



# **National Council for Road Safety**

**Annual Report - 2021**

**Ministry of Transport  
No. 01, D.R. Wijewardena Mawatha,  
Colombo-10.**

## **Vision**

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A safe road system for all

## **Mission**

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Creating a road accident free society for sustainable development.

## **Office of the National Council for Road Safety**

The National Council for Road Safety is established in the premises of the Ministry of Transport at the address, No. 01, D.R.Wijewardana Mawatha, Colombo 10.

Official address -

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

Telephone	-	0112696890 /0112674162 / 0112687109
Fax number	-	0112680163
Email Address	-	ncrstransport@gmail.com

# Consents

**Annual report - 2021**  
**(from 01.01.2021 to 31.12. 2021)**

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## **National Council for Road Safety**

### **Introduction**

The National Council for Road Safety has been established under Sections 213a and 213b of the Motor Traffic (Amendment) Act No. 05 of 1998, as a body governed by the Ministry of Transport. Accordingly, the National Council for Road Safety is a body consisting of 17 representatives from 16 government agencies and one non-governmental agency, including a chairman appointed by the Minister in charge of the subject of transport. All these institutions that represent the National Council for Road Safety are government institutions bearing responsibility for the subject of transport and road safety in this country. The funds required for the functioning of the National Council for Road Safety is provided by insurance companies regulated by the Insurance Regulatory Commission of Sri Lanka. The fund of the National Council for Road Safety is stated about in the Government Gazette Extraordinary No. 1368/18 dated November 24, 2004. According to the said orders, an amount of one percent (1%) of the insurance premium shall be credited to the fund of the National Council by every insurance company or person, who insure an insurance policy or a guarantee regarding a risk of the third party, as the case may be, and the relevant order should be enforceable from 01st December 2004. Through the Government gazette extraordinary number 2245/31 issued by the Minister of Transport on September 17, 2021, the contribution from the insurance premium has been increased to 2% from October 1, 2021. The functions to be performed by this fund have been stated in the Government's Gazette Extraordinary No. 1387/04 issued on April 4, 2005.

One such main function assigned to the Council is to provide cash compensations as approved by the Council in respect of the people who die or become disabled in accidents, after ascertaining that the vehicles that fled after being involved in such road accidents cannot be identified.

The money being deposited in this fund can be used for the tasks of ensuring road safety, reducing accidents, preventing pedestrians and passengers from meeting with accidents, advising the Minister in charge of the subject in raising public awareness and introducing necessary new laws or amending the existing laws, and as a whole, by prevention all oppressive acts.

Also, all administrative and other expenses related to road safety should be borne by this fund.

## Members of the National Council for Road Safety

01. Mr. R. L. Anton de Mens - Chairman, National Council for Road Safety
02. Mr. A. M. R. J. K. Jayasinghe - Secretary, National Council for Road Safety
03. Ms H.P. Shiromi Ratnayake - Accountant, National Council for Road Safety
04. Mr. R.M.M. Ratnayake - Additional Secretary (School Affairs) Ministry of Education
05. Mr. M.M. Naimudeen - Additional. Secretary (Project Monitoring), Ministry of Provincial Councils and Local Government.
06. Mr. Sumith C.K. Alahakoon - Commissioner General of Motor Traffic, Department of Motor Traffic.
07. Mrs. R.A.K. Renuka - Senior Assistant Secretary (Railwa Admin.), Ministry of Transport.
08. Mr.H.A.K. A.Indika Hapugoda - Senior Superintendent of Police, (Director, Traffic Control and Road Safety) Department of Police, Sri Lanka
09. Dr. H.R. Pasidu - Senior Lecturer, University of Moratuwa
09. Dr. H.R. Pasidu - Senior Lecturer, University of Moratuwa
10. Mr. Shashi Welgama - Chairman, National Transport Commission
11. Mr. Dhammika Atigala - President, Sri Lanka Automobile Association.
12. Mr. Gihan Ramanayake - Chairman, Sri Lanka Accident Prevention Association.
13. Ms. C.P.I. De Silva - Senior Executive Officer, Sri Lanka Insurance Regulatory Commission.
14. Mr. G.G.M. Kulathilaka - Chief Executive Officer, Sri Lanka Transport Board.
15. Mrs. K.S.M. Samarasekara - Chief Medical Officer, National Transport Medical Institute.
16. Mr.C.W.C.K. Dharmasena - Director, Department of Management Sevices, Ministry of Finance.
17. Mr.G.W.G. Abeygunawardena - Director (Urban Development and Special Projects) Urban Development Authority.
18. Mr.D.M.K.S. Dissanayake - Director (Engineering), Ministry of Highways.
19. Mr. P.A. Chandrapala - Director (Engineering) (Vehicle Design and Road Safety), Colombo Municipal Council.
20. Mr. R.A. Sudath - Director (Infrastructure Development and Road Safety Management) Road Development Authority.

## **Staff of the National Council for Road Safety**

01. Mr. R. L. Anton de Mens - Chairman, National Council for Road Safety
02. Mr. A. M. R. J. K. Jayasinghe - Secretary, Chairman, National Council for Road Safety (Acting)
03. Ms. H.P. Shiromi Ratnayake - Accountant, National Council for Road Safety (Acting)
04. Ms. J.DR Jayasinghe - Development Officer
05. Mr.E.G. S. Ekanayake - Development Officer
06. Mrs. K. E. Priyarangani - Development Officer
07. Mrs. P. A. Chitrani Jayatissa - Management Service Officer
08. Ms. S.A.K.A. Samarasinghe - Graduate Trainee
09. Ms.W.A.A.W.Wikramaarachichi - Graduate Trainee
10. Ms.D. C. B. D. Dias - Graduate Trainee
11. Mr. M.A.N.S. Jayathilaka - Graduate Trainee
12. Mr. P. A. Ruwan - Clerk
13. Mr. K. L. D. N. Jayawardena - Office Employee Service
14. Mr. GA Buddhika Prabhat - Technical Assistant
15. Mr. K. Mahesh Sanjeeva - Technical Assistant
16. Mrs. K. D. Harshika Dilhani - Office employee
17. Mrs.A.P.T. Harshani Sandamali - Railway Work Assistant

## **Objectives of the National Council for Road Safety**

1. Prepare the background required to create a high quality driving service through the creation of disciplined and law abiding drivers.
2. Provision of financial assistance for the families affected by hit and run accidents and the minimization of such accidents.
3. Identification and implementation of measures for the protection of the road, vehicles used thereon, and passenger as well as the pedestrians.
4. Collecting data, conducting surveys and researches on road safety, and developing international co-ordination.
5. Implementation of national road safety policies and minimizing the arising weaknesses jointly with the public sector, NGOs and private sector institutes.
6. Taking necessary measures to rehabilitate people who become disabled due to road accidents.
7. Providing financial support and advice for adopting economically, technically and socially feasible activities and environmentally friendly safety measures related to ensuring road safety and reducing road accidents.
8. Contributing to the formulation of the National Transport Policy and its implementation.
9. Providing necessary contribution to activities such as amendment of the laws related to road safety.

## **Duties and Powers of the National Council for Road Safety**

Through the Government Gazette Extraordinary No. 1387/4 issued on April 4, 2005, the National Council for Road Safety has been assigned its duties and functions and vested with the power to discharge such duties and functions. The duties to be performed by the National Council for Road Safety Council as ordered by the said Gazette notification are as follows.

- 1) Maintain a computerized database on the following:
  - Vehicle population, its features and composition
  - Traffic accidents / deaths
  - Domestic and international statistics on road safety
- 2) Maintain a library on the subject of road safety.
- 3) Collect data and conduct research on road safety-related subjects
- 4) Assist research on road safety-related subjects
- 5) Liaise with similar international organizations and share experience and expertise.
- 6) Disperse knowledge and information to relevant government and non-government agencies responsible for road safety and related projects.
- 7) Formulate and implementation of road safety projects.
- 8) Coordinate road safety related activities within government and non-governmental organizations.
- 9) Payment of compensation for victims of accidents caused by unidentified vehicles.
- 10) Solicit financial and other support for road safety functions.
- 11) Advice the government on road safety related policies and programs

## Activities of the National Council for Road Safety in the year 2021.

### ➤ Road safety management

#### ❖ Establishment of the National Council for Road Safety as “National Transport Safety Commission”.

In relation to the establishment of the National Council for Road Safety as the National Transport Safety Commission, the Cabinet of Ministers granted approval for the establishment of the relevant commission subject to conditions, and the relevant draft has been forwarded to the Legal Draftsman on 11.30, 2021.

