



National Council for Road Safety

Annual Report - 2022

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

Vision

A safe road system for all

Mission

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
Fax number - 0112680163
Email Address - ncrstransport@gmail.com

Consents

Annual report - 2022 (from 01.01.2022 to 31.12. 2022)

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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. Mrs. R.A.K. Renuka | - | 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. Naimudee | - | 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. K.G. Sumudu Dinesha | - | Senior Assistant Secretary (Administration)
Ministry of Transport and Highways. |
| 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 |
| 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. Mrs. 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
Services, 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

- | | | |
|-----------------------------------|---|---|
| 1. Mr. R. L. Anton de Mens | - | Chairman, National Council for Road Safety |
| 2. Mrs. R.A.K. Renuka | - | Secretary, National Council for Road Safety (Acting) |
| 3. Ms. H.P. Shiromi Ratnayake | - | Accountant, National Council for Road Safety (Acting) |
| 4. Ms. J.D.R Jayasinghe | - | Development Officer |
| 5. Mr.E.G. S. Ekanayake | - | Development Officer |
| 6. Mrs. K. E. Priyarangani | - | Development Officer |
| 7. Mrs. P. A. Chitrani Jayatissa | - | Management Service Officer |
| 8. Ms. S.A.K.A. Samarasinghe | - | Development Officer |
| 9. Ms.W.A.A.W.Wikramaarachichi | - | Development Officer |
| 10. Ms.D. C. B. D. Dias | - | Development Officer |
| 11. Mr. M.A.N.S. Jayathilaka | - | Development Officer |
| 12. Mr. A.K.U. Chandrakantha | - | Development Officer |
| 13. Mr. K.D.C. Chathuranga | - | Development Officer |
| 14. Mr. R.P.G.T.S.K. Somaratna | - | Development Officer |
| 15. Mr. B.P.A. Ruwan | - | Clerk |
| 16. Mr. GA Buddhika Prabhath | - | Technical Assistant |
| 17. Mr. K. Mahesh Sanjeeva | - | Technical Assistant |
| 18. Mrs. K. D. Harshika Dilhani | - | Office employee |
| 19. Mrs.A.P.T. Harshani Sandamali | - | Railway Work Assistant |

Objectives of the National Council for Road Safety

- Prepare the background required to create a high quality driving service through the creation of disciplined and law abiding drivers.
- Provision of financial assistance for the families affected by hit and run accidents and the minimization of such accidents.
- Identification and implementation of measures for the protection of the road, vehicles used thereon, and passenger as well as the pedestrians.
- Collecting data, conducting surveys and researches on road safety, and developing international co-ordination.
- Implementation of national road safety policies and minimizing the arising weaknesses jointly with the public sector, NGOs and private sector institutes.
- Taking necessary measures to rehabilitate people who become disabled due to road accidents.
- 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.
- Contributing to the formulation of the National Transport Policy and its implementation.
- 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.

- a. Maintain a computerized database on the following:
 - I. Vehicle population, its features and composition
 - II. Traffic accidents / deaths
 - III. Domestic and international statistics on road safety
- b. Maintain a library on the subject of road safety.
- c. Collect data and conduct research on road safety-related subjects
- d. Assist research on road safety-related subjects
- e. Liaise with similar international organizations and share experience and expertise.
- f. Disperse knowledge and information to relevant government and non-government agencies responsible for road safety and related projects.
- g. Formulate and implementation of road safety projects.
- h. Coordinate road safety related activities within government and non-governmental organizations.
- i. Payment of compensation for victims of accidents caused by unidentified vehicles.
- j. Solicit financial and other support for road safety functions.
- k. Advise the government on road safety related policies and programs

Activities of the National Council for Road Safety in the year 2022.

01. Conducting research on reduction of road accidents.

The report for the second phase of the research work to reduce motorcycle accidents has been forwarded to the National Council for Road Safety by the Faculty of Civil Engineering of the University of Moratuwa.

The project proposal and the newspaper advertisement related to the implementation of the two research works for "minimizing pedestrian accidents" as the second research task, are being prepared by the. advisory procurement committee.



Conducting meetings on research work to reduce motorcycle accidents.

02. Establishment of the road traffic accident data management system in collaboration with Sri Lanka Police, covering the entire island

Arrangements have been made to publish the newspaper advertisement for invitation of bids for the purchase of technical equipment for the Sri Lanka Police for island-wide implementation of the Sri Lanka Data Analysis Management System (SLADMS) currently being implemented in the Western and Central Provinces by the Sri Lanka Traffic Police Headquarters.



Establishment of Road Accident Data Management System

03. Updating the electronic library related to road safety (E-Library)

The E-Library related to road safety was established in parallel with the commemoration held at the Kottawa Makumbura Multimodal Transport Center on 01.12.2021 to mark the International Victims' Remembrance Day.

Universities have uploaded 16 theses in the e-library related to reducing road traffic accidents. (Upload)

04. Setting up a structure at the district secretariat level and divisional secretariat level to control the increase in road accidents on rural roads.

In respect of 256 Divisional Secretariats out of the 340 of them in the island, Road Safety Coordination Officers have been nominated and such names have been sent to the National Council for Road Safety. An awareness program was held for the officials representing the Western Province on 22.11.2022 at the Gampaha District Secretariat to explain their duties. Awareness programs for officials for other provinces are to be implemented.



Awareness programme for the Divisional Secretariat officials representing the Western Province at the Gampaha District Secretariat

05. Implementation of programs through provincial road safety units.

The awareness program referred by the Southern Provincial Road Safety Unit for public transport drivers was conducted at the Galle Caritas Institute on 25.06.2022 and 26.06.2022 with the financial contribution of the National Council for Road Safety.

Through the provincial road safety units, 15 short video clips have been handed over to the relevant agencies to be advertised on LED boards and LED TVs at public places, and such short video clips prepared have been forwarded to the National Council for Road Safety to submit amendments.



Awareness Program for Public Transport Drivers on 25.06.2022. 26.06.2022.

06. Program to establish awareness boards at railway crossings, railway stations and railway tracks.

As per the request of the Railway Department, 480 boards have been installed at 80 stations and 160 crossings to raise pedestrians' and passengers' awareness and with a view to reducing accidents on railway tracks.



Boards established by the National Council for Road Safety at Railway Stations and Railway Crossings

07. Installation of awareness boards in accident prone areas.

7.1 Installation of signboards at accident-prone areas of Kahathuduwa, Rilawala intersection, Ratnapura police area.

According to the information received through media, 7 warning boards have been installed to inform the drivers of Kahathuduwa Rilawala intersection and 12 warning boards have been installed in 6 places around the Ratnapura police jurisdiction. After the installation of such boards, only one accident has been reported near Rilawala intersection.



Figure 9 – Information boards installed by the National Council for Road Safety near Rilawala Junction



Figure 10 – Information boards installed by the National Council for Road Safety around the Ratnapura police area.

