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இலங்கை ஓய்வு
Sri Lanka Pensions

විලාස වැටුප් දෙපාර්තමේන්තුව ஓய்வூதியத் திணைக்களம் Department of Pensions

2022

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வருடாந்த செயற்றிறன் அறிக்கை மற்றும் கணக்குகள்
Annual Performance Report & Accounts

PERFORMANCE REPORT & ACCOUNTS - 2022

Vote- 253

Department of Pensions

Maligawaththa

Colombo 10

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01 Institutional Profile

1.1. Introduction

The Department of Pensions established in year 1970 as a Grade “A” Department under the Ministry of Public Administration is functioning hitherto during a period over half a century in order to award pension entitlements of public service pensioners and their post-beneficiaries.

Law of pensions in Sri Lanka is effective from pre-independence days with the introduction of Widows’ and Orphans’ Pension Fund Ordinance No.01 of 1898. Since then, the responsibility of managing pension payments of public servants was vested in with the General Treasury.

Pensioners are paid pensions based on Minutes on Pensions initially issued on 05th February 1934 and then on amended Minutes on Pensions on 05th May 1972 and on amendments introduced time to time, Widows’ and Orphans’ Pensions Fund Ordinance No.01 of 1898 and Public Service Provident Fund Ordinance No.18 of 1942. Furthermore, Widows’ and Orphans’ Pensions Fund Act No.44 of 1953, pension regulations for Piriven, Private Schools, Armed Forces Pensions and Gratuities Code of 1981, Widows’ and Orphans (Armed Forces) Pensions Act No.18 of 1970, Local Government Pension Scheme are implemented.

Monitoring all payments and recoveries related to civil pensions, Widows’, Widowers’ and Orphans’ Pensions, Disability Pensions, Armed Forces Pensions and Public Service Provident Fund in accordance with the above legal provisions is the main function of the Department of Pensions.

The Department of Pensions has performed in year 2022 as a forerunner of instituting benefits for all pensioners and their beneficiaries subject to above methods to generate a socially and financially contented pensioner with the assistance of private sector as well by stepping beyond mere payment of pensions to the public.

This report has been prepared inclusive of positive status of social security benefits and financial activities performed by the Department of Pensions during financial year 2022 in compliance with Public Finance Circular No.02/2020.

1.2. Vision and Mission and Objectives



Vision

A Pensioners' community highly satisfied in economic and social aspects



Mission

Offering legal benefits to pensioner of the Public Services and their beneficiaries, ensuring satisfaction of both recipients as well as service providers at an excellent level intertwining public sector with private sector through applications of modern technology and sustainable management techniques

Objectives

- Regulating the process for making the pension benefits of public servants entitled in compliance with the Pensions Minute, Widows' and Orphans' Pension Ordinance, and Widowers' and Orphans' Pension Act and imposing related provisions.
- Making public servants entitled to pension in compliance with the legal frame works, rules and policy decisions in respect of the pension.
- Payment of the monthly pension benefits continually and making the entitlement properly for benefit paid as lump sum amount
- Regulating the Public Servants Provident Fund and making the entitlements to the benefits
- Collection the contributions to Widows' and Orphans' Pensions Fund on behalf of the Government and collecting and managing other revenues
- Managing armed forces pension and post benefits
- Payment of compensation, salaries and allowances to the members of three Armed Forces and Sri Lanka Police, who demise or become disable whilst in active service
- Assisting for the formulation of policies for modern social security systems studying the global tendencies of social security
- To be accountable to the legislature for the preparation of annual budget and its progress Holding the National Pensioners' Day

1.3. Main Functions

The Department of Pensions performs its role under 04 main processes

1.3.1 Granting pension and benefits

I. Making Government and Judicial Officers entitled to the pension

Making public servants, judicial officers, teachers of Pirivenas, teachers of private schools and officers included in schedule ~g~ entitled to the pension and gratuity in terms of the provisions of the Pensions Minute.

II. Making members of armed forces entitled for the pension

Making officers and other rankers of armed forces entitled to pension and gratuity and making entitlement to compensation salaries and allowances, disables pension, fixed monthly allowances, and allowances of dependents.

III. Making entitlements to Widows' and Orphans' or Widowers' and Orphans' pension

Commencement of the payment of widows' or widowers' and orphans' pensions after the demise of civil officer, judicial officer and member of armed forces, making entitlement to the death gratuity and orphans' and disabled pension in respect of public servants who demise whilst in duty.

IV. Making entitlements to the benefits of Public Servants Provident Fund

Payment of the benefits on termination of service to the holders of non pensionable appointments in public service.

1.3.2 Regulating the payments

Ensuring that the regulating process is carried out properly for the payments such as pension, widows', widowers' and orphans' pension, which are paid monthly and payment of benefits of Public Servants Provident Fund, refunding the contributions of widows' and orphans' pension, payment of pension gratuity and death gratuity, payments to the heirs, preparation of service gratuity and civil services gratuity of the officers of armed forces, who leave the service without pension rights, payment of special compensations and payment of pension to the pensioners living abroad etc.

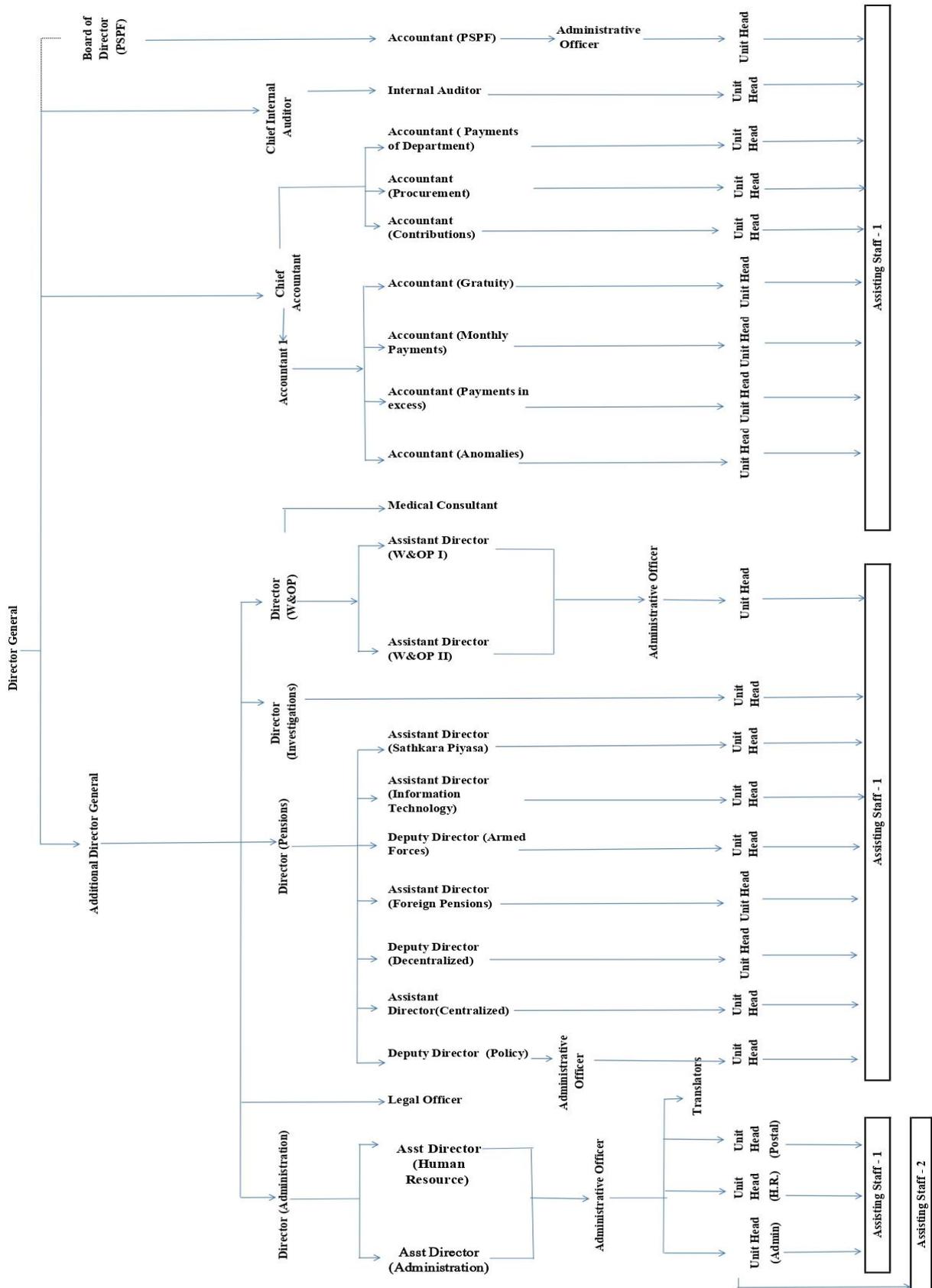
1.3.3 Regulating the receipts

Regulating the receipts such as contributions to widows' a/ widowers' and orphans' fund relating to the social security of Central Government and Local Government institutions, Local Government Services Pension Fund, contributions of Public Servants Provident Fund, contributions to Teachers' Widows' and Orphans' Fund and rental for buildings and income from holiday resort .

1.3.4 Development Approach

Ensuring assistance to take policy decisions aiming at the achievement of sustainable development goals and policy framework of the government, ensuring constant studies on social security policies, making the recipients of Department of Pensions entitled to special benefits whilst making links with government as well as private institutions, and taking necessary action developing constantly human and physical resources so as to fulfill the targets of the government

1.4. Organizational Chart



Approved carder of the Department of Pensions – As at 31.12.2022

Nature of the post	Post	Service applicable	Salary scheme	Total number of approved posts	Existing cadre	Number of posts fallen vacant
Senior Level	Director General of Pensions	SLAS (Special)	SL-3-2016	1	1	0
	Additional Director General of Pensions	SLAS (Special)	SL-3-2016	1	1	0
	Medical Officer (On contract basis)	Primary Grade	SL-2-2016	1	0	1
	Director of Pension	SLAS (Class I)	SL-1-2016	4	1	3
	Chief Accountant	SLAcS(Class I)	SL-1-2016	1	1	0
	Chief Internal Auditor	SLAcS(Class I)	SL-1-2016	1	1	0
	Deputy Director/ Assistant Director	SLAS(Class II or III)	SL-1-2016	10	12	-2
	Accountant	SLAcS(Class I)	SL-1-2016	1	1	0
	Accountant	SLAcS(Class II or III)	SL-1-2016	9	7	2
	Deputy Director/ Assistant Director	SLITS(Class II or III)	SL-1-2016	1	0	1
	Legal Officer	Dept	SL-1-2016	1	1	0
	Computer Software Developer (on Contract Basis)	Dept		3	1	2
				34	27	07
Tertiary Level	Administration Officer	PMAS (Supra)	MN-7-2016	4	2	2
	*Translator Sinhala - English 01 Sinhala - Tamil 01	TS	MN-6-2016	2	2	0
	Information and Communication Technology Officer	SLICTS	MN-6-2016	5	2	3
				11	6	5
Secondary Level	Technical Officer	SLTS	MN-3-2016	1	0	1
	Budget Assistant	RS	MN-4-2016	1	0	1
	Pension Officer	Dept.	MN-4-2016	202	188	14**
	Development Officer	DOS	MN-4-2016	536	582	-46***
	Management services Officer	MSO	MN-2-2016	190	154	36
	Information and Communication Technology Officer	SLICTS	MT-1-2016	5	2	3
	Documentation Assistant	Dept.	MN-1-2016	141	119	22**
	Help Desk Operator	Dept.		2	0	2
				1078	1045	33
Primary Level	Bungalow Keeper	Dept.	PL-1-2016	2	1	1
	Chef/ Garden Laborer	Dept.	PL-1-2016	4	3	1
	Driver	DS	PL-3-2016	12	7	5
	Electrician	Dept.	PL-3-2016	1	0	1
	Office Employee	OES	PL-1-2016	56	34	22
				75	45	30
Total				1198	1123	75

* Number of employees in Translators' Service – English/ Tamil – 01, Sinhala/ English – Nil

** Pensions Officers and Document Assistance Officers will not further be recruited.

*** Approval of the Department of Management Services has been sought to include excess cadre of Development Officers to the staff of the Department of Pensions.

1.5. Main Divisions of the Department

1. Administration Division
2. Decentralized Pension Division
3. Centralized Pension Division
4. Sahkaraka Piyasa
5. Investigation Division
6. Policy Division
7. Armed Forces Pensions Division
8. Foreign Pension Division
9. Widows' and Orphans' Pensions Division
10. Accounts Division
11. Monthly Pension Payment Division
12. Gratuity Payment Division
13. Anomalies Division
14. Division for the management of the contributions to widows' and orphans pension fund
15. Procurement Division
16. Division for the recovery of over payments
17. Public Services Provident Fund
18. Legal Division
19. Internal Audit Division
20. Information Technology Division
21. Media Division
22. Postal Division
23. 1970 – Hot Line

Special Projects

- **Revision of compulsory retirement age of public officers.**

The compulsory retirement age of all public officers except of the officers determined by the Constitution or any other law has been extended upto 65 years of age with effect from 01.01.2022. However, the compulsory age of retirement was re-established as age 60 by the Cabinet decision No.22/1403/605/014 and dated 12.09.2022 which is scheduled to be implement with effect from 01.01.2023. Accordingly, the Section 17 of Minutes on Pensions was amended by Gazette Extraordinary No. 2309/04 and dated on 05.12.2022.

- **Extending minimum service period required for pension entitlement regarding posts listed under Schedule “Q”.**

Steps have been taken to amend minimum service period as 10 years to award pension entitlement for posts listed under Schedule “Q” on Minutes on Pensions.

- **Further expansion of facility to submit annual life certificates on fingerprint method.**

The facility to submit life certificates on fingerprint method has been provided by Pensions Circular No.02/2020 (Revision VII) dated 01.02.2022 via 75 branches of Seylan Bank and in terms of Pensions Circular No.02/2020 (Revision VIII) dated 21.11.2022, this facility has been further expanded through 90 branches of Bank of Ceylon. Currently, this facility is available in 26 Divisional Secretariats and 476 bank branches such as Pan Asia Bank, Peoples’ Bank, National Savings Bank, Regional development Bank Branches, Seylan Bank and Bank of Ceylon Island wide.



Facility at Seylan Bank to provide annual life certificates on fingerprint method.

- **Payment of monthly allowance of Rs.5,000 for pensioners**

Steps have been taken in terms of Public Administration Circular No.03/2022 dated 03.01.2022 and Pensions Circular 01/2022 dated 20.01.2022 to pay a monthly allowance of Rs.5,000 not applicable for calculation of pensions with effect from 01.01.2022. An amount of Rs.34, 747 million has been paid for 578,610 pensioners from month of January to December.

- **Simplification of awarding entitlements for Tri-Forces pension**

- Introducing online method by Pensions Circular No.04/2022 dated 27.06.2022 for managing applications on payment of services gratuities and special compensations of Tri-Forces.
- Instructions have been issued by Pensions Circular No. 02/2022 dated 10.03.2022 introducing a new application to award entitlement for dependents' allowance under the regulations of Army, Navy and Air Force Pensions and Gratuities Code 1981.
- Instructions were issued by Pensions Circular No.03/2021 dated 22.07.2021 regarding facilities provided to revise details via online with regard to the fixed allowance awarded for dependents of Police officers deceased during war period.
- Facilities have been provided to submit application via online for payments on death gratuities of Tri-Forces.

