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ANNUAL REPORT AND ACCOUNTING
2021

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இலங்கை சமூகப் பாதுகாப்புச் சபை
SRI LANKA SOCIAL SECURITY BOARD

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நிதி அமைச்சு
சமுர்த்தி, வதிவிடப் பொருளாதார, நுண்நிதிய, சுயதொழில்
மற்றும் வியாபார அபிவிருத்தி இராஜாங்க அமைச்சு

Ministry of Finance
State Ministry of Samurdhi, Household Economy, Micro Finance,
Self Employment and Business Development

Preamble

Sri Lanka Social Security Board

Vision

“A proud nation secured with social security “

Mission

“Towards a sustainable development while incorporating strategic alliance with government and non-governmental organizations in place of the economic social and cultural security of the Sri Lankan citizens aligned to good governance practices through formulating, executing and regulating social security policies for building a proud nation....”

Message from the Chairman

The Social Security Board, which was established by way of the Parliament Act No. 17 of 1996 and presently executes its operations under the Sate Ministry of Samadhi , Household Economy, Micro Finance, Self Employment and Business Development under the purview of the Ministry of Finance, is an state institution, which secure pension and social security benefits for citizens those who are not entitled to a state pension and this is their main role.

Although falling of 25th anniversary to the year 2021 is unique to the Social Security Board of Sri Lanka as an institution, it was a more challenging year with the COVID 19 epidemic throughout the year 2021.

In the year 2021, the Social Security Board of Sri Lanka has been able to make positive progress in 2021, surpassing the progress made in the past years in the face of even the COVID 19 epidemic situation.. It is also expanding its service network, introducing new pension plans to ensure the social security of a number of new target groups, and completing the preliminary work required to further expand the range of beneficiaries covered by the new pension plans.
Accordingly, the Social Security Board of Sri Lanka has been able to recruit 57,803 new members to the Pension and Social Security Scheme in the year 2021, recording the highest financial accumulation of Rs. 450 million in its 25 year history.

Development of Branches of Regional Development Banks island wide as service centers of the Social Security Board, liaison with Samurdhi Development Officers, Samurdhi Bank Branch Service Network, Grama Niladharis, in conjunction with the Department of Samurdhi Development, in connection with the expansion of its service network by the Social Security Board of Sri Lanka during the year 2021. Special mention will be made of further strengthening and expanding the support of Economic Development Officers.

During this time of year, new pension schemes were introduced for a number of new target groups and preliminary work was initiated to cover many such new target groups.. Meanwhile, the introduction of the "Seafarer " Social Security Scheme for sailors in the field of Merchant Shipping, the "Buddha and the Supreme Buddha" for the parents of the Venerable Bhikkhus and Dasasil Mothers who sacrificed their caste children to the Sasana for the perpetuation of the Buddha Sasana as per the proposals of the "Vision of Prosperity" policy statement. The introduction of the Security Scheme, the Pension and Social Security Scheme for Mining Employees and Temple Workers Across the Island are just a few of the initiatives initiated.

Among the projects already underway and in the final stages are the 'Buduputh Harasara' Social Security Scheme for Honorable Bhikkus, the Pension Scheme for Private Bus Employees and the Saubhagya New Pension Scheme are in the priority.

It is my intention to further strengthen this sustainable program to ensure the social and economic security of the retirees of those who are not entitled to a state pension, as well as to continue the progress made and to socialize the pension and social security benefits.
I would also like to take this opportunity to thank all the officers in the Social Security Board of Sri Lanka which has been in active and tremendous service for over 25 years, for their support and superior commitment to all those who have continued to serve the people for so long and who have been instrumental in achieving these achievements.

Chairman
Senior Lecturer, Saman Handaragama
Sri Lanka Social Security Board
01. 02. 2022

Message from the General Manager

The year 2021 can be described as a remarkable year under which the newly elected Chairman, Board of Directors and Industrial Advisory Committee for the year of 2020 achieved the highest level of their objectives by further strengthening the foundation laid for the objectives of the Social Security Board of Sri Lanka.

The Social Security Board of Sri Lanka has entered the year 2021 as the highest earning year in its history. It is also the year with the highest number of active contributors /members in a single year. A decisive factor in this was the transformation of the membership network of members into the Social Security and Pension Scheme, which was limited to about 150 by 2020, into a network of over 40,000 enrollments covering the entire country.

Further, all necessary steps were taken in 2021 to deploy an officer of the Sri Lanka Social Security Board to expand the direct network of officers of the Sri Lanka Social Security Board, which was limited to the district level, to 335 Divisional Secretariats in Sri Lanka.

A nationwide awareness campaign that integrates with modern technology, overcoming the traditional method of mobilizing group mobilization to educate Sri Lankan citizens on social security scheme, combining the innate abilities of the current Chairman of our Board, This year we have been able to bring the Sri Lanka Social Security Board closer to the people by activating it through social media, radio, television and newspapers

To protect thousands of Sri Lankans from social security and pension benefits who have not had the opportunity to secure their old age with a state pension or an employee provident fund, there is an urgent need for all officials to consider the responsibility of the Social Security Board of Sri Lanka as a social responsibility that goes beyond their duties. I would like to take this opportunity to express my gratitude to all those who have contributed to the success of 2021, noting that our staff is committed to this cause in the year 2021 as well as in the future.

I am grateful to the Hon. State Minister, Shehan Semasinghe Secretary to the State Ministry e, Neil Bandara Hapuhinna, and to the officials, including the Additional Secretaries, for their continued guidance and instructions in achieving the role of our Board.

K. A. S. P. Kaluarachchi
General Manager
18. 02. 2022

Former Chairmen

Name	Duration		
Mrs. V. Jegarasasingham	01.01.1997	-	01.11.1999
Mr. S. Kariyawasam	08.11.1999	-	01.11.2000
Mr. K. Jayalath	24.11.2000	-	06.02.2002
Mr. R. M. D. B. Bogahakumbura	07.02.2002	-	25.01.2004
Mr. Ananda Gallearachchi	03.02.2004	-	01.06.2004
Mr. D. K. R. Weerasekara	15.06.2004	-	15.12.2005
Mr. Lakshman Hirimuthugoda	27.12.2005	-	18.09.2006
Mr. Sunil Samaraweera (Acting)	19.09.2006	-	11.10.2006
Mr. Sarath Keerthirathna	12.10.2006	-	05.05.2010
Mr. Nimal Chandra Amarasinghe	17.05.2010	-	31.12.2011
Attorney-at-low (Mrs) Sumana Ariyadasa	03.01.2012	-	21.01.2015
Mr. Sumathipala Kariyawasam	10.02.2015	-	07.12.2015
Mr. Keerthi Suranjith Mawellage	09.12.2015	-	15.05.2018
Mr. J. A. S. Jayakodi	18.05.2018	-	26.10.2018
Mr. P. M. Dewaka Weerasinghe	11.02.2019	-	06.12.2019

Former General Managers

Name	Duration		
Mr. Ranathunga Hemachandra	25. 09.1996	-	31.08.1998
Mr. Ashoka Peiris	01.09.1998	-	01.02.2000
Mr. B. A. Somapala	02.02.2000	-	16.08.2002
Mr. K. G. G. Wijewardhana	16.09.2002	-	31.12.2003
Mr. P. E. C. Nesaiyah	01.01.2004	-	12.10.2007
Mr. J. M. Wijayarathna	01.01.2008	-	23.07.2009
Mrs. N. J. Pathirana	24.07.2009	-	23.07.2010
Mr. K. N. J. Cooray	27.07.2010	-	26.01.2012
Mr. Dhammika Padukka	17.03.2014	-	09.11.2017
Mr. K. A. Thilakarathna	16.01.2018	-	15.07.2018
Mr. B.T.K.Nishshanka	02.12.2019	-	20.06.2020
Mr. Nimal Kotawalagedara	22. 06.2020	-	22. 12. 2020

Board of Directors — 2020 /2021

Senior Lecturer Saman Handaragama
B.A. (Special) Sociology (Hons) (CMB), MA in Sociology (CMB), CTHE (CMB).
Chairman

Mr. W.M Sunil Shantha Weerasekera
Working Director

Mr. K. M. Kumarasiri
Deputy Director ,Department of Fiscal policy, Ministry of Finance
(Ex- Officio member – Treasury Representative)
Director

Attorney-at-Law
Janaka Rathnayake

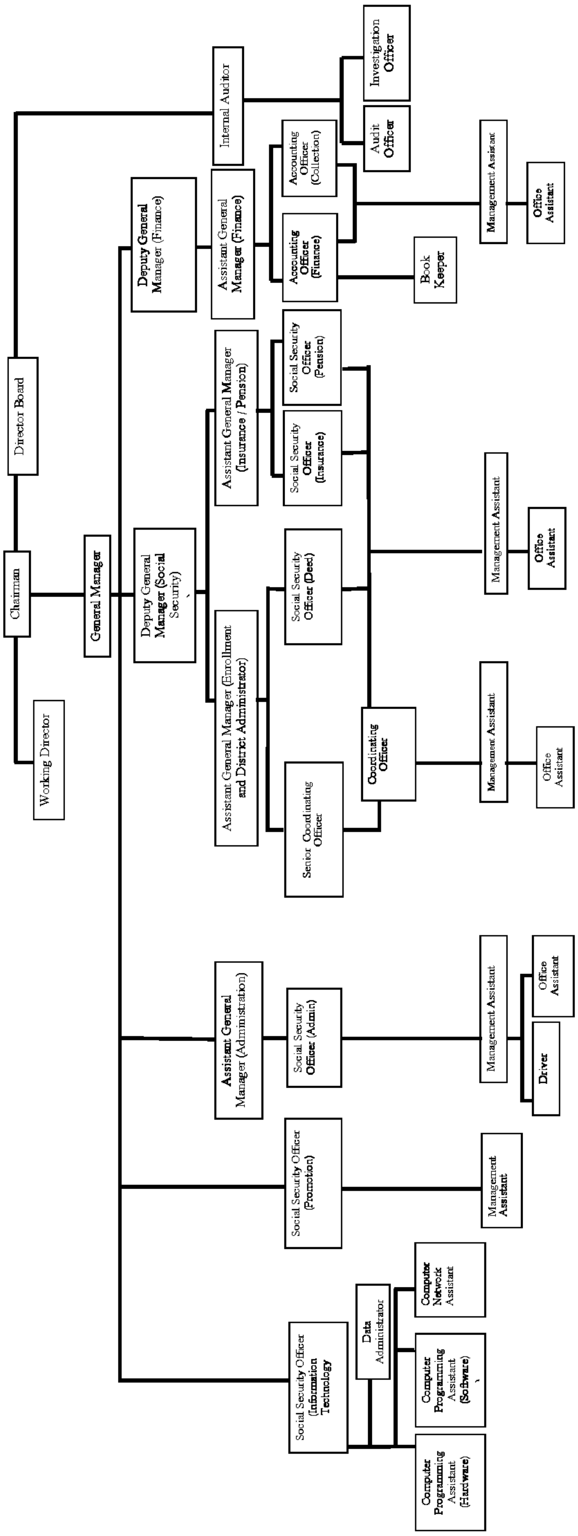
Director

Attorney-at-Law H.R. Parashakthi Senanayake
Director

Mr. Dhammika Dissanayake
Lecturer, UVPA
Director

Mr. Aruna Kumarawadu
Engineer
Director

Organization Structure of the Sri Lanka Social Security Board



Role of the Sri Lanka Social Security Board

The role of Sri Lanka Social Security Board is to provide pension payments and social security benefits to those who are not entitled to a government pension

In accordance with the provisions made under the Sri Lanka Social Security Board Act No.l7 of 1996, six pension and social security benefit schemes were introduced by an extraordinary Gazette Notification of the Democratic Socialist Republic of Sri Lanka dated 25th September 2006 bearing the number 1464/5.

"Surekuma" scheme has been implemented by now with the objective of implementing economically effective schemes and providing high and safeguarded monthly pension payments to the contributory members.

All those who are in the ages of 18 to 59 years and not entitled to a government pension could be members for the schemes and be entitled to the possibility of drawing a monthly pension as desired to meet their requirements depending on the ability to pay the contributions to the Board.

"Arassawa" preplanned Social Security Benefit scheme was introduced alongside with the "International Day of the Girl-Child which was scheduled on 11 September 2012. According to the said scheme the parents or guardians could enroll the children who are below the age of l8 years under their guardianship. Once when the children complete their l8 years of age, their enrolments are transferred to "Surekuma" monthly pension payment scheme and they become entitled to a pension and the amount receivable depends on the balance accumulated on their behalf.

Benefits of the Scheme

- To provide a pension at the age of 60 years until the demise of the contributory members.
- At the demise of the contributory member the wife/husband is entitled to the pension up to the age of 80 years
- lf a contributory member becomes partially and permanently disabled he/she is entitled to a gratuity payment of Rs. 25,000/- calculated with respect to the member's age and after completing the payment of contributions he/she is entitled to the monthly pension when reaching 60 years of age.
- If a contributory member becomes permanently incapacitated he is entitled to a gratuity up to
  Rs. 50,000/- calculated with respect to the members age and his total contribution as at date or a monthly pension from the date on which the member is incapacitated.
- If a contributory member is deceased before the retirement the dependents are entitled to obtain a lump sum gratuity.

Anyone in the society could obtain the membership from the Head Office of the Sri Lanka Social Security Board, District Offices and Divisional Secretariats or from Grama Niladhari Officers and from any other officer to whom the responsibility has been entrusted by the Board.
Premium payments could be made through this Office, Bank of Ceylon, People's Bank, National Savings Bank, Post Offices and Grama Niladhari Offices who have been entrusted with authority.

1. Administration Division

1.1. Establishment, establishment of the office and subsequent changes

Social Security Board was first established by the Ministry of Health, Highways and Social Services at the Sawsiripaya under Act No: 17 of 1996. After the first meeting of the Board of Directors which was held on the 16th October 1996, activities of the Social Security Board were commenced. Thereafter the Social Security Board was set up in the Office building of the Department of Social Services at Borella under the purview of the Ministry of Social Services.

During the second stage of its establishment, the office of the Social Security Board was set up in a rented out building at No. 585, Galle Road, Colombo with effect from March 2007. Subsequently, the original Act was revised by the Social Security Board (Amendment) Act No: 33 of 1999. Then the office of the Sri Lanka Social Security Board was established at No: 150 A, Nawala Road, Nugegoda on 01/07/2003.

Later on, the Sri Lanka Social Security Board was moved under the purview of the Ministry of Finance and Planning with effect from 30-04-2010 and the Head Office was established at No: 125 Nawala Road, Narahenpita, Colombo 05 with effect from 0l-12-2010.

The office was permanently established at No. l8, Rajagiriya Road, Rajagiriya on 06.03.2018 in a four story building purchased by the Board and the premises is being named "Samaja Arakshana Piyasa" with possibilities of performing more and an essential service in a spacious building with all facilities. At present the services of the Board has been expanded to cover all districts of the island by establishing offices at every District Secretariat.

The office was established at No. l8, Rajagiriya Road, Rajagiriya on 06.03.2018 in a building purchased by the Board and the premises was named as "Samaja Arakshana Piyasa". By this means it has become possible to perform more and an essential service in a spacious building with all facilities. At present the services of the Board has been expanded to cover all districts of the island by establishing district offices at every District Secretariat.

1.2. Approved cadre and vacancies

Since the year 1999 due to their transfers and resignations, the number of vacancies prevailed throughout the period and 179 served in the permanent staff then. The staff structure as per positions of the employees is given below.. As the anticipated progress of the organization is unable to reach the expected accomplishments and approval for the arrangements of expanding activities has been granted to increase the cadre to suit the requirements up to 198 in number. Accordingly schemes of recruitment have been drafted and forwarded to the Department Management Services on 14/09/2012 and these schemes of recruitment have been approved.

There are 33 vacancies in the institute, as at 31.12.2021. However, recruitments of employees are postponed by the Cabinet Memorandum No. MF/NB/07/CM/2021/163 dated 28.08.2021 on the review of public expenditure submitted by the Ministry of Finance and letter No. SMS/ACC/11/Budget/ 2022 dated 06.09.2021 on the review of public expenditure; it was unable to recruit officer for these vacancies.

