Table of Content

Preface

This Report has been compiled in accordance with the procedures, policy decisions and strategies followed by the National Secretariat for elders, established under the Ministry of Social Empowerment, Welfare and kandyan Heritageas spelt out in Act No 09, 2000.

The objective of this Annual Report –2017 is to highlight the level of Performance of the programmes implemented with a view to enhancing wellbeing of the elders community in Sri Lanka, to the honourable members of the Parliament of Democratic Socialist Republic of Sri Lanka.

As stated in the Act, numerous programmes were implemented in year 2017 to bring about self-dignity, independence, participation, safety and protection for elders. Being able to deliver a fruitful service for the elder community, gives us greatest satisfaction and pleasure.

Further present government to offers Rs.2,000 to the elders above 70 years, the every elder considered to be the major contributors for building our glorious past heritage. This note worthy, praise worthy step was taken towards bringing about a satisfactory life for elder community, a step which too, will make Sri Lanka a miracle.

Executive Report

National Secretariat for elders implemented more diverse programmes and projects throughout Sri Lanka for the wellbeing of elderly population in the country in year 2017. This very reason enabled the said institution to achieve physical and financial progress as planned in 2017.

Among the programmes implemented, providence of Rs.2000 allowances for the elders above 70 yearsleading one. The assistance and the guidance given by honourable minister, deputy minister and also the staff attached to the ministry to overcome the challenges had been noteworthy.

Further special thanks should go to the secretary of social services, staff members, the staff of the National secretariat of the elders and also the officers in charge for the subject matter, attached to the divisional secretary’s division.

The aforesaid achievements and performance targets of year 2017 were achieved with maximum dedication and the detailed description of the same is provided in the inner pages of the report.

Introduction

There has been a visible improvement in the health, nutritional and education sectors in Sri Lanka, the result of continuous social& economic development, the country has witnessed during past several decades. The above factor resulted in the drop in birth rate and an improvement in the life expectancy, increasing the percentage of elder population in the country. There has been a considerable growth in the elder population in Sri Lanka. Accordingly, it is expected that the percentage of elder population in the country will grow from present 14.6% to 21% within the next decade.

It is necessary that the welfare facilities to improve the living standards of elder, should be upgraded. The rights of elder too, should be protected. National Secretariat for elders, act with utmost dedication towards achieving the above mentioned goals. Verious steps were taken in year 2017 to empower the elder population. The registration of Village level Elder Committees, Provincial level Elder Committees and District level Elders Committees. Implementation of psychological counselling programmes to improve mental and spiritual development of elders, and also the training of elder caretakers were some of the major steps taken towards achieving the mentioned goals.

National Secretariat for Elders

National Council for Elders & National Secretariat for Elders have been established under the Protection of the Rights of Elders Act No. 09 of 2000

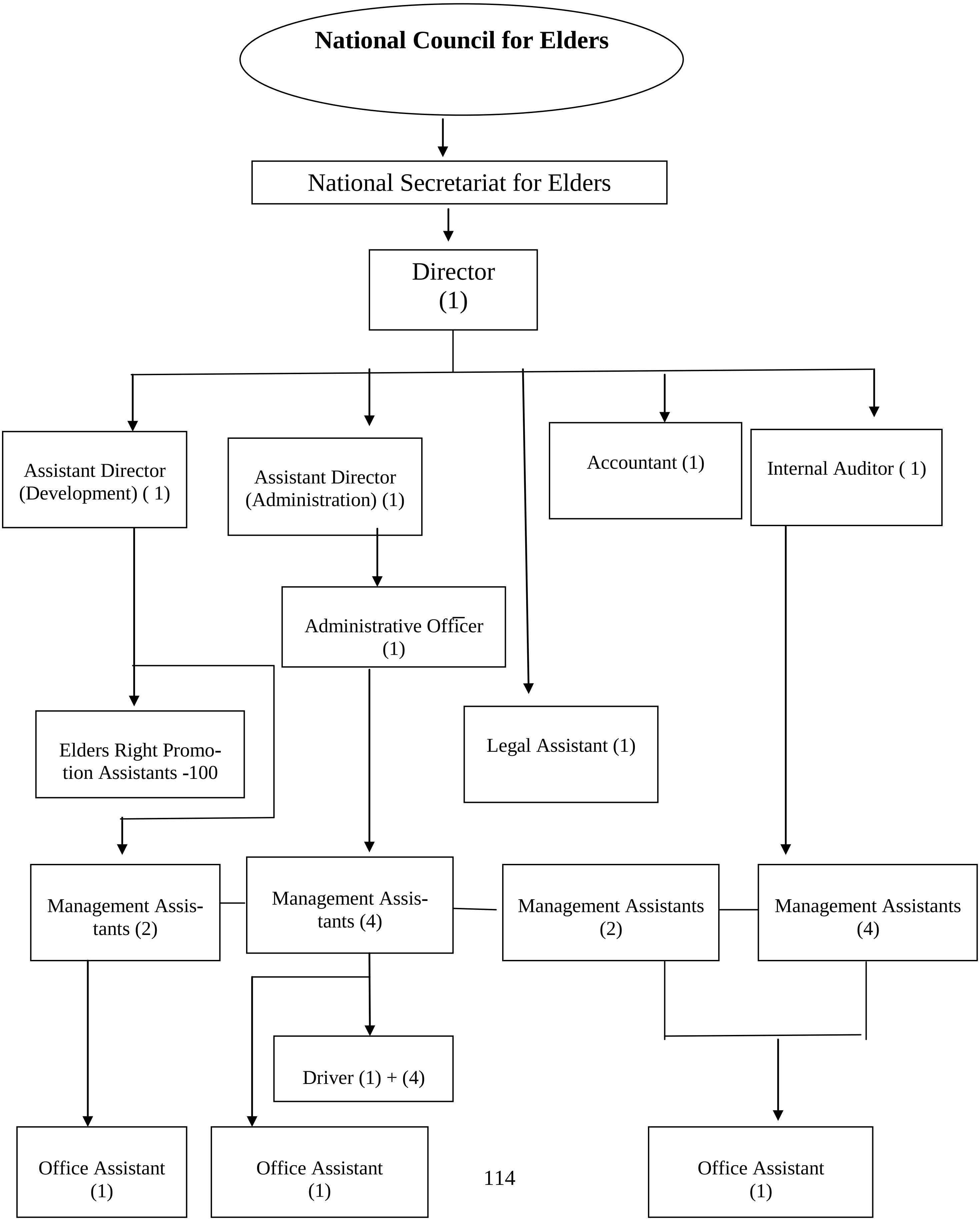
Vision

To take people of Sri Lanka towards an active,
Productive and dynamic ageing through caring

