flow from Investing Activities (2)		
Cash flow from Financing Activities		
Interest income of Saving Account	239,367.96	
Interest income of Fixed Deposit	283,068.49	
		<u>522,436.45</u>
Net cash from Finance Activities (3)		
Net Movement During the year (1) + (2) + (3)		<u>27,255.65</u>
Cash & Cash Equivalent at Beginning of the Period		32,313,815.11
Cash & Cash Equivalent at End of the Period	Note 'A'	32,341,070.76
Note 'A'		
Bank of Ceylon - A/C No. 2323344		11,539,589.39
Bank of Ceylon - A/C No. 2323350		1,092,871.09
Savings Account - Bank of Ceylon - A/C No. 2329975		3,708,610.28
Fixed Deposits - Bank Of Ceylon		16,000,000.00
		<u><u>32,341,070.76</u></u>

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended 31st December 2019

<i>Description</i>	<i>Government Contribution Capital</i>	<i>Accumulated Fund</i>	<i>Grant From UNDP</i>	<i>Project Contribution - Capital</i>	<i>Grant from Asia Foundation</i>	<i>Grant from NELSIP Project</i>	<i>Grant from Ministry of PC & LG</i>	<i>Revaluation Reserve</i>	<i>TOTAL</i>
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
<i>Balance as at 01/01/2019</i>	<i>508,434,195.41</i>	<i>(13,642,053.61)</i>	<i>714,658.79</i>	<i>1,595,824.75</i>	<i>291,000.00</i>	<i>1,400,069.88</i>	<i>273,000.00</i>	<i>24,618,619.33</i>	<i>523,685,314.55</i>
<i>Surplus / Deficit for the period</i>	-	(953,589.57)	-	-	-	-	-	-	(953,589.57)
<i>Transfer for the period</i>	(2,376,493.45)	-	-	-	-	(365,235.00)	(15,697.50)	-	(2,757,425.95)
<i>Prior year Adjustments (Note A)</i>	-	3,339,717.35	-	-	-	-	-	-	3,339,717.35
<i>Balance as at 31/12/2019</i>	<i>506,057,701.96</i>	<i>(11,255,925.83)</i>	<i>714,658.79</i>	<i>1,595,824.75</i>	<i>291,000.00</i>	<i>1,034,834.88</i>	<i>257,302.50</i>	<i>24,618,619.33</i>	<i>23,314,016.38</i>

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December. 2019

		<u>31/12/2018</u>
<u>Note 01 - Government Contribution</u>		
2100 - 02	General Treasury - Recurrent	34,499,000.00
2101 - 03	General Treasury - Capital	20,950,000.00
Total		<u>55,449,000.00</u>
<u>Note 02 - Diploma Course Income</u>		
2101-01-07-01	Advance Diploma In Local Governance 2016/17	310,000.00
2101-01-07-02	Advance Diploma In Local Governance 2017/18	2,037,500.00
2101-01-07-03	Diploma in Community Development 2017/18	1,255,000.00
2101-01-07-04	Diploma in Local Governance 2019/20 (Elected Members)	-
2101-01-07-05	Diploma in Local Governance 2019/20 (Officers)	-
Total		<u>3,602,500.00</u>
<u>Note 03 - Certificate Course Income</u>		
2101-02-09-01	Certificate Course in Research Methodology 2017	20,000.00
2101-02-09-02	Certificate Course in Local Government Law 2018	625,000.00
2101-02-09-03	Certificate Course in Computer Applications 2018	565,000.00
2101-02-09-04	Certificate Course in Research Methodology 2018	570,000.00
2101-02-09-05	Certificate Course for Elected Members on Local Government 2018	2,249,975.00
2101-02-09-06	Certificate Course in Project Management 2019	-
2101-02-09-07	Certificate Course in Computer Applications 2019	-
Total		<u>4,029,975.00</u>
<u>Note 04 - Special Projects Income</u>		
2101-05	UNDP Delegations Visit	511,435.60
2101-06	Chrysalis RtM Project	4,015,733.71
2101-08	UNHABITAT SLC Project	2,610,106.93
2101-09	UNDP New Accounting System for LA's	3,392,277.49
2101-10	Elected Members training Coordination	750,000.00
2101-11	Module Preparation Income	1,365,000.00
Total		<u>12,644,553.73</u>
<u>Note 05 - Other Income</u>		
1505 - 01	Miscellaneous Income	67,066.18
1505 - 02	Interest on Staff Loan	376,087.30
1505 - 03	Sales of Publication	68,135.00
1505 - 05	Interest on Saving A/C	356,817.08
1505 - 06	Interest on Advance to employees	880.80
1505 - 07	Interest on Fixed Deposit	-
1505 - 08	Contribution Revenue	365,235.00
Total		<u>1,234,221.36</u>

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December. 2019

		<u>31/12/2019</u>	<u>31/12/2018</u>
<u>Note 06 - Administration & Establishment Expenses :-</u>			
	Personal Emoluments		
1503 - 01 - 01	Salaries & Wages	14,784,926.15	13,794,877.59
1503 - 01 - 02	E. P.F	2,756,955.66	2,182,386.92
1503 - 01 - 03	E. T.F	558,903.71	545,596.81
1503 - 01 - 04	Holiday Payments & O.T	1,149,600.33	881,270.67
1503 - 01 - 05	Other Allowance	5,236,000.41	6,295,151.73
	Travelling		
1503-02-01	Travelling Expenses - Local	382,310.56	377,481.11
1503-02-02	Travelling Expenses - Foreign	50,992.22	38,648.00
	Supplies		
1503 - 03 - 01	Stationary	1,668,638.13	1,251,852.99
1503 - 03 - 02	Fuel Lubricants	1,585,943.90	1,456,240.13
1503 - 03 - 03	Uniform	36,000.00	36,000.00
	Maintenance Expenses		
1503 - 04 - 01	Vehicles	2,902,026.68	2,567,788.88
1503 - 04 - 02	Plant, Machinery & Equ.	561,173.88	433,782.72
1503 - 04 - 03	Building	1,081,600.51	1,713,829.70
1504 - 04 - 04	Computer Lab Maintenance	-	519,663.75
	Contractual Services		
1503-05- 01	Rates & Rent	243,936.00	97,999.20
1503-05- 02	Telephone	578,256.86	476,510.08
1503-05- 03	Postal Charges	132,429.50	164,955.00
1503-05- 04	Water & Electricity	1,305,637.73	1,209,217.93
1503-05- 05	Newspapers & Periodicals	46,500.00	48,280.00
1503-05- 06	Security Service	1,504,500.00	1,494,100.00
1503-05- 08	Advertising Expenses	594,222.50	78,200.00
1503-05- 09	Refreshments	159,343.90	261,158.39
1503-05- 10	Office Expenses	517,320.38	228,357.17
1503-05- 11	Bank Charges	550.00	3,750.00
1503-05- 12	Bonus Payment	315,000.00	-
1503-05- 13	With Holding Tax Expenses 2019	12,068.41	-
	Total	38,164,837.42	36,157,098.77