#### ❖ Formulation of an action plan related to reducing road traffic accidents for the years 2022-2024.

The action plan for the years 2022-2024 was prepared and presented to the Minister, Hon. Pavitra Vanniarachchi and the Secretary to the Ministry at the International Road Accident Victims Day celebration held on 01.12.2021.



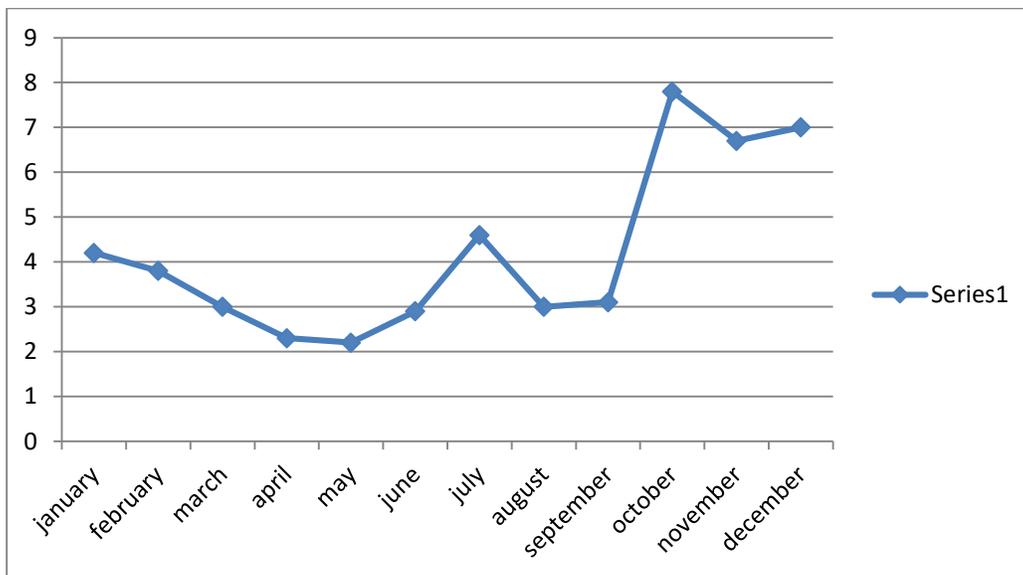
The 2022-2024 action plan for reducing road traffic accidents being presented to Hon. Minister

❖ **Conducting research focusing on reducing road accidents.**

It has planned to carry out 03 research on reducing road traffic accidents, and as the first of such research, the research, "reducing motorcycle accidents" has been referred for the recommendation of the Department Consultative Procurement Committee and initial work has been started on the second research, "pedestrian deaths on the road" .

❖ **Enhancing the Road Safety Fund of the National Council for Road Safety.**

The 1% contribution remitted by the insurance companies to the Road Safety Fund was increased up to 2% through the Gazette extraordinary No. 2245/31 dated 01.10.2021 issued under the signature the Hon. Minister.



➤ **Establishment of road accident data management system.**

A project report has been prepared for purchase of Technical equipment worth Rs.37.99 million required for island wide implementation of the Sri Lanka Data Analysis Management System currently being implemented by the Sri Lanka Traffic Police Headquarters in the Western and Central Provinces, and after obtaining approval from the Ministry of Finance for the same through the Ministry of Transport, required subsequent actions are being followed.



Checking the data system established at Traffic Police Headquarters

❖ **Establishment of an electronic library related to road safety (E-Library)**

An electronic library (E-Library) was established at the International Road Accident Victims Day celebration on 01.12.2021 for facilitating reference of information, reports, data about road accidents in Sri Lanka, international road accident reports and data, vehicle sizes and their composition in Sri Lanka.



Establishment of an E-library at the National Council for Road Safety.

➤ Establishment of a safe road system

- ❖ Installation of awareness boards at places where traffic accidents are common (Black spot) and at public places.

Having identified the common places of traffic accident through analysis of traffic accident data, action has been taken to put up awareness boards at the places where the public highly hangs. Accordingly, 02 of such awareness boards were installed near each of the 03 locations, that is, the main road to Madu Church in Mannar district, the main SLTB bus stand in Colombo and the main SLTB bus stand in Jaffna.



Near the main road to Madu Church



Near the SLTB bus stand in Colombo



Main SLTB bus stand in Jaffna

❖ **Implementation of programs to ensure the safety of railway passengers and pedestrians using railway crossing**

In order to prevent pedestrians using railways and railway crossings from getting into accidents, the Department of Railways of Sri Lanka has set up 180 awareness boards at 90 identified railway stations under the establishment of awareness boards at places where train accidents are common.



Installation of awareness boards near railway crossings - Kolonnawa

➤ **Safety of road users**

❖ **Road Safety Children’s Park Programme.**

The bicycles needed for the children's park have been purchased and will be delivered to the Colombo Municipal Council.

❖ **“School Road Safety Zones” program and awareness program**

Implementation of the "School Road Safety Zone" program with the participation of the students and teachers of the selected school and those of 10 surrounding schools in the areas where road traffic accidents are common.

With a view to making children aware of road signs, installation of awareness boards in and around the school, educating children about road safety through scholarly lectures, and also educating them about the correct first aid to be given in the event of an accident, and awarding of prizes and certificates to the participating children were carried out through this program.



Dharmasena Atigala College - Kesbewa



Dharmasena Atigala College - Kesbewa

❖ **Appreciation of persons and institutions rendering services to ensure road safety.**

Appreciation of the service of 11 consisting of 09 persons and 02 institutions that render services to ensure road safety was carried out at the Makumbura Multimodal Center on 01.12.2021 at the event conducted by the National Council for Road Safety in coincidence with the International Road Accident Victims Day celebration that had fallen for the third week of November, under the patronage of Minister of Transport, Hon.Pravitra Vanniarachchi and with the participation of the Secretary to the Ministry and the distinguished guests.



Appreciation of persons and institutions rendering services to ensure road safety.

❖ **Implementation of programs to reduce road accidents caused by excessive speed.**

Provision of technical equipment to the Sri Lanka Police under the implementation of the orders given by the Government Accounts Committee. Laser TrueCam speedometers, luminous meters for dark glass testing and noise meters for sound testing are to be provided under the programme. .

❖ **Implementation of road safety awareness programs.**

Islandwide awareness programs are implemented by the National Council for Road Safety on the importance of the SLS 517 standard helmet for the safety of the lives of motorcyclists who are more likely to face accidents, and on the facts to be aware of in driving motorcycles. Hon. Gamini Lokuge, the Minister of Transport, Hon Lasantha Alagiyawanna, the Secretary to the Ministry of Transport and the Chairman of and the Secretary to the National Council for Road Safety participated in this event.





❖ **Raising awareness among the expressway drivers.**

Handouts were printed and distributed at the Expressway entrance at Kottawa to educate the motorists who use the expressway on road accidents.



Distribution of handouts at the Expressway entrance at Kottawa

❖ Implementation of public awareness programs through the methods such as social media networks (Youtube, Twitter).

Launching awareness programs on reducing traffic accidents, traffic accident data, places where traffic accidents occur, interviews etc. using social media networks (Facebook, YouTube Chanel, Instagram, Twitter) for raising the awareness of the people who are leading a busy life, took place on 01.12.2021 under the patronage of Hon. Pavithra Wanniarach, the Minister of Transport, at the celebration held at the Makumbura Multimodal Center to mark the International Road Accident Victims Day. Also, 04 short videos are currently being circulated through electronic media.