7.2 Installation of awareness boards in accident prone areas identified by traffic police / other agencies

20 driver awareness boards have been installed at 10 places where traffic accidents occur frequently in Deniyaya police area.



The awareness boards established by the National Council for Road Safety near the places where road accidents occur in Deniyaya Police Area

08. Implementation of school road safety program.

Along with the establishment of school road safety zones, workshops were held to educate school children on road safety.

Serial No.	Date	The school where the workshop was held
01	2022.03.18	Deniaya Central College
02	2022.03.19	Deniya Rajapakse College
03	2022.09.19	Dambulla Panapitiya College
04	2022.10.01	Mawanella Mederigama College
05	2022.10.03	Ruwanwella Rajasinghe Maha Vidyalaya



A road safety zone established by the National Road Safety Council



An awareness program for school children conducted by the National Council for Road Safety

09. Implementation of programs related to National Road Safety Week.

A Road Safety Week was held from November 21 to 25, 2022 in parallel with the International Day of Remembrance for Road Traffic Victims, which falls on the third Sunday of November every year. Its inaugural ceremony was held on 21.11.2022 at Makumbura Multimodal Transport Center under the patronage of Hon. State Minister, Lasantha Alagiyawanna. Accordingly, the National Council for Road Safety took action to implement the following programs.

9.1 Conducting a poster painting competition on road accidents.

In parallel with the International Victims' Day, a poster art competition related to reducing road accidents was organized for children above grade 9 to cover the entire island. Accordingly, 246 school applicants appeared for the competition, and prizes and certificates were given to the winning children.



Road Accident Poster Painting Competition - Makumbura Multimodal Transport Centre

9.2 Providing financial relief to low income recipients who have been the victims of road accidents.

The National Council for Road Safety provided financial relief to low-income earners who were involved in road accidents, focusing on Colombo District and Gampaha District, where an amount of Rs.195,000.00 was distributed to 13 low-income earners in Colombo District at the Makumbura Multimodal Transport Center, under the patronage of the State Minister, Hon. Lasantha Alagiyawanna

Centering on the Gampaha district, provision of a sum of Rs. 390,000.00 to 26 low-income earners who have faced road accidents, was conducted at the Gampaha District Secretariat Auditorium under the patronage of Hon. State Minister, Lasantha Alagiyawanna.



Providing financial relief to low income earners who have been the victims of road accidents - Makumbura Multimodal Transport Center



Providing financial relief to low income earners who have been the victims of road accidents - Gampaha District Secretariat

9.3 A medical clinic Conducted for drivers engaged in public transport service.

The National Council for Road Safety in conjunction with the National Transport Medical Institute held a medical clinic for public transport drivers at the Makumbura Multimodal Transport Centre, in which 100 drivers participated. The height, weight, blood, eye and blood pressure of the drivers were checked at this clinic. .

9.4 An awareness program conducted for public transport service drivers.

National Council on Road Safety and the Sri Lanka Transport Board jointly organized an awareness program for the drivers of the Sri Lanka Transport Board in public transport to reduce road accidents on 23.11.2022, under the patronage of the Chairman of the National Council for Road Safety and the Chairman of the Sri Lanka Transport Board. 100 drivers participated in this programme.



Sri Lanka Transport Board Driver Awareness - Sri Lanka Transport Board Head Office

9.5 Provision of bicycles to Colombo Municipal Council Road Safety Children's Park.

The National Council for Road Safety and the Colombo Municipal Council jointly established a Road Safety Children's Park at Viharamahadevi Park to create awareness about safe road use from school age, and the necessary bicycles were provided on 29.11.2022 under the patronage of the State Minister of Transport, Hon. Lasantha Alagiyawanna and with the participation of Colombo Mayor, Mrs. Rosy Senanayake at the Viharamahadevi Children's Park in Colombo. School students from schools around Colombo participated in the programme.



Providing bicycles to Colombo Municipal Council's Road Safety Children's Park - Viharamaha Devi Children's Park

9.6 Conducting a Blood Donation Program.

In parallel with the International Victims Week, a blood donation program was held on 25.11.2022 under the patronage of Hon. State Minister, Mr. Lasantha Alagiyawanna at the State Ministry of Transport premises in Maradana.

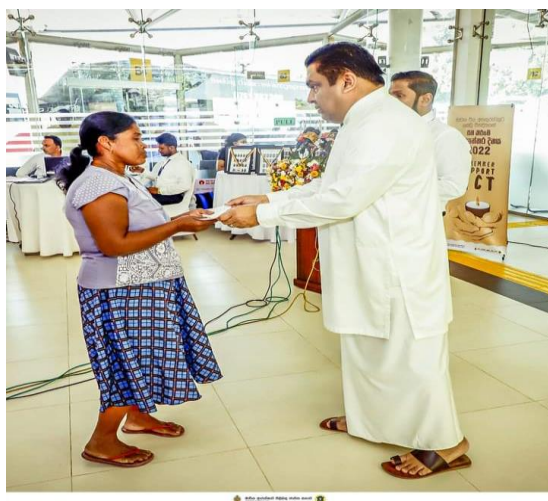


Blood Donation Program - Maradana State Ministry of Transport Premises

10. Providing financial relief to victims of accidents caused by hit and run vehicles

Financial assistance was provided on six occasions in respect of the year 2022 for the victims with the approval of the Standing Committee and the National Council.

Date	Location	No. of victims	Compensation paid. Rs.
2022.03.29	National Council for Road Safety office in Maradana where the State Ministry of Transport is located	13	2,450,000.00
2022.05.26	National Council for Road Safety office in Maradana where the State Ministry of Transport is located	15	3,050,000.00
2022.08.30	National Council for Road Safety office in Maradana where the State Ministry of Transport is located	14	2,300,000.00
2022.10.31	National Council for Road Safety office in Maradana where the State Ministry of Transport is located	15	2,650,000.00
2022.11.21	Makumbura Multimodal Transport Centre	12	2,650,000.00
2022.12.23	National Council for Road Safety office in Maradana where the State Ministry of Transport is located	5	1,150,000.00
Total		74	14,250,000.00



Providing financial relief to victims of accidents caused by hit and run vehicles - Makumbura Multimodal Transport Centre.

11. Printing of leaflets and giving them to the traffic police headquarters to create awareness among the motorists traveling on the expressway.

200,000 leaflets were printed at a cost of 1.7 and given to the Director, Highways Division for distribution for the purpose of raising awareness among the drivers operating on the expressway, and its inauguration was held on 05.09.2022 at the Kottawa Expressway entrance as one of the programs of the ongoing week to mark the National Police Day.



Distribution of awareness leaflets to motorists operating on expressway at Kottawa expressway entrance on 05.09.2022.

12. Implementation of awareness programs for new driving license holders and driving license applicants through text messages.