- **Registration under the Widows', Widowers' and Orphans Pension scheme**

Facilities have been provided by Pensions Circular No.02/2006 (Revision I) dated 06.10.2022 to submit scanned documents via online for registration under Widows', Widowers' and Orphans Pensions scheme by changing previously practiced method of submitting printed applications and annexures by post.

- **Revision of Pensions (PD6)**

Providing facilities by Pensions Circular No.05/2022 dated 14.09.2022 to submit Pension Application (PD6) of pensioners who are entitled for revision of pensions after retirement.

- **Managing overpayments of pensions**

A new Information Technology system has been introduced to manage recovery of overpayments identified at the management stage of pension payments as per Pensions Circular No.03/2022 dated 10.06.2022.

- **Collecting Widowers' and Orphans' Pension contributions of officers visit abroad**

A new system has been introduced to collect and account contributions during leave period of officers go abroad for foreign and Local employment on special leave in terms of Public Administration Circular No.14/2022, 14/2022(I), 14/2022(II) and Pensions Circular No.06/2022 dated 19.09.2022.

- **Decentralizing activation of pension payments**

- A pilot project to decentralize interview process for activating pension payments was held in Galle, Matara and Kandy Districts from month of April to August to conduct interviews for pensioners in particular areas to activate pension payments for whom were unable to attend due to COVID 19 pandemic situation and fuel crisis prevailed in the country.
- As a solution for burdens felt on pensioners due the prevailing economic crisis and increase in transport expenses, action was taken in line with National Pensioners' Day on 8th October to decentralize first pension payment initiation interview process at district level. Accordingly, action has been taken to conduct this programme in Matara, Anuradhapura, Kandy, Kurunegala and Badulla districts.



Decentralizing programme to activate pension payments held in Matara District Secretariat

- **Commemoration of National Pensioners' Day**

In compliance with the instructions of National Budget Circular No.03/2022 issued due to prevailing critical economic crisis in the country, the Department of Pensions has taken actions to reduce public expenses during commemoration of National Pensioners' Day by decentralizing services provided for senior pension community as an inaugural programme.

- **Conducting Training Programmes**

Actions have been taken to conduct training programmes via online to raise awareness of subject officers in various public institutions, Accountants in District and Divisional Secretariats and Development Officers and Pensions Officers attached to Divisional Secretariats assigned for duties in related to the management of pension database of the Department. Furthermore, steps have been taken to introduce a system to collect Widow' and Orphans' Pension scheme contributions of officers go abroad as per the Circular No.14/2022 and conducted training programme via online as well. Accordingly, 38 training programmes were conducted from month of January to December via online benefitting about 8000 officers representing the Department and other institutions. Furthermore, facilities have been provided for external parties to observe these training programmes through the official website, official YouTube Channel and official Facebook website of the Department.

- An awareness programme on pension payment process was conducted for the officers of Naval and Maritime Academy of Trincomalee during their field study visit to department.



Circulars issued in year 2022

	Date of Issuance	Circular No.	Subject
01	20.01.2022	01/2022	Granting monthly allowance of Rs.5,000/- to pensioners
02	31.02.2022	03/2015 (Revision VII)	Obtaining pension benefits on the date of retirement (Online submission of pension applications)
03	01.02.2022	02/2020 (Revision VII)	Confirmation of Pensioners' life certificates through fingerprints – pilot project
04	10.03.2022	02/2022	Providing Dependents' Allowance according to the Regulations of Army/ Navy/ Air Force Pensions and Gratuities Code of 1981
05	28.04.2022	11/2009 (Revision II)	Pensions Circular No.11/2009: Payment of Government Pensions through Bank Network (Maintaining individual bank accounts for pensioners)
6	29.04.2022	04/2013 (Revision IV)	Loan facility for economic wellbeing of pension community
7	10.06.2022	03/2022	Recovery of over-paid pensions and taking actions on pensions frauds
8	27.06.2022	04/2022	Introduction of application management system for payment of Services Gratuities and compensations in Tri-forces
9	13.09.2022	05/2022	Revision of Pensions due to various reasons after retirement (PD 06)

10	19.09.2022	06/2022	Instructions for recovery of contributions to Widows'/ Widowers' and Orphans' Pension from the officers go overseas as per the Public Administration Circular No.14/2022
11	06.10.2022	02/2016 (Revision I)	Revising the method applied for registration under Widows'/ Widowers' and Orphans' Pension Scheme through internet
12	07.10.2022	03/2015 (Revision VIII)	Payment of Pensions benefits on the same day of retirement
13	10.10.2022	07/2020(I)	Agreement for appointment of a guardian whenever a pensioner faces a difficulty to receive pension
14	03.11.2022	08/2022	Payment of pensions benefits for heirs under Section 39 of Minutes on Pensions
15	08.11.2022	09/2022	Payment of Pensions during year 2023
16	21.11.2022	02/2020 (Revision VIII)	Confirmation of Pensioners' life certificates through fingerprints – pilot project

Instruction letters issued in year 2022

	Date of Issuance	Instruction letter No.	Subject
1	09.03.2022	03/2020 (II)	Instruction manual (II) for the preparation of Widows'/ Widowers' and Orphans' Pension as per Pensions Circular No.3/2020
2	11.03.2022	01/2022	Increasing compulsory age of retirement of Public Officers upto 65 years of age
3	22.04.2022	02/2022	Preparation of temporary file for misplaced pension files in order to make payment of pensions
4	26.04.2022	03/2022	Awarding compensations for dependents of deceased members of Tri-forces and Special Task Force during war period
5	08.06.2022	04/2022	Re-registration of old members registered under old number segment 82/83 and M/F in Widows'/ Widowers' and Orphans' Pension Scheme
6	28.06.2022	05/2022	Revision of pensions of officers retired after 01.01.2017.
7	05.10.2022	06/2022	Expediting award of pension benefits
8	08.12.2022	07/2022	Life certificates of pensioners – 2023
9	13.12.2022	08/2022	Management of pensions
10	30.12.2022	07/2022 (I)	Life certificates of pensioners – 2023

Gazette notifications issued on pensions during year 2022

	Gazette Notification No.	Subject	Date of Issuance
1	2263/5	Further revision of Minutes on Pensions by completely repealing Section 2AA and 17 of Minutes on Pensions and substituting new sections	19.01.2022
2	2309/04	Ministry of Public Administration, Home Affairs, Provincial Councils and Local Governments – Minutes on Pensions (Amendment) effective from 01.01.2023	05.12.2022
3	2310/07	Revision of age of compulsory retirement of Medical Consultants/ Government Medical Officers/ Dental Surgeons/ Registered Medical Officers of the Government	12.12.2022

• **Payment of pensions**

- **No. of civil, armed forces, widows’ and orphans’ pensions on monthly payments**

Month	Civil	Armed Forces	Widows’ and Orphans’	Total
January	368,036	119,689	184,323	672,048
February	368,478	119,945	184,767	673,190
March	368,583	120,302	184,724	673,609
April	369,202	120,808	185,240	675,250
May	369,083	120,991	185,096	675,170
June	368,599	121,057	185,351	675,007
July	368,758	121,616	185,249	675,623
August	368,751	121,614	185,249	675,614
September	366,005	122,795	183,541	672,341
October	366,275	123,320	183,796	673,391
November	366,669	123,896	184,667	675,232
December	366,897	124,125	185,408	676,430

- **Annual pension expenditure**

Year	Expenditure (Rs.‘000)
2018	194,494,730
2019	238,689,183
2020	257,833,481
2021	269,827,125
2022	309,066,783

- No. of new pensions activated (January – December)

Month	Civil		W.&O.P.		Armed Forces	
	No. of pensioners	Amount paid (Rs.)	No. of pensioners	Amount paid (Rs.)	No. of pensioners	Amount paid (Rs.)
January	1047	210,139,462.58	709	174,219,968.62	426	76,529,674.23
February	1562	406,144,968.39	1248	294,422,360.47	898	157,137,754.50
March	1194	351,490,228.27	756	179,414,724.29	619	127,108,797.83
April	1658	493,499,297.71	1291	327,988,991.01	690	173,632,265.76
May	738	228,306,678.38	509	133,515,697.34	290	60,277,828.00
June	531	204,053,878.16	983	267,227,426.76	248	68,376,276.49
July	1260	428,490,029.69	757	189,432,089.25	759	154,722,261.77
August	520	212,485,849.19	583	141,457,671.86	833	145,919,509.51
September	1347	500,674,485.95	1027	268,364,124.45	921	208,243,561.67
October	1037	395,126,204.54	731	214,884,663.71	588	142,432,817.07
November	1153	440,148,302.58	1425	370,642,531.94	647	178,823,124.26
December	1331	455,272,914.42	1414	335,909,031.56	601	160,527,041.87
Total	13,378	4,325,832,299.86	11,433	2,897,479,281.26	7,520	1,653,730,912.96

- No. of pensioners and expenditure on district basis – December 2022

District	No. of pensioners	Amount (Rs.)	Deductions	Total (Rs.)
Mullaitivue	1142	39,172,331.53	526,239.59	38,646,091.94
Kilinochchi	1231	40,004,619.31	253,285.51	39,751,333.80
Mannar	1668	58,871,408.97	2,097,822.78	56,773,586.19
Vavuniya	2908	103,276,063.55	671,169.54	102,604,894.01
Abroad	6756	228,067,807.80	1,477,690.42	226,590,117.38
Trincomalee	8269	289,919,316.41	1,964,154.67	287,955,161.74
Batticaloa	8633	319,985,270.68	2,737,599.20	317,247,671.48
Nuwara Eliya	11375	400,735,729.59	3,498,010.38	397,237,719.21
Polonnaruwa	11699	406,815,469.17	5,264,930.55	401,550,538.62
Monaragala	11719	397,417,454.30	5,181,389.35	392,236,064.95
Ampara	13441	492,179,042.43	4,548,680.21	487,630,362.22
Jaffna	15002	546,399,287.32	1,954,085.75	544,445,201.57
Puttalam	15571	556,786,482.84	5,307,124.43	551,479,358.41
Hambantota	16600	588,267,961.47	5,871,615.19	582,396,346.28
Matale	17990	652,040,377.83	4,178,049.58	647,862,328.25
Ratnapura	23004	830,612,013.96	8,031,322.18	822,580,691.78
Badulla	27298	980,426,187.25	12,924,308.86	967,501,878.39
Matara	27644	996,445,867.11	7,076,205.36	989,369,661.75
Kegalle	32771	1,192,854,038.65	9,968,780.43	1,182,885,258.22
Anuradhapura	37661	1,388,296,454.20	19,559,396.46	1,368,737,057.74
Galle	38519	1,380,171,566.84	11,705,135.47	1,368,466,431.37
Kalutara	44465	1,593,742,643.95	2,010,315.20	1,581,732,328.75
Kandy	59300	2,175,134,747.86	15,572,164.33	2,159,562,583.53
Kurunegala	65330	2,410,574,457.20	14,552,402.08	2,396,022,055.12
Gampaha	88135	3,154,922,620.38	25,063,854.75	3,129,858,765.63
Colombo	88299	3,317,315,310.98	22,802,910.42	3,294,512,400.56
Total	676430	24,540,434,531.58	204,798,642.69	24,335,635,888.89

- Payment of Gratuity (January – December)

Month	No. of Pensioners	Amount (Rs.)
January	1,143	1,202,514,790.77
February	423	383,034,977.95
March	1,679	1,674,231,700.16
April	1,353	1,090,411,292.93
May	1,395	1,405,954,185.22
June	1,456	1,524,487,586.42
July	1,165	1,105,409,323.42
August	2,960	2,951,965,604.90
September	3,038	2,625,813,347.96
October	2,220	2,319,960,477.92
November	1,905	2,323,816,621.16
December	2,462	2,570,384,716.22
Total	21,199	21,177,984,625.03

- No. of pensioners whose retirement date falling in year 2022 (January – December)

Month	Civil	Armed Forces
January	-	0
February	67	349
March	188	340
April	520	415
May	328	213
June	178	165
July	710	665
August	237	758
September	804	807
October	631	512
November	758	536
December	966	487
Total	5,387	5,247

- Subscriptions for Agrahara Insurance Schem (January – December)

Month	Old pension		New pension		No. of total pensioners	Total Amount (Rs.)
	No. of Pensioners	Amount	No. of Pensioners	Total Amount (Rs.)		
January	99,887	20,510,800	1,032	1,063,000	100,919	21,573,800
February	100,854	20,343,400	1,546	2,096,000	102,400	22,439,400
March	102,370	20,605,600	1,178	1,742,000	103,548	22,347,600
April	103,514	20,831,600	1,633	2,367,400	105,147	23,199,000
May	105,055	21,057,800	730	1,109,200	105,785	22,167,000
June	105,660	21,181,200	512	971,800	106,172	22,153,000
July	105,896	21,239,400	1,245	1,986,400	107,141	23,225,800
August	107,014	21,460,400	508	956,400	107,522	22,416,800
September	107,222	21,507,400	1,326	2,162,200	108,548	23,669,600
October	108,677	21,777,600	1,008	1,852,000	109,685	23,629,600
November	109,570	22,014,600	1,118	2,047,600	110,688	24,062,200
December	110,333	22,164,800	1,285	2,114,200	111,618	24,279,000
Total		254,694,600		20,468,200		275,162,800

- No. of pensioners received monthly allowance of Rs.5000 (February – December)

Month	No. of pensioners	Total amount (Rs.)
February	557,064	5,563,860,000.00
March	568,148	2,958,163,629.24
April	571,867	2,902,398,175.55
May	573,395	2,899,630,434.97
June	573,825	2,905,076,686.92
July	575,307	2,915,660,151.16
August	575,254	2,908,827,695.87
September	574,686	2,905,128,006.50
October	576,608	2,923,598,132.29
November	577,855	2,923,680,139.60
December	578,610	2,940,916,425.59
Total		34,746,939,477.69

- Pension anomalies and revisions (January – December)

Month	Figures	Amount Paid (Rs.)
January	814	72,995,369.57
February	980	69,425,071.81
March	1,092	29,706,621.23
April	1525	44,472,104.05
May	1274	66,907,965.69
June	1318	85,480,671.88
July	1238	73,340,565.10
August	819	95,242,688.41
September	861	77,800,132.07
October	897	99,156,584.74
November	1049	102,221,752.09
December	844	98,516,983.69
Total	12,711	915,266,510.33

- Refund of contributions (January – December)

Month	No. of Refunds
January	82
February	184
March	453
April	113
May	40
June	214
July	252
August	263
September	233
October	237
November	179
December	350
Total	2,600

- Payment of compensatory pension and allowances for members in Tri-forces and Police service deceased or disabled while in active service – upto December 2022

Institution	Figures	From January to December 2022
		Amount paid Rs. Billion
Army	35,739	33.73
Navy	1,414	1.4
Air Force	521	0.45
Police	1,797	2.07
Payment of fixed allowance	1,892	0.8
Payment of Rs.5000 allowance	38,750	1.8
Total	41,363	40.25

- Payment of Gratuity

Type of Gratuity	No. of payments	Amount paid (Rs.)
Civil, Armed Forces and Centralized	17,535	19,057,302,002.32
Services Gratuity (Death)	251	227,420,209.25
Death gratuities	1,618	1,216,526,800.57
Revisions	810	23,809,252.57
Other*	985	652,926,360.32
Total	21,199	21,177,984,625.03

* Special compensations, Services gratuity, payment of reinstated service gratuity, gratuity on merciful

- Payment of Widow' and Orphans' Pension benefits

Month	Payment of Widow' and Orphans' Pension	Payment of death gratuity
January	676	105
February	1,211	59
March	714	92
April	1,217	143
May	485	110
June	941	143
July	735	114
August	541	144
September	1,002	159
October	686	85
November	1,375	205
December	1,396	259
Total	10,979	1,618

- Registration under Widows' and Orphans' Pension Scheme

Widows'/ Widowers' and Orphans' Pension membership numbers have been issued for 46,206 applications during year 2022 amongst the applications received for the registration in Widows'/ Widowers' and Orphans' Pension membership scheme.