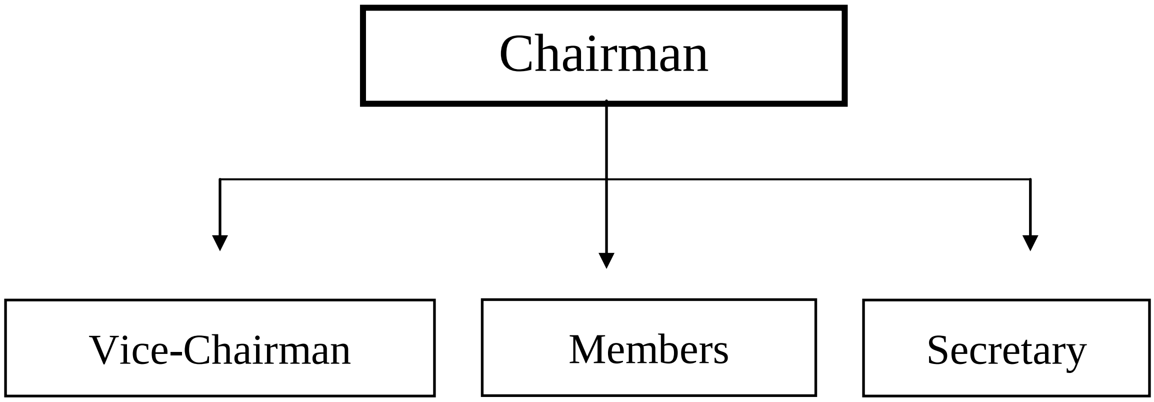
Mission

To encourage participation of older persons on social development and to ensure their independence, care, participation, self-fulfilment, dignity and to protect the rights of elders through awareness programmes.

Organization Chart- 2017



National Council for Elders - 2017



	Name	Post
1.	Mrs.SiraniWeerakoon	Chairman
2.	Mr.Saman Udawatte	Vice-Chair person
3.	Mr.Suvinda S.Singappuli	Secretary
4.	Mr.Wajira Kaburugamuwa	Member
5.	Mr.Thilak Da Soisa	Member
6.	Mr.Mahinda Ranasinha	Member
7.	Dr.Mrs. Neela Piyaseeli Gunasekara	Member
8.	Mr.E.M Rathnadasa	Member
9.	Rev.Alikewala Silananda Thero	Member
10.	Mr. Senior Prof.L Disanayaka	Member
11.	Mr.Palitha Elkaduwa	Member
12.	Mr. Sunil Gunawardana	Member
13.	Mrs. D.M.C.C.K Gunarathna	Member
14.	Mrs. Malar Gangatharan	Member
15.	Dr. Mrs. SiromiMaduwage	Member
16.	Prof. Mrs.Sirani Ranasingha	Member

National Council for Elders Chairman's Report- 2017

The growth of elderly population started in the 80^{th} century has become a social issue at present. The main responsibility of preparing the plans for the welfare and care of elderly people is vested in our Ministry in order to prevent the rapidly increasing population , which to be an issue in future.

With the view to fulfilling this task, the National Council for Elders takes the policy decisions in connection with the welfare and care of elders in terms of the provisions as stipulated in the Protection of the Rights of Elders Act No.9 of 2000 which is amended by the Act No. 06 of 2011. In subsequence, the National Secretariat for Elders, which has been established to perform the above mentioned functions, organizes and implements the several programmes and accordingly elderly welfare services were implemented in a broader manner while aiming the effective results.

Dedicated service of the staff including the Director of National Secretariat for Elders and National Council for Elders which hold the main responsibility in performing the said role, should be highly appreciated and further other private and non-government organizations are also committed to their time and labour toward the wellness of the elders and their commitment is also appreciated and I express my gratitude to all of them.

Owing to the fact that, it is difficult as well as a big challenge of limiting the role of welfare and security of elders who are over 2 million in Sri Lanka at present only to the National Secretariat for elder, in my point of view, the time has come to work for a secured tomorrow for elders by whole society in which the economically stable family is the main hub, while dedicating the welfare and protection of elders who are rapidly increasing within the said society.

H. M. Gamini Senavirathne

Secretary,

Ministry of Primary Industries and Social Empowerment

Chairman

National Council for Elders

National Secretariat for Elders Director's Report –2017

The brief description of the level of performance achieved in the year 2017, by the office of the National Secretariat for Elders, in accordance with the policy decisions and pre-determined procedures of the National Council for Elders, with a view to bringing about well-being for the elders in Sri Lanka, is stated below.

1. Allowance Rs 2000 for senior citizens

As appeared in the 100 days programme behalf of the protection and welfare of the elders above 70 years, the government has allocated additional funds from the budget 2014.

During the year 2017,the Rs.2000/- allowance has paid around386083 senior citizens above 70 years old who are in less income.

2. Establishment of Rural elder committees and provision of financial assistance

Financial assistance worth Rs.1.4983million was provided to 229Rural Elder Committees, 02Divisional level elders committees ,02District level Elder committee, 01 provincial level elders committees , 01 National level elders committees , 01 Experiences sharing programme , Religious tour programme , Stationeries have been spent under this programme.

3. Issuance of elder's I.D cards

45,156elders' ID cards were issued spending Rs. 0.4679 million within the year 2017.

4. **Training and awareness programmes**

By the end of 31 st of December 2017, Incurred expenditure was Rs. 3.9491 million for conducting 02 Exercise programmes, 10 Musical counselling programmes , an International women day celebration programme , a Media programme , Sri Lanka Forum for Parliamentarians on population and sustainable Development (SLPPD),making awareness and participation to the Sustain Lanka exhibition, 07 awareness programmes for the school children , 07 pre - retirement awareness programmes, a awareness programme by pasting stickers , 03 Elders Rights Promotion Assistants progress review meetings, 02 District Elders Rights Promotion Assistants progress review meetings, an awareness programme for district level elders committee members , conducted of elderly care service interviews and training programmes (NVQ Level 02) , 250 elderly care giver caps and T-shirts.