Analysis of the Staff – Year 2021

(As at 31. 12. 2021)

Sub Number	Designation	Approved Cadre	Present Cadre	Vacancies
1	General Manager	1	1	0
2	Deputy General Manager (Finance)	1	1	0
3	Deputy General Manager (Social Security)	1	1	0
4	Assistant General Manager (Finance)	1	1	0
5	Assistant General Manager (Enrollment and District Administration)	1	1	0
6	Assistant General Manager (Administration)	1	1	0
7	Assistant General Manager ((Pension /Insurance)	1	1	0
8	Internal Auditor	1	1	0
9	Manager (Administration)	1	1	0
10	Manager (Deed Services)	1	1	0
11	Manager (Insurance)	1	1	0
12	Accounting Officer (Finance)	1	1	0
13	Social Security Officer (Promotion)	1	1	0
14	Social Security Officer (Pension)	1	1	0
15	Social Security Officer (Information Technology)	1	1	0
16	Accounting Officer (Collections)	1	1	0
17	Senior Coordinating Officer	6	6	0
18	Audit Officers	2	2	0
19	Coordinating Officers	49	42	7
20	Investigation Officers	2	2	0
21	Data Base Administrator	1	1	0
22	Computer Network Assistant	1	0	1
23	Assistant Computer Program Assistant (Software)	1	1	0
24	Assistant Computer Program Assistant (Hardware)	1	1	0
25	Book Keeper	2	1	1
26	Management Assistant	74	58	16
27	Driver	9	6	3
28	Office Assistant	34	30	4
Total		**198**	**166**	**32**

1.3. Increasing the approved cadre and filling of vacancies

Establishment of the staff needed to achieve the Board's objectives and objectives & work to enhance their performance through training and development and a Board restructuring proposal has been approved by the Board of Directors and forwarded to the Department of Management Services for approval to increase the approved staff size from 198 to 561 by restructuring the staff. In order to reach the targeted aims and objectives of the board, establishment of the required staff and improvement of their performance through the training and development are performed and steps are being taken to increase the approved staff strength from 198 to 561 through staff restructuring. At the same time, steps are being taken to expedite recruitments for vacant posts to achieve higher service productivity.

The recruitments of employees are postponed due to instructions given by the Cabinet Memorandum No. MF/NB/07/CM/2021/163 dated 28.08.2021 on the review of public expenditure submitted by the Ministry of Finance and letter No. SMS/ACC/11/Budget / 2022 dated 06.09.2021 on the review of public expenditure t, recruitments for the posts which remain in vacant have been withheld, however the recruitments were made for the essential post, habing obtained the approval of the relevant authorities.

Accordingly, recruitment for the vacant posts is expected to take place in the future and steps will be taken to achieve higher service productivity.

1.4. Resignations and retirements in 2021

	Name		Designation		
01.	Mrs. J. A. Jayanthi Perera	-	Office Assistant	-	Retirement
02.	Mr. A.S.M. Irsath	-	Coordinating Officer	-	Resignation
03.	Mrs. Iresha Premila Madushani	-	Management Assistant	-	Resignation
04.	Mrs. G. P. Paranamana	-	Coordinating Officer	-	Resignation
05.	Mr. K. P. R. C. Kalupahana	-	Driver	-	Vacation of Post
06.	Mr. E. G. D. Suraweera	-	Coordinating Officer	-	Resignation
07.	Mr. Vishwa Madhujith Peramuna	-	Coordinating Officer	-	Resignation
08.	Mrs. Sasitha Kalpani	-	Management Assistant	-	Resignation
09.	Mr. K. K. Samantha Laksiri	-	Driver	-	Resignation

1.5. Present Staff of the Administrative Division (As at 31. 12.2021)

Designation	No. of Officers
General Manager	1
Assistant General Manager (Administration)	1
Manager (Administration)	1
Management Assistant	7
Secretary to the Chairman (Management Assistant)	1
Office Assistant	1
Office Assistant who is attached to Chairman	1
Postal Affairs (Office Assistant	1
Telephone Operator (Office Assistant)	1
Driver	6
Multi Purpose Development Assistant	1
Total	**22**

1.6. Main Functions of the Administration Division

The Administration Division is tasked with maintaining a strong and effective corporate governance and administrative structure in achieving the vision and mission of the Board. The following are the key elements in planning, developing the physical and human resources of the organization, implementing the directives issued by the Board of Directors including the Chairman, complying with circulars issued by the Government and assisting in the more efficient functioning of other service sectors. Roles are performed.

1. Carrying out necessary activities for recruitment, training, conduct of efficiency bar examinations, granting of salary increments, conversion of salary increments and granting of promotions as per the approved recruitment scheme.

2. . Proper maintenance of personal files of the entire staff of the institution and disciplinary action when required.

3. Providing necessary infrastructure facilities for the head office and district offices..

4. Making agreements to obtain the services on transportation, vehicle maintenance, security services, and sanitation services of the institution.

5. Preparation of annual reports, corporate plan, action plan and all other monthly and quarterly reports and submission of them to the Ministry after obtaining the approval of the Board of Directors.

6. Taking further steps to attach 360 graduates who have been recruited under the government program to recruit 58000 trainee graduates in order to streamline the activities of the Sri Lanka Social Security Board at the level of Divisional Secretariats island wide.

7. Carrying out the further work related to the recruitment of Multipurpose Development Task Assistants Trainees by the Department of Multipurpose Development Task Force to our institute.

8. Preparing the year end performance report and submitting it to the Ministry.

9. .Preparing and presenting the required papers for the Technical Advisory Committee and organizing the affairs for conduct of meetings.

10. Providing computer network facilities required to carry out the activities of 25 District Offices spread all over Sri Lanka by the Computer Division.

11. Arranging activities for holding monthly Board meetings and taking necessary steps to implement the orders given by the Board of Directors.

12. Maintaining of daily attendance records of all staff and issuance of leave reports to all staff at Head Office and 25 District Offices in every 06 months and filling of monthly reports.

13. Preparation of reports on insurance premiums of staff members who have become members of Agrahara Insurance Fund and submit to the Insurance Trust Fund on a monthly basis and taking necessary action to expedite the receipt of insurance cover claims.

14. Checking all the documents received by the institution on a daily basis and directing the Chairman, General Manager to the relevant Heads of Departments as well as sending letters and parcels to be sent to the District Offices and other NGOs expeditiously.

15. Holding staff transfer board meetings and issuing letters of request for transfers accordingly and dealing with transfers made on the duty requirement of the institution.

16. Answering monthly, quarterly and yearly reports, internal audit queries and government audit queries and attending audit meetings.

17. Attending technical committee meetings, preparing e necessary technical committee papers and facilitating requirements for meetings.

18. Preparation of Cabinet Papers required for essential corporate matters and obtaining necessary approvals.

19. Submitting necessary proposals and obtaining necessary approval for institutional restructuring.

20. Conducting training workshops for the staff.

1.7. Physical Resources

Head office	-	The Head Office of the Board was established in a four storied building owned by the Board itself situated at No. 18, Rajagiriya Road, Rajagiriya with effect from 06th March 2013.
District Offices	-	Social Security District Offices have been established in all District Secretariats in the country

1.8. Communication facilities

The organization had the telephone system and after shifting to the present premises, the system was further developed to cover all divisions by installing 3 more general lines along with fax facilities. In addition to this, the following Officers have obtained the direct telephone facilities.

Chairman	-	One Direct phone line and Fax line
Working Director	-	One Direct phone line and Fax line
General Manager	-	One Direct phone line and Fax line
Deputy General Manager 02	-	One Direct phone line and two Fax lines
Assistant General Manager 03	-	03 Telephones
Internal Audit Officer	-	01 Telephone
To connect with Post Offices by the Collection Division	-	02 Telephones
Hotlines	-	01 Telephone

In Addition to the above telephone and fax facilities, all 25 District offices have also been provided with telephone facilities. A computer network has been established in the Head Office. Steps have been taken to connect District Offices through VPN system and service functions have been carried in a very active and effective manner.

1.9. Transport Facilities

The Board owns altogether 21 vehicles naming as 02 cabs, 02 cars, 01 van, 01 three wheeler and 15 motorcycles as at 31.12.2021. One of these motorcycles is in a dilapidated condition and our institution is currently using only 14 motorcycles.
Two of those vehicles were purchased in 1997 and 1998, the car was purchased in 2008, the Nissan Juke was purchased in 2013, the Bajaj Three-wheeler was purchased in 2013, and the Toyota HiAce van was purchased in 2014. Also, 09 Bajaj motorcycles were purchased in 2011 and 05 other motorcycles were purchased in 2014..

The Board has obtained two Cars, One Double Cab and one Jeep by Operational Lease Method in year 2017 and the relevant agreements will expire on 30.06.2022 and 22.11.2022 respectively.

1.10. Details of Vehicles which are existed at present (As at 31.12.)

Vehicle No.	Model	Date of first registration	Very good	Good	Repaired and currently in running condition	Feeble	Condemned
250 - 6095	Cab	1997.10.24			√		
252 - 5463	Double Cab	1998.08.14			√		
KH- 4506	Car	2008.09.30		√			
KX- 0914	Nissan Juke Car	2013.10.17		√			
NB - 8428	Toyota HiAce	2014.08.18	√				
SP CAU-7691	TOYOTA – AXIO Type car	2017.06.29	√				
SP CAU-7694	TOYOTA – AXIO	2017.06.29	√				
SP PH-9137	FORD RANGER Double Cab	2017.06.29	√				
WPCAH- 4984	Jeep TOYOTA-FORTUNER Type	2017.11.21	√				
WP AAG -9346	Bajaj Three Wheeler	2013.04.18		√			
WP WK-3810	Bajaj Motorcycle	2011.04.06		√			
WP WK-3806	Bajaj Motorcycle	2011.04.06		√			
WP WK-3789	Bajaj Motorcycle	2011.04.06		√			
WP WK-3880	Bajaj Motorcycle	2011.04.06		√			
WP WK-3815	Bajaj Motorcycle	2011.04.06			√		
WP WK-3795	Bajaj Motorcycle	2011.04.06		√			
WP WK-3801	Bajaj Motorcycle	2011.04.06		√			
WP WK-3882	Bajaj Motorcycle	2011.04.06		√			
WP WK-3787	Bajaj Motorcycle	2011.04.06		√			
WP WD-5580	Kinetic Motorcycle	2010.12.31				√	
WP BAR-3240	Bajaj Motorcycle	2014.01.27		√			
WP BAR-3263	Bajaj Motorcycle	2014.01.27		√			
WP BAR-3250	Bajaj Motorcycle	2014.01.27		√			
WP BAU-0765	Scooter	2014.03.19		√			
WP BAU-0769	Scooter	2014.03.19		√			

1.11. Matters to be drawn the special attention

When expansion of the social Security in the island at the village level, i twas confirmed by the study of restructuration of staff that the field staff is not sufficient. Accordingly, under the Government program to recruit 58000 graduate trainees to streamline the activities of the Sri Lanka Social Security Board at the level of Divisional Secretariats and District Secretariats island wide. a written request has been made to the Director General of combined Services of the Ministry of Public Services, Provincial Councils and Local Government to take action to attach 360 graduates who have been recruited, to the Social Security Board.

Shortages of physical resources

1. Majority of the vehicles in the vehicle pool are very old and therefore, new vehicles have been purchased as high cost to be incurred for repairing
2. Fulfilling the human and physical resources in order to decentralize the activities of the Board towards the District Offices
3. Arrangements need to be made to construct an auditorium as currently there are no facilities for staff meetings in the head office building.
4. District offices have been set up for this Board and when conducting the operation activities, there is no sufficient number of vehicles to meet the transport duty requirements of the Officers, hence, taking actions to make such facilities.

1.12. Information Technology Unit

Main Functions

1. Carrying out activités related to the installation of new pension information management software systems
2. Submitting necessary reports to top management for new changes and other tasks to be done in the organization
3. Taking necessary steps to keep the computer network up to date
4. Taking necessary steps to keep the computer network up to date

1.13. Functions performed by the Information Technology Unit in 2021

1. Préparation of a new detailed software specification report for the proposed software system.
2. Submission of a detailed report on new changes to the proposed software system.
3. Reporting daily recruitments to the Social Security Board pension scheme using the Google sheet tool.
4. Conducting a meeting held during the epidemic situation using Zoom technology and providing assistance to the institutional process by way of granting the technical support
5. Providing computers and accessories for district offices and repairing such malfunctioned computers and accessories
6. Taking immediate actions for payment of pensions and paying technical assistance for daily duties in the event of an epidemic situation

1.14. Staff of the Computer Technology Unit

Designation		Number of Officers
Social Security Officer (Information Technology))	-	1
Database Administrator	-	1
Computer Programming Assistant (Software)	-	1
Computer Programming Assistant (Hardware)	-	1
Total	**-**	**4**

2. Social Security Division

2.1. Main Functions

1. Planning and monitoring the propaganda and promotional activities on the pension and social security benefit scheme
2. Increasing awareness among targeted community and the officers who implement the said scheme in order to implement the social security pension scheme.
3. After increasing the awareness on the scheme, taking necessary actions to grant the membership.
4. Having done the required guidance for the payments of the premiums, providing the pass books and bank deposit receipts, which are needed to make the payments
5. Resolving the member issues and providing required provisions for activating the accounts of dormant members
6. Taking steps to streamline the service activities by administering the Social Security Division of the Head Office and 25 District Offices
7. Adopt all possible procedures to implement the pension and social security schemes of the Board with coordination of institutions, officers and community organizations

2.2. Payment of benefits

1. Providing an uninterrupted monthly pension effective from the date on which the member reaches to the age of 60 years and it pays until the demise of the contributory member.
2. At the demise of the contributory member before reaching to the age of 60 years, dependants are paid benefits and payment of partial disability allowances and complete disability allowances
3. Payment of additional benefits under " Arassawa" pre planned pension scheme

2.3. Service Units and District Offices

All service activities namely deed services, pension payments, insurance and promotional functions pertaining to pension and social security schemes are implemented by 04 service units of the Head Office and 25 offices established in all districts.

2.4. The officers who are involved in the implementation of the Pension and Social Benefits Scheme

District Coordinating Officers and subordinate staff have been appointed for all District Offices and these officers perform operational, coordination activities and direct recruitments. Action has been taken to obtain the mediation of officers in various Ministries, Departments and Organizations for the implementation of the pension and social security benefit schemes of the Board in a combined approach.