As of now, procurement work has been completed and referred to the Mobitel institution regarding the implementation of the Short Message Service (SMS) Program for informing new motorcycle driving license holders and driving license applicants at the time of applying for driving license and at the time of obtaining the license through text messages, to implemented by the National Council for Road Safety with its financial contribution of Rs. 1.5 million with the support of Department of Motor Traffic.

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

Short message sent by the National Council for Road Safety to inform driving license applicants and holders of driving licenses.

13. Raising people's awareness about road safety and the financial relief scheme for providing assistance in a case of hit and run accident.

Awareness X-boards in Sinhala and Tamil media and 50,000 leaflets for informing the people about the compensation given to the victims of hit and run accidents, have been printed at a cost of Rs. 2.16 million and arrangements have been made to distribute them to the Sri Lanka Police.



Figure 15 - Handout on compensation provided for hit-and-run accidents victims



X panels on compensation provided for hit-and-run accidents victims

14. Implementation of awareness programs for lorry drivers, three wheeler drivers and motorcyclists.

Rs. 0.5 million was allocated for conducting road safety awareness programs for lorry drivers who cause road accidents the most and these programmes were held at the Manampitiya Mahaweli Pratibha Hall on 02.09.2022 at a cost of Rs. 151,900.



Lorry driver awareness program held on 02.09.2022 at Manampitiya Mahaweli Pratibha Hall

The number of road accidents in the island in the year 2022

Year	Fatal	serious	minor	damages	total	deaths
2022	2395	6231	8209	5118	21953	2515

Number of deaths in the year 2022

	2022
Motorcyclists	865
pillion riders	200
Pedestrians	674
Passengers	297
Drivers	217
Cyclists	225
Other	37
Total	2515

Vehicles responsible for fatal accidents in the year 2022	
Vehicle responsible	2022
	Fatal accidents
Motor cycles	908
Lorries	320
Three wheelers	285
Dual purpose vehicles	271
Cars	227
Private buses	172
SLTB buses	63
Tractors	29
Foot cycles	29
Containers	29
Land vehicles	08
Hit and run accidents	54
Total	2395

Registered insurance companies contributing to the Road Safety Fund.

01. Amana Takaful Insurance Company	-	No 660 1/1, Galle Road, Colombo - 03.
02. Allianz Insurance Company	-	No 675, Danister de Silva Avenue, Colombo - 09.
03. Ceylinco Insurance Company	-	“Ceylinco House”, 3rd Floor, No 69, Jandhipahi Mawatha, Colombo - 01.
04. Continental Insurance Company	-	No 79, C.W.W. Kannangara Mawatha, Colombo – 07
05. S. Cooperative Insurance Company	-	No. 74/05, Grandpass Road, Colombo - 14.
06. H.N.B. Insurance Company	-	Business Centre, No 30, Sri Uttarananda Mawatha, Colombo - 03.
07. L.O.L.C. Insurance Company	-	No 481, TB Jaya Mawatha, Colombo - 10.
08. National Insurance Trust Fund	-	No 95, UPTO House, Sri Chitthampalam A Gardiner Mawatha, Colombo-02.
09. 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. 172, Alvtigala Mawatha, Colombo - 08.
13. Sri Lanka Insurance Company	-	“Rakshana Mandiraya”, No 21, Vauxhall Street, Colombo 02
14. Fairfirst Insurance Company	-	No 33, St Michael's Road Colombo 03.

FINANCIAL STATEMENTS - 2022

**NATIONAL COUNCIL FOR ROAD SAFETY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2022**

		2022	2021
	NOTES	RS.	(Restated) RS.
INCOME			
CONTRIBUTION FROM INSURANCE COMPANIES	3	72,177,175.66	51,719,745.46
OTHER INCOME	4	58,390,437.91	22,081,742.45
TOTAL INCOME		130,567,613.57	73,801,487.91
LESS- EXPENSES			
ADMINISTRATION EXPENSES	5.1	11,748,469.91	8,062,673.54
ROAD SAFETY MANAGEMENT PROGRAMS	5.2	49,709,582.20	40,233,821.35
		_____ -	_____ -
EXCESS OF INCOME OVER EXPENDITURE		<u>69,109,561.46</u>	<u>25,504,993.02</u>

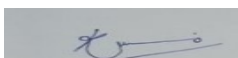
**NATIONAL COUNCIL FOR ROAD SAFETY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31ST DECEMBER 2022**

	NOTES	2022 RS.	2021 (Restated) RS.
ASSETS			
<u>NON CURRENT ASSETS</u>			
PROPERTY, PLANT & EQUIPMENT	6	1,918,738.56	5,308,722.68
TOTAL NON CURRENT ASSETS		1,918,738.56	5,308,722.68
TREASURY BILLS	7	321,543,535.44	282,381,122.40
FIXED DEPOSITS	8	185,167,086.79	177,523,869.46
<u>CURRENT ASSETS</u>			
RECEIVABLE FROM INSURANCE COMPANIES	3	6,038,024.51	7,037,439.32
TREASURY BILL INTEREST RECEIVABLE	7	7,671,047.22	1,763,859.33
FD INTEREST RECEIVABLE	8	8,043,475.95	3,782,897.38
PREPAYMENTS		26,783.09	133,375.08
CASH AT BANK	9	47,858,688.01	31,111,579.92
TOTAL CURRENT ASSETS		69,638,018.78	43,829,151.03
<u>LESS - CURRENT LIABILITIES</u>			
AUDIT FEES PAYABLE		221,400.00	200,000.00
OTHER PAYABLES		127,546.45	32,818.91
		348,946.45	232,818.91
TOTAL ASSETS		577,918,433.12	508,810,046.66
NATIONAL COUNCIL FOR ROAD SAFETY FUND A/C			
FUND ACCOUNT BALANCE B/F		508,808,871.66	483,303,878.64
EXCESS OF INCOME OVER EXPENDITURE		69,109,561.46	25,504,993.02
TOTAL FUNDING		577,918,433.12	508,808,871.66

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

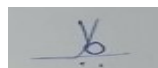
CERTIFICATION

WE CERTIFY THAT THE ABOVE FINANCIAL STATEMENTS GIVE A TRUE AND FAIR VIEW OF AFFAIRS AS AT DECEMBER 31, 2022. AND ITS SURPLUS/(DEFICIT) FOR THE YEAR ENDED DECEMBER 31, 2022. THE COUNCIL IS RESPONSIBLE FOR THE PREPARATION AND PRESENTATION OF THESE FINANCIAL STATEMENTS WERE APPROVED BY THE COUNCIL AND SIGNED ON BEHALF OF THEM