- No. of pensions added to the central database by Armed Forces Division

Type of pension	No. of payments (Army/ Navy/ Air Forces)
Payment of services pensions (under 10/12 years)	303
Armed Forces revisions	3,170
Payment of services Disability Pension	50
Revisions (55 years completed)	608
Death Gratuity	291
Services Gratuity	859
Dependents' Allowance	308
Disability Pensions	16
Fixed Allowance	1,318
Special Compensation	19
Reinstate services	58
Total	7,000

- No. of overseas pensioners received pension payments

Month	No. of Pensioners	Amount Paid (Rs.)
January	8,275	259,533,214.74
February	8,375	245,033,656.64
March	8,451	245,058,618.81
April	8,534	295,479,762.20
May	8,639	249,859,740.63
June	8,737	258,705,109.74
July	8,844	267,540,183.43
August	6,034*	211,730,666.35
September	6,311	207,604,660.25
October	6,408	213,885,504.28
November	6,578	218,400,474.14
December	6,756	228,067,807.80
Total		2,900,899,399.01

* Payment of pensions for 2029 pensioner has been temporary suspended from month of August due to not submission of annual life certificates for year 2022.

- Salary and other administrative expenditures

Year	Amount (Rs. '000)
2017	29,005,842
2018	30,909,246
2019	34,262,885
2020	38,107,393
2021	38,591,300
2022	41,003,000

- Receipts and Payments for Public Service Provident Fund (January – December)

Month	Receipts (Rs.)	Payments (Rs.)
January	113,471,954.53	14,194,102.51
February	87,568,939.35	25,492,177.21
March	86,413,252.78	47,595,408.50
April	52,075,403.24	31,514,223.67
May	75,849,531.62	37,207,995.91
June	73,812,426.94	40,444,189.96
July	45,365,430.79	35,672,736.00
August	72,749,991.36	46,910,031.22
September	64,385,257.27	59,381,608.56
October	47,973,517.78	19,572,327.36
November	61,138,804.80	63,054,839.21
December	59,494,974.45	156,804,485.12
Total	840,299,484.91	577,844,125.23

- **No. of new members joined and left the Public Service Provident Fund
(January – December)**

Month	No. of new members joined	No. of members left
January	4151	447
February	4260	431
March	3749	505
April	1689	432
May	1691	294
June	853	287
July	88	275
August	4090	329
September	2925	527
October	2178	537
November	2263	538
December	2912	252
Total	30,849 *	4,854

* Number of members during this year has been increased due to registration of public employees who have not registered online as per the instructions of Pensions Circular No.02/2017 dated 06.10.2017.

- **Collecting revenues (January – December)**

Description	Revenue collected (Rs.)
Central Government	24,040,070,388.77
Provincial Councils	13,558,331,489.41
Teachers' Widow' and Orphans' Pension Fund	469,816,717.77
Total	38,068,218,595.95

- **Widows'/ Widowers' and Orphans' contributions recovered from officers obtained local and foreign leave as per P.A.C. No.14/2022**

Description	Balance as at 31.12.2022 (Rs.)
Central Government	299,221.79
Western Province	3,687.60
Southern Province	29,656.90
Central Province	22,250.30
Uva Province	10,840.20
Sabaragamuwa Province	6,397.30
Wayamba Province	2,146.50
North-Central Province	-
Northern Province	4,000.80
Eastern Province	118,237.70
Unidentified	1,180,487.75
Total	1,676,926.84

- Earning revenues for government

A revenue of Rs.26,001,043.11 has been earned for government during month of January to December from the buildings owned by the Department of Pensions and Rs1,789,525 from Holiday Resort

• Steps taken for capacity development and welfare of the Departmental officers

- As a solution for the grave economic crisis prevailing in the country steps were taken to raise awareness of the officers of the Department of Pensions with the assistance of the Department of Agriculture – Western Province regarding the importance of home gardening and related activities.



In line with the above programme the welfare society of the Department of Pensions has taken steps to distribute seeds required for home gardening for all officers.

- A health camp was conducted in collaboration with the Hemas Private Hospitals in view of raising health status of officers who required such assistance.
- “Friday Forum” programme was relaunched from month of November 2022 in creating a productive service environment for the officers through the formation of sensitivity and affection on arts and literature by deviating from the routine duties.

In line with the above programme a counselling session on working environment and stress management was held on 18.11.2022 under the guidance of Psychotherapist Mrs.Tharu Buddika Paranavithana. Additionally, the musical programme called “Miyesi Sendewa” was held on 16.12.2022 giving opportunity to sharpen vocal skills of the officers of the Department which staged to display skills of the officers.



Counselling Programme



An event of “Miyesi Sendewa” musical

- Sports club of the Department has organized a friendly cricket competition in view of enhancing sports skills and cooperation among officers in the Department.



- A training programme was conducted via zoom technology with the participation of large number of officers acting correlatively with the Department of Pensions.
- Initial steps were taken by conducting service inaugural training programme for new officers recruited as Development Officers to prepare for the working environment of the Department of Pensions.
- **Upgrading physical conditions**
 - Renovation of air-conditioned conference hall of Holiday Resort in Kelaniya.

Challenges

- I. Due to not receipt of sufficient financial provisions for year 2022, it has been unable to pay gratuities for over 15,000 pensioners amounting for Rs.17,000 million as at 31st December and the number of new pensioners will be increased to 30,000 as a result of amendment to the age of retirement.
- II. About 35% applications received online for the registration as new pensions has been rejected due to incomplete submissions, incorrect forwarding of applications by subject officers and non-registration in Widows' and Orphans' Pensions scheme properly.
- III. All officers receiving permanent appointments in public service should be registered compulsorily in Widows' and Orphans' Scheme within first 03 months from the appointment and should be obtained a membership number. However, as a result of not obtaining a Widows' and Orphans membership number even as at the date of retirement has caused many difficulties as a result of submitting many applications at once for the registration which has to give priority accordingly. Many applications as such are receiving in respect of the officers serving under Zonal Education Offices, Ministries of Provincial Education, Department of Police, Department of Civil Security and Ministry of Health.

Forward March of the Department of Pensions

The retirement age in public service was extended upto aged 65 by Budget Proposal 2022 and as per the Cabinet Decision No. 21,2270,315,040 the age of compulsory retirement of public officers was decided as age of 65 years except of the officers, whose compulsory retirement age has been determined by the Constitution or any other law prevailing. Even though, it was expected some decrease to be observed in new retirements, a special attention had to draw in year 2022 regarding the burden falling on public service.

However, H.E. the President at his interim budget speech 2022, on 30th August 2022 for presenting Appropriation (Amendment) Bill No.30 of 2021 has proposed under public sector reforms in segment 11:2 to reduce compulsory retirement age of public and semi-public officers to age of 60 years.

Even though, the retirement age has been extended up to 65 years of age as a temporary solution to manage pension payments, it is observed that without introducing a long term formal reform process to government pensions the particular decision may further complicate the issues of pensioners.

As a result of reducing age of retirement once again from 65 year to 60 years, a rapid increase could observe in new registrations during year 2023 and therefore, it is expected an expansion in the payment of new pensions and gratuities. Under these circumstances, it will be required to overcome the challenge of implementing pension reforms in year 2023 in order to continue pension systems methodically by giving advantages not only to public employees but also to the tax paying general public of the country as well.



A. Jagath D.Dias

Director General of Pensions

Financial Performance for the year ended 31.12.2022

3.1. Statement of Financial Performance

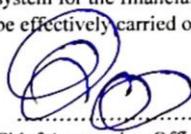
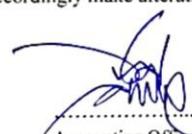
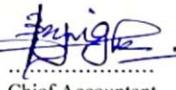
Statement of Financial Performance		ACA - F	
For the Period ended 31st December 2022			
Budget 2022	Note	Actual	
		2022	2021
-	Revenue Receipts		
-	Income Tax	-	-
-	Tax on Domestic Goods & Services	-	-
-	Tax on International Trade	-	-
37,000,000,000	Non Tax Revenue & Others	37,415,664,245	34,618,641,924
37,000,000,000	Total Revenue Receipts (A)	37,415,664,245	34,618,641,924
	Non Revenue Receipts		
	Treasury Imprests	302,307,630,000	263,440,788,620
	Deposits	9,643,665	17,688,561
	Advance Accounts	51,367,788	45,150,899
	Other Main Ledger Receipts	77,562,836,883	59,506,756,943
	Total Non Revenue Receipts (B)	379,931,478,336	323,010,385,023
	Total Revenue Receipts & Non Revenue Receipts (C = A + B)	417,347,142,581	357,629,026,947
	Remittance to the Treasury (D)	-	-
	Net Revenue Receipts & Non Revenue Receipts (E = C - D)	417,347,142,581	357,629,026,947
	Less: Expenditure		
	Recurrent Expenditure		
709,100,000	Wages, Salaries & Other Employment Benefits	659,693,409	588,477,116
82,400,000	Other Goods & Services	74,735,469	69,577,060
359,681,500,000	Subsidies, Grants and Transfers	349,319,177,983	307,742,273,399
-	Interest Payments	-	-
-	Other Recurrent Expenditure	-	-
360,473,000,000	Total Recurrent Expenditure (F)	350,053,606,861	308,400,327,575
	Capital Expenditure		
16,200,000	Rehabilitation & Improvement of Capital Assets	3,462,553	7,695,089
6,500,000	Acquisition of Capital Assets	5,216,133	7,943,906
	Capital Transfers	-	-
	Acquisition of Financial Assets	-	-
1,800,000	Capacity Building	1,544,314	2,318,134
17,500,000	Other Capital Expenditure	5,953,783	6,353,796
42,000,000	Total Capital Expenditure (G)	16,176,783	24,310,925
	Deposit Payments	4,847,290	14,435,007
	Advance Payments	49,735,330	49,341,260
	Other Main Ledger Payments(8098+8186)	77,181,532,737	59,125,066,992
	Total Main Ledger Expenditure (H)	77,236,115,357	59,188,843,259
	Total Expenditure I = (F+G+H)	427,305,899,001	367,613,481,759
	Balance as at 31st December J = (E-I)	(9,958,756,420)	(9,984,454,812)
	Balance as per the imprest reconciliation statement	(9,958,756,420)	(9,984,454,812)
	Imprest Balance as at 31st December	-	0

3.2. Statement of Financial Position

		ACA - P	
Statement Of Financial Position As At 31st December 2022			
	Note	Actual	
		2022 Rs.	2021 Rs.
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA - 6	2,030,033,484	2,025,555,617
<u>Financial Assets</u>			
Advance Accounts	ACA - 5	171,347,085	172,979,543
Cash & Cash Equivalents	ACA - 3	0	0
Total Assets		2,201,380,569	2,198,535,160
<u>Net Assets / Equity</u>			
Net Worth to Treasury		131,753,222	138,182,055
Property, Plant & Equipment Reserve		2,030,033,484	2,025,555,617
Rent and Work Advance Reserves	ACA - 5 (b)		
<u>Current Liabilities</u>			
Deposits Accounts	ACA - 4	39,593,863	34,797,488
Unsettled Imprest Balance	ACA - 3	0	0
Total Liabilities		2,201,380,569	2,198,535,160

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 01 to 28 and Notes to accounts presented in pages from 29 to 42 and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.

 Chief Accounting Officer Name : Designation : Date : 24/02/23.	 Accounting Officer Name : Designation : Date : 23/02/2023	 Chief Accountant Name : Date : 23.02.2023
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Neel Bandara Hapuhinne Secretary, Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government Independence Square, Colombo 07.	A. Jayath D. Dias Director General Department of Pensions Colombo 10.	A.D.T.N. ABEYSINGHE Chief Accountant Department of Pensions Maligawatta, Colombo 10.
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3.3. Cash Flow Statement

ACA - C

Statement of Cash Flows
For the Period ended 31st December 2022

	Actual	
	2022 Rs.	2021 Rs.
Cash Flows from Operating Activities		
Total Tax Receipts		-
Fees, Fines, Penalties and Licenses		
Profit		-
Non Revenue Receipts	14,573,141,817	12,395,035,609
Revenue Collected on behalf of Other Revenue Heads	78,676,740,119	60,358,299,033
Imprest Received	302,307,630,000	263,440,788,620
Recoveries from Advance	48,007,977	41,389,638
Deposit Received	9,643,666	17,688,561
Total Cash generated from Operations (A)	395,615,163,579	336,253,201,461
Less - Cash disbursed for:		
Personal Emoluments & Operating Payments	728,881,759	663,577,278
Subsidies & Transfer Payments	307,973,210,939	266,193,324,460
Expenditure incurred on behalf of Other Heads	86,844,022,307	69,320,890,515
Imprest Settlement to Treasury	-	-
Advance Payments	48,453,496	47,532,953
Deposit Payments	4,847,290	14,435,007
Total Cash disbursed for Operations (B)	395,599,415,791	336,239,760,213
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	15,747,788	13,441,248
Cash Flows from Investing Activities		
Interest		
Dividends		
Divestiture Proceeds & Sale of Physical Assets		
Recoveries from On Lending		
Total Cash generated from Investing Activities (D)		
Less - Cash disbursed for:		
Purchase or Construction of Physical Assets & Acquisition of Other Investments	15,747,788	13,441,248
Total Cash disbursed for Investing Activities (e)	15,747,788	13,441,248
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	(15,747,788)	(13,441,248)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	-	-
Cash Flows from Financing Activities		
Local Borrowings		
Foreign Borrowings	-	
Grants Received	-	
Total Cash generated from Financing Activities (h)	-	
Less - Cash disbursed for:		
Repayment of Local Borrowings		
Repayment of Foreign Borrowings		
Total Cash disbursed for Financing Activities (i)	-	
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	-	
Net Movement in Cash (k) = (g) -(j)	-	-
Opening Cash Balance as at 01st January		-
Closing Cash Balance as at 31st December		

3.4. Notes to Financial Statements

Notes to Financial Statements

Basis of Reporting

1) Reporting Period

The reporting period for these Financial Statements is from 01st January to 31st December 2022.

2) Basis of Measurement

The Financial Statements have been prepared on historical cost and historical cost of some assets have been revalued. Preparation of accounts are made based upon the modified cash basis, unless otherwise specified.

The figures of the Financial Statements are presented in Sri Lankan rupees rounded to the nearest rupee.

3) Recognition of Revenue

Exchange and non exchange revenues are recognised on the cash receipts during the accounting period irrespective of taxable period.