Briefing the Hon. Minister about the implementation of social media networks



❖ **Creation of Awareness through short videos.**

06 short videos were created and disseminated through electronic media to



educate the public on the reduction of road accidents. The council incurred 3.06 million for this purpose.

❖ **Raising the new driving license recipients' awareness through text messages (SMS).**

Implementation of awareness programs through text messages (SMS) for the fresh recipients of driving license for riding motorcycles in collaboration with the Department of Motor Traffic.

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නියමිත කෙටි පණිවුඩය

**NCRS**

Riyaduru balapathrayak  
illum kala oba vinaya Garuka  
riyadureku karaveema apage  
balaoroththuwai. Obageth an  
ayageth jeevitha arkshawata  
niwaradiwa riya padavimata  
puhunu wanna.

Marga arakshawa pilibada jathika  
sabhawa

**NCRS**

Riyaduru balapathrayak  
labagath oba vinaya Garuka riya  
padavimata badi atha. Samage  
jeevitha arkshawa obage  
wagakimai.

Marga arakshawa pilibada jathika  
sabhawa

❖ **Provision of test kits to the Sri Lanka Police to identify drivers driving under the influence of drugs.**

The National Council for Road Safety has provided a sum of Rs. 10 Mn to the State Ministry of State Security and Disaster Management for purchase of test kits for detecting the drivers driving under the influence of drugs.



❖ **Implementation of programs to reduce road accidents on rural roads.**

The Council has started installation of signboards related to the proposals identified by the Southern and North- Western Provincial Councils to implement on rural roads with high accidents.



Near Obeysekera College, Ambalantota



Weerakatiya Walasmullapassapitiya road

❖ **Implementation of programs to reduce road traffic accidents around wildlife crossing points.**

The Department of Wildlife has on various occasions informed the National Council for Road Safety that road accidents are high at wildlife crossing points.

Approval is due to be sought from the Ministry for carrying out procurement related to installation of awareness boards at the wildlife crossings identified by the Road Development Authority in the road safety audit and referred to the National Council on Road Safety.



Dambulla Bakamoona Kalagahawila



Yala

❖ **Providing financial relief to uninsured victims of hit and run accidents.**

Financial relief was provided for the victims approved by the Standing Committee and the National Council for the year 2021, and the awarding of financial relief took place under the patronage of the then Minister of Transport, Mr. Gamini Lokuge and the current Minister of Transport, Mrs. Pavitra Vanniarachchi.

Serial No.	Year	Reason	quantity	amount
1	2021	Serious Injuries	26	2,575,000.00
2		Deaths	19	3,800,000.00
		Total amount	45	6,375,000.00



Providing financial relief to victims.  
Makumura Multimodal Transport Centre

❖ **Awareness about providing financial relief.**

A wide media coverage on the financial assistance being provided to the victims of hit and run accidents was given by Easy TV.



## Number of road accidents in the island in 2021

Year	Fetal	Critical	Minor	Causing damage	Total	Deaths
2021	2414	6401	8070	5434	22319	2513

Source - Traffic Police Headquarters

## Number of deaths by road users

Road users	2021
Motor cyclists	1124
Pedestrians	612
Foot cyclists	182
Passengers	264
Drivers	298

Source - Traffic Police Headquarters

## Vehicles responsible for fatal accidents in the year 2021

<b>Vehicle responsible</b>	<b>No. of accidents</b>
Motor cycles	911
Lorries	376
Three wheelers	330
Dual purpose vehicles	321
Cars	177
Private buses	129
SLTB buses	37
Tractors	30
Foot cycles	22
Containers	35
Land vehicles	13
Hit and run accidents	33

Source - Traffic Police Headquarters

## Registered insurance companies contributing to the Road Safety Fund.

1. Amana Takaful Insurance Company - No 660 1/1, Galle Road, Colombo - 03.
2. Allianz Insurance Company - No 675, Danister de Silva Avenue, Colombo - 09.
3. Ceylinco Insurance Company - 3rd Floor, “Ceylinco House”, No 69, Jandhipahi Mawatha, Colombo - 01.
4. Continental Insurance Company - No 79, C.W.W. Kannangara Mawatha, Colombo – 07
5. S. Cooperative Insurance Company - “Co-op Insurance House”, No. 74/05, Grandpass Road, Colombo - 14.
6. H.N.B. Insurance Company - Business Centre, No 30, Sri Uttarananda Mawatha, Colombo - 03.
7. L.O.L.C. Insurance Company - No 481, TB Jaya Mawatha, Colombo - 10.
8. National Insurance Trust Fund - No 95, UPTO House, Sri Chitthampalam A Gardiner Mawatha, Colombo-02.
9. MBSL Insurance Company - No. 519, TB Jaya Mawatha, Colombo – 07
10. Orient Insurance Company - No. 133, New Bullers Road, Colombo 04.
11. People's Insurance Company - No 07, Havelock Road, Colombo - 05.
12. C/S Sanasa Insurance Company - No. 340/2/1, R.L.A. The Path, Colombo - 03.
13. Sri Lanka Insurance Company - “Rakshana Mandiraya”, No 21, Vauxhall Street, Colombo 02
14. Fairfirst Insurance Company – Access Tower 2, No. 278/4, Union Place, Colombo 02.

# **FINANCIAL STATEMENTS - 2021**

**NATIONAL COUNCIL FOR ROAD SAFETY  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

		<b>2021</b>	<b>2020</b>
	<b>NOTES</b>	<b>RS.</b>	<b>(Restated) RS.</b>
<b>INCOME</b>			
CONTRIBUTION FROM INSURANCE COMPANIES	3	51,719,745.46	43,863,780.39
OTHER INCOME	4	22,577,038.49	27,368,261.35
<b>TOTAL INCOME</b>		<b>74,296,783.95</b>	<b>71,232,041.74</b>
<b>LESS- EXPENSES</b>			
ADMINISTRATION EXPENSES	5.1	8,064,887.54	5,093,174.62
ROAD SAFETY MANAGEMENT PROGRAMS	5.2	40,233,821.35	4,275,000.00
<b>EXCESS OF INCOME OVER EXPENDITURE</b>		<b>25,998,075.06</b>	<b>61,863,867.12</b>

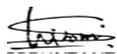
**NATIONAL COUNCIL FOR ROAD SAFETY  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31ST DECEMBER 2021**

	NOTES	2021 RS.	2020 (Restate) RS.
<b>ASSETS</b>			
<b><u>NON CURRENT ASSETS</u></b>			
PROPERTY, PLANT & EQUIPMENT	6	5,306,508.68	6,497,516.50
<b>TOTAL NON CURRENT ASSETS</b>		<b>5,306,508.68</b>	<b>6,497,516.50</b>
TREASURY BILLS	7	282,381,122.40	269,074,920.47
FIXED DEPOSITS	8	177,523,869.46	142,801,605.20
<b><u>CURRENT ASSETS</u></b>			
RECEIVABLE FROM INSURANCE COMPANIES	3	7,037,439.32	3,882,145.32
TREASURY BILL INTEREST RECEIVABLE	7	1,763,859.33	1,362,012.58
FD INTEREST RECEIVABLE	8	4,278,193.42	4,771,789.38
PREPAYMENTS		133,375.08	25,640.03
CASH AT BANK	9	31,111,579.92	55,271,347.81
<b>TOTAL CURRENT ASSETS</b>		<b>44,324,447.07</b>	<b>65,312,935.12</b>
<b><u>LESS - CURRENT LIABILITIES</u></b>			
AUDIT FEES PAYABLE		200,000.00	338,000.00
OTHER PAYABLES		32,818.91	43,923.65
		232,818.91	381,923.65
<b>TOTAL ASSETS</b>		<b>509,303,128.70</b>	<b>483,305,053.64</b>
<b>NATIONAL COUNCIL FOR ROAD SAFETY FUND A/C</b>			
FUND ACCOUNT BALANCE B/F		483,305,053.64	421,441,186.52
EXCESS OF INCOME OVER EXPENDITURE		25,998,075.06	61,863,867.12
<b>TOTAL FUNDING</b>		<b>509,303,128.70</b>	<b>483,305,053.64</b>

THE SIGNIFICANT ACCOUNTING POLICIES AND THE NOTES FROM THE PAGE 5 TO 14 ARE INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

**CERTIFICATION**

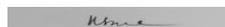
WE CERTIFY THAT THE ABOVE FINANCIAL STATEMENTS GIVE A TRUE AND FAIR VIEW OF AFFAIRS AS AT DECEMBER 31, 2021 AND ITS SURPLUS/(DEFICIT) FOR THE YEAR ENDED DECEMBER 31, 2021. THE COUNCIL IS RESPONSIBLE FOR THE PREPARATION AND PRESENTATION OF THESE FINANCIAL STATEMENTS. THESE FINANCIAL STATEMENTS WERE APPROVED BY THE COUNCIL AND SIGNED ON BEHALF OF THEM.