5. Provision of eye lenses and hearing aids, free of charge

According to medical advices, conducted 9 medical camps in the year2017. Rs.0.7034million was spent on these projects.

6. Commemoration of International Elders Day

Under the theme "Stepping into the Future: Tapping the Talents, Contributions and participation of Older persons in Society' The International Elders day were celebrated on 01.10.2017with the participation of Honourable Ministers and also with the participation of large number of elders from all over the Island. Parallel to this national celebration elders whoachieved 100 years were awarded, parents who have highest children were awarded, and held a quiz competition among the children in

Samurdhi children societies etc. Overall Rs.16.3435million was spent for commemoration International Elders Day in 2017.

7. Provisionof Financial Assistance for “Homes for the Elders

Rs. 2.3731million was spent on developing 08elders homes including Katharagama and Maligathenna elders homes and the Circuit bungalow at Kataragama. Out of these10 elders homes,two elders homes are managed by the administrative council which is functioning under the National Secretariat for Elders.

8. Elder Cover sponsorship scheme (Vedihiti Awarana sponsorship scheme)

In the year 2017, 45 beneficiaries are being benefited. Out of this 13 beneficiaries are being granted Rs.500/- each and other 22 are being granted Rs.250/- each, upon the desire of donors.

9. Maintenance Board of the Elders

The board met 50 times within the year 2017. Out of 149 complaints received from the elders, 69 cases were solved completely. Accordingly Rs.1.0031million was spent on the activities of the maintenance Board in the year 2017.

10. National Council for Elders

09 meeting sessions with the National Council for elders and 03 audit and management committee meetings were held in the year 2017. The expenditure on this was Rs.1.0489million.

11. Publication

By the end of December 2017, as publications 1500 copies of elder magazines,3000 quarterly news-papers (volume 3), 2500 Sarthaka Wedihiti Diviyata Maga Hand books, 6000 Elderly self-information record hand books, printing of annual progress report and CDs in 2015 and 2016, 25 printed banners for 25 district secretariats . Total incurred expenditure was 1.6862 Million.

In spite allocating Rs.20 million for capital and Rs. 130 for recurrent expenditure in the year 2017, only Rs.12.7 million for capital and 112.402 million for recurrent had been received.
However, 110.195 million as recurrent expenditure and, Rs. 6.149 million as capital expenditure were directly spent on elder welfare in 2017.

S.D Udawaththa
Director
National Secretariat for Elders

Development Progress - 2017

Refurbishment of Elders Homes

District	Name of the Elder Home	Released Amount (Rs. Mn)
Kandy	Kotikamba Elders Home	25,000.00
	Mahaiyawa Elders Home	84,652.00
Kurunegala	Mahawa Mee Muththa Elders Home	197,875.00
	Dankotuwa Widya BanduElders Home	161,875.00
Kaluthara	MathugamaWeththewa Elders Home (Men)	114,000.00
Monaragala	Pilisarana Elders Home	172,572.33
Kegall	Sinha Sewana Elders Home	237,000.00
Total		**992,974.33**
Katharagama elders homes		1,045,552.92
Malwathu Hiripitiya Ewgin Nona elders homes		257,895.61
Total		**2,296,422.86**

Issuing of Elders ID Cards - 2017

Province	District	Number of ID Cards
Western	Kaluthara	2276
	Colombo	2338
	Gampaha	4264
Central	Mathale	730
	Nuwaraeliya	2042
	Kandy	4112
Southern	Hambanthota	1906
	Galle	3346
	Mathara	2266
Eastern	Batticaloa	765
	Ampara	1421
	Trincomale	687
North western	Kurunegala	3109
	Puttalam	1935
North Central	Anuradhapura	1616
	Polonnaruwa	834
Uva	Badulla	1539
	Monaragala	1110
Sabragamuwa	Rathnapura	1848
	Kegalle	4043
Northern	Jaffna	739
	Mannar	572
	Mulathive	356
	Kilinochchi	226
	Vavniya	723
Total		**44803**
Number of ID Cards issued by head office in mobile services		**353**
Total		**45156**

Establishment of Elders Village Level Committees & Granting Rs.5, 000

Province	District	Number of Committees Assisted
Western	Kaluthara	04
	Colombo	12
	Gampaha	14
Central	Kandy	18
	Mathale	04
	Nuwaraeliya	22
Sourthern	Galle	25
	Mathara	04
	Hambanthota	05
Nothern	Jaffna	53
	Vavniya	01
	Kilinochchi	-
	Mannar	-
	Mulathive	07
Eastern	Batticaloa	12
	Ampara	15
	Trincomale	05
North Western	Puttalma	04
	Kurunegala	-
Sabaragamuwa	Rathnapura	06
	Kegalle	04
Uva	Monaragala	-
	Badulla	02
North Central	Anuradhapura	12
	Polonnaruwa	-
Total		**229**

Financially Assisted (Rs. 7,500) Divisional Level Elders Committees

Province	District	Divisional Secretariats
Eastern	Ampara	01
	Batticaloa	01
Total		**02**

Financially Assisted (Rs.15, 000) District Level Elders Committees

Province	District	District Committees
North	Jaffna	01
Total		**01**

Care Givers - Training Programme

National Secretariat for Elders has initiated a programme to train and employ elder care voluntary workers with the intention of providing care and nursing services needed for elders. Accordingly, a group of selected persons were given a systematic training for three weeks, on looking after and providing health services for elders by now, precious opportunity has emerged especially for those elders living in Western province with the requirement of such a service, to obtain the services of these trained personal. To provide this service, for an eight hour shift during the day time Rs. 750/-, during the night Rs.900/- and 24 hours whole day shift Rs.1650/-will be charged.

This service is provided under the complete supervision of the National Secretariat for Elders and depending on the nature of the required service of receivers, services of a female or a male service provider can be obtained. Also, the elder care givers that are employed will work according to a code of ethics.