2.5. Staff of the Social Security Division

Staff of the Head Office

Designation		No. of Officers
Deputy General Manager (Social Security)	-	01
Assistant General Manager (Recruitments and District Administration)	-	01
Assistant General Manager (Pension/Insurance)	-	01
Managers / Coordinating Officers		
Manager (Deed services)	-	01
Manager (Insurance)	-	01
Social Security Officer (Pension)	-	01
Social Security Officer (Promotions)	-	01
Coordinating Officers	-	06
Management Assistant	-	14
Office Assistant	-	02
Total		**29**

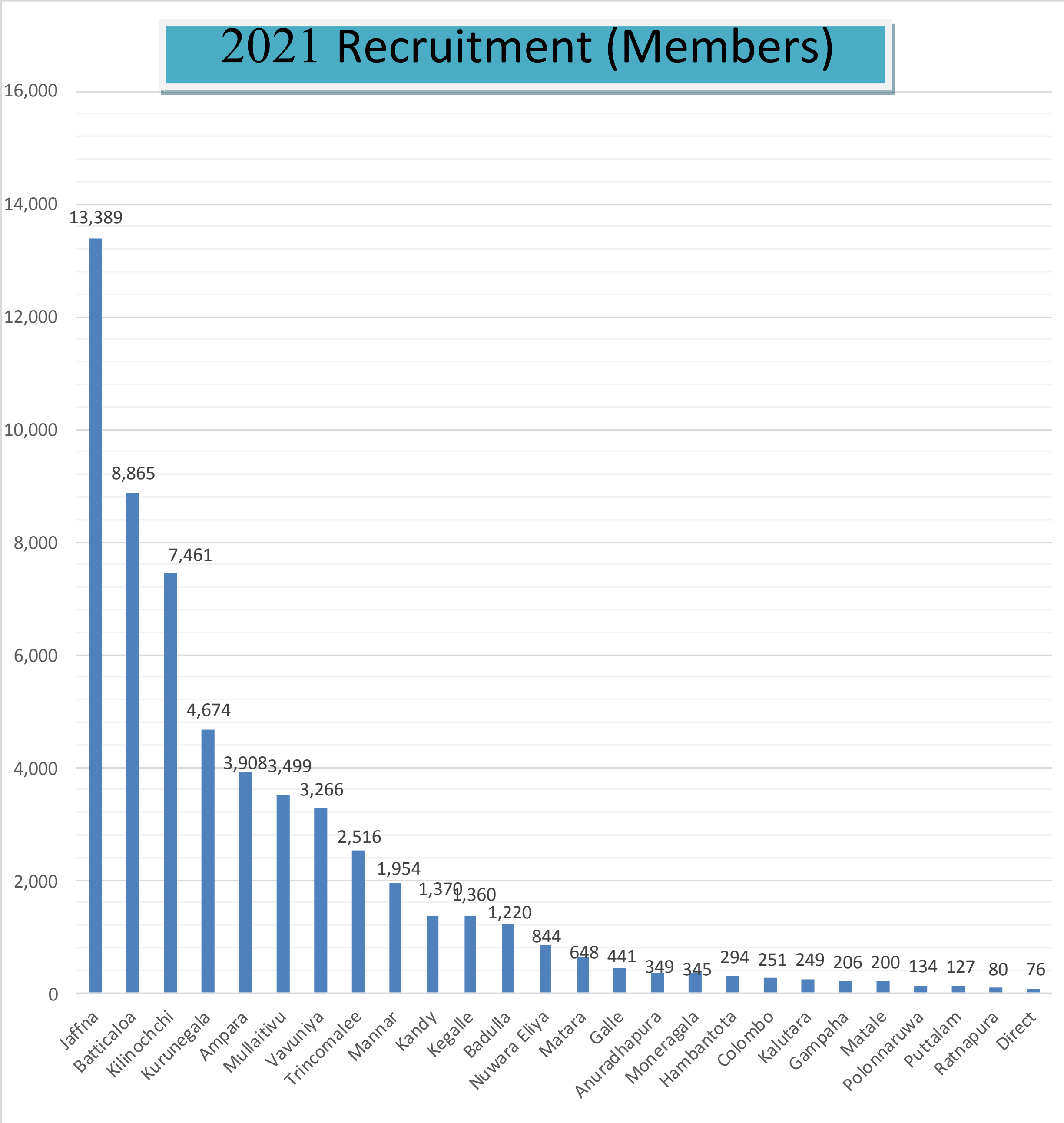
Staff of District Offices

Designation		No. of Officers
Senior Coordinating Officers	-	06
Coordinating Officer	-	35
Management Assistant	-	23
Office Assistant	-	21
Total		**85**

2.6. Progress of enrolling new members in 2021

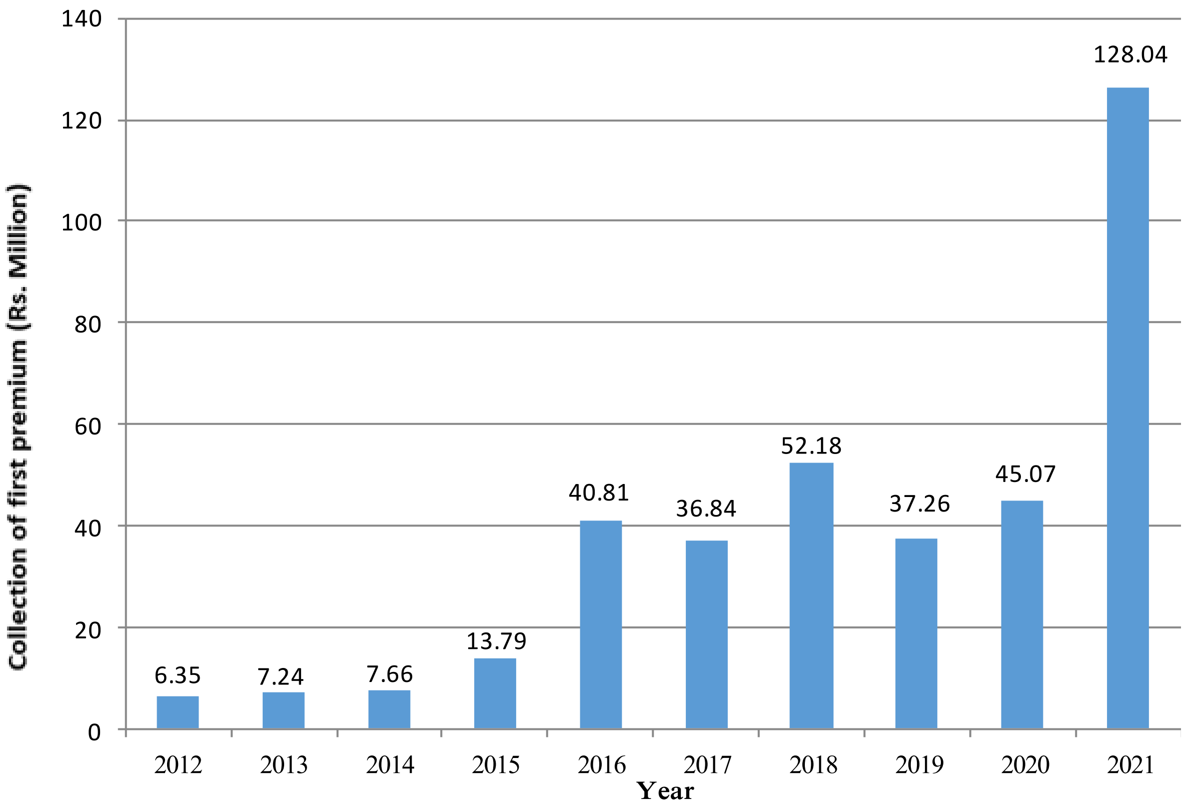
Progress of enrolling new members to the Social Security Pension Scheme in district level in 2021.

Sub Number	District	Enrollments in 2021 (members)
01	Jaffna	13,389
02	Batticaloa	8,865
03	Kilinochchi	7,461
04	Kurunegala	4,674
05	Ampara	3,908
06	Mullaitivu	3,499
07	Vavuniya	3,266
08	Trincomalee	2,516
09	Mannar	1,954
10	Kandy	1,370
11	Kegalle	1,360
12	Badulla	1,220
13	Nuwaraeliya	844
14	Matara	648
15	Galle	441
16	Anuradhapura	349
17	Monaragala	345
18	Hambantota	294
19	Colombo	251
20	Kalutara	249
21	Gampaha	206
22	Matale	200
23	Polonnaruwa	134
24	Puttalam	127
25	Ratnapura	80
26	Direct	76
	Total	57,726


2021 Recruitment (Members)
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
13,389
8,865
7,461
4,674
3,908
3,499
3,266
2,516
1,954
1,370
1,360
1,220
844
648
441
349
345
294
251
249
206
200
134
127
80
76
Jaffna
Batticaloa
Kilinochchi
Kurunegala
Ampara
Mullaitivu
Vavuniya
Trincomalee
Mannar
Kandy
Kegalle
Badulla
Nuwara Eliya
Matara
Galle
Anuradhapura
Moneragala
Hambantota
Colombo
Kalutara
Gampaha
Matale
Polonnaruwa
Puttalam
Ratnapura
Direct

Annual progress of enrolling new members

No.	Year	No. of new Enrollments	First Premium **Amount (Rs.) (Million)**	**Collection of annual premiums (Rs.) (Million)**
01	2012	9,184	6.35	186.45
02	2013	8,769	7.24	150.37
03	2014	15,995	7.66	148.99
04	2015	21,599	13.79	146.38
05	2016	72,351	40.81	148.87
06	2017	63,141	36.84	170.96
07	2018	83,362	52.18	190.46
08	2019	38,543	37.26	198.04
09	2020	25,778	45.07	180.26
10	2021	57,726	128.04	177.57



2.7. Payments of Benefits in 2021

Description	Number	Expenditure (Rs)
Payment of Pension	**32,976**	**356,981,876.00**
Payment of death gratuity	**26**	1,584,866.00
Disability Gratuity Payment	**27**	**713,451.00**
Additional payments of benefits - 5th grade scholarship G. C. E. (O/L) / G. C. E. (A/L)	**342**	**3,106,499.00**
Total	**33,344**	**362,386,692.00**

Repayment of net contributions	Number	Amount (Rs.)
	617	**18,370,909.00**

2.8. Collection of membership contributions in 2021

Enrolment and Collection of premiums	Amount of Receipt (Rs)
Enrolments, amount of first premium	**127,801,546.00 (Note 01)**

2.9. Training and Mobile Awareness Programs conducted in 2021

Description	Number	Expenditure (Rs)
Pension and Social Security Promotion Programs	107	1,973,814.00

2.10. Issues in the Social Security Division

1. As a result of the trained and experienced field officers are frequently resigning from the service, the employee turnover is unavoidable and the Board is compelled to recruit new officers and train them where necessary and employ them accordingly

1. Due to spread of COVID 19 virus outbreak throughout the year 2021, we found it difficult to achieve the desired targets in the beginning part of the year 2021, because of the implementation of travel restrictions, isolation of areas, restriction of mobilization activities with social distance and declining income levels of the people.

3. The malfunction of the computer system adversely affected the efficient service delivery.

03. Finance Division

- Preparation of annual budget document.
- Preparation of annual procurement plan
- Preparation of Monthly Imprest Reports (Based on Annual Budget Provisions)
- Preparation of annual financial statements in accordance with the provisions of the Finance Act No.38 of 1971 and forwarding such reports to the Auditor General.
- Preparation of financial reports required for the General Treasury, line Ministry and Management activities at time to time
- Updating of all accounts pertaining to the Finance Division
- Maintenance of bank accounts systematically related to all transactions and preparation of bank reconciliation reports
- Making of monthly pension payments and all other payments and bringing those to accounts
- Investment of money obtained from subscribers in effective manner.
- Preparation and submission of reports on fixed assets of the institution through conduct of annual stock verification surveys
- Preparation of monthly salaries for the staff and preparation of relevant reports.
- Providing formal and accurate information to the management in order to take the necessary decisions
- Acceptance and banking of member deposits related to the pension schemes
- Carrying out necessary procurement activities for all goods and services required by the Board.

3.1. General Matters

Writing of cheques, preparation of accounts and salaries have been computerized and about Rs. 357 Million is annually paid out to the members as pension payments, and these pension payments are paid from the 2000 Co-operative Rural Banks scattered all over the island.

At present contributions are collected from the members by the People's Bank, Bank of Ceylon and National Savings Bank and Post Offices all over the island. The Board has also opened a resident foreign currency account (RFC) in Peoples Bank on behalf of the employees who are employed in abroad, to collect the contributions through such RFC accounts.

3.2 Assets of the Social Security Board

Sub Number	Description	Value as at 31.12.2021 (Rs.)
01	Buildings	81,757,550.00
02	Lands	97,050,000.00
03	Motorcars	10,883,677.00
04	Office Equipments	8,915,912.00
05	Computers	5,139,198.00
06	Communication equipment	-
07	Computer Software	320,080.00
08	Other	100,225.00
09	Machinery and office equipment	1,454,482.00
	Total	**205,621,124.00**

3.3

Provision received from the General Treasury in 2021

3.3.1 Recurrent

Provision received from the Treasury (2021) (Rs.)	Expenditure (Rs.)
125,609,000.00	129,874,497.00

3.3.2 Capital

Provision received from the Treasury (2021) (Rs.)	Expenditure (Rs.)
13,000,000.00	6,811,323.00

3.4 Staff of the Finance Division

Designation		Number of Officers
Deputy General Manager (Finance)	-	01
Assistant General Manager (Finance	-	01
Accounting Officer (Finance)	-	01
Accounting Officer (Collection)	-	01
Book Keeper	-	01
Management Assistant	-	13
Office Assistant	-	02
Total	-	**20**

4. Internal Audit Division

4.1. Subject Scope

- Identifying the limits of the internal administrative line up and the boundaries of authority and evaluating the proficiency of administrative functions as well as activities pertaining to duties of the staff and the quality of functions
- Examining adherence of implementation of transactions, finance control and budget to the rules and regulations
- Evaluating the efficiency and success of operation process and promoting activities
- Control of assets and evaluating the security
- Evaluation of the progress of performance of new programs and projects as per the Annual Action plan
- Inspection of the performance of the district offices and the progress of financial and administrative matters

4.2. Functions

- Inspection of approved number of employees (cadre), recruitment of staff and inspection of personal file
- Arrival and departure of staff and inspection of leaves taken by officers
- Inspection of staff training and development programs
- Running conditions of vehicles and inspection of maintenance activities
- Inspection of maintenance activities, sanitation and security services
- Inspection of the receipt of Treasury provision and premium contributions
- Inspection of procurement activities
- Inspection of all recurrent and capital expenditures
- Inspection of bank accounts and preparation of bank reconciliations
- Inspection of investment activities
- Preparation and inspection of account reports and financial statements
- Inspection of the enrolment of members for pension and social security schemes, computerization of applications and issuance of deeds
- Levying the premiums, remittance and inspection of accounts
- Inspection of the payments of pensions and other benefits
- Inspection of payments at the occasions of leaving the membership
- Inspection of promotional activities and progress of programs
- Inspection of the progress of planning and implementation of plans
- Unannounced Audi inspection
- Inspection of fields including district offices
- Special assignments
- Coordination of the answering the audit queries of the National Audit Office
- Coordinating the submission of progress on the implementation of the Committees on Public Enterprises

4.3. Audit and Management Committee Meetings

Dates on which Audit and Management Committee meetings held in the year 2021

First Meeting -	24 February 2021
Second Meeting-	13 July 2021
Third Meeting -	07 October 2021
Fourth Meeting -	23 December 2021

4.4. Internal Audit Reports submitted in the year 2021

	Subject of Internal Audit Reports	**Date of Submission**
01	Premium Collection and Computerization (Process Test) - First Report	31.03.2021
02	Premium Collection and Computerization (Process Test) - Second Report	31.03.2021
03	Payment for the removal of membership	2021.04.22
04	Control of fixed assets control	2021.04.30
05	Insurance and pension industry in Sri Lanka in the face of COVID 19 epidemic crisis	2021.06.30
06	Expenditure on electricity and water	2021.07.16
07	Investments	2021.09.21
08	Printing and issuing Receipt Books	2021.10.29
09	Deed Study of process at the Service Unit of the Sri Lanka Social Security Board and identification of work to be completed	2021.11.24
10	Telephone and communication expenses	2021.12.28
11	Inspection of petty cash	2021.12.30

- **Inspection of District offices**

	Inspection of District Offices	Date of submission of the report
01	Inspection of Gampaha District Office	2021.11.03
02	Inspection of Polonnaruwa District Office	2021.11.10
03	Inspection of Puttalam District Office	2021.11.25
04	Inspection of Kalutara District Office	2021.12.24
05	Inspection of Kalutara District Office	2021.12.28
06	Inspection of Matara District Office	2021.12.29

Special assignment reports

- Supervision of the performance of the duties of the Senior Coordinating Officer, Coordinating Officer and Acting Coordinating Officer who have served in the District Offices for the year 2019

4.5. Staff of the Internal Audit Division

Designations	Number of officers
Internal Auditor	01
Audit Officer	02
Investigation Officer	02
Total	**05**

Expressions of gratitude

For the purpose of assuring the elderly hood of the Sri Lankan citizens, social security pension scheme is implemented in order to certify the monthly pension and other social security benefits to those citizens. We would like to express our gratitude for all that you all have done in every ways and means such as administration, operation, coordination and etc. We are really very much grateful for your support. Thank you for taking the time to help us, we really do appreciate it.

- Ministry of Finance
- State Ministry of Samurdhi, Household Economy, Micro Finance, Self Employment and Business Development
- National Audit Office
- Ministry of Public Administration and Home Affairs
- District Secretaries, Divisional Secretaries
- Social Services Officers / Grama Niladhari Officers
- Peoples' Bank, Bank of Ceylon, National Saving Bank
- Department of Posts
- Co-operative Rural Banking network
- To all who supported us through every aspect

Sri Lanka Social Security Board
Samaja Arakshana Piyasa
No. 18,
Rajagiriya Road,
Rajagiriya.