ACCOUNTANT (Covering)

NATIONAL COUNCIL FOR ROAD SAFETY

**H. P. S. Rathnayake**  
Accountant  
Ministry of Vehicle Regulation, Sub-Transport Services and T  
Congestion and Motor Car Industry,  
3rd Floor, Setuwardhana (Phase II)



Dr. (Mrs.) K.S.M. Samarasinghe  
Chief Medical Officer  
M.B.B.S. (SCMC) PGD (C.C.E.S.)  
N.C.R.S. (No. 170)  
National Transport Medical Institute  
No. 170, High Level Road,  
Nuwara



Director  
Infrastructure, Road Safety &  
Traffic Management Division  
Road Development Authority



CHAIRMAN

NATIONAL COUNCIL FOR ROAD SAFETY

**R.L. Anton De Mens**  
Chairman  
National Council for Road Safety  
Ministry of Transport -  
No. 01  
D.R. Wijewardhana Mawatha  
Colombo - 10

**NATIONAL COUNCIL FOR ROAD SAFETY  
INDIRECT METHOD CASH FLOW STATEMENT  
FOR YEAR ENDED 31 DECEMBER 2021.**

	<b>2021</b>	<b>2020</b> <b>(Restated)</b>
	<b>RS.</b>	<b>RS.</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	25,998,075.06	61,863,867.12
PROFIT BEFORE TAXATION		
<i>ADJUSTMENTS FOR</i>		
PRIOR YEAR ADJUSTMENTS (NET)	1,231,331.82	1,230,021.59
DEPRECIATION	-	-
GRANT OF FIXED ASSET	(22,577,038.49)	(27,368,261.35)
INTEREST INCOME	4,652,368.39	35,725,627.35
<b>OPEARATING PROFIT BEGORE WORKING CAPITAL CHANGES</b>		
<b>WORKING CAPITAL CHANGES</b>	(3,171,279.84)	(2,621,888.70)
DECREASE/ (INCREASE) IN TRADE AND OTHER RECEIVABLES	(149,104.74)	(107,327.36)
INCREASE /(DECREASE) IN TRADE AND OTHER PAYABLES	1,331,983.81	32,996,411.29
<b>CASH GENERATED FROM OPERATIONS</b>	1,331,983.81	32,996,411.29
NET CASH FROM OPERATING ACTIVITIES		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	(40,324.00)	-
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	22,577,038.49	27,368,261.35
INTEREST RECEIVED	(34,722,264.26)	(51,194,871.93)
FD REINVESTMENT	(13,306,201.93)	(16,776,952.07)
TREASURY BILL REINVESTMENT	(25,491,751.69)	(40,603,562.65)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	-	-
PROCEEDS FROM ISSURE OF SHARE CAPITAL	-	-
PROCEEDS FROM LONG TERM BORROWINGS	-	-
PAYMENT OF FINANCE LEASE LIABILITIES	-	-
DIVIDENDS PAID	-	-
NET CASH USED IN FINANCING ACTIVITIES	(24,159,767.89)	(7,607,151.40)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>55,271,347.81</b>	<b>62,878,499.21</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>31,111,579.92</b>	<b>55,271,347.81</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		

**NATIONAL COUNCIL FOR ROAD SAFETY  
STATEMENT OF CHANGES IN EQUITY  
AS AT 31ST DECEMBER 2021**

	FUND A/C RS.	TOTAL RS.
BALANCE AS AT 01/01/2017	260,040,799.57	260,040,799.57
		-
EXCESS OF INCOME OVER EXPENDITURE	40,561,344.97	40,561,344.97
	<u>300,602,144.54</u>	<u>300,602,144.54</u>
BALANCE AS AT 31/12/2017		
EXCESS OF INCOME OVER EXPENDITURE <b>(RESTATED)</b>	59,487,763.56	59,487,763.56
	<u>360,125,892.14</u>	<u>360,125,892.14</u>
BALANCE AS AT 31/12/2018		
EXCESS OF INCOME OVER EXPENDITURE <b>(RESTATED)</b>	61,315,294.39	61,315,294.39
	<u>421,441,186.52</u>	<u>421,441,186.52</u>
BALANCE AS AT 31/12/2019 (RESTATED)		
EXCESS OF INCOME OVER EXPENDITURE <b>(RESTATED)</b>	61,863,867.12	61,863,867.12
	<u>483,305,053.64</u>	<u>483,305,053.64</u>
BALANCE AS AT 31/12/2020		
EXCESS OF INCOME OVER EXPENDITURE	25,998,075.06	25,998,075.06
	<u>509,303,128.70</u>	<u>509,303,128.70</u>
BALANCE AS AT 31/12/2021		

**NATIONAL COUNCIL FOR ROAD SAFETY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

**1 CORPORATE INFORMATION**

**1.1 GENERAL**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 GENERAL ACCOUNTING POLICIES**

**2.1.1 BASIS OF PREPARATION**

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

**2.1.2 STATEMENT OF COMPLIANCE**

THESE STATEMENTS OF FINANCIAL POSITION, FINANCIAL PERFORMANCE, CHANGES IN EQUITY AND CASH FLOWS, TOGETHER WITH ACCOUNTING POLICIES AND NOTES OF THE COUNCIL AS AT 31 ST DECEMBER 2021 AND FOR THE YEAR THEN ENDED, ARE COMPLIED WITH SRI LANKA PUBLIC SECTOR ACCOUNTING STANDARDS.

**2.2 ASSETS & BASES OF THEIR VALUATION**

**2.2.1 PROPERTY, PLANT EQUIPMENT**

(a) PROPERTY PLANT & EQUIPMENT ARE RECORDED AT COST LESS ACCUMULATED DEPRECIATION. IN 2018 A REVALUATION OF ASSETS WERE PERFORMED AND ASSETS WHICH WERE ON THAT DATE ARE CARRYING AT REVALUED AMOUNT LESS ACCUMULATED DEPRECIATION.

## **b) DEPRECIATION**

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

THE PRINCIPAL ANNUAL RATES USED AS FOLLOWS

1.	COMPUTER	25%
2.	PHOTOCOPY/ PRINTERS MACHINE	12.5%
3.	AIR CONDITIONER	12.5%
4.	MACHINERY & OTHER ASSETS	12.5%
5.	FURNITURE AND FITTINGS	10%
6.	DRIVING LEARNING MACHINE	10%
7.	CAMERA EQUIPMENTS & REFRIGERATOR	25%

THE DEPRECIATION RATES OF PROPERTY, PLANT & EQUIPMENTS

### **2.3 INVESTMENTS**

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

#### **(a) CURRENT INVESTMENTS**

CURRENT INVESTMENTS ARE STATED AT COST AND INTEREST INCOME FROM TREASURY BILLS ARE REINVEST AT MATURITY.

### **2.4 LIABILITIES & PROVISIONS**

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

#### **2.4.1 OTHER PAYABLES**

CREDITORS AND OTHER PAYABLES ARE STATED AT THEIR BOOK VALUES.