The training programme has been planned and operated jointly by the Ministry of Social Services and the Ministry of Health. A proper certificate and an identity card are issued for those who have completed the training successfully. Therefore obtaining the services of elder protection voluntary workers with more confidence has become possible.

As a result of this programme not only the elders and their families, but also those who have been trained as elder protection voluntary workers have been benefited. They can now own a government recognized valuable certificate after going through a training and earn an income by working as an independent caretaker.

Although the functioning of this elder protection voluntary service is presently implementing around the Western province and some extend in Eastern Province, by spreading this service to the other provinces in the future it is hoped to provide a broader service to the elders who require such a service.

Wedihiti Awarana Kepakaru" - Sponsorship Scheme

The NSE has started a programme called Sponsorship Scheme for Elders which helps needy elders above 70 years according to the suggestion made by the NSE.

Any person can contribute their money for this programme and the money collected through this programme will be paid to needy elders selected from AGA divisions and each elder is paid Rs. 250/- per month. The recipient is paid Rs. 1,000/- for 4 months period and it is done by the Divisional secretariat.

An officer attached to the secretariat by the NSE will inform the donor about the date the financial grant is made and he also looks for the status of the recipient.

A donor can select an elder or number of elders from the list prepared by the Secretariat or otherwise they are selected by the Secretariat.

Information about the elder will be provided to the donor.

A donor can contribute for this programme through forwarding the donation to the account number 5234881 in Bank of Ceylon Battaramulla in favour of sponsorship scheme for Elders; otherwise they can make contribution to the Secretariat.

It is expected to expand the programme since this is a great service for needy elders.

Accordingly list of donors as well as beneficiaries and divisional secretariats in the year 2017 is given below.

No	Donor's name	No of Beneficiaries	Beneficiary's Name	Divisional Secretariat
01	Mrs W.M Wathsala	01	Mrs G. aspaththiniye	Pathadumbara
02	Mrs.PremaGunadasa& Mrs UdayanganiGunadasa	02	Mrs M.K.A Soma Gunawardana	Minuwangoda
			Mr H.P.Wipulasena	Minuwangoda
03	Account Fund	23	Mrs M.G.Wayalat	Thabuththegama
			Mrs. D. M. DingiriAmma	Maspotha
			Mrs.R.A.Keralainnona	Mihinthalaya
			Mrs.B.D.Jennona	Ridigama
			Mrs.T.W.G.Ango	Mawanella
			Mrs.W.G.Gunawathi	Kundasale
			Mrs R.Asilinnona	Kaduwela
			Mrs E.Piyaseeli	Kaduwela
			Mrs M.A.HemalathaPerera	Maharagama
			Mr.G.APiyasena	
			Mrs H.D.Leelawathi	Mahakubukkadawala
			Mrs M.M.D.Menikhami	Giribawa
			Mrs H.M.HerathMenike	Ibbagamuwa
			Mr A.G Darmawardana	Deraniyagala
			Mrs I.G.Soida	Warakapola
			Mrs J. P Leisa	Warakapola
			Mrs R.C.Wini	Giribawa
			Mr K.R.Dingiri	Polgahawela
			Mr A.HemapalaPerera	Maharagama
			Mr S.W.Peeris Stiwan Pranandu	Chawakachcheri
			WarnapuligeNandadasa	Seethawaka
			Mrs H.KusumPerera	Seethawaka
			Mrs Panawen-nagePrithilatha	Seethawaka
04	Mrs TharangaKarunasena	02	Mrs K Meri Nona	Kesbewa
			I. Ansi Nona	Kelaniya
05	Mrs. Nanda Karunasena	01	Mrs G.M.Lili	Kelaniya
06	Mr JayanthaPinchiHewa	01	M. NobatWimalasena	Kesbewa
07	Mr.NdeeraKarunasena	02	W.D. Darmadasa	Maharagama
			W.A.W Rejinorld	Maharagama
08	Mrs LalaniPerera	02	Mrs G.R Sadinona	Warakapola
			Mrs K.M.BandaraMenike	Pathahewaheta
09	Santhi Elders society - Higurakgoda	01	Mr. E.G Dingiri Banda	Delthota

Katharagama Circuit Bungalow - Income and ExpenditureStatements in2017

Month	No of rooms Reserved	Income	Expenses		
			Water Bill (Rs.)	Electricity Bill (Rs.)	Other
January	Accommodation was not provided for renovation work		7,251.07	439.90	-
February			6,947.63	459.60	-
March			5,855.60	258.20	-
April			8,072.65	423.00	-
May			5,831.60	313.20	-
June			6,177.17	240.00	-
July			4,669.35	368.10	-
August	16	30,750.00	5,166.17	5,600.60	-
September	10	22,500.00	17,364.47	3,588.90	-
October	06	10,750.00	11,246.00	1,392.90	-
November	08	15,875.00	11,563.63	1,466.10	-
December	39	75,000.00	10,704.97	569.40	-
Total	***79***	***154,875.00***	***100,850.31***	***18,982.20***	-

Senior Citizens Pension Scheme

This Pension Scheme was started in the year 2007 in line with the International Day for Elders under the supervision of Ministry of Social Services & Social Welfare. The National Secretariat for Elders jointly with the Sri Lanka Social Security Board launched the programme with effect from 01/01/2008.

Accordingly needy elders who are above their 70's and not getting any financial assistance from the Government are selected from divisional level are considered for this scheme and priorities are given to elders with disabilities and non-communicable diseases.

Rs. Million 03 granted by the National Lotteries Board through "SupiriWasana" lottery has been deposited in the bank by the Sri Lanka Social Security Board and monthly pensions are made out of the interest generated through the investment.

At present, 50 suitable elders are receiving monthly allowances of Rs. 500/- each through this scheme.

Maintenance Board for Elders

The Maintenance Board for Elders was established to protect the Rights of Elders under the Protection of the Rights of Elders Act, No. 9 of 2000. It consists of five members, including the Chairman, who are appointed by the Judicial Services Commission. The present Chairman is a retired High Court Judge.

The role of the Board is to assist needy elders (over 60 years of age) claim maintenance funds from their own children who have neglected them.