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December, 2019

		<u>31/12/2019</u>	<u>31/12/2018</u>
<u>Note 07 - Human Resources Development Expenses :-</u>			
2201 - 05 - 01	H.R.D Expenses - National Level Training Programme		
2201 - 05 - 01 - 02	H.R.D. Expenses - National Level Training - Engineering	1,928,806.96	1,947,807.31
2201 - 05 - 01 - 03	H.R.D. Expenses - National Level Training - General Management	2,570,165.35	2,021,148.41
2201 - 05 - 01 - 04	H.R.D. Expenses - National Level Training - Physical Planning	3,160,540.45	1,805,326.09
2201 - 05 - 01 - 05	H.R.D. Expenses - National Level Training - Financial Management	3,170,038.88	986,453.38
2201 - 05 - 01 - 06	H.R.D. Expenses - National Level Training - Legal	2,402,075.50	2,162,801.89
2201 - 05 - 01 - 07	H.R.D. Expenses - National Level Training - Academic	2,443,477.20	941,135.50
2202 - 05 - 01 - 08	H.R.D. Expenses - National Level Training - ICT	2,168,532.60	2,737,469.69
2201 - 05 - 03	H.R.D Expenses - Capacity Building of SLILG & Director Division	1,549,983.33	2,430,753.33
2201 - 05 - 04	H.R.D Expenses - Research Division	2,308,453.30	2,869,013.14
	Total	21,702,073.57	17,901,908.74
2201 - 05 - 02	H.R.D Expenses - Provincial Level Training Programme		
2201-05-02-07	H.R.D Expenses - Provincial Level - Academic	4,390,064.97	2,960,321.94
	Total	4,390,064.97	2,960,321.94
<u>Note 08 - Diploma Course Expenses</u>			
2201-06-01-07-01	Engineering Diploma 2015/16 Expenses	-	264,842.32
2201-06-01-07-02	Advanced Diploma In Local Governance 2015/16 Expenses	-	466,698.62
2201-06-01-07-03	Advanced Diploma In Local Governance 2016/17 Expenses	20,400.00	725,973.50
2201-06-01-07-04	Advanced Diploma In Local Governance 2017/18 Expenses	463,326.00	682,823.37
2201-06-01-07-04	Advance Diploma In Local Government 2019/20	1,242.50	-
2201-06-01-07-05	Diploma in Community Development 2017/18	63,521.00	489,661.13
2201-06-01-07-06	Diploma In Engineering 2018/19	-	10,080.00
2201-06-01-07-07	Diploma In Financial Management 2018/19	-	10,080.00
2201-06-01-07-08	Diploma In Local Governance 2018/19	-	10,080.00
2201-06-01-07-09	Diploma in Community Development 2019/20	59,800.00	-
2201-06-01-07-10	Diploma in Local Governance (Elected Members) 2019/20	519,864.00	-
2201-06-01-07-11	Diploma in Local Governance (Officers) 2019/20	174,610.00	-
		1,302,763.50	2,660,238.94

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December, 2019

		<u>31/12/2019</u>	<u>31/12/2018</u>
<u>Note 09 - Certificate Course Expenses</u>			
2201-06-02-09-04	Certificate Course in Local Government Law 2018	3,358.00	149,580.58
2201-06-02-09-05	Certificate Course in Computer Applications 2018	7,906.00	116,210.43
2201-06-02-09-06	Certificate Course in Research Methodology 2018	-	215,187.85
2201-06-02-09-07	Certificate Course for Elected Members on Local Government 2018	8,600.00	527,774.70
2201-06-02-09-08	Certificate Course in Photo Shop'2018	-	12,777.50
2201-06-02-09-09	Certificate Course in Procurement Procedure'2018	-	10,080.00
2201-06-02-09-10	Certificate Course in Project Management'2018	-	10,080.00
2201-06-02-09-11	Certificate Course in Project Management'2019	146,599.23	-
2201-06-02-09-12	Certificate Course in Computer Applications 2019	118,674.20	-
	Total	285,137.43	1,041,691.06
<u>Note 10 - Special Project Expenses</u>			
1504-03	UNDP Delegates Visit Expenses	-	247,431.15
1504-04	Chrysalis RtM Project Expenses	1,725,652.44	3,132,954.94
1504-06	UNHABITAT SLC Project Expenses	1,100,491.84	906,489.93
1504-07	UNDP New Accounting System for LA's	1,231,241.43	2,835,307.26
1504-08	Module Preparation Expenses	-	1,175,000.00
	Total	4,057,385.71	8,297,183.28
<u>Note 11 -Retirement Benefit Obligations and Depreciation</u>			
2102 - 03	Gratuity	1,242,909.50	1,477,624.00
2102 - 04	Audit Fees	350,000.00	639,800.00
2105 - 02	Depreciation	4,332,804.36	2,987,897.45
	Total	5,925,713.86	5,105,321.45

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December. 2019

Note 12 - Property, Plant & Equipment

		<u>Cost as at 01/01/2019</u>	<u>Additions up to 31.08.2019</u>	<u>Removals 2019</u>	<u>Total As at 31/08/2019</u>	<u>Depreciation As at 01.01.2019</u>	<u>Depreciation 2019.01.01 to 2019.08.31</u>	<u>Revaluation Value at at 01.09.2019</u>	<u>Additions up to 1/9/2019 - 31/12/2019</u>	<u>Depreciation 1/9/2019 to 31/12/2019</u>	<u>W.D.V. as at 31/12/2019</u>
2201-01	Land	406,890,000.00	-	-	406,890,000.00	-	-	406,890,000	-	-	406,890,000.00
2201-02	Buildings	16,820,172.13	-	-	16,820,172.13	11,749,088.00	560,672.40	4,510,411.73	-	280,336.20	4,230,075.53
2201 - 04 - 01	Vehicles	33,500,000.00	-	-	33,500,000.00	33,499,500.00	500.00	24,100,000.00	-	1,606,666.67	22,493,333.33
2201- 04 - 02	Machinery & Office Equipment	9,874,396.37	513,889.50	-	10,388,285.87	6,261,947.15	359,156.56	3,954,367.04	10,885.15	131,911.55	3,833,340.64
2201- 04 - 03	Computers & Computer Accessories	15,110,029.49	43,220.00	-	15,153,249.49	11,112,332.75	844,605.90	3,249,552.80	295,000.00	216,636.85	3,327,915.95
2201- 04 - 04	Furniture & Fittings	3,331,275.26	70,875.00	-	3,402,150.26	1,494,387.02	192,814.56	1,993,141.17	-	66,438.88	1,926,702.29
2201- 04 - 05	Library Books	730,649.38	-	-	730,649.38	359,622.60	48,709.96	322,316.82	-	24,354.60	297,962.22
	Total	486,256,522.63	627,984.50	-	486,884,507.13	64,476,877.52	2,006,459.38	45,019,789.56	305,885.15	2,326,244.75	442,999,229.96