#### **2.4.2 PROVISIONS**

PROVISIONS ARE RECOGNIZED WHEN THE COUNCIL HAS A PRESENT OBLIGATION AS A RESULT OF A PAST EVENT, WHERE IT IS PROBABLE THAT AN OUT FLOW OF RESOURCES EMBODYING

**EMBODYING ECONOMIC BENEFITS WILL BE REQUIRED TO SETTLE THE OBLIGATION AND A RELIABLE ESTIMATE CAN BE MADE OF THE AMOUNT OF THE OBLIGATION.**

**2.5 REVENUE ROAD SAFETY FUND**

FOURTEEN REGISTERED VEHICLE INSURANCE COMPANIES CONTRIBUTED 1% OF ALL THIRD PARTY INSURANCE POLICIES'PREMIUMS AND FROM OCTOBER 01<sup>ST</sup> 2021 IT IS INCREASED UP TO 2%. INSURANCE COMPANIES SHOULD PAY THEIR MONTHLY CONTRIBUTION BEFORE THE 15<sup>TH</sup> OF FOLLOWING MONTH.

**2.6 STAFF**

THE NATIONAL ROAD SAFETY SECRETARIAT IS THE IMPLEMENTING ARM OF THE NATIONAL COUNCIL FOR ROAD SAFETY.THE OTHER SUPPORTING STAFF HAS BEEN TRANSFERRED TO THE ROAD SAFETY SECRETARIAT FROM THE MINISTRY OF TRANSPORT. THE SALARY OF MINISTRY STAFFS IS PAID BY THE MINISTRY OF TRANSPORT.

**2.7 ERRORS**

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

- (A) RESTATING THE COMPARATIVE AMOUNTS FOR PRIOR PERIODS PRESENTED IN WHICH THE ERROR OCCURRED; OR
- (B) IF THE ERROR OCCURRED BEFORE THE EARLIEST PRIOR PERIOD PRESENTED, RESTATING THE OPENING BALANCES OF ASSET LIABILITIES AND NET ASSETS/EQUITY FOR THE EARLIEST PRIOR PERIOD PRESENTED

DURING THIS YEAR SOME ERRORS WERE FOUND IN PREVIOUS FINANCIAL STATEMENT AND THEY WERE CORRECTED BY RESTATING 2020 FINANCIAL STATEMENTS. THE NATURE OF THE ERROR ITS IMPACT ON PREVIOUSLY PRESENTED AMOUNTS IN 2020 AND RESTATED BALANCES ARE SUMMARIZED BELOW.

***EFFECT OF CHANGES AS A RESULT OF ERROR CORRECTION OF 2020 YEAR.  
IMPACT ON THE STATEMENT OF FINANCIAL PERFORMANCE***

<b>ITEM</b>	<b>NOTE</b>	<b>BALANCE BEFORE RESTATEMENT</b>	<b>ADJUSTMENT</b>	<b>RESTATE BALANCE</b>
<b>INCOME</b>				
CONTRIBUTION FROM INSURANCE COMPANIES	2.7 .1	43,768,526.82	95,253.57	43,863,780.39

	<b>NOTE</b>	<b>BALANCE BEFORE RESTATEMENT</b>	<b>ADJUSTMENT<sup>1</sup></b>	<b>RESTATED BALANCE</b>
<b>EXPENSES</b>				
TELEPHONE CHARGES	2.7.2	192,797.37	(9,462.14)	183,335.23
PRINTING AND TRANSLATION	2.7.2	178,103.50	(5,800.00)	56,437.50
OVERTIME CHARGES	2.7.2	141,586.34	(7,236.62)	134,350.22
NEWSPAPERS	2.7.2	83,790.00	(10,710.00)	730,80.00
CLEANING CHARGES	2.7.2	653,373.26	(62,592.75)	590,780.51
DEPRECIATION	2.7.3	1,294,171.59	(64,150.00)	1,230,021.59

#### **IMPACT ON THE STATEMENT OF FINANCIAL POSITION**

<b>ITEM</b>	<b>NOTE</b>	<b>BALANCE BEFORE RESTATEMENT</b>	<b>ADJUSTMENT</b>	<b>RESTATED BALANCE</b>
RECEIVABLE FROM INSURANCE COMPANIES	2.7.1	3,786,891.75	95,253.57	3,882,145.32
PROPERTY PLANT AND EQUIPMENT	2.7.3	6,433,366.50	64,150.00	6,497,516.50

#### **2.7.1 –J/E 17**

THE RECEIVABLE CONTRIBUTION FROM INSURANCE COMPANIES AS AT 31ST DECEMBER 2020 IS Rs. 3,882,145.32 AND IT WAS ERRONEOUSLY RECORDED AS Rs. 3,786,891.75 IN 2020 FINANCIAL STATEMENTS. THIS IS CORRECTED BY RESTATING 2020 FINANCIAL STATEMENTS.

#### **2.7.2 – J/E 18**

EXPENSES WHICH WERE INCURRED IN 2019 FINANCIAL YEAR HAD BEEN ERRONEOUSLY RECORDED AS EXPENSE OF 2020 YEAR. IS CORRECTED BY RESTATING 2020ITFINANCIAL STATEMENTS.

#### **2.7. 3 - J/E 19**

THE DEPRECIATION OF FURNITURE AND FITTINGS WERE OVERSTATED BY RS.64,150.00 IN 2020 YEAR AND IT IS CORRECTED BY RESTATING 2020 FINANCIAL STATENTS.

**NATIONAL COUNCIL FOR ROAD SAFETY**  
**Notes to the Financial Statements**  
**for the Year Ended 31st December 2021**

**03. CONTRIBUTION RECEIVED FROM INSURANCE COMPANIES FOR 2021**

	Note No.	2021	2020
		RS	(Restated) RS
INSURANCE RECEIPTS DURING THE YEAR	3.1	48,564,451.46	43,642,940.75
ADD			
YEAR END BALANCE OF RECEIVABLE INSURANCE CONTRIBUTION		<u>7,037,439.32</u>	<u>3,882,145.32</u>
		55,601,890.78	47,525,086.07
LESS			
OPENING BALANCE OF RECEIVABLE INSURANCE CONTRIBUTION		<u>3,882,145.32</u>	<u>3,661,305.68</u>
		<b><u>51,719,745.46</u></b>	<b><u>43,863,780.39</u></b>