Once a maintenance claim is received by the Board from parents, the two parties concerned are summoned, questioned and examined. The children are then ordered to make reasonable monthly maintenance payments for their parents on whom the parents can survive on with their basis requirements, according to the Act.

Parents are eligible to claim maintenance from their adopted children in addition to their biological children. Moreover, parents who are below 60 years of age and who are mentally or physically disabled can claim maintenance according to provision 24(i) of the Act.

Applications for claiming maintenance have been made available in Divisional Secretariats or Grama-Niladhari Offices by the National Secretariat for Elders.

This Board has no legal power to settle family disputes or property related family matters.

When a particular child violates a maintenance order given by the board, there is the possibility of getting the maintenance order enforced by the Magistrate Court. There, the Magistrate has the power to enforce the maintenance order as it has been made under maintenance ordinance.

Maintenance Board for Elders

Applications received during the year 2017	-	168
No. of applications that do not come under the scope of the Board (Land matters & Family Disputes)	-	10

No. of cases taken up for determination	-	99
		=====
No. of cases settled	-	63
No. of cases disallowed	-	24
No. of cases withdrawn	-	12
No. of cases pending inquiry	-	54

Members of the Maintenance Board for Elders

Chairman - Mr.DudlyKarunarathne

Secretary - Mr.M.G.Punchibanda

Members of the Board

1. Mr.D..L.R.Subasinghe
2. Dr.LilyGunasekara
3. Mr.K.Markandu
4. Mr.A.R.A.M. Lafeer

National Council for Elders
Accounting Policies

General Accounting Policies:

(1) financial statements of the organization are prepared in accordance the Sri Lanka Public Sector Accounting standards.(SLPSAS)

(2) This is prepared on accrued basis

(3) Government Grants

(3.1) The National Secretariat for Elders is mainly funded by the General Treasury and treated as non-trading organization. The grant given by the Treasury for recurrent expenditure is credited to the income and expenditure Account while the amount granted for capital expenditure being capitalized and reflected as Government Capital Grant.

(3.2) Government Grants for purchasing of assets are recognized as income over the periods of useful life of the assets.

(4) National Council For Elders Act

Act According to the No. 09th of NSE Act of 2000 and the Amendment of No. 05th ofAct 2011.

(5) Liabilities and Provisions

Full provision is made in the accounts for retiring gratuity payable to all employees of the institute.

(6) FIFO method is used for stock verification

(7) Fixed Assets and depreciation.

(7.1) Depreciation Policy

Full year depreciation for the purchasing year, revaluation year and no depreciation for the disposing.

(7.2) Depreciation rates on straight line are as follow.

(1) Building	04%
(2) Vehicle	10% p.c
(3) Building partitions	15% p.c
(4) Plant & Machinery	20% p.c

(7.3) A certain part of fixed assets (Furniture & office equipment) is under the control of District Divisional Secretariats.

National Council for Elders

Statement of Financial Position as at 31st December 2017

Description	Note	2017(Rs.)	2016(Rs.)
ASSETS			
Current assets			
Cash & Cash Equivalents			
Cash in hand	1	100,943,749	42,799,797
Fixed Deposits	2	849,424,967	395,974,959
Staff Loan	3	4,122,360	4,059,118
Unsettled Staff Advanced	4	372,636	7,500
Other Receivable	5	24,956,482	754,041
Inventories	6	845,638	533,709
		980,665,831	444,129,125
Non- current assest			
Fixed Assets (page 06)			
Vehicle		9,331,500	11,486,000
Plant & Machinery		8,339,330	12,273,593
Furniture & office Equipment		9,145,484	11,232,078
Building		40,840,718	7,338,953
Land		34,200,000	13,000,000
		101,857,031	**55,330,624**
Total assests		**1,082,522,863**	**499,459,749**
LIABILITIES			
Current liabilities			
Accrued Expenses	7	2,304,116	311,034
Miscellaneous Deposit	8	1,807,092	1,866,920
Provision for Audit Fees	9	709,490	80,000
Provision for Gratuity	10	14,587,988	12,446,287
Last year Surcharge		836,871	-
Payable to Government Institutes			293,600
Staff Loan Fund	11	910,588	737,992
Elders Security Fund	12	951,629,668	427,704,100
WedihitiAwaranaKepakaru Fund	13	139,188	214,188
Total Current Liabalities		**972,925,000**	**443,654,121**
Net assest		**109,597,862**	**55,805,628**
NET ASSETS / EQUITY			
Capital Contributed by Government entities	14	55,635,986	54,816,763
Capital Donation	15	66,564,480	13,000,000
Accumulated Surplus /(deficit)	16	(12,602,603)	(12,011,135)
Total Net Assets /Equity		**109,597,862**	**55,805,628**

Signed by,
SriraniWeerakon
Chairperson,
National Council for Elders

Signed by,
Suvinda .S. Singappuli
Director,
National Secretariat for Elders

National Council for Elders

Statement of Financial Performance For The Year Ended December 31st, 2017

Description	Note	2017	2016
Revenue			
Other revenue	17	2,220,526	4,667,918
Government Grants – Treasury Imprest	18	116,226,114	126,925,495
Deferred Revenue	19	9,405,245	9,630,952
Total Revenue		**127,851,885**	**141,224,365**
Expenses			
Personal Emoluments	20	69,983,275	66,025,932
Travelling	21	1,514,765	1,759,166
Supplies & Consumable Used	22	1,604,772	2,667,439
Maintenance	23	3,176,375	1,770,886
Contractual Services	24	3,864,682	3,292,911
Other Operating Expenses	25	37,587,834	55,260,549
Depreciation	26	10,711,649	9,630,952
Total expenses		**128,443,353**	**140,407,835**
Surplus/(Deficit for the period)		**(591,468)**	**816,530**