4) Recognition and Measurement of Property, Plant and Equipment (PP&E)

An item of Property, Plant and Equipment is recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured

PP&E are measured at a cost and revaluation model is applied when cost model is not applicable.

5) Property, Plant and Equipment Reserve

This revaluation reserve account is the corresponding account of PP&E.

6) Cash and Cash Equivalents

Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2022.

3.5. Performance in the collection of revenue

Rs. ,000

Revenue Code	Description of the revenue code	Revenue Estimate		Collected Revenue	
		Initial Estimate	Final Estimate	Amount (Rs)	As a percentage of the final estimate
	Contributions to social protection				
2004.1	Central Government	24,500,000	24,000,000	23,872,353	99.46%
2004.2	Provincial Councils	13,500,000	13,000,000	13,543,311	104.1%
8186	Teachers' widows' and orphans' pensions fund	276,000	276,000	350,594	127%
2002.01.01	Revenue from rental	33,328	29,828	24,847	83.3%
	Local government fund				
-	Local Government Services Widowers'and Orphans; Pensions Fund	-	-	-	-
-	Widows' and Orphans' Pensions Fund	-	-	-	-
-	Local Government Services Pensions Fund	-	-	91,671	-

3.6. Performance in the utilization of the provisions made

Rs. ,000

Type of Provision	Provisions Made		Actual Expenditure	Utilized provisions as a percentage of the final provisions
	Initial Provision	Final Provision		
Recurrent	360,473,000	360,473,000	350,053,607	97.11%
Capital	42,000	42,000	16,177	39%

3.7. Provisions granted to this Department/ District Secretariat/Provincial Council as a representative of other Ministries/ Departments as per F.R. 208

Rs. , 000

Serial No	Department/Ministry, from which provisions granted	Objective of the provisions	Provisions		Actual expenditure	Utilized provisions as a percentage of the final provisions
			Initial provision	Final provisions		
01	Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government (130)	For the payment of salary and allowance for new development officers	41,187	41,187	32,832	79.7%
02	Department of Treasury Operations (249)	Gratuity loan installments and payment of interest	9,922,396	9,922,396	9,748,919	98%

3.8. Performance of the reporting of non financial assets

Rs. , 000

Asset Code	Description of the code	Balance as at 31.12.2022 as per the report of the board of survey	Balance as at 31.12.2022 as per the statement of financial position	To be accounted in due course	Reporting the progress as a percentage
9151	Buildings and materials	The final report of the Board of survey is being prepared as at 31.12.2022	581,259	-	-
9152	Machinery		238,588	-	-
9153	Lands		1,198,405	-	-
9154	Intangible assets	-	-	-	-
9155	Biological assets	-	-	-	-
9160	Works in progress	-	-	-	-
9180	Assets issued on lease	-	-	-	-

3.9. Local Government Services Pensions Fund Accounts

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Local Government Services Pension Fund
Income and Expenditure account for the year ended 31.12.2022

Expenses	Note	Amount (Rs.)		Income	Note	Amount (Rs.)	
		2021	2022			2021	2022
Contribution to Pension	01	91,246,749.49	91,670,744.83	Account of contributions of the inst	03	68,535,757.59	64,599,826.40
				Deficit - accumulated Transfers to the fund		22,710,991.90	27,070,918.43
		91,246,749.49	91,670,744.83			91,246,749.49	91,670,744.83

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Local Government Services Pension Fund
Balance Sheet as at 31.12.2022

Liabilities	Note	Amount (Rs.)		Assets	Note	Amount (Rs.)	
		2021	2022			2021	2022
Accumulated fund	02	1,139,887,429.08	1,116,585,966.63	Contributions receivable	03	1,117,718,219.30	1,090,156,001.16
Add							
Surplus/deficit		(22,710,991.90)	(27,070,918.43)				
		1,117,176,437.18	1,089,515,048.20			1,117,718,219.30	1,090,156,001.16
Contribution received in advance	03	541,782.12	640,952.96				
		1,117,718,219.30	1,090,156,001.16			1,117,718,219.30	1,090,156,001.16

Local Government Services Pension Fund
Cash flow statement for the year ended 31.12.2022

(Value Rs)

Operational Activities	2021	Note No.	2022
Receipt of contributions	91,246,749.49	01	91,670,744.83
Other credits	-	01	-
Pension contribution	91,246,749.49	01	91,670,744.83
Net cash flow generated from operational activities			
Investment activities			
Net cash flow generated from investment activities			
Net cash flow generated during the year			
Cash and cash equivalents as at 01.01. 2021			
Balance at bank	-		-
Cash and cash equivalents as at 31.12. 2021			
Balance at bank			

2022 දෙසැම්බර් 31 දිනට අවසන් වර්ෂය සඳහා ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආදායම් දිණිමි (සෑම ආදායම් සංකේතයක් සඳහාම වෙනම දිණිමික් පිළියෙල කළ යුතුය.) 2022 திசம்பர் 31 ல் முடிவடைந்த ஆண்டிற்கான இவ்வாறான வருமானக் கோரியச்சுக்குடியாக அரசாங்கத்தின் அரசிணை கணக்குகளின் பொழுதியு (அரசிணை குறியீடு ஒவ்வொன்றிற்குமாக தயாரிக்கப்பட்டுள்ளது) Revenue Accounts for the Government of the Democratic Socialist Republic of Sri Lanka For the year ended 31 December 2022 (To be prepared for each Revenue Code)		වැයවූ දීමුණු අංකය යෙදවූ අංකය Expenditure Head No.
2022 දෙසැම්බර් 31 දිනට අවසන් වර්ෂය සඳහා ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ආදායම් දිණිමි (සෑම ආදායම් සංකේතයක් සඳහාම වෙනම දිණිමික් පිළියෙල කළ යුතුය.) 2022 திசம்பர் 31 ல் முடிவடைந்த ஆண்டிற்கான இவ்வாறான வருமானக் கோரியச்சுக்குடியாக அரசாங்கத்தின் அரசிணை கணக்குகளின் பொழுதியு (அரசிணை குறியீடு ஒவ்வொன்றிற்குமாக தயாரிக்கப்பட்டுள்ளது) Revenue Accounts for the Government of the Democratic Socialist Republic of Sri Lanka For the year ended 31 December 2022 (To be prepared for each Revenue Code)		253
අදායම් ගණන්දීමේ නිලධාරී அரசிணை கணக்கீட்டு உத்தியோகத்தார் Revenue Accounting Officer :		
I	I කළමනාකරුන්ගේ අදායම් සංකේතය : 20.04.02.00 I අදායම් සංකේත විස්තරය : අදායම් සංකේතය	I Revenue Code for which this Account is prepared: 20.04.02.00 II Description of the Revenue Code: Social Security Contribution
2	2 වසරේ දී වසර 3 සඳහා අදායම් යැපීම් වසර - 1 (2021) වසර - 2 (2020) වසර - 3 (2019)	Net Revenue Collection for the three preceding financial years Year - 1 (2021) Year - 2 (2020) Year - 3 (2019)
3	3 මුලික අදායම් දැක්වීමකට සංශෝධිත අදායම් දැක්වීමකට අළු අදායම් යැපීම් මුද්‍රාණය වූ අදායම් (මුද්‍රාණය) - (i)+(ii)	Accounting Information for the Reporting year Original Revenue Estimate Revised Revenue Estimate Gross Revenue Collection Refunds made (A) - (i)+(ii) (i) Refunds made by cash (ii) Debits relevant to Correction of errors Net Revenue Collection (5-6)
4	4 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	13,500,000,000 13,000,000,000 13,558,331,489 15,020,147
5	5 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	1,391,641 13,628,506 13,543,311,342
6	6 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
7	7 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
8	8 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
9	9 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
10	10 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
11	11 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186
12	12 අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට අදායම් ගණනකට	700,097,939 914,654,247 1,614,777,186

3.11. Teachers' Widows' and Orphans' Pensions Fund

Teachers Widows and Orphans Pension Fund
Income and expenditure account for the year ended 31.12.2022

Description	attache ment	2021 (Rs.)	2022 (Rs.)	Description	attache ment	2020 (Rs.)	2021 (Rs.)
Refunding contributions	3	13,995,715.47	14,942,915.90	Contribution relevant to the year (Note No 7)		304,468,612.07	351,699,361.01
Taxes (Note No 4)		0.00	0.00	Income on interest (Note No 3)		5,000,403.68	936,096.64
Other expences (Note No 8)		400.00	0.00				
Surplus		295,472,900.28	337,692,541.75				
		<u>309,469,015.75</u>	<u>352,635,457.65</u>			<u>309,469,015.75</u>	<u>352,635,457.65</u>

Teachers Widows and Orphans Pension Fund
Balance as at 31.12.2022

	2021 (Rs)	2022 (Rs)		attachement	2021 (Rs)	2022 (Rs)
Accumulated fund (Revised) 01/01	2,186,350,844.30	2,481,847,179.71	Value of investments (Note No 6)	4	38,837,536.42	0.00
tax adjustment	0.00	0.00				
adjustment less interest	23,435.13	0.00				
Add			Current assets			
Surplus	295,472,900.28	337,692,541.75	Interest receivable (Note No 3)		5,856,846.33	0.00
			Cash receivable (Note No 7)		6,354,633.41	7,460,120.44
			Balance of Record of L&D	1	2,430,798,163.55	2,443,009,643.29
						2,812,079,601.02
	2,481,847,179.71	2,819,539,721.46				2,819,539,721.46
Current Liabilities						
Taxes payable (Note No 4)	0.00	0.00				
	<u>2,481,847,179.71</u>	<u>2,819,539,721.46</u>			<u>2,481,847,179.71</u>	<u>2,819,539,721.46</u>

Teachers' widows' and Orphans' Pension Fund
Accounts Reconciliation statement of Deputy Secretary of the General Treasury
for the year ended 31.12.2022

Operational Activities		
Receipt of contributions	350,593,873.98	
Refunding Contributions	(14,942,915.90)	
Net cash flow generated from operational activities		335,650,958.08
Investment activities		
New investments	0.00	
Bank charges (stamp)	0.00	
Matured investments	38,837,536.42	
Receipt of interest	6,792,942.97	
Tax payment	0.00	
Net cash flow generated from investment activities		45,630,479.39
Net cash flow generated during the year		381,281,437.47
Cash and cash equivalent as at 01.01.2022		
Cash balance D.S.G.T.		2,430,798,163.55
		2,812,079,601.02
Cash and cash equivalent as at 31.12.2022		
Cash balance D.S.G.T.		2,812,079,601.02
		2,812,079,601.02

3.12. Account of Public Services Provident Fund

<u>PUBLIC SERVICE PROVIDENT FUND</u>				
<u>INCOME & EXPENDITURE ACCOUNT</u>				
<u>FOR THE YEAR ENDED 31.12.2022</u>				
	NOTE	2022 Rs.		2021 Rs.
INCOME				
Interest Income before tax	3.9	8,469,461,825		6,585,498,306
Less:- Tax on Interest		<u>(176,374,653)</u>		-
Interest Income after tax		8,293,087,172		6,585,498,306
Less:- EXPENDITURE				
Electricity		520,268		698,744
Water		35,053		19,623
Personal Emoluments		16,145,163		12,837,786
Overtime		763,794		311,731
Allowances		65,500		90,000
Stationary & Office Requisites		386,795		170,477
Holiday Warrants		72,190		11,200
Transportation & Communication		75,082		66,889
Other recurrent expenditure		760,767		427,508
Other expenditure		17,775		10,180
Audit fees		275,000	19,117,387	260,000
				14,904,137
INCOME OVER EXPENDITURE			8,273,969,785	6,570,594,169
Add:- Transfer from General Reserve			-	-
INCOME AVAILABLE FOR APPROPRIATION TO THE CONTRIBUTORS			8,273,969,785	6,570,594,169
APPROPRIATION OF INTEREST TO THE CONTRIBUTORS	4			
Compulsory Contribution		2,613,719,528		2,324,658,664
Voluntary Contribution		4,024,026		3,583,981
Government Contribution		3,914,319,481	6,532,063,036	3,500,135,163
				5,828,377,808
BLANCE OF INTEREST AFTER APPROPRIATION TRANSFERRED TO/ (FROM) GENERAL RESERVE			1,741,906,749	742,216,361

PUBLIC SERVICE PROVIDENT FUND
BALANCE SHEET AS AT 31ST DECEMBER 2022

ASSETS	NOTE	2022		2021	
		Rs.		Rs.	
NON CURRENT ASSETS					
Investment at cost	3.1	60,068,023,764	60,068,023,764	28,132,904,205	28,132,904,205
CURRENT ASSETS					
Investment at cost	3.1	26,547,822,990		52,875,556,722	
Interest Receivable	3.2	4,588,753,386		2,437,338,409	
Govt. Contribution receivable	3.3	-		-	
Adjustment a/c	3.4	29,811,315		29,811,315	
Balance with D.S.T a/c			31,166,387,691		55,342,706,446
TOTAL ASSETS			91,234,411,455		83,475,610,651
EQUITY AND LIABILITIES					
ACCUMULATED FUND					
Compulsory Contribution	3.5	33,593,599,143		31,284,678,563	
Voluntary Contribution		51,986,116		48,191,933	
Government Contribution		51,808,746,221	85,454,331,480	48,313,024,475	79,645,894,971
RESERVES					
Capital reserve		3,790	-	3,790	
General reserve	3.6	5,334,679,777	5,334,683,567	3,592,773,027	3,592,776,817
CURRENT LIABILITIES					
Accrued Audit Fees		786,760		1,153,760	
Unpaid Government Bonus	3.7	32,489,654		15,188,428	
Accrued Expenses	3.8	18,776,887		14,554,137	
Govt. Contribution receivable		212,203,695		201,255,073	
Balance with D.S.T a/c		4,764,759		4,787,465	
Tax to be paid on interest income		176,374,653	445,396,408	-	236,938,863
TOTAL EQUITY AND LIABILITIES			91,234,411,455		83,475,610,651

Management is responsible for the preparation & presentation of these financial statements.



R.A.K.G. Perera
 Secretary & Accountant
 Board of Management
 Public Service Provident Fund
 27 February, 2023



A. Jagath D. Dias
 Chairman, Board of Management
 Public Service Provident Fund
 Director General of Pensions
 27 February, 2023

R. A. K. G. PERERA
 Secretary & Accountant
 Public Service Provident Fund
 Department of Pensions
 Maligawatta, Colombo 10.

A. Jagath D. Dias
 Director General
 Department of Pensions
 Colombo 10.

3.13. Report of the Auditor General

LSW/E/DOP/02/23/18

2023.06.01

Director General
Department of Pensions

Head 253 – Summary Report of Auditor General in terms of Section 11(1) of National Audit Act No.19 of 2018 on financial statements for the year ended 31st December 2022 of the Department of Pensions.

1. Financial Statement

1.1. Opinion

Head 253 - The financial statements of the Department of Pension for the year ended on 31st December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of financial performance and cash flow statement for the year then ended was audited under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read with provisions of the National Audit Act, No.19 of 2018. This report contains my comments and observations on these financial statements of the Department presented in terms of Section 11(1) of the National Audit Act, No.19 of 2018. Action will be taken in terms of Section 11(2) of the National Audit Act, No.19 of 2018 to issue an Annual Detailed Management Audit Report to the Accounting Officer in due course. The Auditor General's report to be issued in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read with Section 10 of the National Audit Act, No.19 of 2018 will be tabled in Parliament in due course.