ACCOUNTANT (Covering)
NATIONAL COUNCIL FOR ROAD SAFETY

E. C. PUSHPAKUMARI
Accountant
Ministry of Transport
4th Floor, Secretariat, Stage II
Battaramulla.



SECRETARY
NATIONAL COUNCIL FOR ROAD SAFETY

**NATIONAL COUNCIL FOR ROAD SAFETY
INDIRECT METHOD CASH FLOW STATEMENT
FOR YEAR ENDED 31 DECEMBER 2022**

	2022	2021 (Restated)
	RS.	RS.
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAXATION	69,109,561.46	25,504,993.02
<u>ADJUSTMENTS FOR</u>		
PRIOR YEAR ADJUSTMENTS (NET)	(1,175.00)	-
DEPRECIATION	810,629.91	1,229,117.82
GRANT OF FIXED ASSET	3,803,686.15	-
INTEREST INCOME	<u>(58,390,437.91)</u>	<u>(22,081,742.45)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>15,332,264.61</u>	<u>4,652,368.39</u>
WORKING CAPITAL CHANGES		
DECREASE/ (INCREASE) IN TRADE AND OTHER RECEIVABLES	(9,061,759.66)	(2,675,983.80)
INCREASE /(DECREASE) IN TRADE AND OTHER PAYABLES	116,127.54	(149,104.74)
CASH GENERATED FROM OPERATIONS	(8,945,632.12)	(2,825,088.54)
	-	-
NET CASH FROM OPERATING ACTIVITIES	<u>6,386,632.49</u>	<u>1,827,279.85</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(1,224,331.94)	(40,324.00)
INTEREST RECEIVED	58,390,437.91	22,081,742.45
FD REINVESTMENT	(7,643,217.33)	(34,722,264.26)
TREASURY BILL REINVESTMENT	<u>(39,162,413.04)</u>	<u>(13,306,201.93)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>10,360,475.60</u>	<u>(25,987,047.74)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
PROCEEDS FROM ISSURE OF SHARE CAPITAL	-	-
PROCEEDS FROM LONG TERM BORROWINGS	-	-
PAYMENT OF FINANCE LEASE LIABILITIES	-	-
DIVIDENDS PAID	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,747,108.09	(24,159,767.89)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>31,111,579.92</u>	<u>55,271,347.81</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>47,858,688.01</u>	<u>31,111,579.92</u>

NATIONAL COUNCIL FOR ROAD SAFETY
STATEMENT OF CHANGES IN EQUITY
AS AT 31ST DECEMBER 2022

	FUND A/C RS.	TOTAL RS.
BALANCE AS AT 01/01/	260,040,799.57	260,040,799.57
		-
EXCESS OF INCOME OVER EXPENDITURE	40,561,344.97	40,561,344.97
BALANCE AS AT 31/12/	<u>300,602,144.54</u>	<u>300,602,144.54</u>
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	59,487,763.56	59,487,763.56
BALANCE AS AT 31/12/	<u>360,125,892.14</u>	<u>360,125,892.14</u>
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	61,315,294.39	61,315,294.39
BALANCE AS AT 31/12/2019 (RESTATED)	<u>421,441,186.53</u>	<u>421,441,186.53</u>
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	61,862,692.11	61,862,692.11
BALANCE AS AT 31/12/ (RESTATED)	<u>483,303,878.64</u>	<u>483,303,878.64</u>
EXCESS OF INCOME OVER EXPENDITURE (RESTATED)	25,504,993.02	25,504,993.02
BALANCE AS AT 31/12/	<u>508,808,871.66</u>	<u>508,808,871.66</u>
EXCESS OF INCOME OVER EXPENDITURE	69,109,561.46	69,109,561.46
BALANCE AS AT 31/12/	<u>577,918,433.12</u>	<u>577,918,433.12</u>

**NATIONAL COUNCIL FOR ROAD SAFETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022.**

1 CORPORATE INFORMATION

1.1 GENERAL

THE COUNCIL IS A STATUTORY BODY UNDER MINISTRY OF WHICH WAS ESTABLISHED BY THE MOTOR TRAFFIC (AMENDMENT) ACT NO 5 OF 1998, ADDITIONAL FUNCTIONS NEW SECTIONS 213 (A) WAS INTRODUCED BY REGULATION TO MAKE COUNCIL . THE REGISTERED OFFICE OF THE COUNCIL IS LOCATED IN THE MINISTRY OF BUILDING AT NO 01, D R WIJewardena Mawatha, Colombo 10.

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 SRILANKA.

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 2022 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 AND 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%
8.	OTHER MEDIA EQUIPMENTS	12.5%

THE DEPRICIATION 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 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 01ST 2021 IT IS INCREASED UP TO 2%. INSURANCE COMPANIES SHOULD PAY THEIR MONTHLY CONTRIBUTION BEFORE THE 15TH 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 STAFF 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 ASSETS, LIABILITIES AND NET ASSETS/EQUITY FOR THE EARLIEST PRIOR PERIOD PRESENTED.

DURING THIS YEAR SOME ERRORS WERE FOUND IN PREVIOUS FIANCIAL STATEMENT AND THEY WERE CORRETED BY RESTATING 2021 FINANCIAL STATEMENTS. THE NATURE OF THE ERROR ITS IMPACT ON PREVIOUSLY PRESENTED AMOUNTS IN 2021 AND RESTATED BALANCES ARE SUMMARIZED BELOW.

EFFECT OF CHANGES AS A RESULT OF ERROR CORRECTION OF 2021 YEAR.

IMPACT ON THE STATEMENT OF FINANCIAL PERFORMANCE

ITEM	NOTE	BALANCE	ADJUSTMENT	RESTATED
RESTATED		BEFORE		BALANCE
		RESTATEMENT		

INCOME

FD INTEREST INCOME	2.7 .1	8,373,694.00	(495,296.00)	7,878,398.00
FOR THE YEAR OF 2021				

EXPENSES	NOTE	BALANCE	ADJUSTMENT	RESTATED
		BEFORE		BALANCE
		RESTATEMENT		

DEPRECIATION	2.7.2	1,231,331.82	(2,214.00)	1,229,117.82
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IMPACT ON THE STATEMENT OF FINANCIAL POSITION

ITEM	NOTE	BALANCE	ADJUSTMENT	RESTATED
		BEFORE		BALANCE
		RESTATEMENT		

FD INTEREST RECEIVABLE	2.7.1	4,278,193.42	(495,296.00)	3,782,897.42
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PPE	2.7.2	5,306,508.68	2214.00	5,308,722.68
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2.7.1 –J/E 16

THE RECEIABLE FIXED DEPOSITS INTEREST INCOME AS AT DECEMBER 31.2021 IS RS 3,782,897.38 AND IT WAS ERRONEOUSLY RECORDED AS RS 4,278,193.42 AS A RESULT OF THIS CASE FIXED DEPOSIT INTEREST INCOME WAS OVERSTATED BY 495296.04. THIS IS CORRECTED BY RESTATING 2021 FINANCIAL STATEMENTS.