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December, 2019

Note 13 - Working in Progress

Description	<u>Cost As at 01/01/2018</u>	<u>Additions 2018</u>	<u>Removals 2018</u>	<u>Total As at 31/12/2018</u>	<u>Depreciation As at 01.01.2019</u>	<u>Depreciation 2019.01.01 to 2019.08.31</u>	<u>Revaluation Value at at 01.09.2019</u>	<u>Additions up to 1/9/2019 - 31/12/2019</u>	<u>Depreciation 1/9/2019 to 31/12/2019</u>	<u>W.D.V. as at 31/12/2019</u>
Construction Building	45,357,072	-	-	45,357,072.25	-	-	-		45,357,072.25	45,357,072.25
	<u>45,357,072.25</u>	<u>-</u>	<u>-</u>	<u>45,357,072.25</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>45,357,072.25</u>	<u>45,357,072.25</u>

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December, 2019

			<u>31/12/2019</u>	<u>31/12/2018</u>
<u>Note 14 - Stocks :-</u>				
2202 - 01	Stationary	Annexure I	180,594.85	266,667.55
2202 - 02	Publication		1,517,201.90	1,517,201.90
2202 - 03	Refreshments		-	3,300.00
Total			1,697,796.75	1,787,169.45
<u>Note 15 - Pre - Payments & Receivables :-</u>				
2206 - 01	Insurance	Annexure II	139,548.70	148,530.10
2206 - 02	Others	Annexure III	83,800.62	67,783.61
2206 - 03	Refundable Deposits	Annexure IV	127,250.00	127,250.00
2206 - 04	Ministry of PC & LG	Annexure V	492,000.00	492,000.00
Total			842,599.32	835,563.71
<u>Note - 16 - Debtors & Advance :-</u>				
Debtors				
2203 - 01	Trade Debtors	Annexure VI	31,218.65	538,984.63
2203 - 02	Sundry Debtors	Annexure VII	997,845.03	63,842.62
2203 - 03	Interest Receivable- Fixed Deposit		283,068.49	
Advances				
2204 - 02	Special Advance	Annexure VIII	9,850.00	9,850.00
2204 - 04	Festival Advance	Annexure IX	21,100.00	21,100.00
2204 - 05	Staff Loan - Property Loan	Annexure X	5,589,829.51	6,329,475.35
2204 - 06	Staff Loan - Distress Loan	Annexure XI	3,578,047.52	4,106,729.80
2205-02	Advance to Credit Purchases	Annexure XII	99,000.00	177,000.00
2205-08	Advance to Researches	Annexure XIII	1,125,000.00	
Total			11,734,959.20	11,246,982.40
<u>Note - 17 - Cash and Cash Equivalents :-</u>				
2207 - 02	Bank of Ceylon - A/C No. 2323344		11,539,589.39	10,714,899.45
2207 - 03	Bank of Ceylon - A/C No. 2323350		1,092,871.09	15,704,983.61
2207 - 04	Savings Account - Bank of Ceylon - A/C No. 2329975		3,708,610.28	5,893,932.05
2207-05	Fixed Deposits - Bank Of Ceylon		16,000,000.00	-
Total			32,341,070.76	32,313,815.11

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE

NOTES TO THE ACCOUNTS

For the Year Ended 31st December, 2019

			<u>31/12/2019</u>	<u>31/12/2018</u>
<u>Note - 18 - Retirement Benefit Obligations :-</u>				
	Opening Balance		7,645,407.50	6,724,417.50
	Provisions During the Period		1,242,909.50	1,477,624.00
	Actual Amount Paid		(1,455,268.50)	(556,634.00)
	Closing Balance	<i>Annexure XIV</i>	<u>7,433,048.50</u>	<u>7,645,407.50</u>
<u>Note - 19 - Creditors & Accrued Charges :-</u>				
2103 - 01	Accrued Charges	<i>Annexure XV</i>	860,604.32	1,067,666.61
2103 - 02	Advance RtM Project (Payable)		-	1,790,342.77
2103 - 03	Advance UNHABITAT SL Cities Project (Payable)		270,000.00	1,461,323.17
2103 - 04	Advance UNDP New Accounting System (Payable)		-	72,722.51
2103 - 05	Deposits - Tender		45,000.00	20,000.00
2103 - 06	E.P.F Payable		29,073.25	-
2103 - 09	E.T.F Payable		3,488.79	-
2103 - 10	Sundry Creditors	<i>Annexure XVI</i>	784,732.00	1,240,122.13
2103 - 11	Other Bank Deduction Payable		15,000.00	-
2103 - 12	Welfare Payable		5,740.00	-
2103 - 13	Stamp Duty Payable		25.00	-
Total			<u>2,013,663.36</u>	<u>5,652,177.19</u>

ACCOUNTING NOTES

- 1.1 Financial Statements of the institute are prepared in accordance with Sri Lanka Public Sector Accounting Standards.
- 1.2 Presentation of financial statements and cash flow statement in accordance to Sri Lanka Public Sector Accounting Standard 1 & 2.
- 1.3 According to Sri Lanka Public Sector Accounting Standard 09 Stock measured at the lower value of cost and net realizable value.
- 1.4 Non-Current assets are disclosed accordance with Sri Lanka Public Sector Accounting Standard 07 and values of non-current assets were taken carried out based on cost model.
- 1.5 Depreciation is provided the date of use of the assets during the year 2019 on straight line basis.
- 1.6 Land & Buildings valuation for Accounts purpose was carried out from Department of Valuation during the year 2015 which was Owner ship transferred from the Ministry of Public Administration during the year of 2004. Depreciation for Buildings was calculated from the year 2004 and retrospective impact adjusted to Accumulated Funds.
- 1.7 There was no any adjustment made for inflationary factors affecting the accounts in the primarily financial statements.
- 1.8 Among the items transferred from Ministry of Provincial Council and Local Government certain items were appeared immaterial in pricing. A decision was taken to record items value more than LKR 5,000.00 from the ministry.
- 1.9 Total NELSIP Grant was LKR. 1,826,177.50 Which received through ministry in 2017. Total grant value stated in Statement of changes in net assets and 20% of annual depreciation value will capitalized for the five years' time period.