In my opinion, the financial statements give a true and fair view of the financial position of the Department of Pensions as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2. Basis for the opinion

The audit has been conducted in compliance with the Sri Lanka Audit Standards (S.L.Au.Ss.). My responsibility under these audit standards is further stated in the Auditor's Responsibilities for the Audit of the Financial Statements. I believe that the audit evidences used as the basis for my qualified opinion were appropriate and suitable.

1.3. Responsibilities of the Chief Accounting Officer and the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In terms of Section 16(1) of the National Audit Act, No.19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

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

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

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the structure and content of the financial statements, including the disclosures of management and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate whole presentation of the financial statement of reveals as to whether included transactions and events appropriately and suitably for the content and structure of the financial statements.

I have raised the awareness of Chief Accounting Officer/ Accounting Officer regarding significant audit findings, including significant deficiencies in main internal controlling and other matters.

1.5. Report on other legal requirements

Following are declared in terms of Section 6(1)(d) of National Audit Act No.19 of 2018.

- The financial statements are consistence with the preceding year.
- The recommendations directed by me in preceding years were included in the financial statement.

2. Financial review

2.1. Revenue management

2.1.1. Revenue code – 20:04:01:00 (Central Government)

- (a) In terms of Para.1(a) of Pension Circular No. 1/2001 dated 15 January 2001, actions have not been taken to obtain credit notices from institutions regarding the contribution of Rs.23,009.29 million made during the year under review, and to obtain debit notices from

respective institutions to verify Rs.166.79million credits made out of Rs.166.99million credits made during the year.

- (b) No reasons have been revealed for the variation in the values of monthly liabilities made under Expenditure Head 159 and 336 due to not availability of credit notices.
- (c) Since Department of Pensions has not taken actions to maintain a database on officers contributing towards Social Security Contribution (widows'/widowers' and orphans' contributions) under central government and revenue accounts, there was no method to verify whether contributions were duly made by the members when they were awarded entitlement.

2.1.2. Revenue code – 20:04:02:00 Social Security Contribution (Provincial Councils)

- (a) Since Department of Pensions has not taken actions to maintain a database on officers contributing towards Social Security Contribution under provincial council's revenue accounts, there was no method to verify whether contributions were duly made by the members when they were awarded entitlement such as refund of widows'/ widowers' and orphans' contributions which they should be made.
- (b) If contributions recovered for each month from all institutions maintained under the purview of the Provincial Councils are sent by a single cheque, the cheque for a particular month so recovered should be get received before 15th day of next month in terms of Section 2.2 of Circular No.01/2001 dated 15th January 2021 of the Director General of Pensions, however, those cheques had been delayed from 5 to 69 days by 5 Provincial Councils.
- (c) From 12th January 2022 to 27th December 2022, though there were 26 cheques for the value of Rs.23.75millions of 19 institutions sending contributions have been returned due the various reasons, the returned contributory money has not been recovered elapse of 6 months as at 1st April 2023 and even had not entered as an arrears of revenue of the year under review.
- (d) In accordance with cheque returning register, 02 incidents of overwritten cheques and one incident of underwritten cheque were found which had been sent when new cheques were obtained for returned cheques due to various reasons.

2.1.3. Building rent

- (a) An arrears of building rent of Rs.34.04million to be recovered from 16 institutions maintaining currently at the Department premises was observed and Rs.1.76million of the same had been existed for more than 12 months.
- (b) There was no proper agreement has been signed for the unit where the Bank of Ceylon – teller machine has been established since 2010 and no rent has been collected.
- (c) Though the Section II of the office of Western Province Health Services Director has been rented out since 17th May 2021, no arrears of building rent has not been calculated from January 2022.

2.2. Expenditure management

- (a) Though, the total of two expenditure subjects had been Rs.one million, no expenses have been incurred from the same.
- (b) Out of the total amount of Rs.37.50million of net allocation of 06 expenditure subjects, a percentage of 68 which was Rs.25.48million had been remained. This amount remains expanding from 40 to 82 percent of net allocation of expenditure subjects.
- (c) An amount of Rs.717,275 of allocations received for pension benefits has been used for the general expenses such as fuel, stationaries and office requirements.

2.3. Certification of Accounting Officer

Accounting Officer should certify the following matters in terms of provisions set out in Section 38 of the National Audit Act, No. 19 of 2018. However, it had not been so done.

- (a) The Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems, and accordingly make any alterations as required for such systems to be effectively carried out and such reviews should be carried out in writing, and a copy thereof should be presented to the Auditor General, but no statements had been furnished to the Audit that the reviews had been carried out.
- (b) Though the Chief Accounting Officer and Accounting Officer shall assure so as to answer all audit queries within a due timeframe as per the requirement of the Auditor General, it had not been answered for all audit queries as per Para.3.4 of the report.

2.4. Non-compliance with laws, rules and regulations

Reference to laws	Value Rs.	Noncompliance
Gazette Extraordinary No. 1719/3 dated 15 th August 2011		(a) Though the persons not disabled by birth should be forwarded to a medical board once in every 05 years, the Divisional Secretariat, Kelaniya has not followed this procedure at 05 incidents while Divisional Secretariat Pathadumbara has not followed for all disabled files.
	97,722	(b) As per the Section 2 of the Gazette Notification, though the persons who are not disabled by birth are eligible to receive a disabled pension with effect from the date approved by the medical board that is from 19 th August 2019, the Divisional Secretariat, Pathadumbara has paid an arrears of disabled orphans' pension for the period 2004-2005.
Para.5 and 3(xvi) of National Budget Circular No.03/2022 dated 26 th April 2022	902,725	Though the expenses that can be considered as unnecessary expenses, functions conducted by public institutions, opening ceremonies and

		other unnecessary and not prioritized events should be suspend, expenditures have been incurred for National Pensioners' Day 2022.
Public Administration Circular No.14/2022, 14/2022(I) dated 22 nd June 2022 and Pension Circular No.06/2022 dated 20 th September 2022.	4,491,427	As a result of not following a formal registration method of officers obtain foreign leave, it has been difficult to identify the respective officer who made contributions and sent to the Department of Pensions monthly as per the widows'/ widowers' and orphans' pension circular. (From November 2022 to February 2023) Contributions have been transferred to general deposit account as unidentified receipts.
Pension Circular No. 19/2006 dated 15 th December 2006		Subsequent to the delegation of responsibility of pension subject to Grama Nilashari, the list of pensioners maintaining with Grama Niladhari has not been updated with the general file of pensioners/ registry maintaining at the Divisional Secretariat and the information collecting document via Grama Niladhari as well as the pensioners' information document have not been updated.
Pension Circular No.01/2022 dated 20 th January 2022 i. Para.2(i)	1,440,675	When a person is receiving several pensions, such person is entitled to receive only one allowance per month, however, there were 30 incidents of overpayment of special allowances separately for several pensions were observed at Rideegama, Biyagama, Dompe, Gampaha Divisional Secretariats and as per the database.
ii. Para2(iii)	445,000	Even though it has been informed that the allowance of Rs.5,000 is not payable for persons who receive services pensions until 55 years of age due to becoming disabled or for dependents who are paid until 55 years of age of the persons died while serving in tri-forces and police service as a result of terrorist actions, it was observed at the Divisional Secretariat, Gampaha and also through the database that this allowance had been paid for 10 pensioners.

iii. Para2(iv)	100,000	Though the overseas pensioners are not entitled to receive the allowance of Rs.5,000, there were 02 pensioners resident abroad have been paid this allowance at Divisional Secretariats Gampaha and Harispattuwa.
Pension Circular No.03/2016 dated 27 th April 2016 i. Para.3		Interim allowance has been paid without making pension anomaly for 14 pensioners retired before 01 st January 2016 at Divisional Secretariat, Wattala.
ii. Para.7	764,719	Though the pensioners retired after 01 st January 2016 are not entitled for an interim allowance, 64 pensioners have been paid the interim allowance at Divisional Secretariats Wattala, Pathadumbara, Kundasale, Harispattuwa.
Pension Circular No.01/2018 dated 20 th June 2018 i. Para.5(iii)		Though it has been mentioned that the pensioners who resident abroad for over two years should draw pensions via foreign pensions division, pension files of 05 pensioners have been not transferred to the foreign pensions division by Gampaha Divisional Secretariat.
ii. Para.06(b)	135,300	Though it has been mentioned that the cost of living allowance payable for overseas pensioners should be Rs.2,000, it has been observed that 03 overseas pensioners have been overpaid cost of living allowance of Rs.3,525 by Divisional Secretariats, Gampaha and Harispattuwa.
iii. Para.7(ii) and 9		(a) Though the life certificates certified by foreign missions should be forwarded to the Foreign Pensions Division, the Divisional Secretariat, Harispattuwa has paid pensions for three pensioners based on life certificates certified by Grama Niladhari. (b) Officers who have authority to certify overseas life certificates are mentioned in regulations, however, one pensioner has submitted life certificates certifying through a family physician of an institution called “SM MEDICAL CENTER” for year 2010, 2012, 2013, 2014 which has been accepted

		accordingly and pension has been activated with payments for unpaid periods as well.
Pension Circular No.9/2008(II) dated 17 th July 2018		Though the payments should be made by consolidating armed forces pension (59) and disability pension (6), the Divisional Secretariat, Kelaniya, Narammala, Maharagama, Panduwasnuwra(west), Biyagama, Thimbirigasyaya, have not followed this procedure for 33 pensioners and for 03 pensioners identified through database which is altogether for 38 pensioners.
Pension Circular No.01/2011(I) dated 07 th April 2017		In order to formalize pension payment method a report containing monthly expenditure for pension payments, number of pensioners added or reduced and revisions, should be prepared monthly and compared with control account, however, it has not been followed by Divisional Secretariats, Rideegama, Kuliypitiya (East), Kelaniya, Narammala, Biyagama.
Pension Circular No.01/2017 dated 09 th February 2017 and Instruction Letter No.01/2017(I) dated 22 nd March 2017 of Director General of Pensions	161,750	A dependency allowance has been paid to pensioner bearing No.04-19454 and her husband by Divisional Secretariat, Kuliypitiya (East). After demise of her husband on 26 th August 2014, the widow has been paid 50 percent of the full dependency allowance during the period from September 2014 to December 2022 as a less payment, even though she should be paid full dependency allowance.
Para. 3.2.2 of Pension Circular No.1/2009 dated 07 th January 2009		Payments cannot be made based on illnesses caused due to aging, however, Divisional Secretariat, Pathadumbara has paid disabled pension for two pensioners on age 62 and 58 by producing them before a medical board.
Of the Pension Circular No.1/2009 dated 2 nd December 2020 i. Para. 02		Even though the disability should be occurred before 26years of age of the orphan, the disability of two pensioners at the Divisional Secretariat, Narammala as per the medical report has been occurred at the age of 58 and 49.
ii. Para.09		Since the children who are not disabled by birth are entitled for a disabled pension for 5years, such children should be forwarded to a medical board once in a five year to verify their disabilities. However, Divisional Secretariat, Pathadumbara has not followed this procedure for any of the disabled file.

<p>Public Administration Circular No.2/2019 dated 30th May 2019</p>		<p>As per the regulation handbook prepared by the Department of Registrar General, the registration of a death of a person who has received a government pension should be notified to the District and Additional District Registrar by Form B73. Though the Divisional Secretary should notify the Registrars to send a copies of the same in once a week, the Divisional Secretaries of Panduwasnuwara (East), Kuliypitiya (East), Dehiwala, Maharagama, Homagama has not informed accordingly.</p>
<p>Pension Circular No.1/2019 dated 11th June 2019</p>		<p>(a) As per the Budget Proposals 2019 the pension of the government officers retired before 1st January 2017 should be adjusted with effect from 1st July 2019 according to the Public Administration Circular No.3/2016, however, when inquired samples, it was revealed that this revision has not been made for 231 pensioners at Divisional Secretariats, Kelaniya, Gampaha, Panduwasnuwara (East), Panduwasnuwara (West), Rideegama, Nattandiya, Pathadumbara, Narammala, Harispattuwa and Wattala. The revisions have not been made on 22 files at Divisional Secretariat, Kuliypitiya (East) due to unavailability of sufficient information in the file, maintaining of temporary files, not finalizing the preparation of revision even after calculation has been made and entered to the database.</p>
	<p>659,682</p>	<p>(b) Though the widows who are receiving salaries and allowances as well as pensioners who are receiving compensatory salaries should not be considered for pension conversions, the Divisional Secretariat, Pathadumbara has made an overpayment as a result of conversion of pension of the pensioner received salary while obtaining pension under the number 21-650001 and 57-335 (757801094V).</p>
<p>Pension Circular No.8/2010 dated 7th September 2010 and</p>	<p>22,992,945</p>	<p>(a) Though it has been instructed not to pay cost of living allowance for a pensioner exceeding Rs.7,800 which the allowance</p>

<p>Pension Circular No.1/2014 dated 10th January 2014</p>		<p>received by government servant, 44 pensioners, 82 deceased Navy officers totaling 129 pensioners have been paid exceeding this limits at Divisional Secretariats, Narammala, Panduwasnuwara (West), Biyagama, Dompe, Thimbirigasyaya, Rideegama, Gampaha and Kelaniya.</p>
	<p>7,120,689</p>	<p>(b) Though the cost of living allowance is permitted to receive up to Rs.7,800 by pensioners, 43 pensioners have been paid less amount of allowance.</p>
<p>Para.3 of Pension Circular No.6/2015 dated 15th July 2015</p>		<p>Payment of widows and orphans pension to the heirs of an officer died while on duty was not verified as to whether correct or not since the payment under pension number 21-103904 has been made by Divisional Secretariat, Harispattuwa without the death certificate, originals of pension award paper and other vital documents for the entitlement.</p>
<p>Pension Circular No.2/2014 dated 20th February 2014.</p>	<p>557,607</p>	<p>when the payment of dependence allowance for the heirs of Police officers died or disappeared due to terrorist actions is initiated, the compensatory pension if being paid should be stopped and the overpaid amount of compensatory pension, interim allowance and cost of living allowance should be recovered from the arrears of dependence allowance, however this has not been followed by the Divisional Secretariat Rideegama.</p>
<p>Pension Circular No.13/2014 dated 03rd November 2014.</p>	<p>150,500</p>	<p>The monthly budget allowance should be paid for the combined pension as a whole when there are several pensions have been awarded. However, Divisional Secretariat, Kuliypitiya (East) has not followed this and has made an overpayment from September 2014 to December 2022 by paying an interim allowance of Rs.4,750 in respect of pension number 40-3011 and Rs.1,750 for 4-21321.</p>
<p>Para.(iv) of Pension Circular Instruction letter No.4 dated 16th October 2014</p>		<p>The pension file should be obtained by relevant Divisional Secretariat as at 03 months after initiating monthly pension payments, the Divisional Secretariats, Pathadumbara, Kundasle, kelaniya, Narammala, Biyagma have not get received 27 pension files even after 04 to 02 years from initiating pension payments.</p>

Pension Circular No.03/2020 dated 15 th February 2020		As soon as the orphan completes due age of 18 years, the guardian should be removed. However, it was revealed that the Divisional Secretariat Gampaha has been paying pension for an entitled orphan under purview of a guarding even at the completion of due age of 18 year as at the time of auditing.
Pension Circular No.13/2010 dated 16 th December 2010 and 03/2013 dated 20 th September 2013.	1,892,716	Re-married widows are entitled only for 50percent of widows and orphans pension, however, the Divisional Secretariats, Dompe, Gampaha and Narammala has paid full pension for such 4 pensioners which revealed as an overpayment.
Pension Circular No.07/2022 dated 03 rd November 2022		The death gratuity of a pensioner died before receiving first pension has not been paid for her heirs even after 2years and 7 months from the date of her demise to January 2023.