FINANCIAL STATEMENT FOR THE YEAR END 2021

Sri Lanka Social Security Board
Ministry of Women, Child Affairs and Social Empowerment

"Samaja Arakshana Piyasa",
No.18, Rajagiriya Road,
Rajagiriya.

Tel : 0112 886 585/86
Hotline : 0112 88 60 88
Web : www.ssb.gov.lk,
Email : Info@ssb.gov.lk

Contents	**Page Number**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2021

ACCOUNTING POLICIES

1. CORPORATE INFORMATION

1.1 Domicile and Legal Form

Sri Lanka Social Security Board established by Act No. 17 of the year 1996 by the parliament of Domestic Socialist Republic of Sri Lanka which had been revised by act no.33 of the year 1999 and while expanding its are of services further, under the Ministry of Women, Child Affairs & Social Security. The head office is located at No. 18, Rajagiriya Road, Rajagiriya, Sri Lanka.

1.2 Principal Activities and Nature of Operations

The main function of Sri Lanka Social Security Board is to certify the provision of a monthly pension and social security benefits for those citizen of Sri Lanka who are not entitled a government pension and through this system of pension and social security benefits scheme, arrangements are well instituted for the payment of a monthly pension, partial and total incapacitation benefits and death gratuity.

1.3 The Number of Employees

The number of employees at the end of the year was 161

2. BASIS OF PREPARATION

2.1 Statement of Compliance.

The financial statements of Sri Lanka Social Security Board comprise the Statement of Financial Position, Statement of Financial Performance, Cash Flow Statement, Statement of Changes in Reserves and notes to the financial statements. These statements are prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAs) laid down by the Institute of Chartered Accountants of Sri Lanka (ICASL).

2.2. Basis of Measurement

The financial Statements have been prepared on accrual basis and under the historical cost basis except for revalued assets, available for sale financial assets that have been measured at fair value.

No adjustments have been made for inflationary factors in the financial statements

2.3 Functional and presentation Currency.

These financial Statements are presented in Sri Lankan Rupees, which is the Sri Lanka Social Security Board functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

These accounting policies set out bellow have been applied consistently to all periods presented in these financial statements.

3.1. Property, Plant and Equipment

The cost of Property, plant and equipments is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use. Subsequent to the initial recognition as an asset at cost, revalued assets are carried at revalued amount less any subsequent deprecation thereon. All other Property, Plant and Equipments are stated at cost less accumulated depreciation. Where an item of Property, plant and equipments comprises major components having different useful lives, they are accounted as separate items of Property, plant and equipments.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Property, Plant and Equipment- Received as Grant

Property, Plant and Equipment acquired under any grant are capitalized at cost.

Property, Plant and Equipment other freehold land are stated at cost less accumulated depreciation. Free hold land is stated at cost.

Depreciation is charged on all Property, Plant and Equipment other than freehold land to write off the cost over the estimated useful lives.

Depreciation has been provided for the year on pro-rata basis.

Property, Plant and Equipment are depreciated on straight line method as mentioned below, further, that the all Property, Plant and Equipment have been accounted at cost method as prescribe in the **SLPSAS 7 – Property, Plant & Equipment**.

1.	Motor vehicles	20%
2.	Plant Machinery & Equipment	25%
3.	Computer and other fixed assets	25%
4.	Communication	20%
5.	Furniture & Office Equipment	10%
6.	Building	4%
7.	Others	10%.
8.	Soft Ware	25%

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on de-recognition of the asset. **(**Calculated as the difference between the net disposal proceeds and the carrying amount of the asset**)** is included in the income statement in the year the asset is derecognized.

Expenditure incurred on repairs or maintenance of Property, Plant and Equipment in order to restore or maintain the future economic benefit expected from originally assessed standard of performance is recognized as an expense when incurred.

Revaluation of land and building has been taken place in FY2020 and the building cost considered for the revaluation has been corrected and accounted accordingly. The details are given in the Note 15.

3.2 Inventories

The inventories used during the financial year had been charged to the income & expenditure statement at cost.

Balance stock has been valued at cost, selling price or net realizable value whichever is lower.

3.3. Investment

Investments in money market instruments with a maturity less than one year are treated as short term investments and more than one year are treated as long term investments. Further all investments are stated at cost.

For comparative purpose, current and long term investments are re-stated for year 2020.

Investment in fixed deposit and short term deposit has been stated at cost. Income from such investments has been accounted on accrual basis.

3.4. Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand and held at bank.

3.5. Cash flow Statement

Cash flow Statement has been prepared using the indirect method.

3.6. Liabilities and Provisions

Liabilities are recognized in the balance sheet when there is a present obligation as a result of past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable at the demand of the creditors or within one year of the balance sheet date are treated as current liabilities in the Balance sheet.

Provision is recognized if, as a result of a past event, the Sri Lanka Social Security Board has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

Interest on Culture fund investment

From FY2017, 98% of the interest income receivable on culture investments had been considered as SLSSB income erroneously. As this amount are mandate to member's account opening purpose, now transferred to liability account. The corresponding adjustment is done in the accumulated fund account.

3.7. Taxation

Tax expenses reported in the financial statement and computed in accordance with the provision of the Inland Revenue Act No.10 of 2006 and its amendments thereto.

3.8 Employee Benefits

I. Define Contribution Plan.

Obligation to define contribution plan are recognized as an expenses in the income statement as incurred. The Sri Lanka Social Security Board contributes 12% and 3% of gross emoluments of employees to Provident Fund and Trust Fund respectively.

II. Define Benefit Plan

Gratuity is a define benefit plan. The Sri Lanka Social Security Board is liable to pay gratuity in terms of the relevant statute. In order to meet this liability , a provision is carried forward in the balance sheet, equivalent to an amount calculated base on a half month's salary of the last of the financial year of all employees for each completed year of service, commencing from the first year of service.

Provision is made for retirement gratuity for all employees in respect of gratuity payable under the payment of gratuity Act No. 12 of 1983. This item is grouped under non current liabilities in the balance sheet.

According to The Treasury, a fund is not necessary, as they will grant the funds when required.

3.9. Revenue Recognition

3.9.1 Revenue Recognition

Enrolment fees and premium from contributors are accounted on receipt basis whilst interest and all other income is accounted on accrual basis.

3.9.2 Expenditure

All expenditure incurred in the running of the board has been accounted on accrual basis and all expenditure incurred in the acquisition, extension or improvement of assets of a permanent nature in order to carry on or increase the earning capacity of the Board has been treated as capital expenditure.

3.10. Comparative information

When it is require, comparative figures have been rearranged to conform to the current year presentation.

3.11. Events occurring after balance sheet date

All material post balance sheet events have been considered and where appropriate adjustment or disclosures have been made in respective note to the financial statement.

3.12. Commitments and Contingencies

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Sri Lanka Social Security Board's control.

3.13. Accounting of Grants

i. Government Grants

The accounting policy adopted for Government Grants including the methods of presentation are as follows.

a. Government Grants for purchase of assets are recognized as income over the periods of useful life of the assets.

b. Other grants received from Fund as well as expenses thereon have been incorporated in the Profit & Loss.

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SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2021

	NOTE	2021 Rs	2020 Rs
ASSETS			
CURRENT ASSETS			
CASH IN HAND AND BANK	9	55,308,307	27,094,773
DEPOSITS	10	76,000	76,000
ADVANCES	11	-	50,725
STAFF LOAN	12	9,591,992	10,936,230
OTHER ASSETS	13	884,762,704	669,516,323
INVESTMENT	14	104,930,150	315,491,643
TOTAL CURRENT ASSETS		**1,054,669,153**	**1,023,165,694**
NON CURRENT ASSETS			
INVESTMENT	14	1,657,666,913	1,544,761,033
PROPERTY PLANT & EQUIPMENT	15	206,901,481	213,855,801
TOTAL NON CURRENT ASSETS		1,864,568,394	**1,758,616,834**
TOTAL ASSETS		**2,919,237,547**	**2,781,782,529**
LESS:			
LIABILITIES			
CURRENT LIABILITIES			
OTHER LIABILITIES	16	143,231,020	58,606,756
TOTAL CURRENT LIABILITIES		**143,231,020**	**58,606,756**
NET CURRENT ASSETS		**911,438,134**	**964,558,939**
NON CURRENT LIABILITIES	17	34,126,645	32,625,648
TOTAL LIABILITIES		**177,357,665**	**91,232,404**
TOTAL NET ASSETS		2,741,879,883	**2,690,550,125**
FINANCED BY			
ACCUMILATED FUND	18	(48,544,163)	(50,072,636)
REVALUATION RESERVE	19	24,154,371	42,792,509
S.L. SOCIAL SECURITY PENSION FUND	20	2,547,954,766	2,492,353,672
ELDERS FUND ACCOUNT	21	1,012,837	1,174,509
GOVERNMENT GRANTS & FUND	22	217,302,072	204,302,072
		2,741,879,883	**2,690,550,125**

"The Accounting policies on pages 1 to 5 and notes on pages 10-17 form an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Directors and signed on their behalf."

....	....	....	....
S.W.Lakshman	K.A.S.P.Kaluarachchi	K.M.Kumarasiri	Saman Handaragama
Deputy General Manager (Finance)	**General Manager**	**Director**	**Chairman**

S.W.Lakshman
Deputy General Manager (Finance)
Sri Lanka Social Security Board,
No. 18, Rajagiriya Road,
Rajagiriya.

K.A.S.P. Kaluarachchi
General Manager
Sri Lanka Social Security Boad
No. 18, Rajagiriya Road,
Rajagiriya.

K. M. Kumarasiri
Deputy Director
Department of Fiscal Policy
General Treasury
Colombo 01.

Saman Handaragama
Chairman
Sri Lanka Social Security Board
No. 18, Rajagiriya Road,
Rajagiriya

SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTE	2021 Rs	2020 Rs
REVENUE	1	126,280,006	122,772,562
TOTAL REVENUE		**126,280,006**	**122,772,562**
OPERATING EXPENSES			
PERSONAL EMOLUMENTS	2	99,006,430	96,796,137
TRAVELLING EXPENSES	3	899,674	733,780
SUPPLIES & CONSUMABLE ITEMS	4	7,016,619	4,726,064
MAINTENANCE	5	3,385,151	2,582,193
CONTRACTUAL SERVICES	6	18,021,137	17,340,218
OTHER EXPENDITURE	7	1,545,486	1,377,052
DEPRECIATION	8	11,512,218	11,258,357
TOTAL EXPENSES		**141,386,715**	**134,813,800**
SURPLUS / (DEFICIT) FOR THE PERIOD		**(15,106,709)**	**(12,041,238)**

SRI LANKA SOCIAL SECURITY BOARD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.12.2021

CASH FLOW FROM OPERATING ACTIVITIES	2021 Rs	2020 Rs
Surplus / (Deficit) for the year	(15,106,709)	(12,041,238)
Less :		
Profit on sale of fixed assets	(6,578)	(11,747)
Amortization of Capital Grant		-
Previous Year Adjustment	248,846	1,251,339
Add : Depreciation for the year	11,512,218	11,258,357
Provision for gratuity	2,351,622	4,795,056
Operating Deficit before Working Capital	**(1,000,601)**	**5,251,767**
Increase of Inventories	(3,299,979)	725,971
Decrease of trade & other receivables	(210,602,164)	(201,007,458)
Increase of pre payments	50,725	(23,955)
Increase of Accrued Expenses & Payables	84,624,264	(561,384)
Gratuity paid during the year	(850,625)	(393,220)
	(130,077,779)	**(201,260,046)**
Net Cash Flow From Operating Activities	**(131,078,380)**	**(196,008,279)**
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(6,811,323)	(951,794)
Proceeds from sale of fixed assets	8,200	22,945
Investment	97,655,614	121,757,208
Net Cash Flow from Investment Activities	**90,852,491**	**120,828,359**
Cash Flow From Financing Activities		
Net Receipt of Internal Funds	55,439,423	87,196,248
Capital Grants	13,000,000	400,000
Net Cash Flow From Financing Activities	**68,439,423**	**87,596,248**
NET CASH USED	**28,213,534**	**12,416,328**
Cash & Cash Equivalents as at 01/01/2021	27,094,773	14,678,445
Cash & Cash Equivalents as at 31/12/2021	55,308,307	27,094,773

SRI LANKA SOCIAL SECURITY BOARD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Funds	Grants	Accumulated Fund & Reserves	Total
Balance as at 1st January 2020	2,406,831,931	203,402,072	(19,803,537)	2,590,430,466
Prior year adjustments	2,794,706	-	24,564,649	27,359,355
Transfer during the year	83,901,542	900,000	12,041,238	96,842,780
Balance as at 31st December 2020	**2,493,528,179**	**204,302,072**	**16,802,350**	**2,714,632,601**
Balance as at 1st January 2021	2,493,528,179	204,302,072	16,802,350	2,714,632,601
Prior year adjustments	(28,342,032)	-	(2,002,956)	(30,344,988)
Transfer during the year	83,781,455	13,000,000	(15,106,709)	81,674,746
Balance as at 31st December 2021	**2,548,967,602**	**217,302,072**	**(307,315)**	**2,765,962,359**

NOTES TO THE FINANCIAL STATEMENT

NOTE 01 INCOME	2021 Rs	2020 Rs
1.1 - INTEREST INCOME NOTE 01 (I)	**581,428**	**901,939**
1.2 - GRANTS NOTE 01 (II)	**125,609,000**	**121,777,365**
1.3 - OTHER INCOME NOTE 01 (III)	**89,578**	**93,259**
TOTAL INCOME	**126,280,006**	**122,772,562**

NOTE 01 (I) INCOME	2021 Rs	2020 Rs
1.1 - INTEREST INCOME		
INTEREST - DISTRESS LOAN - I	118,930	94,037
INTEREST - SPECIAL ADVANCE	-	3,397
INTEREST - OTHER INCOME	120	130,607
INTREST - INCOME SYSTEM	462,379	673,898
TOTAL INCOME	**581,428**	**901,939**

NOTE 01 (II) INCOME	2021 Rs	2020 Rs
1.2 - GRANTS		
GOVERNMENT GRANT - RECURRENT	125,609,000	121,777,365
TRANSER ACCOUNTS A/C 213		-
TOTAL INCOME	**125,609,000**	**121,777,365**

NOTE 01 (III) INCOME	2021 Rs	2020 Rs
1.3 - OTHER INCOME		
SUNDRY INCOME	83,000	81,511
SALE OF CONDEMNED & CAPITAL ITEMS	6,578	11,747
DIFFERED REVENUE		-
TOTAL INCOME	**89,578**	**93,259**

NOTE 02 PERSONAL EMOLUMENTS	2021 Rs	2020 Rs
SALARIES & WAGES	81,216,625	77,267,873
EPF	9,631,136	9,273,310
ETF	2,407,069	2,315,256
OVERTIME & HOLIDAY PAYMENT	776,103	745,737
OTHER ALLOWANCES	2,574,700	2,398,905
GRATUITY	2,400,797	4,795,056
TOTAL	**99,006,430**	**96,796,137**

NOTES TO THE FINANCIAL STATEMENT

NOTE 03 TRAVELLING EXPENSES	2021 Rs	2020 Rs
TRAVELLING - DOMESTIC	899,674	733,780
TRAVELLING - FOREIGN	-	-
TOTAL	**899,674**	**733,780**

NOTE 04 SUPPLIES & CONSUMABLE ITEMS	2021 Rs	2020 Rs
PRINTING & STATIONERY	4,998,078	3,301,978
FUEL & LUBRICANT	1,282,067	860,940
ENTERTAINMENT	330,503	241,575
NEWS PAPERS	4,830	4,870
UNIFORM	120,000	136,000
SUPPLY OTHERS	281,141	180,701
TOTAL	**7,016,619**	**4,726,064**

NOTE 05 MAINTANANCE	2021 Rs	2020 Rs
MAINTENANCE EXPENDITURES - BUILDING & STRUCTURE	187,346	324,446
MAINTENANCE EXPENDITURES - PLANT, MACHINERY & EQUIP.	1,595,341	1,610,985
MAINTENANCE EXPENDITURES - VEHICLES	1,602,464	646,761
TOTAL	**3,385,151**	**2,582,193**