1.10 For the purpose of depreciation the effective life time Assets are as given below

Category of Assets	Life Time Year	Depreciation Rate
Machinery & Office Equipment's	10	10%
Computers & Accessories	5	20%
Vehicles	5	20%
Library Books	10	10%
Buildings	20	5%
Furniture & Fittings	10	10%

1.10.1 Institute has revalued all the Non – Current assets W.E.F 01.09.2019. Differences of physical valuation balance adjusted to Government Contribution capital and gain of revaluation has been transferred to Revaluation reserve.

2. LIABILITIES AND PROVISSIONS

A provision of LKR 7,433,048.50 has been made in the accounts for terminal benefits under the Gratuity Act no 12 of 1983 and this has been grouped under non-Current Liabilities in the Balance Sheet. This Position is prudent, fair and reasonable.

3. CAPITAL IMPREST AND EXPENDITURE

Government contribution for capital consists with two elements. Human resource development expenses (Officers and elected members of LA's & PC's) and expenditure incurred for the purpose of acquiring, extending or improving non-current assets. Purchasing and improvement of non-current assets and expenses borne for Human resource development (Staff and elected members of LA's & PC's) considered as a capital expense.

4. WORKING CAPITAL

Construction of new building treated as a working capital and grouped under non-current assets in the balance sheet. However, constructions have not been carried out since 2014.

5. REVOLVING FUND FOR STAFF LOANS

Saving A/C no. 2329975 existing for the purpose of staff loan. Interest of staff loan & Saving A/C grouped under other income. However, those interest amounts directly remittance to the saving A/C itself and only use for purpose of giving distress loans to the employees.

6. INVESTING IN A FIXED DEPOSIT

Management has taken decision to Invest LKR. 16 Million in a Fixed Deposit for a one-year time period commencing from 29.10.2019.

Sri Lanka Institute of Local Governance
Stationery Stock as at 31/12/2019
Account # 2202 - 01

Particular	Qty	Unit Price	Total Amount
Color Paper-A4-Peach	4	925.75	3,703.00
Color Paper-A4-Green	7	925.75	6,480.25
Color Paper-A4-Ocean	3	931.50	2,794.50
Color Paper-A4-Rose	1	925.75	925.75
Color Paper-A4-Rose	1	978.32	978.32
Color Paper-A4-Yellow	2	931.50	1,863.00
Envelope with logo-A4 (10X12)	140	8.70	1,218.00
Envelope with logo-Legal (10X15)	695	9.30	6,463.50
Envelope with logo- (9.5 x 4.5)	15	3.40	51.00
Printed Paper File Cover	1900	6.00	11,400.00
Photocopy Legal	1	1,001.65	1,001.65
Half Sheet	1	459.00	459.00
Letter Heads	18	4.70	84.60
Sign Pen	13	138.00	1,794.00
White Board Marker	7	46.00	322.00
Permenant Marker	5	48.30	241.50
CR Books-40Pg	3	34.28	102.84
CR Books-40Pg	1	36.50	36.50
CR Books-200Pg	1	148.38	148.38
Red Tape	2	29.90	59.80
Binding tape-1" Red	3	133.40	400.20
Binding tape-2" Blue	4	133.40	533.60
Binding tape-2" Black	9	133.40	1,200.60
Duster Cloth	1	69.00	69.00
Stepler Pin(Pkt)	2	43.13	86.26
File Clips	18	23.00	414.00
File Cover Paper	103	4.37	450.11
HP Toner Cartridge CE320A(128A)	1	9,400.00	9,400.00
Canon CRG 328	1	7,200.00	7,200.00
HP Toner Cartridge CE285A	3	7,000.00	21,000.00
Samsung Toner MLT-D101S/XSG	2	8,500.00	17,000.00
Samsung Toner MLT-D116S/XIP	1	9,000.00	9,000.00

<i>Duplo Ink</i>	<i>1</i>	<i>4,887.50</i>	<i>4,887.50</i>
<i>Duplo Master Roll</i>	<i>1</i>	<i>12,650.00</i>	<i>12,650.00</i>
<i>Stick Note / IT Flag</i>	<i>13</i>	<i>65.55</i>	<i>852.15</i>
<i>Foot Ruler</i>	<i>2</i>	<i>29.00</i>	<i>58.00</i>
<i>Buildo Clip</i>	<i>50</i>	<i>10.35</i>	<i>517.50</i>
<i>Glue Pen</i>	<i>13</i>	<i>27.60</i>	<i>358.80</i>
<i>Eraser S-76</i>	<i>3</i>	<i>4.60</i>	<i>13.80</i>
<i>Toshiba Estudio-T2309 P</i>	<i>2</i>	<i>12,019.97</i>	<i>24,039.94</i>
<i>White Board Duster</i>	<i>4</i>	<i>57.50</i>	<i>230.00</i>
<i>Pad Ink</i>	<i>1</i>	<i>80.50</i>	<i>80.50</i>
<i>Pad Ink</i>	<i>4</i>	<i>57.50</i>	<i>230.00</i>
<i>Pencil</i>	<i>52</i>	<i>12.65</i>	<i>657.80</i>
<i>File Docut</i>	<i>100</i>	<i>80.50</i>	<i>8,050.00</i>
<i>Graph Papers</i>	<i>150</i>	<i>1.50</i>	<i>225.00</i>
<i>Stepler Pin(Pkt) 23/17</i>	<i>1</i>	<i>172.50</i>	<i>172.50</i>
<i>Stepler Pin(Pkt) 23/18</i>	<i>5</i>	<i>138.00</i>	<i>690.00</i>
<i>HP26A (CF226A) Toner</i>	<i>2</i>	<i>10,000.00</i>	<i>20,000.00</i>
<i>Grand Total</i>			<i>180,594.85</i>