2.6. Issuing and settling advances

The total of the individual balances to be recovered under subject number 25301 as at 31st December 2022 has been Rs.171,347,084, which was included loan balances of Rs.481,873 required to be recovered from 05 officers retired and balance of Rs.142,920 which required to be recovered from officers vacated post. A loan balance had to be recovered from another officer within a period of 1-2 years had been observed as Rs.239,812. Loan balance should be recovered from 06 officers for over 05 years had been Rs.692,794.

2.7. Deposits

It was observed that the deposits of Rs.4,413,050 received for pensioners' day has been retained for over 02 years in General Deposit Account without using as per Financial Regulations 571(3) or without using as government revenue.

2.8. Bank account operations

- According to the bank reconciliation statement as at 31st December 2022 an unidentified receipts of Rs.33,518,799 of 243 cheques have not been identified and settled.
- During audit, it was observed inactive bank accounts bearing number 7041643 at Bank of Ceylon for Local Government Services Widows' and Orphans' Pension and bank account bearing number 7041644 at Bank of Ceylon for Local Government Services Widowers' and Orphans' Pension.

2.9. Issuance and settlement of interim imprest

- As per the Financial Regulation 371(2)(b) amended by Public Finance Circular No.01/2020 dated 28th August 2020, though the staff officer receiving interim imprest should settle the same as soon as the respective task is completed, the interim imprest of Rs.897,824 obtained by 8 officers at 15 instances has been settled elapse of 15 to 43 days. Further, it was observed 10 instances, that total of Rs.496,091 has been provided as advances for two officers before settling advances which they have been provided previously.

- (b) An advance of Rs.100,000 by Voucher No.12/233 and another Rs.100,000 by Voucher No.12/232 has been issued on 27th December 2022 to purchase tableware for Kelaniya Wedamulla Holiday Resort at a situation where procurement measures should be followed to purchase goods as per Financial Regulations 371(4).
- (c) In comparison of the amount provided as interim imprests and the expenditure incurred, it was observe 9 incidents of over-estimates ranging from 50 to 88 percent.

3. Operating review

3.1. Performance

3.1.1. Planning

- (a) As per the Financial Circular No.2/2020 dated 25th August 2020, the updated organization structure, imprest requirement plan for annual actions, the annual procurement plan prepared for scheduled development programmes of the year concerned were not included in the annual action plan.
- (b) Key Performance Indicators and Outputs of activities with regard to the human resource management plan, system development, hardware facility development, acquiring of capital assets have not been clearly identified as per the guidance number 12 of Public Finance Circular No.02/2020.

3.1.2. Non-performance of functions

Though an amount of Rs.500,000 had been allocated for research and development, as the activity in that regard has not been implemented, the process of updating database also has not been done.

3.2. Procurement

An agreement has been signed with Sri Lanka CERT to secure database and information technology system of the Department of pensions for a period of one year effecting from 17th May 2022. Though an advance of 50 percent of the total expenditure should have been paid at the outset of the operations as per the agreement, the total expenditure of Rs.1,660,550 had been paid on 31st March 2022 in respect of the operations commenced on 17th May 2022.

3.3. Losses and damages

- (a) As per the financial statement of year under review, the value of pension overpayments yet to be recovered as at the end of the year was Rs.785million. In this amount it was included an unrecovered Rs.301,522 prevailed for over 10 years, Rs.47million prevailed during a period of 5 to 10 years, Rs.738million prevailed for under 5years.
- (b) The final balance of reports on losses and damages of the year under review sent by respective District Secretariat was not tallied with final balance of year under review prepared by the Department of Pensions.

3.4. Non-responding to audit query

21 audit queries out of 43 issued as at 31st December 2022 have not been answered as at 31st March 2023.

3.5. Management weaknesses

3.5.1. Following shortcomings were observed during inquiry of pension payment files of Kundasale, Gampaha, Pathadumbara, Nattandiya, Kuliyaipitiya (East), Kelaniya, Thimbirigasyaya, Narammala, Harispattuwa, Biyagama and Rideegama Divisional Secretariats.

- (a) Even though the disabled persons should be directed to a medical board and get a medical verification regarding disability of the person in advance of making disable pensions, 8 incidents of issuing pensions without conducting a formal attestation were identified in 4 Divisional Secretariats.
- (b) With reference to the central database of Kundasale Divisional Secretariat there were 09 files have been named as foreign pensions (Foreign Trf.), however, the Divisional Secretariat had not taken action to suspend those pensions even after the Divisional Secretariat has been notified by Grama Niladhari regarding not submitting of life certificates by the pensioners and even their visit abroad.
- (c) The pension file bearing number 1-725735 sent to the Department of Pensions by letter number KDS/KUN/KUN/02/08 dated 07th February 2018 has not been returned to the Divisional Secretariat, Kundasale as at the audit date of 13th December 2020.
- (d) Though the pension payments made under pension number 41-451915 for an orphan (956361117v) by the Divisional Secretariat Gampaha should have been suspended at the completion of 26years of the orphan by 14th May 2021, the payments have been continued until month of June 2021. Accordingly without recovering the overpaid amount of Rs.25,925, the mother of this orphan who was remarried has been paid 50 percent of the pension with effect from June 2021.
- (e) Pension payments have been made for 04 pensioners by Divisional Secretariat, Gampaha without obtaining dully filled forms of orphan 5/1, orphan 6 and orphan 8 forms which are required to obtain after completion of 21 years of age by relevant orphans.
- (f) At times when pension allowances/ revisions should be suspended due to various reasons, 10 incidents of continuation of such payments by making overpayment of Rs.489,055 were observed.
- (g) It was observed 03 incidents of payment of disabled pensions for persons who are not entitled.
- (h) Even though the pensioner bearing pension number 21-49375 has submitted life certificate finally for year 2017, the Divisional Secretariat, Pathadumbara has made payments for the pensioner for 02 months up to 10th May 2018 with an overpayment of Rs.38,810. With reference to the file as at the audit date, only the pensioner's death has been mentioned, therefore, it has been difficult to identify actual overpayment as the certificate was not updated.
- (i) The payment of widows' pension of the pensioner bearing Nos.21-1251535, 21-202514 and National Identity Card No.558612258V at the Divisional Secretariat, Pathadumbara has been commenced with effect from 5th November 1984. This widow has received pension without informing about her previous marriage and also has mentioned as unmarried for the second marriage certificate. Further, details of husband of first marriage were not in both widows and civil files. Though the name of husband of first marriage was entered in the birth certificate of the child of first marriage, there were no information regarding the end of first marriage. Accordingly, the widows' and orphans' pension has been paid without proving the end of first marriage.

- (j) The pensioner bearing No.01-1107670 at the Divisional Secretariat, Pathadumbara had been dismissed from service from 11th January 2013 by the decision of Administrative Appeals Tribunal dated 19th October 2019, however, no action has been taken to recover the salary of Rs.136,155 paid for the pensioner during 11th January 2013 to 16th May 2013 even after notified by the Attorney General's Department on 16th November 2019 to recover the same. Further, action has not been taken to recover pension of Rs.560,339 and gratuity of Rs.187,434 paid for a person not entitled for a pension due to dismiss from service.
- (k) Though a pension file should be maintained for every pensioner, the Divisional Secretariat, Kelaniya has paid pensions for 07 pensioners and the Divisional Secretariat, Nattandiya for a pensioner without maintaining pension files.
- (l) Though the passbook should be handed over to the bearer at the completion of age 18, the Divisional Secretariats, Narammala and Biyagama have not handed over passbooks for 05 minors who completed due age.
- (m) The pensioner bearing No.21-204986 at the Divisional Secretariat, Harispattuwa had been dismissed from the service, however a copy of history sheet and F.R.1729 report has not been submitted with the pension application as per the I and II of 8.2 of Public Administration Circular. As per the para.4.5.3 of Sri Lanka Pensions 2020 handbook, when there were no information could be found in respect of vacated of post of an officer before 02nd July 1981, a salary should be calculated on Rupee basis and a pension should be calculated accordingly. However pensions have been calculated in contrary to this procedure.
- (n) The pensioner bearing No.21-300870 at Divisional Secretariat Harispattuwa has been awarded pension disregarding the daily paid service period and non-pensionable service period having both service periods considering for full service as per the history sheet and form 12. Further, there was no pension award paper in the pension file and it had not been proved whether the salary based for the revision of pension as per the Public Administration Circular No.6/2006 and 14/2019 was correct or not.
- (o) As per the Pension Circular No.1/2014 dated 10th January 2014, though it is permitted to obtain a cost of living allowance up to Rs.7,800 equally as a public servant, payment of two cost of living allowances for both pension as well as for the disability allowance that have been awarded for a single source of pension entitlement is observed as a controversial payment according to the audit. Therefore, an overpayment of Rs.1,415,695 for three pensioners at Divisional Secretariat, Rideegama, Rs.1,935,900 for five pensioners at the Divisional Secretariat, Kundasale, Rs.465,300 for a pensioner at Divisional Secretariat, Narammala, Rs.3,816,895 for nine pensioners at Divisional Secretariat, Pathadumbara were observed due to payment of cost of living allowance for both pension and disability allowance.
- (p) An overpayment of Rs.10,511,788 for 50 pensioners was observed at Kuliypitiya (East), Rideegama, Gampaha, Kundasale, Kelaniya and Biyagama Divisional Secretariats due to death of pensioner, not obtaining certified death certificates, errors in revision of pension, delay in notifying death of pensioner, errors in calculating pension, receiving disabled pension while obtaining a civil pension, not updating pension database.
- (q) A deficit calculation of Rs.172,279 was observed in the recovery of pensions credited to the accounts of deceased pensioners at the Divisional Secretariat Thimbrigasyaya.

3.5.2. Following general shortcomings were observed on payment of pensions

- (a) At situations where the gratuity paid for the pensioner is not sufficient to recover dues for government, the dues are recovered from monthly pension by the system and remitted to the respective institution. Such 05 incidents could observe from the payment vouchers of month of September 2021. As there is a risk of inability to recover dues for government if the pensioner died suddenly, the Department of Pensions has not prepared a mechanism to raise awareness of respective institution in this regard.
- (b) An officer served as a Revenue Inspector in Wattegama Municipal Council has died on 23rd May 2010. Therefore, Wattegama Municipal Council has recovered the dues to be recovered from the death gratuity and the balance of Rs.237,492 has been sent to the Department of Pensions on 02nd March 2023. As the decree nisi of his first marriage has not been made absolute by the court, the balance amount returned had been kept at the Department without awarding the entitlement to relevant parties. Furthermore, the two elder children of first marriage have been paid 50 percent each under pension numbers 50-2010711 and 50-2010712. However, upon completion of due age of elder child, the pension has been paid as usual with effect of 1st of January 2019 to 09th December 2022 without adding the portion of Rs.500,400 of the elder to the younger child.
- (c) As per a request made by a disabled pensioner bearing No.24-71678 on 27th January 1997, a disabled pension has been paid from 1st February 1990 by the award letter dated 08th January 2000.
- However, since he has become disabled on 23rd July 1990 due to a terrorist attack while serving as the Storekeeper of Transport Board and if he had received an allowance from transport board as per the Public Administration Circular No.21/88 dated 13th July 1988, it is observed that he had received a disabled pension as well for the period from his age of 32 to 55.
 - Even though the Department of Pensions has informed the District Secretariat, Ampara to conduct an investigation as per Financial Regulations 104, no action has been taken even after elapse of 03 years from 05th August 2022.
 - Accordingly, it was observed an undue payment of Rs.2,877,159 of disabled pension with allowance has been made from 01st February 1990 to 09th February 2018.

3.5.3. Following facts could observe on weaknesses of database

- a. In Divisional Secretariat Gampaha, 04 incidents were observed that a single pensioner/ dependent receiving pensions under two different National Identity Card numbers.
- b. Even though the overpaid pension for pension No. 21-400006 at the Divisional Secretariat, Kuliyaipitiya has been shown as Rs.424,925, the database had been updated without adjusting cost of living allowance of Rs.52,875 with 17,625, as her pension initiated on 01 March 2021. As per the report on recovery of overpayments the recovery for the overpayments of month of October 2022 has been reported, however, the details of these recoveries had been removed from the database in month of November 2022.
- c. An overpayment of Rs.3,434,597 from 16th August 2022 to the audit date for two pensioners died in year 2020 and 2021 was observed in the database.
- d. Reference the databases of 08 Divisional Secretariats, 12 incidents of not entering date of birth of the pensioner, 207 incidents of active status of pension payments for pensioners not submitted life certificates, 21 incidents of not entering national identity card numbers of the pensioner, 02 incidents of not

entering deceased date of the pensioner, 24 incidents of not updating submission of life certificates disregarding submission of life certificates, 07 incidents of not tallying national identity card number with the date of birth were observed.

4. Sustainable Development

4.1. Identifying objectives of Sustainable Development

The Department of Pensions had identified only one objective under the Sustainable Development Goals aimed to be achieved by the year 2030. Clear targets have not been set for that purpose and baseline data and indicators for measuring progress have not been systematically established. Stakeholders involved in the organization’s role in implementing the Sustainable Development Goals were also not identified.

5. Internal audit

- (a) The audit performances of the Internal Audit Division apart from other the internal audit activities in general, has been directed as per the action plan towards minimizing shortcomings immerged through the departmental internal performances on 04 internal divisions which the progress has been cited as 125 percent, however, the progress as such could not identify on certain internal divisions’ activities performed during year 2022.
- (b) In terms of F.R.134(3), even though the copies of internal audit reports should be sent to the Auditor General, the internal audit reports of year 2022 have not been sent to the Auditor General.

6. Human resource management

The cadre of the Department of Pensions as at 31st December 2022 is as follows.

Cadre Type	Approved Cadre	Existing Cadre	No. of Excesses/ Vacancies
Senior level	30	26	4
Tertiary level	11	7	4
Secondary level	1076	1045	31
Primary level	75	43	32
Casual	-	3	1
Contract	6	1	5

M.T.I.Gamage

Senior Assistant Auditor General

For Auditor General

Director General of Pensions
Department of Pensions

The Auditor General's Report as per the Section 11(1) of the National Audit Act No.19 of 2018 on Financial Statement and other Legal and Directional Requirements of Teachers' Widows' and Orphans' Pension Fund for the year ended 31st December 2022.

1. Financial Statement

1.1. Qualified Opinion

The audit of the financial statement for the year ended as at 31st December 2022 and the balance sheet, revenue and expenditure account and cash flow statement as at the date of year ended and the notes, summary accounts comprising accounting policies of the Teachers' Widows' and Orphans' Pension Fund for the year ended 31st December 2022 was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read with provisions of the National Audit Act, No.19 of 2018. This report will be tabled in Parliament in terms of Article 154 (6) of the Constitution in due course.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion, the financial statements give a true and fair view of the financial position of the Department as at 31st December 2022, and its financial performance and cash flows for the year then ended in accordance with generally accepted accounting principles of the public sector in Sri Lanka.