**3.1 INSURANCE RECEIPTS DURING THE YEAR**

Name of the Insurance Company	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
HNB General Insurance Ltd	100,680.00	97,860.00	96,820.00	100,945.00	66,325.00	76,300.00	95,415.00	140,055.00	-	178,630.00	208,040.00	217,545.00	1,378,615.00
Amana Takaful Ltd	204,694.91	123,489.10	117,269.61	132,068.47	90,539.99	67,435.89	-	291,638.69	138,787.92	266,730.96	-	616,464.45	2,049,119.99
Ceylinco General Insurance Ltd	339,345.84	405,268.00	375,551.00	369,658.33	242,277.80	252,830.19	311,662.06	561,670.68	339,693.00	299,575.15	1,010,562.00	805,202.66	5,313,296.71
MBSL Insurance Co Ltd	-	138,882.99	-	-	58,452.40	-	-	-	124,880.02	216,772.74	-	90,377.00	629,365.15
Co-Operative Insurance Co Ltd	133,311.00	339,409.00	329,770.00	288,170.00	197,888.00	184,681.00	292,478.00	544,738.00	313,020.00	240,626.00	1,089,187.00	897,357.00	4,850,635.00
Orient Insurance Ltd	-	457,120.00	130,510.00	117,320.00	92,575.00	-	183,580.00	136,140.00	-	215,310.00	183,141.48	176,616.72	1,692,313.20
Sanasa General Insurance	107,660.70	109,441.44	109,926.57	102,226.24	70,528.21	56,560.27	96,994.81	157,626.86	87,803.98	70,093.75	300,936.16	254,518.02	1,524,317.01
Allianz Lanka Co Ltd	699,125.00	244,960.00	229,220.00	215,680.00	144,655.00	154,165.00	-	509,475.00	213,800.00	185,580.00	535,460.00	458,100.00	3,590,220.00
Sri Lanka Insurance Co Ltd	839,487.00	855,791.00	835,063.00	761,048.00	527,499.00	524,993.00	745,256.00	1,192,085.00	667,010.00	588,740.00	2,246,962.00	1,783,693.00	11,567,627.00
Peoples' Insurance PLC	162,466.32	218,651.56	183,248.68	188,602.17	108,074.78	112,459.34	150,475.37	179,103.62	167,618.88	194,181.29	387,583.06	300,820.53	2,353,285.60
Continental Insurance Lanka Ltd	95,615.00	90,930.00	93,276.00	68,791.00	73,383.00	66,273.00	90,489.00	111,743.00	89,973.00	83,416.00	144,963.00	135,022.00	1,143,874.00
LOLC General Insurance Co Ltd	110,175.00	520,295.00	-	243,050.00	-	582,825.00	323,085.00	-	-	1,292,181.00	494,268.00	423,830.00	3,989,709.00
National Insurance Trust Fund	58,559.55	23,108.95	25,981.70	-	39,168.30	121,901.80	-	9,546.35	-	-	48,910.10	22,320.05	349,496.80
Fairfirst Insurance Ltd	1,031,025.00	1,024,115.00	1,006,705.00	400,786.00	272,083.00	349,293.00	384,657.00	613,136.00	434,928.00	748,247.00	941,482.00	926,120.00	8,132,577.00
<b>TOTAL</b>	<b>3,882,145.32</b>	<b>4,649,322.04</b>	<b>3,533,341.56</b>	<b>2,988,345.21</b>	<b>1,983,449.48</b>	<b>2,549,717.49</b>	<b>2,674,092.24</b>	<b>4,446,958.20</b>	<b>2,577,514.80</b>	<b>4,580,083.89</b>	<b>7,591,494.80</b>	<b>7,107,986.43</b>	<b>48,564,451.46</b>

**NATIONAL COUNCIL FOR ROAD SAFETY**  
**Notes to the Financial Statements**  
**for the Year Ended 31st December 2021**

**04. OTHER INCOME**

	Note	2021 RS.	2020 (Restated) RS.
TREASURY BILL INTEREST	7	13,708,048.68	16,200,634.75
FIXED DEPOSIT INTEREST	8	8,868,989.82	11,167,626.60
		<u>22,577,038.49</u>	<u>27,368,261.35</u>

**NATIONAL COUNCIL FOR ROAD SAFETY**

**Notes to the Financial Statements**

**for the Year Ended 31st December 2021**

**05. EXPENSES**

**5.1 ADMINISTRATION EXPENSES**

	<b>2021</b>	<b>2020</b>
	<b>RS.</b>	<b>(Restated) RS.</b>
SALARIES & WAGES	899,700.00	809,925.00
FUEL ALLOWANCE	308,730.00	251,510.08
OTHER ALLOWANCES	982,080.51	863,300.80
FUEL & LUBRICANTS	403,647.57	87,500.00
COUNCIL & COMMITTEE MEMBERS FEES	443,000.00	201,500.00
PLANT, MACHINERY & EQUIPMENT MAINTANANCE	791,052.25	298,986.92
VEHICLE MAINTANANCE	14,732.05	13,717.01
STATIONERY & OFFICE REQUISITES	169,268.15	159,280.00
ELECTRICITY, TELEPHONE & WATER	151,695.04	183,335.23
NEWSPAPERS	68,240.00	73,080.00
PRINTING & TRANSLATION	746,892.50	56,437.50
OVERTIME CHARGES	365,197.65	134,350.22
REFRESHMENT OF MEETING	51,793.00	78,607.67
AUDIT FEES		
AUDIT FEES FOR THE CURRENT YEAR	200,000.00	170,000.00
UNDER/(OVER) PROVISION OF PREVIOUS YEAR	22,600.00	(207,000.00)
TRAVELLING EXPENCES	294,872.00	31,535.00
DEPRECIATION	1,231,331.82	1,230,021.59
POSTAGE	17,715.00	3,720.00
STAFF TRAINING	16,000.00	-
ALLOWANCES FOR TRAINEES	7,500.00	-
CLEANING CHARGES	734,400.00	590,780.51
SUNDRY EXPENSES	144,440.00	62,587.10
	<b>8,064,887.54</b>	<b>5,093,174.62</b>

**5.2 EXPENSES ON ROAD SAFETY MANAGEMENT PROGRAMS**

	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
		<b>RS.</b>	<b>RS.</b>
ROAD SAFETY MANAGEMENT PROGRAMS 5.2.1		33,858,821.35	-
COMPENSATION (HIT & RUN)		6,375,000.00	4,275,000.00
		<b>40,233,821.35</b>	<b>4,275,000.00</b>

**5.2.1 EXPENSES ON ROAD SAFETY MANAGEMENT PROGRAMS PROGRAM**

	<b>2021</b>
	<b>Rs.</b>
Increasing the capacity of road safety management	107,127.00
Creating a safe road system	7,781,651.00
Buildup discipline of road users	25,970,043.35
	<b>33,858,821.35</b>

**NATIONAL COUNCIL FOR ROAD SAFETY**  
**Notes to the Financial Statements**  
**for the Year Ended 31st December 2021**

**06. PROPERTY, PLANT & EQUIPMENT**

	COMPUTERS	PHOTO COPY/PRINTERS MACHINE	FURNITURE & FITTINGS	AIR CONDITIONER	MEDIA EQUIPMENTS	OTHER ASSETS	DRIVING LEARNING MACHINE	REFRIGERATOR	TOTAL.
<b>COST / REVALUATION</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>	<b>RS.</b>
BALANCE AS AT 01.01.2021 (Restated)	713,500.00	140,700.00	641,500.00	139,800.00	1,554,862.50	62,207.50	5,875,351.00	133,000.00	9,260,921.00
<i>DURING THE YEAR</i>									-
ADDITION	-	-	-	-	22,550.00	17,774.00	-	-	40,324.00
DISPOSALS	-	-	-	-	-	-	-	-	-
<b>BALANCE AS AT 31.12.2021</b>	<b>713,500.00</b>	<b>140,700.00</b>	<b>641,500.00</b>	<b>139,800.00</b>	<b>1,577,412.50</b>	<b>79,981.50</b>	<b>5,875,351.00</b>	<b>133,000.00</b>	<b>9,301,245.00</b>
<b>ACCUMULATED DEPRICIATION</b>									
BALANCE AS AT 01.01.2021 (Restated)	507,161.25	50,564.06	295,090.00	50,240.63	579,407.02	30,771.48	1,207,263.90	42,906.16	2,763,404.50
CHARGE FOR THE YEAR	178,375.00	17,587.50	64,150.00	17,475.00	326,356.82	6,602.40	587,535.10	33,250.00	1,231,331.82
<b>BALANCE AS AT 31.12.2021</b>	<b>685,536.25</b>	<b>68,151.56</b>	<b>359,240.00</b>	<b>67,715.63</b>	<b>905,763.84</b>	<b>37,373.88</b>	<b>1,794,799.00</b>	<b>76,156.16</b>	<b>3,994,736.32</b>
<b>NET BOOK VALUE</b>									
AS AT 31/12/2020 (Restated)	206,338.75	90,135.94	346,410.00	89,559.37	975,455.48	31,436.02	4,668,087.10	90,093.84	6,497,516.50
<b>AS AT 31/12/2021</b>	<b>27,963.75</b>	<b>72,548.44</b>	<b>282,260.00</b>	<b>72,084.37</b>	<b>671,648.66</b>	<b>42,607.62</b>	<b>4,080,552.00</b>	<b>56,843.84</b>	<b>5,306,508.68</b>

**6.1 FULLY DEPRICIATED PROPERTY, PLANT & EQUIPMENT IN USE**

PPE includes fully depreciated assets which are in the use of ordinary course of operation activities. The value as per rcost/revaluation of fully depreciated assets which are still in use as at reporting date, is as follows.