Sri Lanka Institute of Local Governance

Insurance Pre Payments Schedule As at 31/12/2019

Account # 2206-01

<i>Date</i>	<i>P.V. No</i>	<i>Name of Payee</i>	<i>Particulars</i>	<i>Amount</i>
18.02.2019	144	Sri Lanka Insurance Cooperation	Insurance renewal charges for Vehicle No. NA - 9428 from 16/02/2019 to 15/02/2019	16,066.20
11.03.2019	237	Sri Lanka Insurance Cooperation	Insurance renewal charges for Vehicle No. NB-2751 from 16/03/2019 to 15/03/2020	21,466.45
05.08.2019	1059	Sri Lanka Insurance Corporation	Insurance renewal charges for Vehicle No PE 1401 from 09/08/2019 to 08/08/2020	75,134.66
05.08.2019	1060	Sri Lanka Insurance Corporation	Insurance renewal charges for Vehicle No KO 8510 from 06/08/2019 to 05/08/2020	26,881.39
<i>TOTAL</i>				<i>139,548.70</i>

Sri Lanka Institute of Local Governance
Prepayments Others Schedule As at 31/12/2019
Accounts # 2206-02

Annexure III

Date	P.V. No	Name of Payee	Particulars	Amount
18.03.2019	305	ABS Information Systems (Pvt) Ltd	Service Agreement for Tally ERP System from 12/03/2019 to 11/03/2020	10,605.20
19.03.2019	314	John Keells office Automation (Pvt) Ltd	Service Agreement for Toshiba E studio-2309 from 12/03/2019 to 11/03/2020	2,554.52
22.03.2019	352	Colt Trading Company (Pvt) Ltd	Service agreement of Duplo Machine DPJ 450	5,141.92
01.11.2019	1637	Weblook International (Pvt) Ltd	Renewal of Institutional Website from 17/09/2019 to 16/09/2020	30,922.48
29.11.2019	1812	Metropolitan Office (Pvt) Ltd	Service agreement of MF 4570 DN Canon Machine from 01/11/2019 to 31/01/2020	10,637.50
09.12.2019	1862	John Keells office Automation (Pvt) Ltd	Service Agreement for Toshiba E studio, Photo copier -2309A from 02/10/2019 to 01/10/2020	12,950.00
21.12.2019	1946	Metropolitan Office (Pvt) Ltd	Service agreement of MF 4570 DN Canon Machine from 01/12/2019 to 01/12/2020	10,989.00
TOTAL				83,800.62

Sri Lanka Institute of Local Governance
Refundable Deposit Schedule As at 31/12/2019
Accounts # 2206-03

Annexure IV

V.NO	Payee	Amount
2017 / 250	American Premier Water System (Pvt) Ltd.	11,250.00
2017 / 630	Mobitel (Pvt) Ltd	4,000.00
201/ N-24	Mobitel Dongles	6,000.00
	MARKFED	100,000.00
2018 / 660	American Premier Water System (Pvt) Ltd.	6,000.00
TOTAL		127,250.00

Sri Lanka Institute of Local Governance
Receivable - Ministry of Provincial Councils & Local Government as at
31/12/2019
Accounts # 2206-05

Annexure V

Description	Amount
Opening Balance as at 01.01.2016	492,000.00
Total	492,000.00

SRI LANKA INSTITUTE OF LOCAL GOVERNANCE
Trade Debtors Schedule as at 31/12/2019
Accounts # 2203-03

Annexure VI

DESCRIPTION	AMOUNT
OPENING BALANCE - 2015	31,218.65
TOTAL	31,218.65

Sri Lanka Institute of Local Governance
Sundry Debtors Schedule as at 31st December 2019
Accounts # 2203-01

Annexure VII

	Name	Amount
1	Mr. Sarath Sisira Kumara	160,596.36
2	Mr. Asoka Kapuge	3,207.42
3	Mr. J.M Waseer	5,000.00
4	Mr.M.A.S.S.K Chandrasiri	5,000.00
5	Ms. P.C.T. De Silva	1,500.00
6	Ms.P. Algama	5,000.00
7	Mr. J. Wijesiri	5,000.00
8	Mr.M.M Feros	5,000.00
9	Ms. C.O Liyanage	1,680.85
10	P.K Dharmasena	805,860.40
	TOTAL	997,845.03

Sri Lanka Institute of Local Governance
Special Advance Schedule As at 31/12/2019
Accounts # 2204-02

Annexure VIII

Employee Name	Total
Mr.P.C.T.D.Silva	1,750.00
Mr.R.M.U.Priyadarshana	1,000.00
Mr. L.A.V.Jinendra	600.00
Mr.R.M.R.P.Dissanayaka	2,500.00
Mr. L.P Liyanarachchi	2,400.00
Mr. G.C.U Jayawardhana	1,600.00
TOTAL	9,850.00

***Sri Lanka Institute of Local Governance
Festival Advance Schedule As at 31/12/2019
Accounts # 2204-04***

Annexure IX

<i>Employee Name</i>	<i>Total</i>
<i>Mr.R.M.U.Priyadarshana</i>	<i>3,500.00</i>
<i>Mr.L.A.V.Jinendra</i>	<i>2,100.00</i>
<i>Mr. R.P Liyanarachchi</i>	<i>8,750.00</i>
<i>Mr. G.C.U Jayawardhna</i>	<i>6,250.00</i>
<i>Unknown Person</i>	<i>500.00</i>
<i>TOTAL</i>	<i>21,100.00</i>