NOTE 06 CONTRACTUAL SERVICES	2021 Rs	2020 Rs
TRANSPORT	20,099	15,785
TELECOMMUNICATION	2,694,615	2,433,888
POSTAL CHARGES	1,915,531	1,813,736
ELECTRICITY & WATER	2,578,227	2,534,823
CLEANING CHARGES	1,040,843	954,405
SECURITY CHARGES	1,396,171	1,320,812
ADVERTISING	1,019,311	893,507
RENTAL & LOCAL TAXES	102,366	100,887
AUDIT CHRGERS	276,000	300,000
VEHI.PRO.UN.OPER.LEASING METHOD	6,977,975	6,972,375
TOTAL	**18,021,137**	**17,340,218**

NOTE 07 OTHER EXPENDITURE	2021 Rs	2020 Rs
PROMOTION EXPENCES	1,047,799	1,289,347
OTHER RECURRENT EXPENCES	497,687	87,706
WITH HOLDING TAX		-
TOTAL	**1,545,486**	**1,377,052**

NOTES TO THE FINANCIAL STATEMENT

NOTE 08 DEPRECIATION	2021 Rs	2020 Rs
BUILDING	3,710,007	3,471,772
MOTOR VEHICLES	3,732,400	3,732,400
COMPUTERS	1,585,417	1,861,751
FURNITURE & OFFICE EQUIPMENT	1,422,605	1,503,434
SOFTWARE DEVELOPMENT	301,563	374,010
COMMUNICATIONS	-	928
PLANT & MACHINERY	549,758	245,852
OTHERS	68,210	68,210
PRO.MEMBERS REACTIVATION	142,258	
TOTAL	**11,512,218**	**11,258,357**

NOTE 09 CASH IN HAND AND BANK	2021 Rs	2020 Rs
PB - C/A - 174100120350213	9,601,442	4,752,106
PB - C/A - 174100140350212	9,145,425	(15,678,454)
PB - S/A - USD - 174402140350212	11,188	10,261
PB - JANAJAYA CALL DEPOSITS - 174200210350	12,749,155	27,962,809
BOC - C/A - 228073	113,890	(159,000)
BOC - CALL DEPOSITS - 3532598	22,663,547	8,512,299
NSB - S/A - 101110107557	86,609	57,825
PB - 174100230350212	929,900	1,636,927
RDB - 135011100464	7,151	-
TOTAL	55,308,307	27,094,773

NOTE 10 DEPOSITS	2021 Rs	2020 Rs
REFUNDABLE DEPOSITS - FUEL	75,000	75,000
REFUNDABLE DEPOSITS - OTHERS	1,000	1,000
TOTAL	**76,000**	**76,000**

NOTE 11 ADVANCES	2021 Rs	2020 Rs
POSTAL	-	50,725
TOTAL	**-**	**50,725**

NOTE 12 STAFF LOAN	2021 Rs	2020 Rs
DISTRESS LOAN 1	1,976,953	1,873,192
DISTRESS LOAN 2	230,680	230,680
DISTRESS LOAN 3	7,379,860	8,807,859
FESTIVAL ADVANCE	4,500	24,500
SPECIAL ADVANCE	-	-
TOTAL	**9,591,992**	**10,936,230**

NOTES TO THE FINANCIAL STATEMENT

NOTE 13 OTHER ASSETS	2021 Rs	2020 Rs
INTETEST RECEIVABLE - FIXED DEPOSITS	848,186,565	642,256,252
INTEREST RECIVABLE F.D -CULTURA	29,064,861	23,235,487
INTEREST RECIVABLE SYSTEM	17,982	90,990
STOCKS	5,704,877	2,404,898
STAFF RECEIVABLES	752,317	1,252,912
INSURANCE PREPAID	95,302	135,487
RENTAL & TAX PREPAID	-	102,366
INTEREST RECIVABLE JALAYA	14,786	37,932
RECIVABLE FROM PROMATION FUND	926,015	
TOTAL	**884,762,704**	**669,516,323**

NOTE 14 INVESTMENTS	2021 Rs	2020 Rs
INVESTMENT - FIXED DEPOSITS	1,654,232,844	1,741,510,030
INVESTMANT-CULTURAL	104,971,218	102,832,557
INVESTMANT SOFTWEAR	1,862,000	12,910,088
INVESTMENT -JALAYA	1,531,000	3,000,000
TOTAL	**1,762,597,063**	**1,860,252,676**

NOTE 14 .1 INVESTMENTS -LONG TERM	2021 Rs	2020 Rs
INVESTMENT - FIXED DEPOSITS	1,617,666,913	1,501,761,033
INVESTMANT-CULTURAL	40,000,000	40,000,000
INVESTMANT SOFTWEAR	-	-
INVESTMENT -JALAYA	-	3,000,000
TOTAL	**1,657,666,913**	**1,544,761,033**

NOTE 14.2 INVESTMENTS-SHORT TERM	2021 Rs	2020 Rs
INVESTMENT - FIXED DEPOSITS	36,565,932	239,748,997
INVESTMANT-CULTURAL	64,971,218	62,832,557
INVESTMANT SOFTWEAR	1,862,000	12,910,088
INVESTMENT -JALAYA	1,531,000	-
TOTAL	**104,930,150**	**315,491,643**

NOTE 15

SRI LANKA SOCIAL SECURITY BOARD

FIXED ASSETS AS AT 31ST DECEMBER 2021

PARTICULARS	BUILDING	MOTOR VEHICLE	FURNITIURE & OFFICE EQUIPMENT	COMPUTERS	COMMUNICATION	PLANT & MACHINERY	SOFTWARE	OTHERS	LAND	PRO.MEMBERS REACTIVATION	TOTAL
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs		Rs
COST AS AT 01 JANUARY 2021	**98,450,424**	**18,662,000**	**24,021,104**	**29,029,442**	**4,737,540**	**10,945,387**	**25,491,318**	**1,066,105**	**97,050,000**	**-**	**309,453,320**
REVALUATION	-	-	-	-	-	-	-	-			-
TRANSFER (FROM REVALUATION ADJ) **Note-15.1**	**5,700,243**	-	-	-	-	**1,095,984**	-	-			**6,796,227**
ADDITIONS	-	-	1,978,209	2,908,608	-	501,930	-	-	-	1,422,576.40	**6,811,323**
DISPOSALS	-		35,300	-	-	-	-	-	-		**35,300**
COST AS AT 31 DECEMBER 2021	**92,750,181**	**18,662,000**	**25,964,013**	**31,938,050**	**4,737,540**	**12,543,301**	**25,491,318**	**1,066,105**	**97,050,000**	**1,422,576**	**311,625,084**
ACC. DEP. AS AT 01 JANUARY 2021	**9,909,077**	**4,045,923**	**15,659,173**	**25,213,435**	**4,737,500**	**10,265,066**	**24,869,676**	**897,670**	**-**		**95,597,520**
TRANSFER (FROM REVALUATION ADJ) **Note-15.1**	**2,626,453**	-	-	-	-	**273,996**	-	-			**2,900,449**
REVALUATION	-	-	-	-	-	-	-	-	-		-
DEPRECIATION	3,710,007	3,732,400	1,422,605	1,585,417	-	549,758	301,563	68,210	-	142,258	**11,512,217**
DISPOSALS	-	-	33,678	-	-	-			-		**33,678**
ACC.DEP. AS AT 31 DECEMBER 2021	**10,992,631**	**7,778,323**	**17,048,101**	**26,798,852**	**4,737,500**	**11,088,820**	**25,171,239**	**965,880**	**-**	**142,258**	**104,581,345**
W.D.V AS AT 01 JANUARY 2021	**88,541,347**	**14,616,077**	**8,361,931**	**3,816,007**	**40**	**680,321**	**621,642**	**168,435**	**97,050,000**	**-**	**213,855,800**
W.D.V AS AT 31 DECEMBER 2021	**81,757,550**	**10,883,677**	**8,915,912**	**5,139,198**	**40**	**1,454,482**	**320,080**	**100,225**	**97,050,000**	**1,280,319**	**206,901,481**

Note - 15.1 Cost on Revaluation	**TOTAL**
Building cost incured prior to new building purchase	4,267,575
Plant & machinary purchase	1,095,984
District office cost	336,684
Total	**5,700,243**
Accumulated Dep. on revalvation	
Accumilated depreciation on building cost prior to purchase new building	2,513,695
Accumilated depreciation on plant & machinary	46,962
Accumilated depreciation on district office cost	65,796
Total	**2,626,453**

NOTES TO THE FINANCIAL STATEMENT

NOTE 16 OTHER LIABILITIES	2021 Rs	2020 Rs
ACCURED EXPENSES - OTHER ALLOWANCE	110,000	63,000
ACCURED EXPENSES - OVERTIME	63,436	81,547
ACCURED EXPENSES - TRAVELLING	330,829	63,844
ACCURED EXPENSES - STATIONERY	3,609,394	577,997
ACCURED EXPENSES - FUEL	121,704	44,294
ACCURED EXPENSES - SUPPLY OTHERS	263,416	210,496
ACCURED EXPENSES - MAINTENANCE VEHICLES	-	1,150
ACCURED EXPENSES - MAINTENANCE PLANT & MACHINERY	113,332	30,530
ACCURED EXPENSES - TRANSPORT	600	5,475
ACCURED EXPENSES - TELECOMMUNICATION	293,509	215,803
ACCURED EXPENSES - POSTAL CHARGES	32,094	14,902
ACCURED EXPENSES - ELECTRICITY & WATER	298,300	244,688
ACCURED EXPENSES - CONTARACTURAL SERVICES OTHERS	570,596	1,691,994
ACCURED EXPENSES - ETF	-	825
ACCURED EXPENSES - SALARY		35,373
ACCURED EXPENSES - GRATUITY	125,890	103,560
ACCURED EXPENSES - EPF	-	5,497
ACCURED EXPENSES - AUDIT CHARGES	276,000	649,140
ACCURED EXPENSES - WITH HOLDING TAX	32,988,573	33,104,517
ACCRUTED EXPENSES WITHHOLDINH TAX PAYBLE-CULTURAL	1,384,373	1,384,373
ACCRUTED EXPENSES VEHI.PRO.UN OPER.LESING METHOD	580,000	580,000
ACCURED EXPENSES - OTHER RECURRENT	-	439,928
ACCRUTED EXPENSES - HOLYDAY PAY	-	-
INCENTIVE PAYMENT PAYABLE	46,866,561	8,265,632
RETENTION PAYABLE	60,610	95,210
SECURITY DEPOSIT PAYABLE	50,000	25,000
CLEANING DEPOSIT-1 PAYABLE	25,000	25,000
STAFF PAYABLE	163,879	219,748
REFUNDABLE DEPOSITS PAYABLE	30,000	30,000
SALARIES CONTROL A/C	-	-
EPF CONTROL A/C	-	-
WITHHOLDING TAX PAYBLE SYSTEM	-	-
DISTRESS LOAN I	-	-
DEPOSITS TO BE IDENTIFIED (NOTE 24)	5,757,979	10,397,234
SUPPLIE PAYBLE	2,845,959	
INTEREST INCOME PAYBLE CULTURE	17,881	
ACQUISITION PRO.MEMBERS REACTIV	72,650	
PAYABLE TO SLSSB PROMATION FUND	926,015	
INTERST INCOME CULTURE LIABILIT	45,252,440	
TOTAL	**143,231,020**	**58,606,756**

NOTE 17 NON CURRENT LIABILITIES	2021 Rs	2020 Rs
GARUAITY PAYABLE (Note 17 (1))	33,811,445	32,310,448
INVESTMENT - ARASSAWA - RASHMI NIMESHA	255,000	255,000
INVESTMENT - ARASSAWA - RASANI DILINIKA	50,200	50,200
INVESTMENT - ARASSAWA - 100 ART COMPETITORS	10,000	10,000
TOTAL	**34,126,645**	**32,625,648**

NOTES TO THE FINANCIAL STATEMENT

NOTE 17 (I) GRATUITY	2021 Rs	2020 Rs
BALANCE AT THE BEGINNING OF THE YEAR	32,310,448	27,908,612
PRIOR YEAR ADJUSTMENT		-
CHARGE FOR THE YEAR	2,351,622	4,795,056
GRATUITY PAID DURING THE YEAR	850,625	393,220
TOTAL	33,811,445	32,310,448

NOTE 18 ACCUMILATED FUND	2021 Rs	2020 Rs
OPENING BALANCE	(50,072,636)	(39,282,738)
PRIOR YEAR ADJUSTMENT	16,635,182	1,251,339
SURPLUS / (DEFICIT) FOR THE YEAR	(15,106,709)	(12,041,238)
TOTAL	(48,544,163)	(50,072,636)

NOTE 19 REVALUATION RESERVE	2021 Rs	2020 Rs
OPENING BALANCE	42,792,509	19,479,200
PRIOR YEAR ADJUSTMENT	(18,638,138)	23,313,309
WRITE OFF VALUE		-
TOTAL	24,154,371	42,792,509

NOTE 20 S.L. SOCIAL SECURITY PENSION FUND	2021 Rs	2020 Rs
OPENING BALANCE	2,398,353,672	2,311,497,232
PREVIOUS YEAR ADJUSTMENT	(28,344,532)	2,793,206
THIS YEAR ADJUSTMENT		
TRANSFER DURING THE YEAR	83,945,626	84,063,233
MINISTRY OF CULTURAL AFFIARS FUND		
OPENING BALANCE	94,000,000	94,000,000
TRANSACTION DURING THE YEAR		-
PAYMENT FOR PENSOINERS		-
	2,547,954,766	2,492,353,672

NOTE 21 ELDERS FUND ACCOUNT	2021 Rs	2020 Rs
OPENING BALANCE	1,174,509	1,334,700
PREVIOUS YEAR ADJUSTMENT	2,500	1,500
INTEREST DURING THE YEAR	33,829	51,308
PAYMENT FOR SENIOR CITIZENS	(198,000)	(213,000)
TOTAL	1,012,837	1,174,509

NOTES TO THE FINANCIAL STATEMENT

NOTE 22 **GOVERNMENT GRANTS & FUND**	**2021** **Rs**	**2020** **Rs**
CAPITAL- GOVERNMENT	50,105,344	37,105,344
CAPITAL GRANT MINISTRY AUDITRIO	540,000	540,000
CAPITAL GRANT MINISTRY PRO.PROM	2,725,600	2,725,600
CAPITAL -FUND	163,931,128	163,931,128
TOTAL	**217,302,072**	**204,302,072**

NOTE 22 (I) **CAPITAL BALANCES B/F TO DEVELOP SOCIAL SECURITY PENSION MANAGEMENT INFORMATION SYSTEM**	**2021** **Rs**	**2020** **Rs**
OPENING BALANCE	12,511,000	12,511,000
THIS YEAR ALLOCATION	-	-
TOTAL	**12,511,000**	**12,511,000**