National Council for Elders

Cash Flow Statement for the Year Ended 31st December 2017

Description	2017	2016
Surplus / Defecit from Operating Activities		
Depreciation	10,711,649	9,630,952
Deferred Revenue	(9,405,245)	(9,630,952)
Current Assets		
Increase inInventories	(311,929)	174,376
Increase in staff loan	(63,242)	(106,561)
Increase in Unsettle staff Advance	(365,136)	(1,250)
Increase in Investment (Fixed Deposits)	(453,450,008)	(389,000,000)
Receivable Income		881,000
OtherReceivable Income	(24,202,441)	(754,041)
Current Liabilities		
Provision for Gratuity	2,141,701	1,726,072
Provision for Audit Fee	629,490	
Increase in staff loan fund	172,596	165,970
Decrease in Miscellaneous Deposit	(59,829)	(2,153,288)
Accrued Expenses	1,993,082	124,714
Last Year Surcharge	836,871	1,089,719
Net Cash Flows from Operating Activities	**(471,963,907)**	**(387,036,760)**
Cash Flow from Investing Activities		
Purchasing of Fixed Assets	(2,325,056)	(22,855,597)
Net Cash Flow from Financing Activities	**(2,325,056)**	**(22,855,597)**
Cash Flows from Financing Activities		
Government Grants(Capital)	8,875,947	19,785,941
VedihitiAwarana Sponsorship Scheme	(75,000)	(110,000)
Payable to Government Institutes	(293,600)	293,600
Elders Security Fund	523,925,568	427,704,100
Net Cash Flows from Financing Activities	**532,432,915**	**447,673,641**
Net Increase in Cash and Cash Equivalents	**58,143,951**	**37,781,284**
Cash & Cash Equivalents at Ending of Period	42,799,797	5,018,513
Cash & Cash Equivalents at Beginning of Period	**100,943,749**	**42,799,797**

Signed by,
SriraniWeerakon
Chairperson
National Council for Elders

Signed by,
SuvindaS.Singappuli
Director
National Secretariat for Elders

National Council for Elders Notes

2016	Note 15	Capital Donation	31/12/2017 Rs.
13,000,000.00		Land- Holly- Cross Gampah	13,000,000.00
-		Kataragama -Land	18,000,000.00
-		Kataragama - Building	33,713,000.00
-		Haragama - Land	3,200,000.00
		Less.Deferred Revenue	(1,348,520.00)
13,000,000.00		**Total**	**66,564,480.00**

2016	Note 16	Accumulated surpluses (deficits)	31/12/2017 Rs.
(13,917,384.62)		Opening Balance	(12,011,135.24)
1,089,718.92		Previous year adjustment	-
816,530.46		deficit/surplus for the year	(591,467,.99)
(12,011,135.24)		**Total**	**(12,602,603.23)**

2016	Note 17	Other Revenue	31/12/2017 Rs.
378,643.00		Other Income	390,511..68
441,264.07		Fixed Deposit Interest	666,707.00
580,691..35		Profit from Flag sale	1,161,986.23
1,306.52		Interest on Special Advance	1,321.20
3,266,010.52		Deposit Transfer	-
4,667,915.46		**Total**	**2,220,526.11**

2016	Note 20	Personal Emoluments	31/12/2017 Rs.
28,211,621.43		Salaries & Wages	35,985,752.10
4,355,437.60		E.P.F. contribution	5,408,393.64
1,081,900.98		E.T.F. Contribution	1,351,764.14
497,351..36		Overtime	419,510.39
125,181..05		Holiday Pay	112,118.71
11,468,517.07		Other Allowances (COL)	12,009,675.45
18,292,492.19		Adjustable Allowances	11,999,938.78
1,993,430.00		Gratuity	2,696,122.00
66,025,931.68		**Total**	**69,983,275.21**

2016	Note 21	Travelling Expenses	31/12/2017 Rs.
1,360,811.10		Domestic	1,168,989.00
398,354.72		Foreign	345,775.55
1,759,165.82		**Total**	**1,514,764.55**

2016	Note 22	Supplies & Consumable Used	31/12/2017 Rs.
1,704,044.23		Stationery & Office Requisites	995,394.91
939,394.80		Fuel & Lubricants	597,377.05
24,000.00		Uniforms	12,000.00
2,667,439.03		**Total**	**1,604,771,96**

2016	Note 23	Maintenance Expenditure	31/12/2017 Rs.
1,350,777.35		Vehicle	2,456,555.45
420,108,56		Plant, Machineries &Equipments	719,819.90
1,770,885.91		**Total**	**3,176,375.35**

2016	Note 24	Contractual Services	31/12/2017 Rs.
183,727.79		Postal & Telecommunication Charges	655,547.00
852,379.81		Electricity & Water	1,791,732.24
1,630,725.31		Cleaning Charges	278,814.12
272,313.68		Other – News papers	34,713.50
32,358.00		Other - Entertainment Expenses	76,180.50
69,628.00		Other Allowances (Accountant / Typists / Photocopy)	148,999.00
21,949.00		Transport	240,191.00
221,329.50		Bank Charges	9,015.00
8,500.00		Audit fees	629,490.00
3,817,027.91		**Total**	**3,864,682.36**

2016	Note 25	Other Operating Expenses	31/12/2017 Rs.
1,998,600.00		Establishment of Village Level Committees	1,498,327.50
601,553.15		Issue of identity Cards	483,745.86
3,995,431.00		Establishment of Day Centres & provision of Grants for Income Generating activities	-
1,640,058.50		Publications	1,695,204.00
5,496,372.14		Training & awareness Programme	3,924,349.11
9,998,415.00		Conducting Medical clinics ,Issue of Eye lenses & Assistive Devises	703,410.00
10,881,796.35		Commemorating "International Elders Day"	15,966,800.50
13,607,794.09		Assisting Home for the aged	2,373,081.82
1,049,580.00		Allowance for Council Members	1,003,095,20
892,097.00		Allowance for Board Members	1,048,903,00
2,923,057.24		Administrative Expenditure 2000/-Allowances	5,066,864.48
250,000.00		Donation for cancer patients	-
1,925,795.02		Training & Capacity Building	3,824,052.90
66,657,324.83		**Total**	**37,587,834.37**

2016	Note 26	Depreciation	31/12/2017 Rs.
3,064,472.88		Furniture & Office equipments	2,928,169.34
2,154,500.00		Vehicle	2,154,500.00
4,106,188.92		Plant & Machineries	4,114,295.42
305,789.71		Building	1,514,684.03
9,630,951..51		**Total**	**10,711,648.79**

Opinion of the Auditor General

The audit of Financial Statements of the National Council for Elders for the year ended 31 December 2017 comprising the statement of financial position as at 31 December 2017 and the statement of financial performance and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information 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 Section 13(1) of the Finance Act No. 38 of 1971 and section 20(3) of the protection of the Rights of Elders Act, No.9 of 2000. My Comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14(2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7) (a) of the Finance Act was forwarded to the Chairman of the Council on 26 July 2018.