Sri Lanka Institute of Local Governance
Property Loan Details 2019

Annexure X

	Name of Employee	Outstanding as at 01.01.2019	Jan'19	Feb'19	Mar'19	April'19	May'19	June'19	July'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Outstanding as at 01.01.2020
¹	Mr. R.M.A.K RATHNAYAKE	450,532.50	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	9,280.00	339,172.50
²	Mr. A. DODANGODA	,057,640.46	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	7,140.00	971,960.46
³	MS. K.A.P.R. KARIYAPPERUMA	39,281.42	590.00	590.00	590.00	590.00	590.00	590.00	590.00	590.00	34,561.42	-	-	-	-
⁴	MS. S.N.P. ROSA	684,413.94	8,051.93	8,051.93	8,051.93	8,051.93	10,870.10	10,870.10	10,870.10	10,870.10	10,870.10	10,870.10	10,870.10	10,870.10	65,245.52
⁵	MS. O.W.T.P. OWITIPANA	566,174.48	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	2,355.00	537,914.48
⁶	MS. H. D. M. PRIYADARSHANI	617,646.99	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	2,992.00	581,742.99
⁷	MS. D.M.T RANDUNU	563,834.63	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	11,746.00	422,882.63
⁸	Mr. C.B. KARUNARATHNA	608,121.42	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	2,780.00	574,761.42
⁹	Mr. S. BANDARA	524,617.52	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	2,550.00	494,017.52
¹⁰	Mr. G.C. JAYAWARDENA	666,515.22	-	-	-	-	-	-	-	-	-	-	-	-	666,515.22
¹¹	Mr. SUSANTHA SAMPATH	527,384.16	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	9,590.00	412,304.16
		6,306,162.74	57,074.93	57,074.93	57,074.93	57,074.93	59,893.10	59,893.10	59,893.10	59,893.10	93,864.52	59,303.10	59,303.10	59,303.10	5,566,516.90
	<u>Resigned Employees</u>														-
¹²	Ms. K.K.M.C MENIKE	23,312.61	-	-	-	-	-	-	-	-	-	-	-	-	23,312.61
		6,329,475.35	57,074.93	57,074.93	57,074.93	57,074.93	59,893.10	59,893.10	59,893.10	59,893.10	93,864.52	59,303.10	59,303.10	59,303.10	5,589,829.51

Annexure XI

Sri Lanka Institute of Local Governance
Distress Loan Details 2019

<i>Name of Employee</i>	<i>Outstanding as at 01.01.2019</i>	<i>Jan'19</i>	<i>Feb'19</i>	<i>Mar'19</i>	<i>April'19</i>	<i>May'19</i>	<i>June'19</i>	<i>New Loan</i>	<i>July'19</i>	<i>New Loan</i>	<i>Aug'19</i>	<i>Sep'19</i>	<i>Oct'19</i>	<i>Nov'19</i>	<i>Dec'19</i>	<i>Out Standing as 01.01.2020</i>
Mr. R.M.A.K RATHNAYAKE	220,833.38	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	170,833.46
Mr. A. DODANGODA	26,931.24	3,900.00	3,900.00	3,900.00	3,900.00	3,900.00	3,901.00	-	3,530.24	-	-	-	-	-	-	-
MS. K.A.P.R. KARIYAPPERUMA	216,666.72	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	166,666.80
MS. S.A.S.S. NIRANJALA PERERA	216,666.72	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	,166.66	166,666.80
Mr. P.A.D HIRAN RADISHA	216,666.72	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	166,666.80
Mr. A.E SAMARARATHNE	233,333.36	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	183,333.44
MS. S.N.P. ROSA	50,646.00	2,598.00	2,598.00	2,598.00	2,598.00	2,598.00	2,598.00	-	2,598.00	-	2,598.00	2,598.00	2,598.00	2,598.00	2,598.00	19,470.00
Mr. D.M.J PUSHPAKUMARA	250,000.00	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	200,000.08
MS. I.D. WIJEMANNA	216,666.72	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	166,666.80
Ms. A.D WEERASEKARA	225,000.04	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	-	4,166.66	-	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	175,000.12
MS. R.M.HEMALATHA	35,040.40	3,040.00	3,040.00	3,040.00	3,040.00	22,880.40	-	-	-	-	-	-	-	-	-	-
MS. THARANGA OWITIPANA	41,441.89	2,290.00	2,290.00	2,290.00	2,290.00	2,290.00	2,290.00	-	2,290.00	-	2,290.00	2,290.00	2,290.00	2,290.00	2,290.00	13,961.89
MS. H. D. M. PRIYADARSHANI	216,510.72	4,163.66	4,163.66	4,163.66	4,163.66	4,163.66	4,163.66	-	4,163.66	-	4,163.66	4,163.66	4,163.66	4,163.66	4,163.66	166,546.80
MS. M.S.C. WIMALAWEERA	210,322.72	4,044.66	4,044.66	4,044.66	4,044.66	4,044.66	4,044.66	-	4,044.66	-	4,044.66	4,044.66	4,044.66	4,044.66	4,044.66	161,786.80
Ms.A.P RATHNAHEWA	199,651.00	3,767.00	3,767.00	3,767.00	3,767.00	3,767.00	3,767.00	-	3,767.00	-	3,767.00	3,767.00	3,767.00	3,767.00	3,767.00	154,447.00
Mr. N.H.D. THUSHARA	204,912.04	3,794.66	3,794.66	3,794.66	3,794.66	3,794.66	3,794.66	-	3,794.66	-	3,794.66	3,794.66	3,794.66	3,794.66	3,794.66	159,376.12
Mr. S. BANDARA	195,468.00	3,759.00	3,759.00	3,759.00	3,759.00	3,759.00	3,759.00	-	3,759.00	-	3,759.00	3,759.00	3,759.00	3,759.00	3,759.00	150,360.00
MS. B.G. DINGIRI AMMA	32,380.00	1,880.00	1,880.00	1,880.00	1,880.00	1,880.00	1,880.00	-	1,880.00	-	1,880.00	1,880.00	1,880.00	1,880.00	1,880.00	9,820.00
Mr.A.A.H.N.ADIKARI	-	-	-	-	-	-	-	224,100.00	3,735.00	-	3,735.00	3,735.00	3,735.00	3,735.00	3,735.00	201,690.00
N.S.D.PERERA	-	-	-	-	-	-	-	-	-	224,100.00	3,735.00	3,735.00	3,735.00	3,735.00	3,735.00	205,425.00
	3,009,137.67	66,570.26	66,570.26	66,570.26	66,570.26	86,410.66	63,531.26	224,100.00	66,895.50	224,100.00	67,100.26	67,100.26	67,100.26	67,100.26	67,100.26	2,638,717.91

RESIGNED & TERMINATED EMPLOYEES	-															-
Mr. P.K DHARMASENA	218,545.25	-	-	-	-	-	-	-	-	-	-	4,285.20	4,285.20	4,285.20	4,285.20	201,404.45
Mr. L.A.R PIYANANDA	245,833.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	245,833.34
Mr. G.C. JAYAWARDENA	219,676.67	-	-	-	-	-	-	-	-	-	-	141,121.72	-	-	-	78,554.95
Ms.THAKISHILA DE SILVA	38,105.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,105.83
Mr.S.S.K.CHANDRASIRI	3,283.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,283.98
Mr.L.AV.C.JINENDRA	7,256.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,256.50
Mr.N.K.BANDARA	404,751.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	404,751.55
Mr.J.WIJESIRI	113.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113.12
UNVERIFIED BALANCE	(39,974.11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(39,974.11)
	4,106,729.80	66,570.26	66,570.26	66,570.26	66,570.26	86,410.66	63,531.26	224,100.00	66,895.50	224,100.00	67,100.26	212,507.18	71,385.46	71,385.46	71,385.46	3,578,047.52