SRI LANKA SOCIAL SECURITY BOARD
DETAILS OF UNIDENTIFIED DEPOSITS FROM 2004 - 2021
AS AT 31-12-2021

Year	Bank	Total Value of Deposits To Be Identified As At 31-12-2021	Total Value of Unidentified Deposits Identified & Accounted up to 31-12-2021	Balance to Be Identified 31-12-2021	Details of Unidentified Deposits As At 31-12-2021		
					Unidentified As Data Destroyed By Banks	Unidentified As The Depositor Didn't Put Any Detail In The Banking Slip To Recognize the Contributor	Remained To Be Identified Except Reasons Mentioned In (f) & (g)
(a)	(b)	(c)	(d)	(e) = (c) - (d)	(f)	(g)	(h)
		Rs	Rs	Rs	Rs	Rs	Rs
2004 -2009	Bank of Ceylon	289,641	85,209	204,432	204,432	-	-
	Peoples Bank	939,621	190,581	749,040	749,040	-	-
	National Savings Bank	160,521	128,021	32,501	32,501	-	-
2010	Bank of Ceylon	159,351	106,254	53,097	-	-	53,097
	Peoples Bank	412,822	412,822	-	-	-	-
	National Savings Bank	527,443	520,440	7,003	-	-	7,003
							-
2011	Bank of Ceylon	210,389	201,168	9,220	-	-	9,220
	Peoples Bank	8,544,430	8,535,026	9,404	-	-	9,404
	National Savings Bank	601,099	599,848	1,251	-	-	1,251
							-
2012	Bank of Ceylon	4,324,890	4,323,470	1,420	-	-	1,420
	Peoples Bank	716,631	716,631	-	-	-	-
	National Savings Bank	4,250,578	4,247,906	2,672	-	-	2,672
							-
2013	Bank of Ceylon	3,139,542	3,137,201	2,341	-	2,341	-
	Peoples Bank	4,461,355	4,459,335	2,020	-	2,020	-
	National Savings Bank	1,037,101	1,025,231	11,870	-	11,870	-
							-
2014	Bank of Ceylon	1,672,105	1,670,453	1,652	-	1,652	-
	Peoples Bank	6,500,041	6,493,491	6,550	-	6,550	-
	National Savings Bank	823,583	822,063	1,520	-	1,520	-
							-
2015	Bank of Ceylon	16,177,682	16,154,571	23,111	-	23,111	-
	Peoples Bank	9,927,670	9,902,724	24,946	-	24,946	-
	National Savings Bank	1,218,604	1,205,044	13,560	-	13,560	-
							-
2016	Bank of Ceylon	22,375,693	22,336,773	38,920	-	17,583	21,337
	Peoples Bank	11,364,867	11,364,507	360	-	-	360
	National Savings Bank	773,205	773,205	-	-	-	-
							-
2017	Bank of Ceylon	30,234,011	30,197,125	36,886	-	33,908	2,978
	Peoples Bank	15,590,484	15,577,671	12,813	-	-	12,813
	National Savings Bank	467,308	467,308	-	-	-	-
							-
2018	Bank of Ceylon	37,225,295	35,967,286	1,258,009	-	40,287	1,217,722
	Peoples Bank	12,204,785	11,532,003	672,782	-	-	672,782
	National Savings Bank	357,918	357,918	-	-	-	-
							-
2019	Bank of Ceylon	38,917,698	37,928,945.00	988,753	-	-	988,753
	Peoples Bank	9,949,601	9,403,078.00	546,523	-	-	546,523
	National Savings Bank	151,412	151,412	-	-	-	-
							-
2020	Bank of Ceylon	23,086,245	23,018,745.00	67,500	-	-	67,500
	Peoples Bank	12,883,613	12,761,422.00	122,191	-	-	122,191
	National Savings Bank	94,341	93,213.00	1,128	-	-	1,128
							-
2021	Bank of Ceylon	65,354,459.00	64,813,282.64	541,176			541,176
	Peoples Bank	14,238,342.00	13,925,313.54	313,028			313,028
	National Savings Bank	123,965.00	123,665.00	300			300
				-			-
	Total	361,488,341	355,730,362	5,757,979	985,973	179,348	4,592,659

SRI LANKA SOCIAL SECURITY BOARD
INVESTMENT SCHEDULE- As at 31.12.2021

Long Terms

Investee/Bank	Certificate No.	Investment: Date of Investment	Investment: Date of Maturity	Invested Amount	Period	Int. Rate P.A	Total Interest Receivable	Maturity Value	Interest Receivable 2020	Interest Receivable 2021
Boc	80274062 Dep.Culter Affears	0 6-Jan-2017	0 6-Jan-2022	40,000,000.00	60 M	14.50%	29,015,890.41	69,015,890.41	5,800,000.00	5,800,000.00
NSB	2/0111/02/88012	31-Jul-2017	31-Jul-2022	388,624,537.10	60 M	13.00%	252,605,949.12	641,230,486.22	50,521,189.82	50,521,189.82
SMIB	SMIB/FD/000787	23-Aug-2017	23-Aug-2022	216,269,869.36	60 M	15.00%	162,202,402.02	378,472,271.38	32,440,480.40	32,440,480.40
SIMB	SMIB/IFD/000811 Elders Pen	0 9-Oct-2017	0 9-Oct-2022	460,000,000.00	60 M	14.50%	333,500,000.00	793,500,000.00	66,700,000.00	66,700,000.00
HDFC	999202000013/1	8-Dec-2017	0 8-Dec-2022	113,000,000.00	60 M	15.50%	87,575,000.00	200,575,000.00	17,515,000.00	17,515,000.00
PB	174600100021179-7	18-Oct-2018	18-Oct-2023	271,481,506.23	60 M	14.00%	190,037,054.36	461,518,560.59	38,007,410.87	38,007,410.87
HDFC	999201000115/20	4-Mar-2021	4-Mar-2022	128,291,000.00	12 M	6.00%	7,697,460.00	135,988,460.00		6,389,946.25
HDFC	999201000115/23	5-May-2021	5-May-2022	40,000,000.00	12 M	6.00%	2,400,000.00	42,400,000.00		1,584,657.53
Total				1,657,666,912.69			1,065,033,755.91	2,722,700,668.60	210,984,081.10	218,958,684.88

Short Terms

Investee/Bank	Certificate No.	Investment: Date of Investment	Investment: Date of Maturity	Invested Amount	Period	Int. Rate P.A	Total Interest Receivable	Maturity Value	Interest Receivable 2020	Interest Receivable 2021
HDFC	System	17-May-2021	17-Aug-2021		3 M	5.00%	-	-		-
HDFC	999201000115/30	9-Nov-2021	9-Feb-2022	21,851,000.00	3 M	7.50%	413,073.70	22,264,073.70		237,966.37
HDFC	999201000115/31	15-Nov-2021	15-Feb-2022	3,014,000.00	3 M	7.50%	56,976.99	3,070,976.99		29,107.81
HDFC	JALA-999201000115/32	15-Nov-2021	15-Feb-2022	1,531,000.00	3 M	7.50%	28,942.19	1,559,942.19		14,785.68
HDFC	System-999201000115/33	15-Nov-2021	15-Feb-2022	1,862,000.00	3 M	7.50%	35,199.45	1,897,199.45		17,982.33
HDFC	999201000115/36	15-Dec-2021	15-Jan-2022	11,700,935.00	1 M	7.00%	69,564.46	11,770,499.46		38,148.25
PB	Culture-174600100028247-0	17-Dec-2021	17-Mar-2022	64,971,218.14	3 M	6.00%	961,218.02	65,932,436.16		160,203.00
Total				104,930,153.14			1,564,974.81	106,495,127.95	-	498,193.45

SRI LANKA SOCIAL SECURITY BOARD
INCOME & EXPENDITURE STATEMENT- PENSION FUND
YEAR ENDED 31ST DECEMBER 2021

Description	2021 Rs	2020 Rs
Member's Contribution		
Postal Collection	164,415,316	144,789,355
Bank & Other Collection	137,958,177	76,086,465
Total Contribution (a)	**302,373,493**	**220,875,820**
Add- Interest Income		
Fixed Deposits	220,263,741	238,562,470
Savings Deposits	903,846	1,232,094
Other (Distress Loan II)	-	4,240
Other (Distress Loan III)	756,938	724,042
Interest of cultural Fund	-	7,321,309
Intrest Income Jalaya	203,362	37,932
OTHER INCOME-FUND	34,069	
OTHER INCOME-ARASSAWA	5,746	
INTEREST INCOME CULTURAL SSB	152,989	
Total Interest (b)	**222,320,691**	**247,882,087**
Less- Expenditure		
Pension Payment	356,981,876	331,553,955
Refund Payment	18,370,909	27,946,174
Gratuity Payment	1,584,866	2,135,828
Disability Payment	713,451	589,719
Beneficiary Payments to Contributors	3,106,499	2,928,000
Postal Charges	(16,205)	(24,360)
Incentive Payment	49,743,046	11,188,589
PROMOTIONAL PROGRAME	926,015	-
Staff Insurance	855,000	752,000
Bank Charges	19,656	22,720
Postal Commission	8,220,766	7,301,104
Others		185,000
25TH Anivasary expences	**242,679**	
Withholding Tax - Fund	-	115,944
Withholding Tax - Saving	-	-
Withholding Tax- Culture	-	-
Transfer Account A/C 212	-	-
Total Expenses (c)	**440,748,557**	**384,694,673**
Net Balance (a) + (b) - (c)	**83,945,626**	**84,063,233**

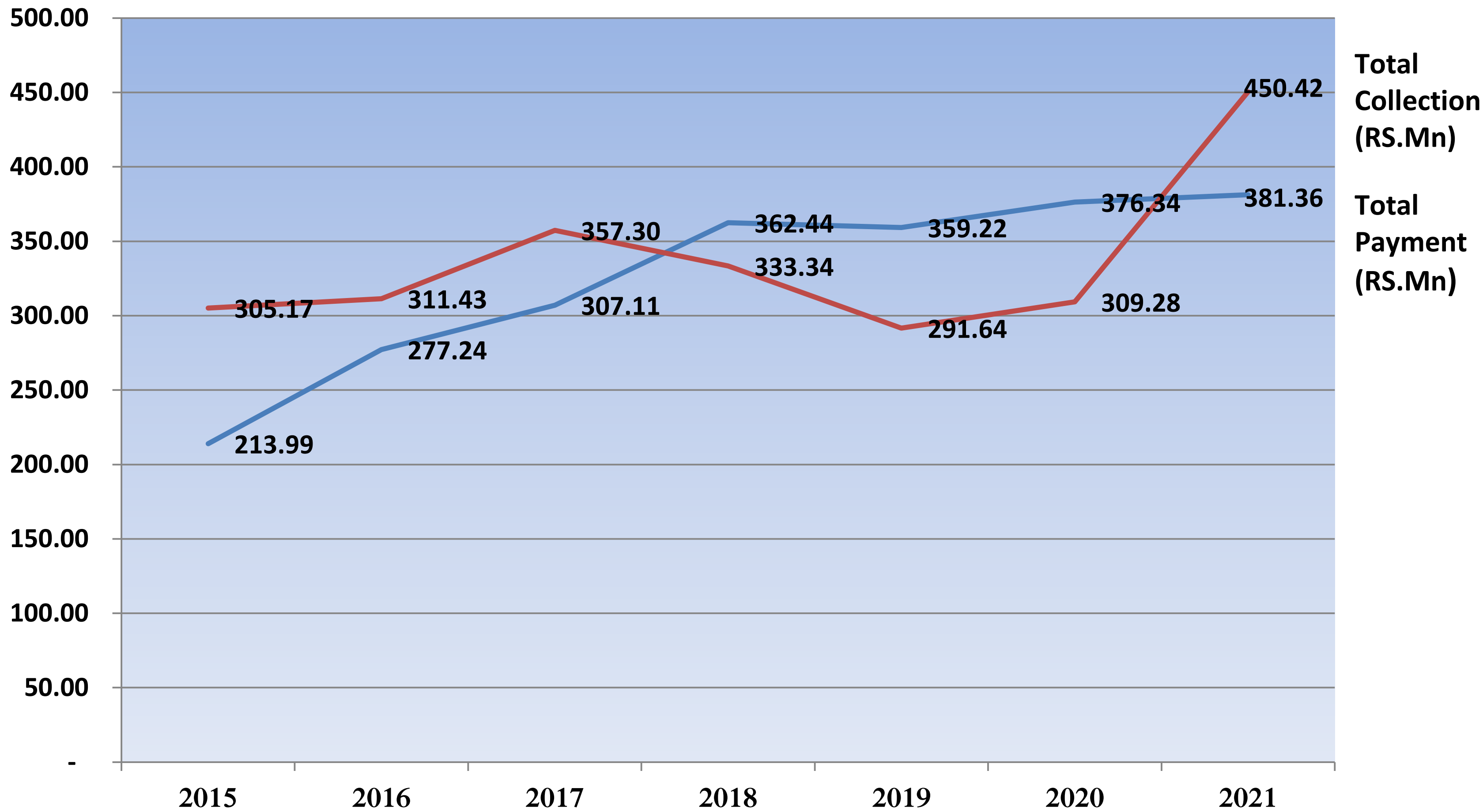
Remarks:

Total cash collection from 01.01.2021 to 31.12.2021 is Rs 302373492.88.From this amount total value of unidentified deposits is Rs ,5757,979.It is been stated as current liability in the balance sheet (Note 23)

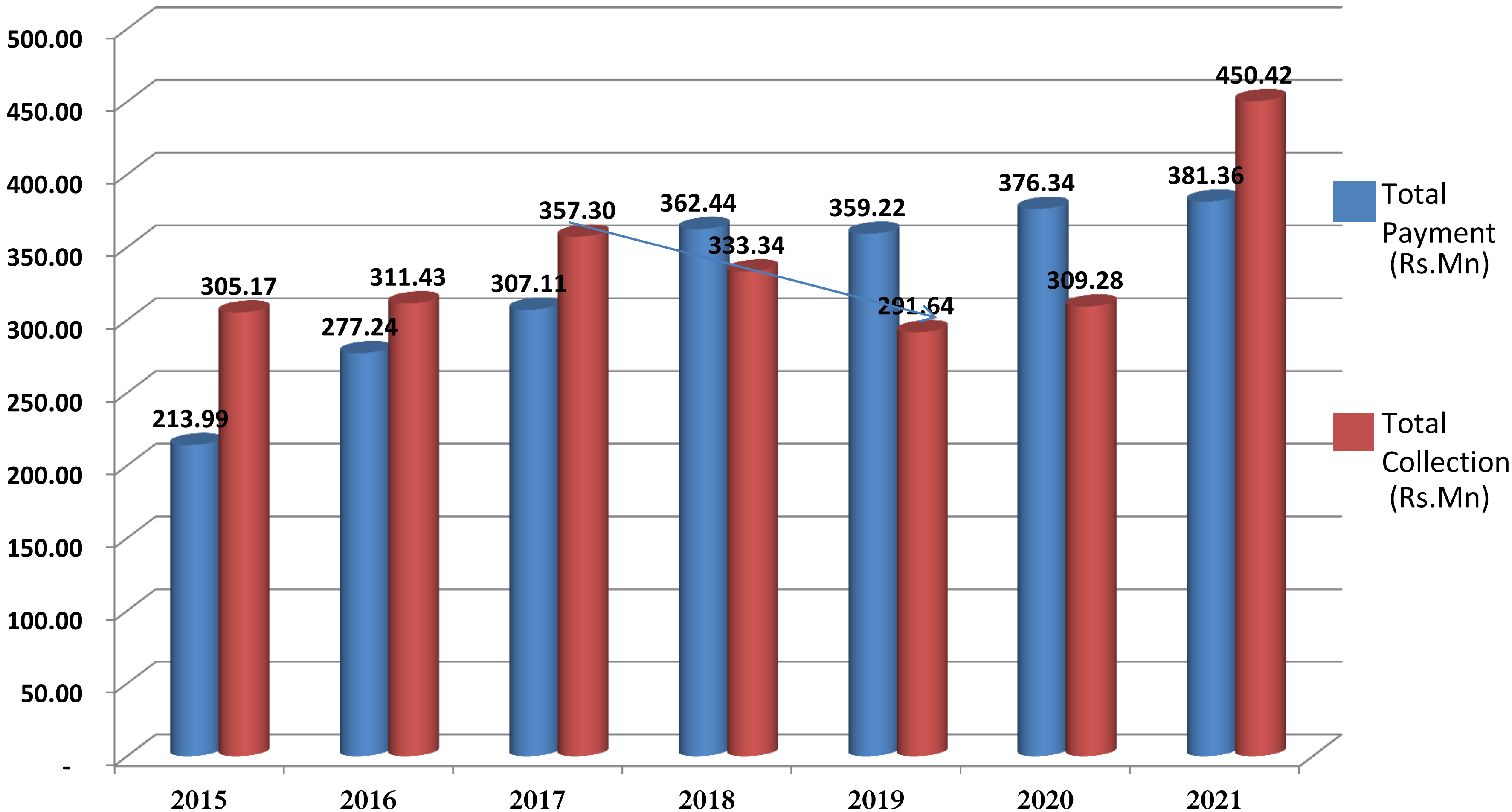
SRI LANKA SOCIAL SECURITY BOARD (SLSSB)