2.7.2 – J/E 17

DEPRICIATION AMOUNT OF OTHER ASSESTS WERE ERRORNEOUSLY OVERSTATED BY RS 2,214.00 IN FINANCIAL STATEMENTS FOR YEAR OF 2021. THIS CASE WAS RESOLVED IN FINANCIAL STATEMENTS OF 2021

NATIONAL COUNCIL FOR ROAD SAFETY

Notes to the Financial Statements
for the Year Ended 31st December 2022

03. CONTRIBUTION RECEIVED FROM INSURANCE COMPANIES FOR 2022

	Note No.	2022 RS	2021 RS
INSURANCE RECEIPTS DURING THE YEAR	3.1	73,176,590.47	48,564,451.46
ADD			
OPENING BALANCE OF RECEIVABLE INSURANCE CONTRIBUTION		<u>6,038,024.51</u>	<u>7,037,439.32</u>
		79,214,614.98	55,601,890.78
LESS			
OPENING BALANCE OF RECEIVABLE INSURANCE CONTRIBUTION		<u>7,037,439.32</u>	<u>3,882,145.32</u>
		<u><u>72,177,175.66</u></u>	<u><u>51,719,745.46</u></u>

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	239,500.00	202,910.00	199,725.00	197,965.00	135,570.00	125,490.00	196,865.00	192,435.00	225,350.00	157,962.00	151,824.00	157,803.00	2,183,399.00
Amana Takaful Ltd	321,728.02	287,528.86	295,260.13	300,493.70	237,308.35	215,217.87	212,765.46	196,205.65	92,057.58	244,326.24	233,057.78	259,271.04	3,595,220.68
Ceylinco General Insurance Ltd	824,135.32	867,868.00	812,939.00	820,184.00	523,000.80	509,661.00	547,382.00	725,083.00	925,539.00	710,988.00	891,746.00	750,831.00	8,909,357.12
MBSL Insurance Co Ltd	-	183,054.00	169,219.30		79,749.80	153,368.50		65,112.90	99,710.30	83,104.40	86,016.10	81,222.50	1,000,557.80
Co-Operative Insurance Co Ltd	945,537.00	945,537.00	790,073.00	746,012.00	433,138.00	420,904.00	501,548.28	616,593.00	935,532.00	774,147.00	912,851.00	856,343.00	8,878,215.28
Orient Insurance Ltd	92,370.64	279,202.72	163,951.92	153,841.36	96,351.64	105,156.88	127,846.68	118,486.88	135,272.56	160,512.04	151,383.56	156,635.44	1,741,012.32
Sanasa General Insurance	271,883.32	258,812.44	237,622.10	241,210.70	183,923.60	147,333.76	184,083.88	181,023.88	307,907.64	217,256.54	242,478.60	214,293.54	2,687,830.00
Allianz Lanka Co Ltd	488,160.00	476,690.00	469,662.00	419,510.00	257,440.00	292,062.00	318,740.00	399,730.00	468,030.00	413,986.00	471,720.00	457,225.00	4,932,955.00
Sri Lanka Insurance Co Ltd	1,901,811.00	1,791,398.00	1,661,644.00	1,753,906.00	1,027,538.00	1,133,821.00	1,292,018.00	1,457,224.00	1,987,692.00	1,557,399.00	1,746,091.00	1,699,673.00	19,010,215.00
Peoples' Insurance PLC	379,811.02	403,207.35	366,312.73	348,278.23	194,924.55	158,369.46	202,097.94	288,135.90	306,288.09	309,983.01	372,554.26	300,867.74	3,630,830.28
Continental Insurance Lanka Ltd	149,731.00	149,846.00	140,552.00	147,217.00	87,058.00	96,077.00	129,998.00	125,735.00	161,573.00	140,341.00	147,219.00	145,811.00	1,621,158.00
LOLC General Insurance Co Ltd	235,532.00	804,957.00	519,962.00	440,213.00	315,650.00	359,652.00	522,417.00	436,140.00	520,583.00	549,743.00	462,789.00	499,113.00	5,666,751.00
National Insurance Trust Fund	-			187,287.30	61,439.69		69,107.47	36,060.41	69,526.83	37,808.38	52,261.15	47,112.76	560,603.99
Fairfirst Insurance Ltd	1,004,186.00	829,389.00	862,715.00	783,909.00	507,332.00	490,292.00	848,733.00	801,080.00	958,742.00	412,602.00	723,292.00	536,213.00	8,758,485.00
TOTAL	6,854,385.32	7,480,400.37	6,689,638.18	6,540,027.29	4,140,424.43	4,207,405.47	5,153,602.71	5,639,045.62	7,893,804.00	5,770,158.61	6,645,283.45	6,162,415.02	73,176,590.47

NATIONAL COUNCIL FOR ROAD SAFETY
Notes to the Financial Statements
for the Year Ended 31st December 2022

04. OTHER INCOME

	Note	2022	2021
		RS.	RS.
TREASURY BILL INTEREST	7	45,069,600.93	13,708,048.68
FIXED DEPOSIT INTEREST	8	<u>13,320,836.98</u>	<u>8,373,693.78</u>
		<u>58,390,437.91</u>	<u>22,081,742.45</u>

NATIONAL COUNCIL FOR ROAD SAFETY
Notes to the Financial Statements
for the Year Ended 31st December 2022

05. EXPENSES

5.1 ADMINISTRATION EXPENSES

	2022	2021
	RS.	RS.
SALARIES & WAGES		
	900,000.00	899,700.00
FUEL ALLOWANCE	626,690.00	308,730.00
TRANSPORT ALLOWANCE	300,000.00	
TELEPHONE ALLOWANCE	64,786.61	-
OTHER ALLOWANCES	344,682.69	982,080.51
FUEL & LUBRICANTS	604,076.00	403,647.57
COUNCIL & COMMITTEE MEMBERS FEES	402,000.00	443,000.00
PLANT, MACHINERY & EQUIPMENT MAINTANANCE	469,534.65	791,052.25
VEHICLE MAINTANANCE	242,611.00	14,732.05
STATIONERY & OFFICE REQUISITES	905,667.99	169,268.15
ELECTRICITY, TELEPHONE & WATER	251,274.46	151,695.04
NEWSPAPERS	61,540.00	68,240.00
PRINTING & TRANSLATION	109,767.50	746,892.50
OVERTIME CHARGES	506,187.31	365,197.65
REFRESHMENT OF MEETING		51,793.00
AUDIT FEES		
AUDIT FEES FOR THE CURRENT YEAR	221,400.00	200,000.00
UNDER/(OVER) PROVISION OF PREVIOUS YEAR		22,600.00
TRAVELLING EXPENCES		294,872.00
	142,436.00	
DEPRECIATION	810,629.91	
		1,229,117.82
POSTAGE		17,715.00
	43,870.00	
BANK CHARGES	1,000.00	16,000.00
ALLOWANCES FOR TRAINEES		7,500.00
	-	
CLEANING CHARGES	732,400.00	734,400.00
SUNDRY EXPENSES	98,899.99	144,440.00
DONATION	3,803,686.15	-
	11,643,140.26	8,062,673.54