Sri Lanka Institute of Local Governance
Advance to Credit Purchase Schedule As at 31/12/2019
Accounts # 2205-02

Annexure XII

<i>Voucher No</i>	<i>Supplier</i>	<i>Total</i>
1609	<i>ABS Information System (Pvt) Ltd</i>	<i>99,000.00</i>
	<i>TOTAL</i>	<i>99,000.00</i>

Sri Lanka Institute of Local Governance
Advance to Credit Purchase Schedule As at 31/12/2019
Accounts # 2205-02

Annexure XIII

<i>Voucher No</i>	<i>Supplier</i>	<i>Total</i>
<i>2018 - 1077</i>	<i>Faculty Development Fund, Faculty of Management Studies - University of Sri Jayawardhanapura</i>	<i>750,000.00</i>
<i>2018 - 1975</i>	<i>Faculty Development Fund, Faculty of Management Studies - University of Sri Jayawardhanapura</i>	<i>375,000.00</i>
	<i>TOTAL</i>	<i>1,125,000.00</i>

Provision For Gratuity As at 31.12.2019

Emp: No	Employee Name	Consolidated Salary	Cost Of Living	Total	1/2 Salary	Date Of Joined	No.Of Completed Years	Prov. for Gratuity
7	Mr.P.D.L.Fernandopulle	101,546.00	7,800.00	109,346.00	54,673.00	01.06.2000	19	1,038,787.00
25	Mr.R.M.A.K.Rathnayaka	103,582.00	7,800.00	111,382.00	55,691.00	03.11.2003	16	891,056.00
75	Ms.W.H.M.N.N.G.Prasadini Pilapitiya	77,841.00	7,800.00	85,641.00	42,820.50	17.09.2009	10	428,205.00
54	Mr.P.S.Dharmarathna	64,882.00	7,800.00	72,682.00	36,341.00	01.01.2007	13	472,433.00
36	Mr.A.Dodamgoda	53,302.00	7,800.00	61,102.00	30,551.00	01.07.2005	14	427,714.00
01	Ms.K.A.P.R.Kariyapperuma	57,508.00	7,800.00	65,308.00	32,654.00	01.01.2000	20	653,080.00
65	Ms.S.A.S.S.Niranjala Perera	45,632.00	7,800.00	53,432.00	26,716.00	17.11.2008	11	293,876.00
94	Mr.P.A.D Hiran Radisha	40,893.00	7,800.00	48,693.00	24,346.50	03.06.2015	4	97,386.00
98	Mr.A.D Weerasekara	36,730.00	7,800.00	44,530.00	22,265.00	28.06.2015	4	89,060.00
46	Ms.S.N.P.Rosa	37,407.00	7,800.00	45,207.00	22,603.50	15.06.2005	14	316,449.00
48	Mr.D.M.J.Pushpa Kumara	37,407.00	7,800.00	45,207.00	22,603.50	01.10.2005	14	316,449.00
62	Ms.I.D.Wijemanna	31,274.00	7,800.00	39,074.00	19,537.00	15.09.2008	11	214,907.00
16	Ms.O.W.T.P.Owitipana	29,860.00	7,800.00	37,660.00	18,830.00	01.07.2001	18	338,940.00
35	Ms.H.D.M.Priyadharshani	28,784.00	7,800.00	36,584.00	18,292.00	01.10.2005	14	256,088.00
34	Ms.D.M.T.Randunu	28,784.00	7,800.00	36,584.00	18,292.00	01.10.2005	14	256,088.00
67	Ms.M.S.C.Wimalaweera	27,977.00	7,800.00	35,777.00	17,888.50	10.11.2008	11	196,773.50
82	Ms. A.P.Rathnahewa	26,094.00	7,800.00	33,894.00	16,947.00	02.09.2011	8	135,576.00
28	Mr.C.B.Karunarathna	26,954.00	7,800.00	34,754.00	17,377.00	01.04.2005	14	243,278.00
56	Mr.Susantha Sampath	26,228.00	7,800.00	34,028.00	17,014.00	01.09.2008	11	187,154.00
63	N.H.D.Thushara	25,986.00	7,800.00	33,786.00	16,893.00	04.05.2009	10	168,930.00
31	Mr.S.Bandara	25,744.00	7,800.00	33,544.00	16,772.00	01.04.2005	14	234,808.00
52	Ms.B.G.Dingiri Amma	24,202.00	7,800.00	32,002.00	16,001.00	02.06.2008	11	176,011.00
	Total				-	-		7,433,048.50

Sri Lanka Institute of Local Governance

Annexure XV

Accrued Charges Schedule As at 31.12.2019**Account # 2103 -01**

Date	Name	V. No.	Amounts
01/01/2020	A.E.Samararathne	02	32,418.59
08/01/2020	Director General Civil Security Department	08	122,000.00
08/01/2020	Nipuni Cleaning Services (Pvt) Ltd	09	97,014.24
08/01/2020	M.S.Antony	10	3,615.00
08/01/2020	Sanjeewa Motors (Pvt) Ltd	11	8,300.00
08/01/2020	Markfed	12	38,086.20
08/01/2020	Markfed	13	15,687.80
08/01/2020	Markfed	14	13,662.06
08/01/2020	Perera & Sons Bakers (Pvt) Ltd	15	48,020.00
08/01/2020	H.K.S.Samarasinghe	16	7,200.00
08/01/2020	M.A.N.Premathilake	17	39,864.00
16/01/2020	P.A.D.Hiran Rdeesha-Holiday Pay-December 2019	22	4,089.30
16/01/2020	Nayana Rosa-Holiday Pay-December 2019	23	1,870.35
16/01/2020	A.D.weerasekara-Holiday Pay-December 2019	24	3,605.30
16/01/2020	M.D.I.D.Wijemanna-Overtime December 2019	25	3,713.55
16/01/2020	H.D.M.Priyadarshani-Overtime December 2019	26	3,687.85
16/01/2020	M.S.C.Wimalaweera-Overtime December 2019	27	2,564.54
16/01/2020	Tharanga Owitipana-Overtime December 2019	28	2,170.00
16/01/2020	A.P.Rathnahewa-Overtime December 2019	29	1,875.42
16/01/2020	Chandika Bandara-Overtime December 2019	30	11,230.00
16/01/2020	N.H.D.Thushara-Overtime December 2019	31	10,827.00
16/01/2020	J.K.Krishantha-Overtime December 2019	32	3,135.80
16/01/2020	N.S.D.Perera-Overtime December 2019	33	1,674.00
16/01/2020	L.S.Sampath-Overtime December 2019	34	4,862.92
16/01/2020	Sujath Bandara-Overtime December 2019	35	10,726.00
16/01/2020	Chandika Bandara-Travelling Allowance December 2019	36	3,587.50
16/01/2020	N.H.D.Thushara-Travelling Allowance December 2019	37	3,500.00
16/01/2020	L.S.Sampath-Travelling Allowance December 2019	38	1,662.50
16/01/2020	Sujath Bandara-Travelling Allowance December 2019	39	3,675.00
16/01/2020	American Premium Water Systems (Pvt) Ltd	40	6,555.17
17/01/2020	P.G.G.Jithmini Pitiye Gedara	41	8,000.00
17/01/2020	A.M.P.M.Silva	42	7,500.00
17/01/2020	E.G.C.Dilrukshi	43	7,000.00
17/01/2020	S.D.I.D.Sandaruwani	44	7,000.00
17/01/2020	I.D.S.N.Yashokumari	45	6,500.00
17/01/2020	P.G.G.Jithmini Pitiye Gedara	46	8,000.00
17/01/2020	A.M.P.M.Silva	47	6,000.00