Opinion

In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the National Council for Elders as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with SriLanka public sector accounting standards .

H.M GaminiWijesinghe
Auditor General

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. LEW/C/NCE/1/17/19
ඔබේ අංකය / உமது இல. / Your No.
දිනය / திகதி / Date 31 August 2018

The Chairman
National Council for Elders

Report of the Auditor General on the Financial Statements of the National Council for Elders for the year ended 31 December 2017 in terms of Section 14 (2) (C) of the Finance Act No. 38 of 1971

The audit of financial statements of the National Council for Elders for the year ended 31 December 2017 comprising the statement of financial position as at 31 December 2017 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information 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 Section 13 (1) of the Finance Act, No. 38 of 1971 and Section 20 (3) of the Protection of the Rights of Elders Act, No. 09 of 2000 . My comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed report in terms of Section 13 (7) (a) of the Finance Act was sent to the Chairman of the Council on 26 July 2018.

1.2 Management's Responsibility for the Financial Statements

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

1

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
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1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810) . Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements 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 Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2:2 of this report.

2. Financial Statements

2. 1 Qualified Opinion

In my opinion, except of the matters described in paragraph 2:2 of this report the financial statements give a true and fair view of the financial position of the National Council for Elders as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2. 2 Comments on Financial Statements

2. 2.1 Sri Lanka Public Sector Accounting Standards

As a result of not reviewing the useful life time period for the non- current assets annually in terms of Section 65 of the Sri Lanka Public Sector Accounting Standard 07 though the fixed assets cost at Rs. 9,470,084 had been entirely depreciated are further being used. Accordingly, action had not been taken to revise the estimated error occurred in terms of Sri Lanka Public Sector Accounting Standard 03.

2. 2.2 Accounting Deficiencies

The following observations are made.

(a) Even though the land belonging to organization situated at Malwathu Hiripitiya and the building in the same land had been assessed for Rs. 4,200,000 and Rs. 16,122,000 respectively those had not been taken in to accounts under fixed assets.

(b) Even though the furniture equipment purchased as donations to three Elderly Homes valued at Rs. 369,928 during the previous two years had been handed over to those Elderly Homes , as a result of taken them in to accounts of the organization under fixed assets and the depreciation also had been adjusted amounting Rs. 138,240 for that , the assets and the depreciation had been overstated by that amount.

Auditor General's Department

(c) A sum of Rs. 18,814,700 which should be received to the Social Security Fund for the Elders from the Divisional Offices at the end of the year under review and a sum of Rs. 335,792 receivable from those Offices by selling flags had not been taken in to accounts as receivables.

(d) The cost of 25,466 copies of the by- laws for the Elders' Organizations which were not distributed as at 31 December in the year under review amounting to Rs. 763,980 had not been taken into stationary stock of the accounts.

(e) Even though value of the depreciation on plant and machineries in the year under review was Rs. 3,808,742 , because of that value had been brought to accounts as Rs. 4,114,295 the depreciation amount for the year was shown overstated by Rs. 305,553.

2. 2.3 Lack of Evidence for Audit

The evidence related to the following items shown against them had not been furnished to audit.

	Item	Value Rs .	Evidence not made available
(a)	Providing the cheques to pay homage for the Elders' Day	2,625,000	Confirmations made by the Divisional Secretariats as the cheques sent to 48 Divisional Secretariats to hand over to 105 elders were received.
(b)	Payment of Elders' allowances	1,780,000	Confirmations made by the District and Divisional Secretariats as the money sent to 25 District Secretariats and 331 Divisional Secretariats were obtained.

4

2. 3 Non- compliance with Laws, Rules, Regulations and Management Decisions

The following instances of non- compliance were observed in audit.

	Reference to Laws, Rules and Regulations	Non- compliance
(a)	Paragraph 4.3 (a) of Government Tender Guidelines 2006	Although the total expenditure estimate should be prepared by the Procurement Entity consisting all the associate expenditure, the total expenditure estimate for the purchase of capital equipment had not been prepared by the Council.
(b)	Financial Regulations 371 (5) of Financial Regulations of the Democratic Socialist Republic of Sri Lanka and Public Finance circular No. 03/ 2015 of 14 July 2015	Even though the ad hoc sub- imprest should be settled just after the completion of the duty, the settlements of advances totalled to Rs. 455,300 given in connection with 18 instances had been made in delay a period ranging from 12 days to 131 days after the completion relevant activity
(c)	Treasury Circular No. IAI/ 2002/ 02 of 28 November 2002	Even though all the computer accessories and software belonging to the organisation should be shown in a Register of Fixed Assets , a Register of Fixed Assets had not been maintained for the computer accessories and software valued at Rs. 10,482,420 belonging to the Secretariat.
(d)	Paragraph 6.5.1 of Public Enterprises Circular No. PED/12 of 02 June 2003	The Draft Annual Report had not been furnished while handing over the financial statements of the year under review.

(e)	Paragraphs 3 (a) and 4 (d) of Finance Ministry Circular No. මු. අ. 01/ 2015/ 01 of 15 May 2015	Even though only 40 United States Dollars could be able to provide as incidental allowance to an officer when participation of Foreign training, conferences, meetings and workshops. accordingly, 75 United States Dollars per each had been provided thereon a sum of Rs. 98,492 had been paid in addition to that and actions had not been taken to recover that money again.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial results of the operational activities of the Council for the year ended 31 December 2017 had resulted in a deficit of Rs. 591,468 and the surplus of the preceding year as against to that was Rs. 816,530 thus indicating a deterioration of Rs. 1,407,998 in the financial result of the year under review as compared with the preceding year . Even though the expenditure in the year under review had decreased by Rs. 11,964,482 , as the income decreased by Rs. 13,372,480 the financial result had deteriorated.