5.2 EXPENSES ON ROAD SAFETY MANAGEMENT PROGRAMS

		2022	2021
	NOTE	RS.	RS.
ROAD SAFETY MANAGEMENT PROGRAMS	5.2.1	32,609,582.20	33,858,821.35
COMPENSATION (HIT & RUN)		17,100,000.00	6,375,000.00
		49,709,582.20	40,233,821.35

5.2.1 EXPENSES ON ROAD SAFETY MANAGEMENT PROGRAMS

	2022	2021
PROGRAM	Rs.	Rs.
Increasing the capacity of road safety management	2,088,750.00	107,127.00
Creating a safe road system	11,788,594.00	7,781,651.00
Buildup discipline of road users	18,732,238.20	25,970,043.35
	32,609,582.20	33,858,821.35

NATIONAL COUNCIL FOR ROAD SAEFTY
Notes to the Financial Statements
for the Year Ended 31st December 2022

06. PROPERTY, PLANT & EQUIPMENT

	COMPUTERS	PHOTO COPY/PRINTERS MACHINE	FURNITURE & FITTINGS	AIR CONDITIONER	MEDIA EQUIPMENTS	OTHER ASSETS	DRIVING LEARNING MACHINE	REFRIGER ATOR	TOTAL.
COST / REVALUATION	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
BALANCE AS AT 01.01.2022	713,500.00	140,700.00	641,500.00	139,800.00	1,577,412.50	79,981.50	5,875,351.00	133,000.00	9,301,245.00
<i>DURING THE YEAR</i>									-
ADDITION	-	746,600.00	60,972.50	416,759.44	-	-	-	-	1,224,331.94
DISPOSALS	-	-	-	-	-	-	5,875,351.00	-	5,875,351.00
BALANCE AS AT 31.12.2022	713,500.00	887,300.00	702,472.50	556,559.44	1,577,412.50	79,981.50	-	133,000.00	4,650,225.94
ACCUMULATED DEPRICIATION									
BALANCE AS AT 01.01.2022(Restated)	685,536.25	68,151.56	359,240.00	67,715.63	905,763.84	35,159.88	1,794,799.00	76,156.16	3,992,522.32
CHARGE FOR THE YEAR	27,963.75	36,105.70	68,605.17	31,033.95	326,807.81	9,997.68	276,865.85	33,250.00	810,629.91
DISSPOSALS							2,071,664.85		
BALANCE AS AT 31.12.2022	713,500.00	104,257.26	427,845.17	98,749.58	1,232,571.65	45,157.56	-	109,406.16	2,731,487.38
NET BOOK VALUE									
AS AT 31/12/2021	27,963.75	72,548.44	282,260.00	72,084.37	671,648.66	44,821.62	4,080,552.00	56,843.84	5,308,722.68
							2071664.85		
AS AT 31/12/2022	-	783,042.74	274,627.33	457,809.86	344,840.85	34,823.94	-	23,593.84	1,918,738.56

NOTE

MEDIA EQUIPMEMTS HAS INCLUDED FOLLOWING ITEMS

01. CAMERA AND CAMERA ASSESSORIES RS 1,037,050.00

02. PROJECTORS AND OTHER MEDIA EQUIPMENTS RS 540,362.50

NATIONAL COUNCIL FOR ROAD SAFETY
Notes to the Financial Statements
for the Year Ended 31st December 2022

07. Treasury Bills

Bill No	Invested Amount as at 31st December 2022	Interest Income for 2022 year	Interest receivable as at 31st December 2022
1	14,680,981.00	2,121,965.31	287,731.71
2	50,978,377.00	7,115,422.69	35,712.56
3	8,790,480.29	1,270,561.93	172,284.12
4	12,935,297.48	1,869,647.10	253,518.16
5	22,525,221.35	2,795,349.20	343,758.30
6	924,083.12	114,677.54	14,102.46
7	35,296,057.52	6,055,182.12	1,700,513.62
8	14,644,926.69	1,868,719.23	1,199,549.82
9	11,431,542.61	1,652,296.78	224,046.15
10	113,917,388.86	14,136,991.87	1,738,497.79
11	35,263,508.44	6,049,607.43	1,698,954.75
12	98,212.62	12,188.09	1,498.82
13	57,595.54	6,991.64	878.96
Total	<u>321,543,672.52</u>	<u>45,069,600.93</u>	<u>7,671,047.22</u>

08. Fixed deposits

FD No	A/C NO	AMOUNT	Interest Income for 2022 year	Interest income receivable as at 31st December 2022
1	5052659	10,000,000.00	1,084,379.75	123,287.67
2	6462242	3,000,000.00	328,593.60	19,726.03
3	6061516	1,000,000.00	106,394.59	9,452.05
4	83251129	40,181,614.45	3,347,805.10	1,428,924.26
5	83250939	54,384,447.69	3,725,075.15	1,573,424.02
6	204-60-01-00023436-6	50,601,024.65	2,730,870.95	2,394,190.95
7	204-60-01-00026713-3	27,382,914.41	2,685,197.00	2,494,470.97
		<u>186,550,001.20</u>	<u>14,008,315.78</u>	<u>8,043,475.95</u>

NATIONAL COUNCIL FOR ROAD SAFETY
Notes to the Financial Statements
for the Year Ended 31st December 2022

09. Cash At Bank	2022	2021
	RS.	RS.
Bank Balance	47,858,688.01	31,111,579.92
Unidentified Receipts	-	-
Cash At Bank	47,858,688.01	31,111,579.92

REPORT OF THE AUDITOR GENERAL
2022

Chairman,
National Council for Road Safety for Road Safety

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Council for Road Safety for Road Safety for the year ended 31 December 2022 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 Road Safety for the year ended 31 December 2022 comprising the Statement of Financial Position as at 31 December 2021 and the Statement of Financial Performance, Statement of Changes in net asset and Cash Flow Statement for the year 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 Finance Act No. 38 of 1971. In accordance with Article 154 (6) of the Constitution, my report will be tabled in Parliament in due course.

In my opinion, except for the effects of the matters described in the basis for the qualified opinion section of my report, the financial statements give a true and fair view of the financial position of the Council as at 31 December 2022, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for the qualified opinion

- a) Due to non making of allocations in accounts for an amount of Rs. 6,586, 736 payable for the road sign boards supplied to the National Council for Road Safety in the year under review, the expenditure and liabilities for the year had been understated by that amount.
- b) Due to indication of the value of the fixed deposits as at the last day of the year under review as Rs. 185, 167, 087 in statement of financial state, while such value as at the said date is Rs. 186, 550, 001, the value of the fixed deposits of the year had been understated by an amount of Rs. 1,382, 914.
- c) The fixed deposit interest income of the year under review had been Rs. 14,008,316, but due to indication of the said value as Rs. 13, 320, 837, the fixed deposit interest income of the year had been understated by an amount of Rs. 687, 479.
- d) The fixed deposit interest income receivable as at the last date of the year under review had been Rs.7,348,671, but due to indication of the said amount in the statement of financial state as Rs. 8,043,476, the fixed deposit interest income had been overstated by an amount of Rs.694,805.