Progress from 2015 to 2021

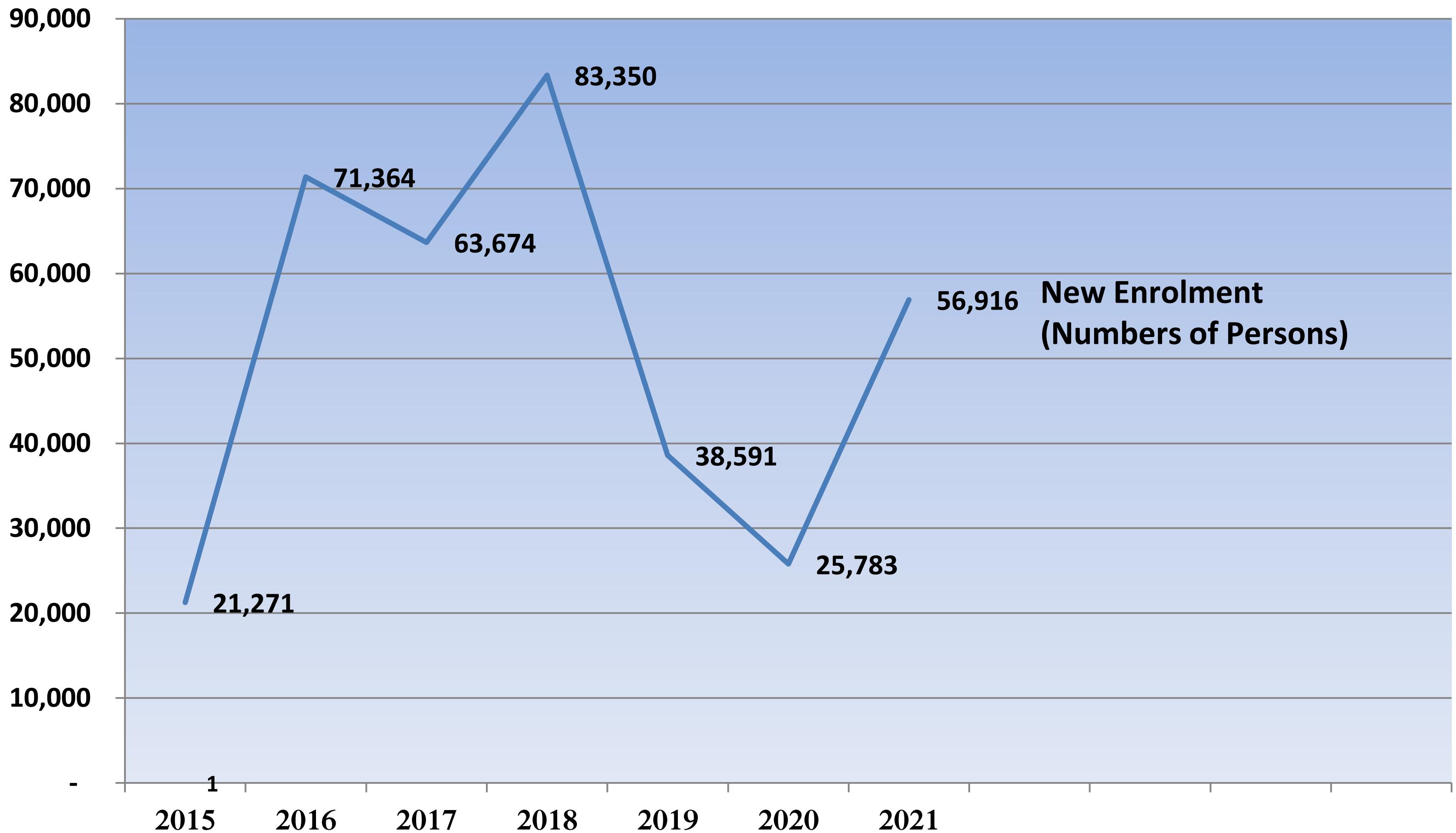
COMPARISION OF TOTAL COLLECTIONS AND PAYMENTS TO MEMBERS - YEAR 2015 TO 2021



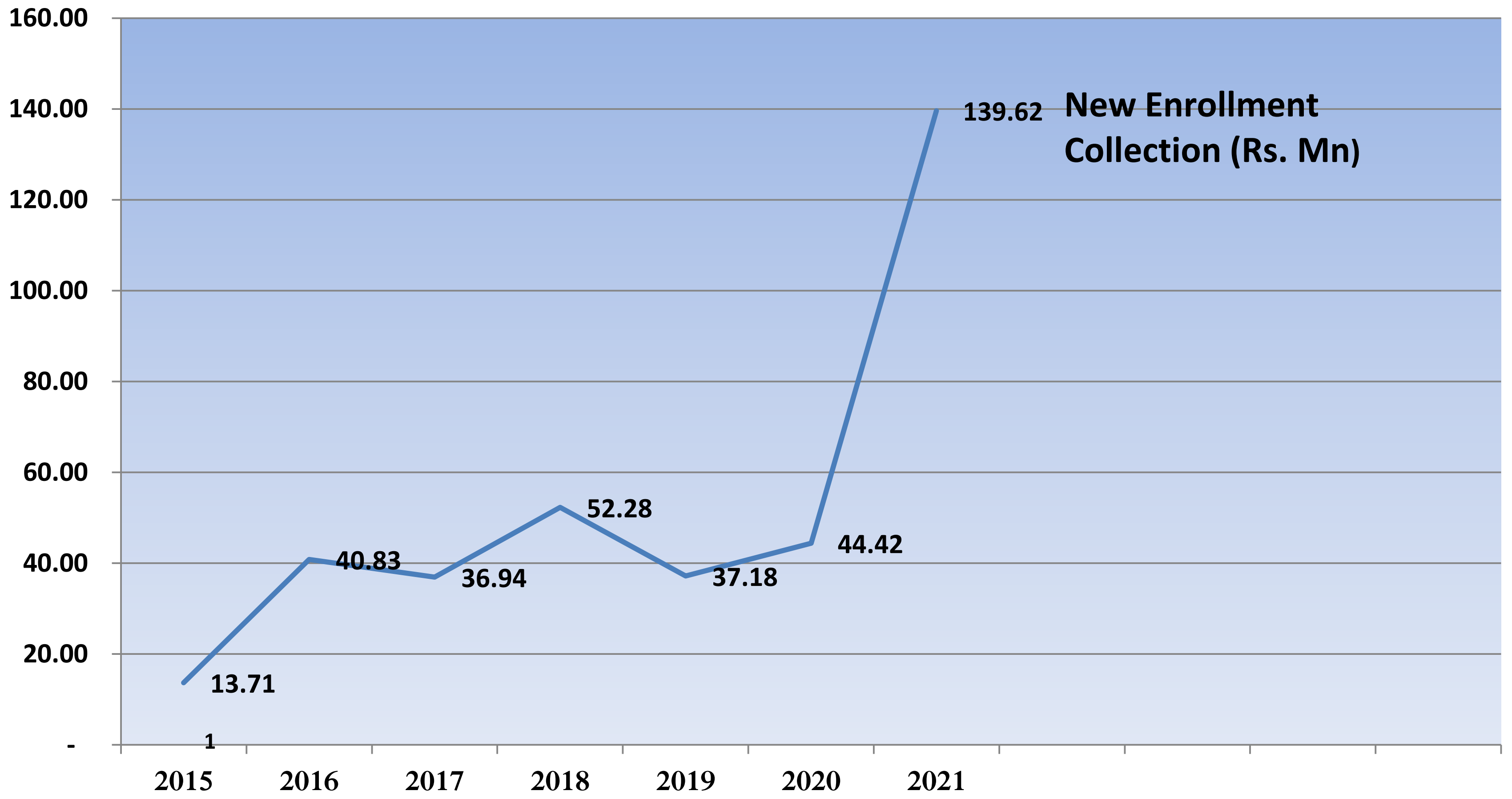
COMPARISION OF TOTAL COLLECTIONS AND PAYMENTS TO MEMBERS - YEAR 2015 TO 2021



NEW ENROLEMENT (Number of Persons) YEAR 2015 TO 2021



NEW ENROLEMENT COLLECTION (Rs. Millions) YEAR 2015 TO 2021



Sri Lanka Social Security Board
Ministry of Finance
State Ministry of Samurdhi, Household Economy, Microfinance, Selfemployment and Business Development
Investment Committee Report

Date 15. 11. 2021

Venue Head Office, Sri Lanka Social Security Board

Participation
Mr. Saman Handaragama, Senior Lecturer, (Chairman) - Committee Chairman
Saman Handaragama (General Manager) - Committee Member
Mr. S. W. Lakshman (Deputy General Manager - Finance - Committee Member
Mrs. W.S. P. Fernando (Assistant General Manager - finance) Committee Member

Matter Obtaining approval for the reinvestment of Rs. 11,482,075.00, which was invested for the period of 03 months in RDB on 13.08.2021 and Rs.3,000,000.00, Rs.1,854,000.84 and Rs. 1,524,386.73 , which were invested in PB on 15.102021 for the period of one month, due to maturity of above investments on 15. 11.2021

Investment Detail Type of Investment : Fixed deposits

Amount received at maturity on 2021.11.15 : Rs.18,042,198.39

New investment amount : Rs.18,041,000.00

Interest rates

Bank	Duration and interest rate				Total investment percentage (without maturing investment))
	01 Month	03 Month	06 Month	12 Month	
HDFC	7.00%	7.50 %	7.75%	8.00%	17.38%
NSB	4.50%	5.00%	5.25%	5.50%	22.29%
RDB	-	6.50%	6.75%	7.00%	-
SMIB	5.50%	6.10%	6.30%	6.60%	38.78%
PB	5.00%	5.50%	5.75%	6.25%	19.26%
BOC	4.50%	5.00%	5.25%	5.50%	2.29%

Recommendation

Following this investment, the reinvestment is due on 04.03.2022. Therefore, an amount of Rs.11,634,000.00 is required for the payment of pensions in December and that amount should also be retained from this maturing investment. This amount is invested for a period of one month.

In subsequence, the committee, considering investment risk, high interest rate and total investment percentage, decided to invest the amount of Rs. 11,634,000.00 for the period of one month under the interest rate of 7.00%, the amount of Rs. 3,014,000.00, the amount of Rs. 1,531,000.00, which is the contribution collected from the independent sales network and the amount of Rs. 1,862,000.00, which was received for the installation of new computer system, in the HDFC Bank (The Housing Development Finance Corporation Limited) as a fixed deposit for the period of 03 months under the interest rate of 7.50%

....	....	....	....
Saman Handaragama	Saman Handaragama	S. W. Lakshman	. W.S. P. Fernando
- Committee Chairman	Committee Member	Committee Member	Committee Member

Interest income on Investmens -(Matured in financial year 2021)

Date - Maturity	Investment Type	Investment	Interest	Interest Income for 2021	Maturity Amount	Withdrawel	Withdrawel		Re Investment
							Capital	Intrest	
2021.01.09	FD	21,553,120.79	2,370,843.29	51,963.69	23,923,964.08	6,603,964.08	4,233,120.79	2,370,843.29	17,320,000.00
2021.01.22	FD	11,200,000.00	155,265.75	35,441.10	11,355,265.75	-	-	-	11,355,265.75
2021.02.09	FD	52,488,000.00	694,568.43	294,436.11	53,182,568.43	-	-	-	53,182,568.43
2021.02.13	System	12,910,088.54	170,839.72	79,848.01	13,080,928.26	1,830,926.15	1,660,086.43	170,839.72	11,250,002.11
2021.03.04	FD	176,061,000.00	5,456,685.10	1,869,140.75	181,517,685.10	13,307,685.10	7,851,000.00	5,456,685.10	168,210,000.00
2021.03.16	Culture	62,832,557.47	735,915.57	605,086.14	63,568,473.04	785,132.93	49,217.36	735,915.57	62,783,340.11
2021.04.05	FD	39,919,000.00	144,091.18	144,091.18	40,063,091.18	2,711.39		2,711.39	40,060,379.79
2021.05.05	FD	40,060,379.79	139,936.94	139,936.94	40,200,316.73	200,316.73	60,379.79	139,936.94	40,000,000.00
2021.05.17	System	11,250,000.00	144,015.41	144,015.41	11,394,015.41	-	-	-	11,394,015.41
2021.06.07	JALA	1,500,000.00	5,414.38	5,414.38	1,505,414.38	1,505,414.38	1,500,000.00	5,414.38	-
2021.06.16	Culture	62,783,340.11	751,679.99	751,679.99	63,535,020.10	-	-	-	63,535,020.10
2021.06.28	System	11,394,015.41	44,639.57	44,639.57	11,438,654.98	11,438,654.98	11,394,015.41	44,639.57	-
2021.07.12	FD	17,320,000.00	474,995.07	474,995.07	17,794,995.07	17,794,995.07	17,320,000.00	474,995.07	-
2021.07.15	FD	20,151,000.00	1,712,835.00	915,076.23	21,863,835.00	2,088,839.49	376,004.49	1,712,835.00	19,774,995.51
2021.07.22	FD	11,355,265.75	295,625.78	295,625.79	11,650,891.53	11,650,891.53	11,355,265.75	295,625.78	-
2021.08.09	FD	53,182,567.23	1,450,499.88	1,450,499.88	54,633,067.11	3,714,067.11	2,263,567.23	1,450,499.88	50,919,000.00
2021.08.13	FD	10,681,000.00	801,075.00	491,618.63	11,482,075.00	-	-	-	11,482,075.00
2021.09.09	FD	13,865,000.00	47,103.01	47,103.01	13,912,103.01	13,912,103.01	13,865,000.00	47,103.01	-
2021.09.09	FD	15,475,000.00	52,572.60	52,572.60	15,527,572.60	15,527,572.60	15,475,000.00	52,572.60	-
2021.09.16	Culture	63,535,020.10	760,679.56	760,679.56	64,295,699.66	-	-	-	64,295,699.66
2021.10.15	FD	5,000,000.00	63,013.70	63,013.70	5,063,013.70	2,063,013.70	2,000,000.00	63,013.70	3,000,000.00
2021.10.15	JALA	1,505,414.38	18,972.35	18,972.35	1,524,386.73	-	-	-	1,524,386.73
2021.10.15	System	11,438,654.98	144,158.39	144,158.39	11,582,813.37	11,582,813.37	11,438,654.98	144,158.39	
2021.10.15	System	1,830,926.15	23,074.69	23,074.69	1,854,000.84	-	-	-	1,854,000.84
2021.10.22	JALA	3,000,000.00	195,000.00	157,068.49	3,195,000.00	3,195,000.00	3,000,000.00	195,000.00	-
2021.11.09	FD	21,579,000.00	271,954.52	271,954.52	21,850,954.52	-	-	-	21,851,000.00
2021.11.13	FD	11,482,075.00	155,243.95	155,243.95	11,637,318.95	3,318.95		3,318.95	11,634,000.00
2021.11.15	FD	3,000,000.00	14,013.70	14,013.70	3,014,013.70	13.70		13.70	3,014,000.00
2021.11.15	JALA	1,524,386.73	7,120.77	7,120.77	1,531,507.50	507.50		507.50	1,531,000.00
2021.11.15	System	1,854,000.84	8,660.47	8,660.47	1,862,661.31	661.31		661.31	1,862,000.00
2021.12.15	FD	11,634,000.00	66,935.34	66,935.34	11,700,935.34	0.34		0.34	11,700,935.00
2021.12.17	Culture	64,295,699.66	921,718.55	921,718.55	65,217,418.21	248,732.20		248,732.20	64,971,218.14
		847,660,512.93	18,299,147.66	10,505,798.96	865,959,660.59	117,457,335.62	103,841,312.23	13,616,023.39	748,504,902.58

FINANCIAL HIGHLIGHTS- LAST 10 YEARS (FY2011- FY2021)

Description		**Years**										
		2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
New Enrolments (Nos)	Nos	37,799	9,129	8,754	16,068	21,271	71,364	63,674	83,350	38,591	25,783	32,078
Avg. no. of members for pension	Nos	9,893	12,474	15,821	20,157	22,629	25,263	27,080	28,742	30,598	31,769	32,976
New enrolment Value	Rs	837,271.00	4,499,537.00	1,472,800.00	2,832,327.00	13,785,940.00	40,810,755.00	36,836,803.00	52,184,761.00	37,259,640.00	37,805,283.00	80,919,149.00
Members collection	Rs	259,909,066.00	220,105,888.00	159,924,901.38	153,469,885.29	142,449,174.00	121,059,232.00	160,124,607.00	153,456,710.00	198,401,715.00	183,070,537.00	209,578,265.00
Total collection	Rs	260,746,337.00	224,605,425.00	161,397,701.38	156,302,212.29	156,235,114.00	161,869,987.00	196,961,410.00	205,641,471.00	235,661,355.00	220,875,820.00	290,497,414.00
Members Payments	Rs											
Pension	Rs	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00	64,449,122.00
Gratuity	Rs	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00	3,170,718.00
Refund	Rs	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00	3,355,236.00
Disability	Rs	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00	550,060.00
Arassawa Benefits	Rs	-	-	-	-	-	57,500.00	2,536,568.00	4,842,660.00	2,775,394.00	2,928,000.00	3,106,499.00
Incentives	Rs	-	3,484,739.00	2,043,704.51	2,052,379.36	-	1,274,872.00	880,610.00	9,439,135.00	15,649,535.00	11,188,589.00	49,743,046.00
Total Payments	Rs	71,525,136.00	75,009,875.00	73,568,840.51	73,577,515.36	71,525,136.00	72,857,508.00	74,942,314.00	85,806,931.00	89,950,065.00	85,641,725.00	124,374,681.00
Treasury fund receipts	Rs	62,603,000.00	71,138,900.00	81,066,426.00	81,276,400.00	105,400,000.00	107,370,000.00	111,176,000.00	129,009,000.00	139,991,052.00	121,777,365.00	125,609,000.00
Investments	Rs	1,340,541,216	1,519,318,628	1,617,153,979	1,717,590,837	1,818,136,272	1,874,773,791	1,941,057,650	1,937,822,662	1,870,775,003	1,741,510,030	36,565,932.00
Interest on Investments	Rs	141,207,970	161,075,348	237,574,919	208,879,725	165,282,624	161,431,297	216,409,371	261,591,395	259,919,300	238,562,470	220,263,741
No. of Staff at the year end		124	104	121	168	169	160	163	179	161	156	166

Audit Management Committee

Audit Committee Meetings of the Sri Lanka Social Security Board in the year 2021 was held in accordance with the procedures set out in paragraph 7.4.1 of the Guidelines for Good Governance, the contents of Government Business Circulars No. 55 dated 14.12.2010 and the matters mentioned in Chapter 4.2 of the Corporate Governance Guidelines.