17/01/2020	S.D.I.D.Sandaruwani	48	8,000.00
17/01/2020	E.G.C.Dilrukshi	49	8,000.00
17/01/2020	I.D.S.N.Yashokumari	50	7,500.00
20/01/2020	Director General Civil Security Department	53	127,000.00
20/01/2020	Sri Lanka Telecom Plc	54	26,465.42
20/01/2020	Sri Lanka Telecom Plc	55	16,056.61
20/01/2020	National Water Supply and Drainage Board	56	9,568.53
20/01/2020	P.A.D.Hiran Rdeesha-Other Allowoance-December 2019	57	2,708.34
20/01/2020	P.A.D.Hiran Rdeesha-Other Allowoance-December 2019	58	1,640.42
20/01/2020	Kusal Madushan-Other Allowoance-December 2019	59	3,162.41
20/01/2020	R.M.A.K.Rathnayake-Other Allowoance-December 2019	60	1,596.45
20/01/2020	A.E.Samararathne-Holiday Pay December 2019	61	1,909.25
20/01/2020	A.P.Sri Warnasinghe	62	20,000.00
22/01/2020	W.K.L.E.Walallaviita	63	16,000.00
22/01/2020	Piumika Perera	64	4,100.00
22/01/2020	L.K.L.Ranisni	65	4,300.00
22/01/2020	E.M.D.B.Ekanayake-Other Allowance -December 2019	66	2,349.18
31/01/2020	K.A.P.R.Kariyapperuma-Salary December 2019		39,367.62
			860,604.32

Sri Lanka Institute of Local Governance
Sundry Creditors Schedule As at 31/12/2019
Accounts # 2103-12

Annexure XVI

<i>Date</i>	<i>Creditor</i>	<i>Total</i>
31.12.2019	<i>P.K.Dharmasena</i>	<i>315,445.00</i>
31.12.2019	<i>R.P.Liyanarachchi</i>	<i>469,287.00</i>
	<i>TOTAL</i>	<i>784,732.00</i>

CHAPTER 06 - Message from the Director/CEO



I am pleased to present the Annual Report and Audited Financial Statements of Sri Lanka Institute of Local Governance (SLILG) for the Financial Year 2019 which was a challenging year. Lower growth in GDP and per capita income together with continuous drought in the dry zone of the country in first half of the year coupled with political instability during the latter part of the year 2018 adversely affected the performance of the Institute.

Compared to an operating profit of Rs. 2,836,485.91 revenue during the year 2018 as appears in the Financial Statement given in page 56, SLILG posted a deficit of Rs. 953,589.57 for the twelve months ended on 31st March 2020.

Outlook

Academic point of view,

- Coordinating with Deputy Chief Secretaries (Training) & Deputy Chief Secretaries (Planning) at the MDTU meetings to strengthen the relationship with the MDTD units.
- A Training Impact Analysis and Training Needs Analysis were conducted to get the feedback from the local government sector about the performance of SLILG and also to find out the lacking areas in the local authorities. This enables to prepare the Action Plan for the Year 2020.
- Throughout the year 2019, SLILG started islandwide awareness programmes on Drug Prevention after conducting several ToT Programmes.
- Conducting of training programmes islandwide for the newly appointed Elected Members and implementing a Certificate Course for the newly Elected Members.

Administration Point of view

- Meetings were held with the Department of Management Services for restructuring of SLILG Cadre.
- Reorganize and develop the library of the institute. It had become essential to provide an effective and efficient service to the provincial councils and local government sector officers who attend for training programmes and Certificate/Diploma programmes. Further, undergraduates from different universities requested for the use of SLILG library for their Research work.

The main issues arisen at SLILG can be highlighted as follows,

- a) Restructuring of SLILG Cadre
- b) Construction of the proposed new building

But when considering the overall performance, Sri Lanka Institute of Local Governance performed its mandated activities effectively to achieve expected targets and objectives during the year 2019.

Key Strategies

SLILG intends to join with new donor agencies, to introduce and share experience to suit the needs of people. The institute will also step up its efforts in e-governance while it has to contend with an intense competition from both private and public training institutes which are encouraged by open market access. However, we would differentiate with our quality offering and encourage competition, as it makes us be ahead of our strategies, ensuring that we are neither complacent nor satisfied with mediocrity.

In the year under review, macro-economic conditions were not as conducive for the Sri Lankan Economy due to multiple reasons as mentioned above and the new tax levy imposed directly on the financial sector. The country faced an unexpected tragedy with terrorist attacks by an extremist group on the Easter day – 21st April 2019. The impact of this attack was severe and perhaps the most severe in this decade. The country needs to recover fast from this setback, where I am hopeful of the capability and resilience of Sri Lankans to bounce back from tragedies as proved throughout our history.

I take this opportunity to thank the Governing Council of SLILG with the Chairmanship of the Secretary to the Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government for their contribution, long service and leadership during the tenure at the SLILG. My heartfelt gratitude to the members of the Board for their support and commitment.

Last but not least, I place my appreciation to Senior Management Team and staff members for their continued dedication and commitment.

Jayantha Liyanage
Attorney-at-Law
Director / CEO