1.3 Other information contained in the annual report of the National Council for Road Safety.

Other information means the information included in the 2022 annual report of the Council expected to be submitted to me after the date of this audit report but not included in the financial statements and my audit report thereon. Management is responsible for this other information.

My opinion on the financial statements does not cover other information and I do not express any kind of attestation or opinion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when available and, in doing so, consider whether the other information is substantially inconsistent with the financial statements or with my knowledge obtained during the audit or otherwise.

When reading the 2022 Annual Report of the Council, if I conclude that there are substantial misstatements, those facts should be communicated to the governing parties for correction. If there are any further uncorrected misstatements, they will be included in the report tabled by me in Parliament in due course in terms of Article 154 (6) of the Constitution.

1.4 . 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 Financial Reporting Standards for Small and Medium Entity (SLFRS for SMEs) 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Company 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 National Council for Road Safety.

1.5 Responsibility of the Auditor for the audit of 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 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, they could reasonably be expected to influence the economic decisions of users taken 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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the National Council for Road Safety's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I inform those charged with governance about significant audit findings, key internal control weaknesses and other matters identified during my audit.

2. Report on other Legal and regulatory Requirements

2.1 The National Audit Act No. **19** of **2018** contains special provisions regarding the following requirements.

2.1.1 In terms of the requirements of Section 12(a) of the National Audit Act No. 19 of 2018, I obtained all the information and explanations required for the audit and as per my examination proper financial records had been maintained by the Council.

2.1.2 In terms of the requirement mentioned in Section 6(1)(d)(iii) of the National Audit Act No. 19 of 2018, the financial statements of the Council are consistent with the previous year.

2.1.3 In terms of the requirement mentioned in Section 6(i)(d)(iv) of the National Audit Act No. 19 of 2018, the recommendations made by me last year are included in the financial statements submitted.

2.2 Based on the procedures followed and the evidence obtained and in confining to the quantitative facts, nothing amounting to making the following statements came to my attention.

2.2.1 Whether any member of the governing body of the Council has any direct or indirect interest in any contract entered into by the Council /agreement relating to the Council (beyond scope of the enterprise) in terms of sec 12(d) of the national audit act no. 19 of 2018.

2.2.2 Whether the Council has not complied with a certain applicable written law , or other general or special directions issued by the governing body of the Council in terms of the requirement of Section 12(e) of the national audit act no. 19 of 2018 ;

Reference to Laws, Rules, and Regulations, etc.			Description
(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		The budget should be approved prior to 03 months from the beginning of the year of finance. However, the Council had approved the budget on 30 March 2022.
(b)	Public Enterprises Circular, No. PED/12 dated 02 June 2003.		
	(i) Section 4.2.6		Performance reports of the Council should be reviewed on quarterly, half-yearly, and annually, but no progress review meetings had been held by the Council during the year under review.
	(ii) Section 5.1.3		Although the action plan should be approved 15 days prior to commencement of financial year and sent to the relevant institution, approval for the Action Plan 2022 had been given on March 30, 2022.
(c)	Circular, No. NP/5P/5DG/17 of the Ministry of National Policies and Economic Affairs, dated 14 August 2017.		The institution had identified 03 the Sustainable Development Goals relating to road safety, but even by the date of audit, a sustainable Development plan had not been prepared for the institution as per the Circular.
(d)	Para. 5.3 of Circular, No. DMA/1-2019 of the Department of Management Audit, dated January 12, 2019.		Although 04 audit and management meetings should be held as per the circular, only 01 meeting had been held in the year under review.

2.2.3 As per the requirement mentioned in Section 12(h) of the National Audit Act No. 19 of 2018, except for the following observations, the powers, duties and functions of the Council have not been complied with.

- (a) Although 17 years have lapsed since the establishment of the National Council for Road Safety with the prime objective of establishing it as a Commission, it had not been established as a commission until April 26, 2023 and consequently, it had not been vested with legal powers to discharge its duties and appointment of a proper staff also had not been realized.

2.2.4. As per the requirement mentioned in Section 12(h) of the National Audit Act No. 19 of 2018, whether the resources of the Council had been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws.

2.5 Other Matters

- (a) As for the implementation of directives given by the Public Accounts Committee of the Government, an amended budget and an Action Plan had been prepared in July 2021 and programs had been conducted to minimize accidents caused by speeding vehicles. A sum of Rs. 150 million had been allocated for the year 2021, but due to non-completion of the procurement activities required for purchase of technical equipment, the entire provision had remained unutilized. Also, in the previous year, the said activity had not been carried as per the above order.
- (b) Although a sum of Rs. 335.14 million had been allocated for procurement of the goods and services and carrying out of miscellaneous projects relating to the procurement plan prepared along with the action plan of the year under review as per the Section C of the of the Public Finance circular No. 01/2014(4), dated 17 February 2014, 09 procurement activities amounting to Rs. 186.8 million relating to the said plan, had not been carried out by 31 December, 2022.

- (c) World Health Organization had remitted a sum of Rs. 1.7 million to the Council in the years 2018 and 2019 and by the end of 2022, no project had been implemented by using these funds.
- (d) A sum of Rs. 45 million remained in the current account of the Council as at 31 December 2022 action had not been taken to invest the excess money by retaining a sufficient amount of money from the income receipts of the Council and as at the end of 31 December 2022, the Council had a balance of Rs. 47,858,688 in its current account.
- (e) Although a 2 per cent of insurance contribution should be levied from insurance institutions as per the Gazette Extraordinary No. 2245/31 dated 17 September 2021, two private insurance institutions had paid a contribution of 1 per cent only and action had not been taken to recover the other 1 percent amounting to Rs. 1,262, 404.



W.P.C. Wickramaratne
Auditor General

Explanations regarding the Auditor General's report in terms of Section 12 of the National Audit Act No. 19 of 2018 on the financial statements and other legal and regulatory requirements of the National Council for Road Safety for the year ending 31 December 2022.

2.2.2 Other Legal and Regulatory Requirements.

(a) The Council had approved the budget document on March 30, 2022 after the financial year had started.

The budget document of the National Council for Road Safety prepared for the year 2022 was submitted for the approval of the National Council for Road Safety by Council Paper No. 2021-17/06-01 on 29.12.2021, and after receiving the approval of the National Council, it was submitted for the approval of the Secretary of the Ministry on 04.01.2022. Subsequent to making the revisions notified by the Ministry, the approval of the Secretary of the Ministry was received on 25.04.2022.

I further inform that after obtaining the approval of the National Council on 27.10.2022 for the budget document prepared for the year 2023, it has been forwarded to the relevant parties.

(b) Public Enterprises Circular, No. PED/12 dated 02 June 2003.