Audit committee of the year 2021 consists of the following officers,

Mr. K. M. Kumarasiri	-Chairman of the Committee	Director (Treasury Representative)
Dr. Dhammika Dissanayaka	- Committee Member	Director
Attorney. Janaka Rathnayaka	-Committee Member	Director
Mrs. D.M. G.P. Malkanti	-Observer	Chief Internal Auditor – Line Ministry
Mrs. D. L. P. Gunathilaka	-Observer	Audit Superintendent
Mr. M.R. P. Piries		- National Audit Office

The main role of the Audit Management Committee was submitting recommendations to the Board of Directors on operations, finance and administration for the sustainability of the Sri Lanka Social Security Board which implements retirement plans for the future security of Sri Lankan citizens, who are not entitled to a State Pension and conducting follow up activities on implementation of recommendations which were approved by the Board of Directors. Accordingly, inspection of performance on enrollment and collection of contributors to the pension scheme, inspection on returns including capital payments and investments, inspection on recurrent and capital expenditure and inspection of the compliance of all those with the financial regulations, treasury circulars and guidelines and rules & regulations introduced by the Board and compliance to the systems and providing recommendations as per reports of auditor general, audit queries and internal audit reports are the main functions done by the Audit Committee.

The role of the Audit Committee was also to approve the Annual Internal Audit Plan, which covers administrative, financial and operational activities, and to review the progress of the implementation of the Audit Plan to achieve corporate objectives.

Due to the COVID 19 epidemic situation in 2021, health care measures had to be followed and Audit Committee meetings had to be held using the online methods. Despite this situation, the Audit Committee meetings could be held on the following dates.

First Audit Committee Meeting	24.02.2021
Second Audit Committee Meeting	13.07.2021
Third Audit Committee Meeting	07.10.2021
Fourth Audit Committee Meeting	23.12.2021

The Social Security Board of Sri Lanka has achieved a high level of performance in 2021 compared to 2020. I believe that the recommendations and guidance of the Audit Committee may have contributed to this success

On behalf of the Audit Committee,

K. M. Kumarasiri
Chairman
Audit Committee
28.02.2022

NATIONAL AUDIT OFFICE

Chairman
Sri Lanka Social Security Board

Report of the Auditor General on the Financial Statement and other legal and regulatory requirements of the Sri Lanka Social Security Board for the year ended 31 December 2021 in terms of Section 12 of the **National Audit Act, No.19 of 2018**

1. **Financial Statements**

1.1 Qualified Opinion

This Report declares the Financial Statement of the Sri Lanka Social Security Board as at 31st December 2021 and Financial Performance for the year then ended, Statement of Title Change and Financial Flow Statement & Notes on Financial Statements, Financial Statements for the Year ended December 31, 2021 comprising a summary of important accounting principles and my comments and observations which I consider that should be published with the annual report of the Sri Lanka Social Security Board in pursuance of provisions of the Finance Act No 38 of 1971 and National Audit Act No 19 of 2018 that should be read in conjunction with Article 154(1) of the constitution of the Democratic Socialist Republic of Sri Lanka. This report will be tabled in Parliament in terms of Article 154 (6) of the Constitution.

In my opinion, except for the effects of the matters described in paragraph ‘ Qualified Opinion’ in this report, the financial statements give a true and fair view of the financial position of the Sri Lanka Social Security Board as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basic for Opinion

(a) It should have been identified the identity of the members, who had obtained the membership in the pension schemes, pertaining to the amount of Rs. 5,757,980 of premiums deposited in bank accounts during the period from 2004 to the year under the review and should have brought to the accounts for the single accounts of members, however, instead of above, it had been mentioned in the financial statements as unidentified deposited under the other liabilities. Therefore, other liabilities had been overstated by above amount in the financial statements in the year under review.

(b) Even though the depreciation process had been ended by 31 December in the year under the review, communication equipments for the cost of Rs. 787,540/-, furniture and office equipments for the cost of Rs. 10,096,197/-, computer accessories for the cost of Rs. 23,063,419 and machinery and equipments for the cost of Rs. 9,932,023 , which are non current assets and use already, had been revealed in the financial statements in terms of the Sri Lanka Public Sector Accounting Standard No. 07 and actions had not been take to revise and state the estimated defect for the effective life span for those assets in terms of the Sri Lanka Public Sector Accounting Standard No. 08.

(c) Out of the government provision of Rs. 2.2 Million, which had been received for the year under the review for the program of activating dormant members among the members who had obtained the membership under the pension schemes, Rs. 1,422,576 had been spent to increase the awareness among dormant members. Operational expenditure had not been written as surcharge expenditure and it had been brought to the accounts under the plant, property and equipments. Therefore, assets and operation surplus for the year under review had been overstated by the said amount in the financial statements.

(d) Even though, Rs. 1,090,250/- had been spent from the year 2019 to end of the year under review for the contract of the installation of new computer software system for the pension scheme, actions had not been taken to install and use the computer software system. However, instead of bringing those cost incurred for the said computer software system into accounts as ongoing cost, it had been brought to the accounts as computer software under the noncurrent assets and 25% percent had been depreciated annually from 2019 in contrast to the Sri Lanka Public Sector Accounting Standard No. 07. Therefore, the noncurrent assets by above amounts and accumulated shortage by Rs. 783,337/- had been overstated in the financial statements of the Board.

I conducted the audit in accordance with Sri Lanka Auditing Standards. My responsibility under these audit standards is further described in the section "Auditor's Responsibility in Auditing Financial Statements" in this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide the basis for my audited opinion.

1.3 Other information included in the Annual Report 2021 of the Board

The information, which has been included in the annual report 2021 of the Board but has not been included in my audit report regarding the same, before the date of this audit report, means the other information. The management should responsible for this other information.

Other information has been covered from my opinion in connection with the financial statements and I do not express an opinion or assurance in any manner in this regard.

With regard to my audit on financial statements, my responsibility is to read the same when it is unable to obtain other information identified above and to consider material incompatibility as per my knowledge obtained in reading the other information with financial statements or in the audit or in another manner.

Upon the information obtained by me before the date of this audit report and on the basis of tasks performed by me, if I conclude that other information has wrongly been shown in material, the said matter is essential to be reported by me. I do not have anything to report in this regard.

1.4 Responsibilities of the managing and governing parties on financial statements

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

It is the responsibility of the management to determine the continuity of the Board, in preparing the financial statements. It is also a responsibility of the management to disclose matters relating to the continuation of the Board and to keep accounts on a continual basis, unless the management intends to liquidate the Board or cease operations when there is no other option.

The responsibility for the financial reporting process of the Sri Lanka Social Security Board is borne by the governing parties.

The Board shall maintain proper books and records of its income, expenses, assets and liabilities in order to prepare annual and periodic financial statements, subject to the subsection 16 (1) of the National Audit Act No. 19 of 2018.

1.5 Responsibility of the Auditor in the Audit of Financial Statements

My intention is to issue the audit report with my opinion and to give reasonable assurance that at the financial as a whole are free from quantitative false statements resulting from fraud and error. While fair certification is a high-level guarantee, it does not always mean that the auditing conducted in pursuance of Sri Lanka Audit Standards always discloses quantitative misstatement while auditing. Frauds and errors can result in quantitative misstatements, either individually or collectively and it is expected that this will affect the economic decisions made by the users based on these financial statements.This audit was conducted by me in accordance with Sri Lanka Auditing Standards with professional judgment and professional ambivalence. Further,

- My opinion is based on obtaining appropriate and adequate audit evidences to avoid risks of fraud and error, by designing appropriate audit procedures while identifying and assessing the risks of financial statements that may occur due to fraud or error. The effect of fraud is stronger than the effect of a quantitative false statement and, collusion, forgery, intentional avoidance or avoidance of internal control lead to fraud.

- Although an understanding on the internal administration of the Board was adopted as, appropriate to design appropriate audit procedures. However, it does not intend to express an opinion on the effectiveness of internal administration.

- The fairness of accounting policies and accounting estimates applied and the appropriateness of the related disclosures made by the management was evaluated.

- The relevance of using the foundation of organization's continuity for accounting was determined based on audit evidence obtained as to whether there is quantitative uncertainty about the continuity of the Board due to events or circumstances. If I conclude that there is sufficient uncertainty, my audit report should focus on relevant disclosures in the financial statements. If that disclosure is inadequate, my opinion must be modified. However, continuation can end on future events or circumstances.

- The presentation, structure and content of the financial statements, which include disclosure, were evaluated and the transactions and events based on are recognized in the financial statements as appropriate and fair.

The controlling parties were briefed on key audit findings, key internal control deficiencies and other issues identified during my audit.

2. Report on other legal and regulatory requirements

2.1 Special provisions are included in the National Audit Act No. 19 of 2018, concerning the following requirements.

2.1.1 In accordance with the requirements set out in Section 12 (a) of the National Audit Act No. 19 of 2018, I have obtained all necessary information and clarifications for the audit, excluding the impact of the matters described in the section on the audited opinion of my report. My investigation shows that the proper financial records were maintained by the "Board".

2.1.2 The financial statements of the Board are compatible with the previous year in accordance with the requirements of section 6 (1) (c) (111) of the National Audit Act No. 19 of 2018.

2.1.3 The recommendations I made last year are included in the submitted financial statements, Except for the observation set out in paragraph 1.2 (b) (i) of this report in accordance with the requirements of section 6 (1) (c) (iv) of the National Audit Act No. 19 of 2018

2.2 On the procedures followed and on the evidence obtained and in limiting quantitative matters I found none of the facts were significant enough to make the following statements.

2.2.1 In accordance with the requirements of Section 12 (c) of the National Audit Act, No. 19 of 2018, any member of the Board of Governors of the Board have any agreement relating to the Board is in any way directly or otherwise outside the normal business context.

2.2.2 Act of non-compliance with any applicable written law or other general or special directives issued by the Board of Governors, except for the following observations as required by Section 12 (f) of the National Audit Act No 19 of 2018.

Reference to Laws, Rules and Regulations	Observations
Section 15 (2) of the Social Security Board Act No. 17 of 1996	Even though the Board should have been informed to the member that he has been deprived of the benefits, it had not been informed the dormant members that they have been deprived of the benefits of Rs. 672,733 by 31 st December 2021. However, it had not been able to identify the members who had become dormant from the year 2015 to 2021.

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2.2.3 Acted non-compliance with the powers, functions and functions of the Board in accordance with the requirements of Section 12 (g) of the National Audit Act No 19 of 2018.

2.2.4 Resources of the Board, had not been procured in thrift, efficient and effective manner during the relevant time in conformity with the relevant laws in terms of the requirements cited in Section (g) of the National Audit Act No 19 of 2018 excluding the following observations.

(a) Out of the government provision of Rs. 2.2 Million received in the year under review for the activation program of 672,733 dormant members, among 882,665 members who had obtained membership under the pension schemes, Rs. 1,422,576 had been incurred for operation expenses such as awareness programs, promotion programs and postal charges and etc., the Board had been able to activate only 3 dormant members. Therefore affairs of the program had been collapsed in the half way through and hence the remaining provision of Rs. 777, 424 had not been utilized.

(b) As per the procurement plan, the provision of Rs. 5,000,000/- for the construction of buildings and Rs. 3,800,000/- for the purchase of furniture and office equipments had been allocated in the year under review. However, the provision of 100% and 48% had respectively been remained due to the delay in implementation of procurement activities.

2.3 Other Matters

(a) The Board had initiated 07 pension and social security benefits schemes such as Sahana, Thilina, Isuru, Sarana, Dhna Lakshmi, Surekuma and Arassawa from the year 1996 to 2013 and enrollment of members for 05 pension schemes had been withheld effective from September 2012. Only Surekuma and Arassawa pension and social security benefits schemes had been in operation by 31st December in the year under review. Although 446,444 members had been enrolled for those 02 schemes, only 100,617 members alias 22% of members had been active by the end of the year under review. Those dormant members had not been notified in this regard due to non receipt of up-to-date details on members who were deprived of benefits under the deed and those who neglected the payment of premiums, In this context, it was observed a high number of dormant members. In spite of the fact that the members would have been notified at the time that they had neglected the payment of premiums, it would be able to avoid their negligence in payments of premium and inactivation. But, because of not taking the relevant actions, the number of dormant members had been gone up.

(b) The tenancy of returning Rs. 180.7 Million, out of the paid premiums by members who had paid 25% or more premiums from the year 2016 to the year under review was observed due to inactivation of membership or cancellation of membership. The reason for their leaving had been that the Board had failed to plan and implement provisions and practices for further continuation of their membership rather than allowing these members to leave.

(c) The Ministry of Cultural Affairs had provided Rs. 94 Million for the pension scheme for artists which had been implemented by the Board in the year 2017 upon the financial contribution of the Ministry of Cultural Affairs. The said amount had been invested in fixed accounts in banks and the balance of the fund had been grown up to Rs. 104.97 Millions by 31 st December in the year under the review. However, only 234 artists had been enrolled for the pension scheme during the period from 2017 -2021. Among the above numbers, the membership had been dormant for 142 artists and the active members had been remained in very low number of 92 members.

(d) The building located at the address of No. 18, Rajagiriya Road , Rajagiriya had been purchase in 2013 by paying Rs. 195 Millions of Boards funds for the maintenance of Head Office of the Board. The board had done a loss of Rs. 30 Million to the Board because the Board had purchased the building for a high price exceeding the government valuation of Rs. 165 Million without following the procurement guidelines. During the audit process, it could not be dismissed that above deal was not a financial irregularity and although 09 years had been passed, the board had not taken action to cover the loss by performing the legal actions against to the responsible parties.

(e) As per the procurement plan in the year 2017, the provision of Rs. 12,511,000/- had been made for the installation of new software system for the social security pension scheme following the planning of such software system. Even though 5 years had been passed as at 31 December of the year under the review, it had not been able to maintain the operational activities of the social security pensions schemes of the Board due to inability of installation of this computer system.

W. P. C. Wickramaratne
Auditor General