	<b>2021</b>	<b>2020</b>
	<b>RS.</b>	<b>RS.</b>
Other Assets	41,914.69	41,914.69

**NATIONAL COUNCIL FOR ROAD SAFETY**

**Notes to the Financial Statements**

**for the Year Ended 31st December 2021**

**07. Treasury Bills**

<b>Bill No</b>	<b>Invested Amount as at 31st December 2021</b>	<b>Interest Income for 2021 year</b>	<b>Interest receivable as at 31st December 2021</b>
1	12,797,283.29	625,600.32	49,466.24
2	43,898,668.03	2,207,491.97	
3	7,662,586.15	374,587.97	29,618.73
4	11,275,586.62	551,211.98	43,584.32
5	19,987,147.88	937,764.29	86,483.90
6	819,961.09	38,469.98	3,547.95
7	30,529,240.10	1,551,374.55	412,151.18
8	13,725,015.14	635,401.71	250,742.90
9	9,964,776.60	487,132.17	38,517.55
10	101,081,518.19	4,742,582.83	437,377.25
11	30,501,085.88	1,549,945.13	411,771.09
12	87,146.95	4,088.46	377.08
13	51,106.48	2,397.33	221.14
<b>Total</b>	<b>282,381,122.40</b>	<b>13,708,048.68</b>	<b>1,763,859.33</b>

**08. Fixed deposits**

<b>FD No</b>	<b>A/C NO</b>	<b>AMOUNT</b>	<b>Interest Income for 2021 year</b>	<b>Interest income receivable as at 31st December 2021</b>
1	5052659	10,000,000.00	457,401.06	40,277.78
2	6462242	3,000,000.00	137,269.40	6,666.67
3	6061516	1,000,000.00	45,817.73	3,194.44
4	83251129	37,783,177.89	1,843,584.70	479,555.72
5	83250939	51,549,239.52	2,726,064.48	683,557.04
6	321362	48,191,452.05	2,666,803.66	2,072,892.60
7	204-60-01-00026713-3	26,000,000.00	992,049.18	992,049.18
		<b>177,523,869.46</b>	<b>8,868,989.82</b>	<b>4,278,193.42</b>

**NATIONAL COUNCIL FOR ROAD SAFETY**  
**Notes to the Financial Statements**  
**for the Year Ended 31st December 2021**

<b>09. Cash At Bank</b>	<b>2021</b>	<b>2020</b>
	<b>RS.</b>	<b>RS.</b>
Bank Balance	31,111,579.92	55,221,484.39
Unidentified Receipts	-	49,863.42
Cash At Bank	<u>31,111,579.92</u>	<u>55,271,347.81</u>

**REPORT OF THE AUDITOR GENERAL  
2021**

The Chairman,

National Council for Road Safety

Report of the Auditor General on the financial statements and other legal & regulatory requirements of the National Council for Road Safety for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

## 1. Financial Statements

### 1.1 Qualified Opinion

The audit of financial statements of the National Council for Road Safety for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of comprehensive income, statement of changes in equity, and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018, and the Finance Act, No. 38 of 1971. My comments and observations which I consider should be tabled in Parliament appear in this report. My report will be tabled in Parliament in due course in terms of Article 154(6) of the Constitution.

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

## 1.2 Basis for the qualified Opinion

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The details related to calculation of the commission income of the insurance companies, which confirms the accuracy of the 2 percent contribution of Rs. 51,719, 745 remitted by the insurance companies in accordance with the Gazette Extraordinary No. 1368/18 dated 24<sup>th</sup> , November, 2004, were not submitted for the audit.

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

## 1.3 Other information contained in the annual report of the Council

Other information means the information contained in the annual report of the Council, which is expected to be submitted to me after the date of this audit report but not contained in the financial statements and in my audit report on the same. The management is held responsible for such other information.

My opinion on the financial statements does not cover the other information and I express no guarantee or an opinion on the same.

My responsibility related to my auditing of financial statements is to have a reading of the same when the above-identified other information are available to me, and in such reading, consider whether the other information quantitatively tally with the financial statements and my knowledge acquired in the audit or through by some other means.

In reading the 2021 annual report, if I conclude that it has quantitative misstatements, such facts should be communicated to the governing parties for correction of them. If misstatements continue to remain not corrected, I will include them in the report to be tabled in Parliament in accordance with Article 154(6) of the Constitution.

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

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Management is responsible for determining the internal controls required to enable the preparation of financial statements in accordance with Sri Lanka Public Sector Accounting Standards and preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

## 1.5 Report on Other Legal and Regulatory Requirements

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

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

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

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

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

2.2.1 Whether, in accordance with the requirement stated in Section 12 (d) of the National Audit Act No. 19 of 2018, some member of the governing body the Council, directly or otherwise and deviating from the normal business manner, has involved in an agreement related to the Council.

2.2.2 2.2.2 Whether, in accordance with the requirement stated in Section 12 (f) of the National Audit Act No. 19 of 2018, the Council has complied with applicable written law, or other general or special directions issued by the governing body of the council.

	<b>Reference to Laws, Rules and Regulations</b>	<b>Description</b>
(a)	Section 8 (1) of the Finance Act No.38 of 1971 and Section 5.2.4 Of the Public Enterprises Circular No.PED/12.	Although the Council should approve the budget three months before the commencement of financial year, the Council had approved the budget on 13 <sup>th</sup> of January, 2021.
(b)	Section 4.2.6 of the Public Enterprises Circular No.PED/12 dated 02 June 2003.	The officers in charge of the assets had not maintained a Security Register containing the details of the officers required to give security.

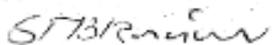
2.2.3 Except in the following observations, the Council had not complied with the powers, duties and functions of the council in accordance with the requirement stated in Section 12 (c) of the National Audit Act No. 19 of 2018.

- a) Although 15 years have elapsed since the establishment of the National Council for Road Safety under the Motor Traffic Act (Chapter 203) amended by the Motor Traffic (Amendment) Act No. 05 of 1998, aiming at establishment of the National Road Safety Commission, such Commission has not been established and consequently, the Council has not received legal powers necessary for performing the functions of this Council and this has hindered the recruitment of a proper staff.
- b) Even by the year under review, action had not been taken to fulfill the functions assigned through the Gazette Extraordinary No. 1387/4 dated 04<sup>th</sup> April 2005, namely, maintain a computerized database on the Vehicle population, its features and composition, road accidents and domestic and international statistics on road safety, maintain a library with internet facilities on the subject of road safety, assist research on road safety-related subjects, liaise with similar international organizations and share experience and expertise, formulate and implement road safety projects, coordinate road safety related activities within government and non-governmental organizations, advice the government on road safety related policies and projects.

1.2.4. The resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the requirement stated in Section 12 (g) of the National Audit Act No. 19 of 2018.

### 03. Other Audit Observations

- a) Even though programmes for minimizing the accidents caused by the excessive speed had been implemented by preparing a revised budget and an action plan in July 2021 for implementation of the orders given by the Committee on Public Accounts, the total allocation of Rs. 150 million made for the year 2021 had remained unutilized as the said allocation had not been used for the activity concerned. Therefore, the revised budget and the action plan prepared by the Council for the year 2021 had not been utilized as an effective instrument of control. Further, instead of introducing new effective programmes and presenting new proposals for minimizing accidents, in 2021, the Council had re-implemented the programmes and projects related to the previous years which had not been able to be implemented.
- b) Although a sum of Rs. 51,719,745 had been received in contribution from insurance companies in the year under review, only a sum of Rs. 6,375,000 had been paid as compensation, which was a 13 per centum of the contribution receipts. In the audit, it was observed that this is caused by the unawareness on the part of the public about the opportunity for obtaining compensation for the road accidents occurring in Sri Lanka.
- c) A sustainable development plan had not been prepared in compliance with the Circular No. NP/5P/5DG/17 dated 14<sup>th</sup> August 2017 of the Ministry of National Policies and Economic Affairs.
- d) Although a sufficient, trained staff and necessary infrastructure facilities should be in place for strengthening the National Council for Road Safety, this institution operates as an entity under the Ministry of Transport and this Council has a staff consisting of 11 officers attached from the Ministry of Transport, Department of Railways, Sri Lanka and Sri Lanka Transport Board, an officer employed on contract basis and a casual labourer.
- e) Driver training had not been carried out by using the driver training equipment received in 2018 as a donation from Japan and the equipment worth 5,875, 351 purchased, and such equipment remained idle due to the fact that such training had not been carried out after 21<sup>st</sup> June, 2019.