(i) Section 4.2.6

In relation to the year 2022, progress review meetings were held on 2022.04.04, 2022.08.10 and 2022.09.15 with the participation of the staff of the National Council for Road Safety and with the chairman presiding over, and until then no meeting records were maintained during the internal progress review meetings. , as per the clarification made by the Government Audit Division on 15.09.2022, from 15.09.2022 progress review meeting records have been maintained. Until then, meeting minutes were not maintained in conducting internal progress review meetings, and according to the clarification made by the Government Audit Division on 15.09.2022, taking of progress review meeting minutes was carried out from 15.09.2022.

The annual progress review meeting conducted by the Ministry was held on 08.12.2022 at the Maradana premises of the Ministry of Transport and Highways.

Furthermore, I would like to inform you that in the future, internal progress review meetings will be held quarterly and meeting reports will be maintained.

(ii) Section 5.1.3

The budget document of the National Council for Road Safety prepared for the year 2022 was submitted for the approval of the National Council for Road Safety by Council Paper No. 2021-17/06-01 on 29.12.2021, and after receiving the approval of the National Council, it was submitted for the approval of the Secretary of the Ministry on 04.01.2022. Subsequent to making the revisions notified by the Ministry, the approval of the Secretary of the Ministry was received on 25.04.2022 after re-submitting the same for the approval of the Secretary and then, approval has been received for the Action Plan on 25.04.2022 through MT/05/03/01-2022.

I further inform you that in future the circular PED/12 dated June 02, 2003 mentioned by you will be followed in carrying out the process.

(c) No sustainable development plan has been prepared.

Since the National Council for Road Safety is a subsidiary body of the Ministry of Transport and Highways, a separate sustainable development plan has not been prepared for the institution so far, and the National Council for Road Safety provides necessary support for the Ministry of Transport and Highways regarding the facts to be included in the sustainable development plan prepared by the Ministry.

(d) Audit and Management Committees.

After the mandatory retirement of Mr. A.M.R.K Jayasinghe, who served as the Secretary of the National Council for Road Safety, the post of Secretary remained vacant until 25.04.2022, and Mrs.R.A.K.Renuka, Senior Assistant Secretary (Railway Control), who then served as a council member was appointed for that position.

Accordingly, Ms. K.G.S. Dinesha, Senior Assistant Secretary (Administration), who was appointed for the vacant council member position, was appointed as the member of the Audit and Management Committee of the National Council for Road Safety on 23.08.2022, and subsequently on 07.09.2022. Management committee meeting was held.

I would like to mention further that the Audit and Management Committee meetings will be held properly in future by overcoming such shortcomings.

2.2.3. (a) Absence of an approved, proper cadre and Non-establishment as a commission

After referring the bill to establish the National Council for Road Safety as the National Commission on Transport Safety to the Legal Draftsman, the Legal Draftsman forwarded it to the Ministry of Transport with amendments on 29.03.2022 and again on 18.05.2022, and subsequently, it was referred to the Legal Draftsman. According to the instructions given by the State Minister on 16.12.2022, the Bill was revised again and with the approval of the Secretary of the Ministry, it forwarded to the Legal Officer by the Additional Secretary (Development ii) on 16.12.2022, and the proposals of the Attorney General for the same have now been received by the Ministry of Transport and Highways. Accordingly, the necessary actions will be pursued.

2.2.4. Planning and budget control.

. I would like to inform you that action will be taken to more effectively implement the activities of the action plan and the activities proposed for the year 2023, which failed to be implemented due to the distorted economic and social situation in the country in the past period.

2.5 Other matters.

(a) Implementation of the orders of the Committee on Public Accounts..

Standard tender documents for the project of providing technical equipment worth Rs.150 million to the Sri Lanka Police have been prepared and handed over to the Ministry of Transport and Highways for the necessary actions to be followed.

At the progress review meeting held on 10.01.2023, the State Minister of Transport, Hon. Lasantha Alagiyawanna, advised to purchase the relevant goods after reviewing the effectiveness of these task before carrying the same.

(b) Procurement related to Rs. 186.8 million has not been carried out.

Procurement related to the provision of technical equipment to the Sri Lanka Police, which is indicated as Implementation of Programs to reduce Road Accidents due to Speed and implemented as an order of the State Board of Accountants, and for which an estimated allocation of Rs.150 million has been made, is carried out the Ministry of Transport and Highways.

Preparation of a documentary video on road safety (Rs.1.7 Mn) and renovation of the Chairman's office (Rs.1 Mn) are new projects included in the revised procurement plan prepared on 18.08.2022, and the revised procurement plan, action plan and the budget document was submitted for the approval of the Secretary to the Ministry after receiving the approval of the National Council. The said approval of the Secretary to the Ministry was given on 02.11.2022. Therefore, those Projects could not be completed before the end of 2022.

The projects, Purchase of media equipment (Rs.2 Mn) and Projector machine (Rs.0.4 Mn), Buying Vehicle (Rs.25.5 Mn) projects were removed on 18.08.2022 in revision of the procurement plan.

The procurement activities of the projects, Steel wardrobes (Rs.1 Mn), Hand microphone compensator set and sound system. (Rs. 1 Mn) and Purchase of LED panel and generator (Rs. 4.5 Mn) have not been carried out due to import restrictions in 2022.

Standard tender documents and newspaper notice for the purchase of technical equipment required by the Sri Lanka Police for the establishment of the road traffic accident data management system currently implemented in the Central and Western Provinces by the Sri Lanka Police with the assistance of the World Health Organization. The Secretary of the Ministry advised that it is appropriate to obtain the approval of the Import and Export Controller for import of goods due to the import and existing export regulations. Accordingly, the request has been sent to obtain the approval of the Import and Export Controller for the importation of the goods. In the progress review meeting held on 10.01.2023, the State Minister of Transport, Hon. Lasantha Alagiyawanna, gave instructions to carry out the relevant purchase after reviewing the utility of the said goods.

(c) Non-utilization of an amount of Rs.1.7 million provided by the World Health Organization in the years 2018 and 2019.

The money available in the fund of the National Council is used for the projects implemented by the National Council for Road Safety. I would like to inform you that the money provided to the National Council for Road Safety by the World Health Organization was not directed to any specific project, and therefore, the money has been credited to the Fund of the National Council.

Furthermore, I would like to inform you that necessary inquiries will be carried out to look into the basis for providing the relevant amount and if it has been given for a special project, the relevant project will be implemented in future.

(d) An amount of Rs.45 million existing in the current account as on 31.12.2022.

The surplus amount of Rs. 40 million that remained in the current account of the National Council for Road Safety as of March 31, 2023, has already been invested in a fixed deposit to be updated every three months at the Hyde Park branch of the Bank of Ceylon, where the current account of the National Council for Road Safety is maintained.

(e) Actions taken against the institutions which have continued to pay the same 1% contribution even after the increase of insurance contribution to 2%.

The relevant insurance institutions have been notified in this regard, and arrangements are being made to recover the relevant money from those institutions to the National Council for Road Safety.



Malith Jayathilaka

Chairman

National Council for Road Safety