1.2. Basis for Qualified Opinion

As a result of non-submission of individual accounts and registry of members for audit purposes, the contribution account of Rs.351,699,361 and contribution due account of Rs.7,460,120 were couldn't authenticate properly.

The audit has been conducted in compliance with the Sri Lanka Audit Standards. My responsibility under this audit standards is further stated in the Auditor's Responsibilities for the Audit of the Financial Statements. I believe that the audit evidences used as the basis for my qualified opinion were appropriate and suitable.

1.3. Management and Controllers' Responsibilities for the Financial Statements

It is the responsibility of the management to determine a proper internal control mechanism to create financial statements in accordance with the accounting standards of public sector of Sri Lanka and to present it fairly without any erroneous statements.

The management should be responsible for continuous proceeding of the fund while preparing financial statement, unless if the operations are intended to be ceased as if the management expects to liquidate the fund or due to unavailability of any other alternative option, the management should be responsible to carry out the functions of the fund, accounting and revealing the facts required.

The responsibility of investigating the process of financial reporting of the fund will be on the parties controlling the fund.

Books and reports on revenue, expenditure, assets and liabilities of the fund in order to be able to prepare annually and timely required financial statements as per the Section 16(1) of the National Audit Act No. 19 of 2018 should be maintained.

1.4. Auditors' Responsibilities for the Financial Statements

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

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the structure and content of the financial statements, including the disclosures of management and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- A decision was taken on appropriateness of using the basis of continuous existence of the fund for the accounting purposes based on audit evidence received on uncertainty as to the continuous existence of the fund due to events or circumstances prevailing. If I decide whether there is an uncertainty, my audit report should be directed on such related disclosures available in the financial statement and if such disclosures are not sufficient, I should modify my opinion. However, continuous existence would be terminated due to future events or circumstances.
- Evaluate whole presentation of the financial statement of reveals as to whether included transactions and events appropriately and suitably for the content and structure of the financial statements.

I have raised the awareness of controlling parties regarding significant audit findings, including significant deficiencies in main internal controlling and other matters.

2. Report on other legal and directional requirements

Special provisions are included regarding the requirements of National Audit Act No.19 of 2018.

- The financial statements are in consistence with the preceding year as per the requirement of Section 6(1)(d)(iii) of the National Audit Act No.19 of 2018.
- The recommendations directed by me in preceding years were included in the financial statement as per the requirement in Section 6(1)(d)(iv) of the National Audit Act No.19 of 2018.

3. Operation summary

3.1. Noncompliance with laws and regulations

Followings were observed.

<u>Reference to the laws, rules/ regulation</u>	<u>Observation</u>
School Teachers' Pension Act No. 44 of 1953 (i) Order No.04	Even though the Teachers' Widows' and Orphans' Pension should be made upon creating a fund by the contributions of Teachers' Widows' and Orphans' Pension, the contributions were collected to the bank account of the Director General of Pensions without creating a separate bank account for the contribution collections and re-payments and the payments have been made under the expenditure head of the Department of Pensions.
(ii) Order No.9(a)	A registry has not been maintained for respective contributors and who have the eligibility for contributions. The contributions of 06 provinces out of 09 provinces were only received to the fund and the reasons for not receipt of contributions from other provinces were not mentioned.

3.2. Management Activities

Due to non-maintenance of a list of membership documents including members' name, school it has been impossible to accurately identify the actual amount of due, receipts, arrears and number of members in the Fund, new members joined during the year under review, number of members left the Fund annually.

W.B.C.Wickramaratne
Auditor General

Director General of pensions
Department of Pensions

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of Local Government Services Pension Fund for the year ended 31 December 2022 in terms of the Section 11(1) of the National Audit Act No 19 of 2018

1. Financial Statements

1.1. Disclaimer of Opinion

The audit of the Financial Statements of Local Government Services Pension Fund for the year ended 31 December 2022 comprising, Statement of Position, Income and expenditure account, , cash flow statement for the year then ended and note to the financial statement including a summary of significant accounting policies was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No 19 of 2018. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

I do not express any opinion on the financial statements of the fund. I could not obtain adequate and appropriate audit evidences to provide an audit opinion on the financial statements due to the significance of the matters discussed in the part ‘Basis for disclaimer of opinion’

1.2. Basis for disclaimer of opinion

Following observations are made in this regard.

(a) Even though the fund maintain accounts on accrued basis as per Sri Lanka Public Sector Accounting Standards No 01, an amount of Rs. 91,670,745, which is the contribution received during the year under review for the year under review and previous years has been accounted on cash basis.

(b) Contributions to the value of Rs. 1,041,976,262 has been paid for 39,478 pensioners during year 2022 utilizing the provisions of General Treasury and these payments had not been shown in income and expenditure account. Further the receipts from Local Government during the year under review are Rs. 91,670,744 and this amount has been accounted as the payments from pensions fund in the income account against the receipt of contributions.

(c) The deficit of Rs. 27,070,918, which is the receipt for previous years and included in the Rs. 91,670,744 , the total receipt of the year under review, has been adjusted to the income account as the transfers to accumulated fund.

(d) Confirmations for balances have not been received for the contributions of Rs. 103,587,376 in relation to 56 Local Government Institutions out of Rs. 1,090,156,001, which is the contributions to be received from 301 Local Government Institutions as per the financial statements as at 31 December 2022.

(e) Even though the contributions to be received from 178 Local Government Institutions as at 31 December 2022 as per Financial Statements is Rs. 994,388,194, a

difference of Rs. 852,687,173 has been observed as a result of showing the contribution to be paid to Local Government Pensions Fund as per financial statements as Rs. 141,701,021.

(f) Even though the contributions to be received from 22 Local Government Institutions as per the financial statements as at 31 December 2022 is Rs. 21,645,124, a difference of Rs. 2,878,979 has been observed as a result of showing Rs. 24,524,103 as the contributions to be paid to the pensions fund as per financial statements of Local Government Institutions.

As described in the above manner, I could not confirm or verify the quantitative items included in the statement of position, income and expenditure account and cash flow statement by alternative methods, Under such circumstances, I could not determine as to whether any adjustment is necessary for the values or transactions, which were not reported or included in values or items on which statement of position, income and expenditure account and cash flow statement were prepared.

1.3. Responsibilities of the Management and those charged with governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the fund's ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the institution or to cease operations , or has no realistic alternative but to do so.

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

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

1.4. Auditor's responsibilities for the audit of the financial statements

My responsibility is to issue the report of the Auditor General on the financial statements of the fund based on the audit conducted in compliance with Sri Lanka Audit Standards. However, I could not obtain adequate and appropriate audit evidences to provide an audit opinion on the financial statements due to the matters discussed in the part 'Basis for disclaimer of opinion'

2. Report on other legal and regulatory requirements

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

2.1.1. I have not obtained all information and clarifications which re considered as required for the audit as per the requirements indicated in section 12 (a) of the National Audit Act No. 19 of 2018 and I could not determine whether the fund has maintained proper accounts reports.

2.1.2. The financial statements of the fund comply with the preceding year as per requirement of section 6 (1)(d)(III) of the National Audit Act No 19 of 2018.

2.1.3. The financial statements presented include all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (IV) of the National Audit Act No 19 of 2018 except the recommendations made in para 1.2. (a), (b) of the part ‘Basis for disclaimer of opinion’ in my report.

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

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

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

Reference to laws, rules/provision	Observations
(a) Public Finance Circular No 07/2016 dated 28 June 2016	By proposal no 425 and 426 of budget proposals 2016, a special committee has been appointed by the General Treasury on 11 June 2016 to certify that all statutory as well as non-statutory funds are subjected to the control of the Parliament in compliance with systems recognized by the Parliament and the committee has proposed that the fund should be closed by amending relevant Acts. However no action has been taken to take a decision in this regard. Further, it has been informed in the report that action should be taken to recover the arrears in contributions promptly from relevant institutions, that recommendation has also not been followed.

2.2.3. To state that the Fund has not complied with powers and functions of the Fund as per the requirement of section 12 (g) of the National Audit Act No 19 of 2018

2.2.4. To state that the resources of the Fund have been utilized efficiently, economically and productively in compliance to the rules and regulations within the time frames as per the requirement of section 12 (h) of the National Audit Act No 19 of 2018.

2.3. Other matters.

(a) The balance of the contributions to be received from 303 Local Government Institutions as at 31 December 2022 as per financial statements is Rs. 1,090,156,001 and the number of the Local Government Institutions from which contributions have not been received in year 2022 is 82. The value of such contributions is Rs. 7,339,172.

(b) Action has not been taken to recover an amount of Rs. 435,355, which is the contribution to be recovered in year 2019 after the demise of the last member.

My No. LSW/E/PSPF/02/23/00

14 June 2022

Director General,
Department of pensions

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Public Services Provident Fund for the year ended 31 December 2022 in terms of Section 11(1) of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1. Disclaimer of opinion

The audit of the financial statements of the Public Services Provident Fund for the year ended 31 December 2022 comprising the Revenue and Expenditure Account, and Notes to the Financial Statements, and a summary of significant accounting policies for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

I don't express an opinion on the financial statements of the fund. I could not obtain adequate and appropriate audit evidences in order to provide a basis for an audit opinion due to the importance of the matters discussed in the part for basis for disclaimer of opinion.

1.2. Basis for Disclaimer of opinion

(a) The number of the members, who have made their contributions to the Public Services Provident Fund as at 31 December 2022 has been shown as 267,379 and a system has not been identified to make correct entries on the receipts and refunding of contributions due to not entering particulars of each member.

(b) Since schedules have not been submitted for the contributions to the value of Rs. 212.20 million shown in financial statements, which are receivable, confirmations could not be made regarding the contributors for whom such contributions should be received from which institution.

(c) Since schedules for individual balances have not been submitted so as to categories them for each contributor, the accuracy of Rs. 33,593.60 million and 51,808.74, which are the balance of compulsory contribution account and balance of Government Contribution Account respectively, could not be confirmed.

(d) Since the schedules with necessary particulars of receivers of claims have not been submitted for auditing in respect of the balance of Rs. 51.98 million of the voluntary contributions account, the accuracy of the balance could not be confirmed.

I could not confirm or verify the quantitative items included in the balance sheet, income and expenditure account and statement of cash flow as prescribed above by alternative methods. Under such circumstances, I could not determine whether any adjustment is necessary regarding reported or non-reported values or transactions in values or items by which balance sheet, income and expenditure account and statement of cash flow are prepared.

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

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

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

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

My responsibility is to issue the report of the Auditor on the financial statements of the fund based on the audit conducted in compliance with Sri Lanka Audit Standards. However, I could not obtain adequate and appropriate evidences to make a basis for the audit opinion on the financial statements due to the matters described in the part for the basis for disclaimer of opinion.

2. Report on Other Legal and Regulatory Requirements

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

2.1.1. I have not obtained all information and clarifications required for the audit in terms of the requirements mentioned in section 12 (a) of the National Audit Act No. 19 of 2018, and further I could not determine as to whether the Fund has maintained proper accounts reports.

2.1.2. The financial statements of the Fund comply with the requirement of section 6 (1) (d) (iii) of the National Audit Act No 19 of 2018.

2.1.3. The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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

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

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

Reference to laws, rules/provision	Observations
In terms of the section 25 of Public Services Provident Fund Act No. 1942	Even though the Director of Pensions should inform each Contributor the total amount of money credited to the fund in favour of the contributor at the relevant date by the end of each financial year, no methodology has been prepared to fulfil that requirement.

2.2.3. To state that the Fund has not complied with powers and functions of the Fund as per the requirement of section 12 (g) of the National Audit Act No 19 of 2018

2.2.4. To state that the resources of the Fund have been utilized efficiently, economically and productively in compliance to the rules and regulations within the time frames as per the requirement of section 12 (h) of the National Audit Act No 19 of 2018.

2.3. Other matters

(a) Evidences have not been submitted to verify the facts such as the number of the members of the fund during the year under review, number of the members joined newly to the fund, number of the members, who left the fund after refunding contributions, and the number of the members as at the end of the year.

(b) Even though the ratio has been determined on an average value of Rs. 8,273.96 million , the value of opening monthly allocations for the distribution of income from interest among contributors, the basis for determining such ratio has not been revealed for the audit. During the year Rs. 1,741.90 million has been transferred to common reserve without distribution among contributors and therefore it was observed that the income from interest is not distributed fully among contributors.

W.P.C. Wickramaratne

Auditor General

4.1. Performance Indicators of the Institution (Based on the action plan)

Activity	Sub Activities	Performance	Estimated Amount	Actual output as a percentage of expected output (%)			
				100%-90%	75%-89%	50%-74%	Below 49%
New pension awards	Awarding pension - Decentralized	Number of pensioners, who received pension award in year 2022	30,000			64.9%	
	Awarding pension - Centralized		1,800		76.77%		
	Awarding Widows' and Orphans' Pension		8,000	137.23%			
Revised payments	Awarding pension - Decentralized	Number of revised pensions paid	3,000				** 44.16%
	Awarding pension - Centralized		600			* 33.67%	
Gratuity and other payments	Death gratuity		1,100	147.09%			
	Disabled pension		10,000			70%	
	Sathkara Piyasa	Number of persons called for the interview	30,000	101.9%			
Monthly pensions	Monthly pension (Civil)	Number of pensioners, who received benefits monthly	487,940*12	100%			
	Payment of gratuity and loan installments	Number of pensioners, who received benefits monthly				69.42%	
Social welfare	Three Armed Forces and Police	Number of pensioners, who received benefits monthly	41,494*12	100%			

Performance Indicators

Activity	Sub Activities	Performance	Estimated Amount	Actual output as a percentage of expected output (%)			
				100%-90%	75%-89%	50%-74%	Bellow 49%
Widows' and Orphans' Pension	Payment of Widows' and Orphans' Pension	Number of pensioners, who received benefits monthly	184,256*12	100%			
Income from contributions to Widows and orphans pension (Collection of income)	Central Government	Monthly Income	22,000**	99.86%			
	Provincial Councils	Monthly Income	12,150**	111.5%			
	Teachers' Widows' and Orphans' Pension	Monthly Income	276**	158.6%			
Refunding contributions made to Widows and orphans Pensions Fund	Civil	Number of beneficiaries	1000	119%			
	Armed Forces	Number of beneficiaries	1200	112%			
	Teachers' Widows' and Orphans' Pension	Number of beneficiaries	35	122.8%			
Public Services Provident Fund,	Number of the members in P.S.P. F	Number of new members-annual	7,200	428%			
	Payment of contribution	Number of beneficiaries	5,400		89.75%		
	Receipt of contributions	Monthly contribution 8% and 12%	960**		87.5%		
	Investments	New investments made during the year	9600**			73%	
Human Resources Development	Capacity development	Conducting training programmes as per training plan	18	211% (38) Programmes			

Activity	Sub Activities	Performance	Estimated Amount	Actual output as a percentage of expected output (%)			
				100%-90%	75%-89%	50%-74%	Bellow 49%
Hardware development activities	Purchase of finger scanners			100%			
System Development	PD6/Service Gratuity/W&OP new registration/Surcharge Software			100%			
System protection	CERT(New)			100%			
Enhancing the environment of the institution	Modification of Ramboda & Kelaniya Holiday Resort	Completion of all projects during the year 2022		100%			
Payment of the arrears of pension	Civil	Number of the pensioners	8,000	158.8%			
	Armed Forces						
	Anomalies						
Payment of foreign pension	Civil pension	Number of pensioners and widows		265	122%		
	Widows' and Orphans' Pension						
	Payment of the arrears of pension(Ten years revised pension awards)						
				170	98.8%		
				415	136.8%		

** Receipt of income

** The estimated pension revisions (centralized) for year 2022 was about 600 and only 202 were received during the year, which was 33.67%.