W.P.C. Wickramaratne  
Auditor General

**Report of the Auditor General on the financial statements and other legal & regulatory requirements of the National Council for Road Safety for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.**

**Reference to Laws, Rule and Regulations**

**(a) Section 8 (1) of the Finance Act No.38 of 1971 and Section 5.2.4 of the Public Enterprises Circular No.PED/12.**

According to Section 8 (1) of the Finance Act No. 38 of 1971, action is being taken to have approved the budget document for the year 2023 three (03) months before the start of the financial year 2023.

**(b) Section 4.2.6 of the Public Enterprises Circular No.PED/12 dated 02 June 2003.**

Progress review meetings could not be held properly until August 24, 2022 due to the corona epidemic situation in the year 2021 and due to the fact that the staff attendance was restricted to the institution as per the Public Administration Circular 10/2022, but In future, Section 4.2.6. of the circular dated June 02, 2003 will be followed. Accordingly, the first progress review meeting for the year 2022 was held on 15.09.2022.

**2.2.3 Except in the following observations, the Council had not complied with the powers, duties and functions of the council in accordance with the requirement stated in Section 12 (g) of the National Audit Act No. 19 of 2018.**

**(a) Although 15 years have elapsed since the establishment of the National Council for Road Safety under the Motor Traffic Act (Chapter 203) amended by the Motor Traffic (Amendment) Act No. 05 of 1998, aiming at establishment of the National Road Safety Commission, such Commission has not been established and consequently, the Council has not received legal powers necessary for performing the functions of this Council and this has hindered the recruitment of a proper staff.**

The bill to establish the National Council for Road Safety as the National Transport Safety Commission was referred to the Legal Draftsman and subsequently, The Legal Draftsman forwarded it back to the Ministry of Transport with amendments on 18.05.2022, the observations were asked and since there are no observations, the Ministry has informed that relevant action can be pursued.

Accordingly, the Ministry of Transport has referred the draft bill to the Attorney General on 11.10.2022 to check its constitutionality, and it has been directed to the Commissioner General of Motor Traffic for obtaining observations regarding the existing provisions of the Motor Traffic Act in connection with the removal of 213A and 213B of the Motor Traffic Act.

Also, according to the instructions given by the State Minister of Transport on 11.10.2022 to add 2 new amendments to the bill, the Ministry's Legal Division is taking action to refer it back to the Legal Draftsman upon the approval of the Secretary to the Ministry of Transport.

- a) **Even by the year under review, action had not been taken to fulfill the functions assigned through the Gazette Extraordinary No. 1387/4 dated 04<sup>th</sup> April 2005, namely, maintain a computerized database on the Vehicle population, its features and composition, road accidents and domestic and international statistics on road safety, maintain a library with internet facilities on the subject of road safety, assist research on road safety-related subjects, liaise with similar international organizations and share experience and expertise, formulate and implement road safety projects, coordinate road safety related activities within government and non-governmental organizations, advice the government on road safety related policies and projects.**

In order to obtain data regarding the number of vehicles, an access has been given to the database of the Department of Motor Traffic through the e-library of the National Council for Road Safety, and necessary arrangements are being made to obtain access to the database of the Sri Lanka Police to obtain data related to road accidents. Also, efforts are being made to achieve the goals in the action plan for the year 2022 relating to establishment of the data management system.

**2.2.4 The resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the requirement stated in Section 12 (g) of the National Audit Act No. 19 of 2018.**

From the year 2023 onwards, I will take action to carry out all the procurement activities efficiently and effectively in accordance with the prescribed rules and within the prescribed periods.

**03. Other Audit Observations**

**(a) Even though programmes for minimizing the accidents caused by the excessive speed had been implemented by preparing a revised budget and an action plan in July 2021 for implementation of the orders given by the Committee on Public Accounts, the total allocation of Rs. 150 million made for the year 2021 had remained unutilized as the said allocation had not been used for the activity concerned. Therefore, the revised budget and the action plan prepared by the Council for the year 2021 had not been utilized as an effective instrument of control. Further, instead of introducing new effective programmes and presenting new proposals for minimizing accidents, in 2021, the Council had re-implemented the programmes and projects related to the previous years which had not been able to be implemented.**

Provision of equipment to the Sri Lanka Police to reduce road accidents is an implementation of the orders of the Committee on Public Accounts . At present, the reports for inviting bids are being prepared according to the instructions of the Ministry Procurement Committee and the Technical Evaluation Committee.

After forwarding the tender documents so prepared to the Ministry Procurement Committee, the Technical Evaluation Committee is re-drafting the bid documents as per the indicated amendments

**(b) Although a sum of Rs. 51,719,745 had been received in contribution from insurance companies in the year under review, only a sum of Rs. 6,375,000 had been paid as compensation, which was a 13 per centum of the contribution receipts. In the audit, it was observed that this is caused by the unawareness on the part of the public about the opportunity for obtaining compensation for the road accidents occurring in Sri Lanka.**

Awareness programs on the provision of financial relief for accidents caused by unidentified vehicles are being systematically increased and there is a tendency for accident data to be reported to the National Council for Road Safety rather than to the Sri Lanka Police. The details of receipts of compensation applications are as follows.

Year	Number of applications received	Number of applications approved	Annual compensation paid	පෙර වර්ෂයට සාපේක්ෂව අයදුම්පත් වැඩිවීම
2020	30	34	4,275,000.00	-
2021	61	64	9,375,000.00	103.3%
2022 September	75	57	10,450,000.00	22%

After September 2022, an amount of Rs.3,650,000.00 has been paid as financial relief for 17 approved applications.

**(c) A sustainable development plan had not been prepared in compliance with the Circular No. NP/5P/5DG/17 dated 14<sup>th</sup> August 2017 of the Ministry of National Policies and Economic Affairs.**

The National Council for Road Safety has identified 03 objectives related to road safety from the sustainable development goals, and the action plan of the National Council for Road Safety has been prepared so that those goals can be achieved.

**(d) Although a sufficient, trained staff and necessary infrastructure facilities should be in place for strengthening the National Council for Road Safety, the operations of the Councils had been carried out by employing the officers attached from the Ministry of Transport, Department of Railways, Sri Lanka and Sri Lanka Transport Board, an officer employed on contract basis and a casual labourer.**

A discussion was held with the Additional Secretary (Administration) of the Ministry of Transport and Highways on 06.09.2022 regarding the preparation of reports to be forwarded to the Department of Management Services for obtaining approval for a staff, and the reports prepared as per the instructions given there are to be forwarded to the Ministry of Transport and Highways. Arrangements were made to send the prepared reports to the Ministry of Transport and Highways, and since the National Council for Road Safety operates under the State Ministry of Transport, the relevant reports have been forwarded to the State Ministry of Transport.

**(e) Driver training had not been carried out by using the driver training equipment received in 2018 as a donation from Japan and the equipment worth 5,875, 351 purchased, and such equipment remained idle due to the fact that such training had not been carried out after 21<sup>st</sup> June, 2019.**

At the request of the Sri Lanka Transport Board, with the approval of the National Council for Road Safety and the Ministry of Transport and Highways, the set of equipment with a net value of 3.8 million was handed over to the driving training schools of the Sri Lanka Transport Board on 22.06.2022 for using them effectively. And are those tools being used effectively? Arrangements will be made to obtain a follow-up report to find out whether those tools are used effectively.



**R.L. Anton De Mens,**

Chairman,

National Council for Road Safety.