**** The estimated pension revisions (de-centralized) for year 2022 was about 3000 and only 1325 were received during the year, which was 44.16%.

5.1. Sustainable Development Goals identified

Objective/ Goal	Objective	Achievement index	Progress of achievements to date		
			0%-49%	50%-74%	75%-100%
End poverty in all its forms everywhere	1.3. By 2023, establish and improve equitable and sustainable social protection system and measures for all.	1.3.1.f.i. Proportion of older person receiving a state pension by sex			

5.2. Achievements and challenges in achieving sustainable development goals

A policy framework under the theme “Pension for All” has been presented to the decision making institutions with a proposal containing the aim of providing pension entitlement to every citizen in the country which yet to receive instructions for further actions.

Furthermore, it is informed that the Department of Pensions is not in a position under the legal provisions, regulations and policies of current Minutes on Pensions, Widows’/ Widowers’ and Orphans’ Pensions Ordinance to change (gender based) ratio of elders receiving pension which is vastly determined based on existing gender ratio of employees in public service.

It is emphasized that the gender ratio of elder persons receiving government pensions cannot be managed alone by the Department of Pensions even though it has been cited as a responsibility of the Department of Pensions in sub-index (1.3.1.f.i). Semi-government institutions have post-retirement benefit schemes such as Employees’ Provident Fund and if it is proposed to introduce pension schemes for temporary and self-employees, it is suggested to get the contribution of all parties attached thereto, especially the institutions such as Department of Labour, Ministry of Social Services and Agriculture Insurance Board that have closer connections with those sectors. Therefore, it is not practical to identify goals, data and measuring progress indices alone by the Department of Pensions without the involvement interference of any such other institutions.

06
Human Resources Profile

6.1. Cadre Management

	Approved Cadre	Existing Cadre	Vacancies (Excess)
Senior	34	27	07
Tertiary	11	06	05
Secondary	1078	1045	33
Primary	75	45	30
Total	1198	1123	75

6.3. Human Resource Development

Name of the Programme	No. of Cadre Trained	Training Period	Total Investment (Rs.)		Nature of the Programme (Local/ Foreign)
			Local	Foreign	
Induction training programme for newly recruited Development Officers	30	02 days	20,560.00		Local
Two days training programme for Pensions Officers to work as resource persons representing DOP	43	02 days	119,200.00		
Training programme on capacity development for Office Assistants	34	01 day	46,600.00		
Training on Payment Management system of pensions and payment of Widows' & Orphans' Pensions	250	01 day	Online		
Issues on payment of Widows' & Orphans' Pensions	200	01 day	Online		
Issues on payment of Armed Forces Pensions in system	220	01 day	Online		
Training on pension anomalies	220	01 day	Online		

Human Resource Profile

Training programme to raise awareness on database created to recover overpayments (surcharges)	200	01 day	Online		Local
Series of online training programme conducted for subject officers assigned with duties connected to the Department of Pensions (payment of centralized pensions, de-centralized pensions process, Registration under Widows'/ Widowers' and Orphans' Pension Scheme and payment of Death Gratuities & Payment of Widows'/ Widowers' and Orphans' Pension and Public Service Provident Fund)	1300	04 day	Online		
Issues related to the Administration Division for divisional staff	200	01 day	Online		
Issues with payment of monthly pensions	200	01 day	Online		
Duties of Divisional Secretaries in payment of pensions	250	01 day	Online		
Training programme conducted for newly transferred DO's to work at Divisional Secretaries	14	05 days	45,150.00		
Series of online training programme conducted for subject officers assigned on duties connected to the Department of Pensions (Tamil medium training) (Payment of de-centralized pensions, Payment of centralized pensions, payment of W.&O.P. and Death Gratuities, payment of Widows'/ Widowers' and Orphans' Pension and payment of Public Service Provident Funds)	450	04 day	Online		

Training programme on payment process of pensions conducted for Accountants serving in District and Divisional Secretariats	300	01 day	Online		Local
Online session conducted to discuss issues on information technology systems for Divisional staff.	170	01 day	Online		
Two days training programme conducted for the officers to be assigned on 'Sathkaraka Piyasa' de-centralizing programme.	12	02 days	10,850.00		
Training programme conducted on calculating rectified pensions for the allowance depicted in MOD/01/2021	30	01 day	Online		
Discussion held with the subject officers serving in Divisional Secretariats to solve the issues related to new database introduced to recover overpayments.	200	01 day	Online		
Two days training programme on office Administration conducted for the Development Officers/ Management Service Officers of the Department of Pensions (joined the DOP from year 2021 to date.)	65	02 day	-		
2 nd stage of the training programme series conducted for the subject officers assigned with duties connected to the Department of Pensions (payment of de-centralized pensions, payment of centralized pensions, payment of W.&O.P. and Death Gratuities, payment of Widows'/ Widowers' and Orphans' Pensions, Public Service Provident Fund)	450	05 day	Online		

Human Resource Profile

Training programme for the officers of 1970 Call Center to raise awareness on divisions of the Department	07	08 days	-		Local
Payment of Widows' and Orphans Pensions - Divisional staff	215	01 day	Online		
Payment of Armed Forces Pensions - Divisional staff	220	01 day	Online		
Counseling programme for officers of the D.O.P. regarding Working Environment/ Stress Management	88	01 day	12,000.00		
Training programme conducted by the Mobitel to raise awareness on public relations of the officers serving in 1970 Call Center.	09	01 day	14,760.00		
For Study Programmes					
Master's Degree – Mr.H.D.S.Kasun (payment of first, second and third installments)	01	01 year	127,500.00		Local
Master's Degree – Mrs.D.A.A.Sandamali (payment of first, second and third installments)	01	01 year	127,500.00		
Post Graduate Programme of Miss.T.Puvendran (payment of second, third and fourth installments)	01	01 year	250,000.00		
For Legal Officer's Efficiency Bar Examination	01	-	64,443.75		
Payment of installments for Tamil Language Course (150 hours)	63	150 hours	112,500.00		
Miss.W.C.Alwis (First installment of post graduate programme)	01	02 years	209,120.00		
Payment of final installment of MBA – Mrs.R.A.K.G.Perera	01	02 years	160,000.00		

Report of Compliance

Serial No	Requirement, which should be made applicable	Nature of compliance (Complied/ Not complied)	Clarification in brief if the answer is 'not complied	Corrective measure to be taken to avoid situation of noncompliance in future
1.	Following financial statements/ accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Advance account of public officers	Complied		
1.3	Business and production advance account (Commercial advance account)	Not relevant		
1.4	Stores Advance account			
1.5	Special advance account			
1.6	Other			
2.	Maintenance of books and registers (F.R. 445)			
2.1	Maintaining fixed assets register with necessary updating as per P.A. Circular No. 267/2018	Complied		
2.2	Maintaining wages and salaries register/ wage and salaries cards with necessary updating	Complied		
2.3	Maintaining audit queries register with necessary updating	Complied		
2.4	Maintaining internal audit report register with necessary updating	Complied		
2.5	Preparation of all monthly account summaries and submitting them to the General Treasury on due date (CIGAS)	Complied		
2.6	Maintaining cheques and money order register with necessary updating	Complied		
2.7	Maintaining inventory with necessary updating	Complied		
2.8	Maintaining stock register with necessary updating	Complied		

2.9	Maintaining losses and damages register with necessary updating	Complied		
2.10	Maintaining liabilities register with necessary updating	Complied		
2.11	Maintaining counterfoil register with necessary updating (GA - N20)	Complied		
3.	Assigning tasks for financial control (F.R. 135)			
3.1	Vesting powers for financial control within the institute	Complied		
3.2	Informing the vesting of powers for financial control within the institute	Complied		
3.3	Vesting powers so as to approve every transaction through two or more officers	Complied		
3.4	Taking action subject to the control of the Accountant when using software package for salaries as per Public Accounts Circular No.171/2004 dated 11.05.2004	Complied		
4.	Preparation of annual plans			
4.1	Preparation of annual action plan	Complied		
4.2	Preparation of annual procurement plan	Complied		
4.3	Preparation of internal audit plan	Complied		
4.4	Preparation of annual estimate and submitted same to the Department of National Budget on due date (NDB)	Complied		
4.5	Submission of annual cash flow statements to the Department of Treasury Operations on due date	Complied		
5.	Audit Queries			
5.1	Making replies for all audit queries on the date prescribed by Auditor General	Not Complied	There is a delay in replying for audit queries issued for Divisional Secretariats	

6.	Internal Audit			
6.1	Preparation of internal audit plan making discussions with auditor General at the beginning of the year as per Financial Regulations No.134 (2) DMA/1-2019	Complied		
6.2	Making answers for every internal audit report within a month	Complied		
6.3	Submitting the copies of all reports of internal audit to the Department of Auditor General as per sub section 40 (4) of National Audit Act No. 19 of 2018.	Complied		
6.4	Submitting the copies of all reports of internal audit to the Department of Auditor General as per Financial Regulations No. 134 (3)	Complied		
7.	Audit and Management Committee			
7.1	Conducting at least 04 meetings of the Audit and Management Committee during the relevant year as per DMA Circular No 1-2019	Complied		
8.	Management of assets			
8.1	Submitting the particulars on purchase and disposal of assets to the Comptroller Generals Office as per Assets Management Circular No 01/2017	Complied		
8.2	Appointment of an officer suitable to implement the provisions of the chapter 13 of above mentioned circular and submitting the particulars of the said officer to the Comptroller Generals Office	Complied		
8.3	Conducting boards of surveys and submitting relevant reports to the Auditor General on due date as per Public Finance Circular No 01/2020	Complied		

8.4	Rectifying excesses, deficits revealed from the board of survey during the period prescribed by the circular and implementing recommendations given.	Complied		
8.5	Disposal of unserviceable items as per F.R. 772	Complied		
9.	Management of vehicles			
9.1	Preparation of daily running charts and monthly summaries for pool vehicles and submitting them to the Auditor General on due date	Complied		
9.2	Disposal of vehicles less than 06 months from the date on which they became unserviceable	Complied	No condemned vehicles were in year 2022	
9.3	Maintaining log books on vehicles with necessary updating	Complied		
9.4	Taking action as per Financial Regulations No. 103, 104, 109 and 110 on every vehicle accident	Complied		
9.5	Re examination of fuel consumption of vehicles as per the provisions mentioned in para 3.1 of the Public Administration Circular No.30/2016 dated 29.12.2016.	Complied	As a limited number of fuel has been issued by filling stations due to prevailing fuel crisis, it has been difficult to conduct fuel emission tests	
9.6	Getting the ownership of leased vehicles transferred at the end of the period of lease.	Complied		
10.	Management of bank accounts			
10.1	Preparation of bank reconciliation statements and submitting them for auditing on due date after certifications	Complied		
10.2	Settling inactive bank accounts which were brought forward from the year under review or previous years	Complied		

10.3	Taking action as per financial regulations on the balances to be adjusted and revealed from bank reconciliation reports and settling them within a period of one month	Complied		
11.	Utilization of provisions			
11.1	Spending provisions so as not to exceed the limits prescribed	Complied		
11.2	Entering in to liabilities as per F.R.94 (1) so as not to exceed the limit at the end of the year after utilizing provisions	Complied		
12.	Advance B account of public officers			
12.1	To be complied with limits	Complied		
12.2	Making a time analysis on outstanding loan balances	Complied		
12.3	Settling loan balances which were remaining in arrears for more than one year	Not Complied	All loan balances which was possible to settle has been settled.	Actions are being taken to settle all unsettled loans in due course
13.	General deposit account			
13.1	Taking action on deposits which are expired as per F.R. 571	Complied		
13.2	Maintaining the control account for general deposit with necessary updating	Complied		
14.	Imprest account			
14.1	Remitting the balance of the cash book at the end of the year under review to the Department of Treasury Operations	Complied		
14.2	Settling ad hoc interim imprest issued as per F. R. 371 within one month from the date of completion of the relevant work	Complied		

14.3	Issuance of ad hoc interim imprest so as not to exceed approved limit as per F.R. 371	Complied		
14.4	Reconciling the balance of imprest account monthly with the books of General Treasury	Complied		
15.	Revenue account			
15.1	Making refunds from the collected income in consistent with the relevant regulations	Complied		
15.2	Crediting directly the collected income to the income instead of crediting them to the deposit account	Complied		
15.3	Submission of the reports on income in arrears as per F.R. 176	Complied		
16.	Human Resources Management			
16.1	Maintaining the staff within the approved limit	Complied*		
16.2	Issuing duty lists in writing to every member of the staff	Complied		
16.3	Submitting all reports to the Department of Management Services as per MSD circular No.04/2017 dated 20.09.2017	Complied		
17.	Providing information to General Public			
17.1	Maintaining a register for the provision of information with necessary updating and appointing an information officer as per Right to Information Act.	Complied		
17.2	Information of the institute has been given through the website and making facilities for general public through website or alternative ways to publish their commendations/allegations	Complied		
17.3	Submitting reports once or twice a year as per section 08 and 10 of Right To Information Act.	Complied (Once a year)		

18.	Implementing the Citizens Charter			
18.1	Formulation and implementation of a citizens/ recipients charter as per Public Administration Circular No.05/2008 and 05/2018 (1)	Not Complied	The Citizen Charter prepared as per the functions of institution is being implemented	
18.2	Preparation of a method for the supervision and evaluation of the preparation and implementation of citizens/ recipients charter as per para 2.3 of the aforesaid circular.	Not Complied		
19.	Formulation of Human Resource Plan			
19.1	Preparation of a human resource plan based on the annex 02 of Public Administration Circular No 02/2018 dated 24.01.2018.	Not Complied	Human resources plan as per the requirements of the institution has been prepared.	
19.2	Assuring in the above mentioned human resource plan a training opportunity at least of not less than 12 hours per year for every member of the staff.	Complied		
19.3	Signing annual performance agreements for the whole staff based on the specimen indicated in annex 01 of the above mentioned circular.	Not Complied	This agreement is signed for Staff Officers only.	
19.4	Appointing a senior officer assigning responsibilities for the preparation of human resources plan, enhancement of capacity development programmes, implementation of skill development programmes as per para 6.5 of the above circular	Complied		

20.	Making responses to audit paras			
20.1	Rectifying the defects pointed out by the Auditor General through audit paras issued for previous years	Complied	Shortcomings have been rectified and not rectified shortcomings will be settled in due course.	

* Pension officers are periodically recruited for the post of development officers, and currently 92 development officers have been referred to this department under the unemployed graduate's employment program (2020). Therefore a request has been made to the management department to approve 92 new development officers in addition to the currently approved officers.



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இலங்கை ஓய்வு
Sri Lanka Pensions

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ஓய்வூதியத் திணைக்களம், மாளிகாவத்தை, கொழும்பு -10.
Department of pensions, Maligawaththa, Colombo 10

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