In analyzing of the financial results for the year under review and the 04 preceding years though a deficit existed from the year 2013 to the year 2015 , a financial surplus had occurred in the year 2016 and again a deficit had occurred in the year 2017 . However, in readjusting the employees' remuneration and depreciation for the non- current assets to the financial result, the contribution amounted to Rs. 16,523,248 in the year 2013 had continuously increased and had become a sum of Rs. 46,105,933 in the year 2017 .

4. Operating Review

4. 1 Performance

4. 1.1 Planning

The following observations are made.

(a) Even though the total responsibility of the organization to prepare a Corporate Plan for at least a three years period with a short term and long term vision to manage the activities of the Council and manipulate the organization to be able to reach to the expected targets accordingly , the Council had not prepared a Corporate Plan.

(b) A methodology had not been introduced by the Council for the examination of the progress of achieving the Action Plan timely. Similarly, same activities had been included in the Action Plan from few years and had not been prepared in an appropriate way with the activities of the Act.

4. 1.2 Activities and Review

(a) Providing Eye lenses and Audio Aids

The provisions amounting to Rs. 10,000,000 had been provided by the Action Plan for 3,530 eye lenses, 400 audio aids, as medical equipment for Elders and conducting 10 medical campaigns for the year under review. Following observations are being made in that connection.

(i) Even though the paper advertisements had been published in the month of March in the year under review for the purchase of eye lenses the Technical Evaluation Committee had been appointed on 31 October . Accordingly, a private organization had been selected to purchase 1,050 eye lenses for Rs. 5,775,000 each for Rs. 5,500 opening the bids on 15 December. Although the procurement activities should be completed within 04 weeks in terms of Supplementary 31 to the Procurement Guidelines , related purchases had not been made up to the month of December in the year under review .

(ii) Even though the Council had been planned to purchase and distribute 400 audio aids any activity had not been carried out with regard to that during the year under review.

(iii) Even though a sum of Rs. 776,050 had been provided plans had not been made in order to execution of the medical campaigns requested by 09 District Secretariats, the portion of provision to be provided had not been planned. Similarly the provisions for these medical clinics had been provided during the last two months of the year under review and the Council had not taken actions to obtain expenditure details as those medical clinics were held. However, it was not confirmed to audit whether the medical clinics were conducted during that year. Accordingly, as the plans made to the related year had not been functioned during the year itself completely, the provision had remained in 92 per cent .

(b) Research Trainings and Awareness Programmes

A sum of Rs. 8,575,000 for 12 training and awareness programmes and a sum of Rs. 4,000,000 for 04 training and capacity development programmes had been provided according to the Action Plan in the year under review and a sum of Rs. 3,949,136 and Rs. 3,824,052 respectively had been incurred for those programmes.

The following observations are made.

(i) Even though it was planned to conduct 02 leadership programmes under 04 training and capacity development programmes during the year under review by the Secretariat only one programme had been conducted.

(ii) As a result of not conducting the planned training and capacity development programmes for the year under review the money provided under that object amounting to Rs. 1,071,000 had been utilized for the Diploma in Gerontology conduct in the National Social Development Institute. However, even though the budget provision of the year under review had utilized for the next year without the approval of the National Budget Department , 21 officers of the Secretariat had not been enrolled for this course.

(c) Updating of Elders' Data

Maintaining of accurate and updated statistics relating to the elders was an activity out of the activities in the Act of the Council and the Committee on Public Enterprises had recommended that an accurate database should be maintained for that. Accordingly, the Elderly Rights Promotion Officers had been aware by planning to include the 25 Elderly Homes, Elders' Committees, Elderly Day Care Centres and the number of elders in 25 Districts in Sri Lanka commenced on the 01 October by the internet whereas the Elders' day of the preceding year . However the database had not been updated.

(d) Celebration of Elders' Day

The International Elders' Day in the year under review occurred on 01 October and a sum of Rs. 16,000,000 had been provided to celebrate that day under the Action Plan. An estimate amounted to Rs 18,758,000 consisting 08 activities for that purpose and expenses amounting Rs. 15,966,800 had been incurred.
The following observations are made.

(i) Actions had been taken to provide money donations amounting to Rs. 25,000 per each Rs. 7,275,000 to 213 elders who were more than age of 100 years in 122 Divisional Secretariats , 78 elderly women who had most number of children more than age of 75 years in 65 Divisional Secretariats for celebration of International Elders' Day. Nevertheless , 184 cheques valued at Rs. 7,100,000 written and signed within the two days of 23 and 24 November 2017 had been posted to the Divisional Secretariats directly but in delayed nearly 45 days that is 16 January 2018.

(ii) Although these money had received to the elders by the final week of the February 2018 confirmations had not been obtained whether the money was received .

(iii) Because of the main activities of the Elders' Day were homage for the elders more than 100 years in age and homage the mothers more than 75 years had most number of children , despite the ability to pay homage in Elders' Day itself, the gifts had been provided after completion of 04 months after that date. It was revealed that many elders died at the time of receiving the money. The audit indicates that the existing such delays to fulfill one purpose to be accomplished to the elderly society is a weakness of the Management.

(e) Sale of Flags and stickers for Elders' Day

Commencing a flag week for the Elders' Day 2,310,000 flags and 33,100 stickers had been printed by incurring Rs. 979,558 . A number of 2,302,400 flags to 25 District Secretariats and 317 Divisional Secretariats and a number of 28,200 stickers to 20 District Secretariats had been distributed by incurring Rs. 115,615 for the distribution of those flags and the stickers. One flag was priced at a Rs. 10 and a sticker was priced at a Rs. 100 and the face value of the stickers were Rs. 26,410,000 .

The following observations are made.

(i) Out of the 2,302,400 flags provided to 25 Districts 1,856,322 flags had been distributed to 317 Divisional Secretariats . Accordingly, information in order to 446,078 number of remained flags had not been rendered to audit.

(ii) From the money received by selling flags and stickers or a sum of Rs. 11,658,500 or 35 per cent were in receivable to the organization and a sum of Rs. 826,194 had received to the organization . Similarly, 1,653,460 flags or 71 per cent of the balance existed in 230 Divisional Secretariats in the year under review and 75,422 flags which were not sold had been destroyed. The printing cost of 728,882 remained flags and destroyed flags as such was Rs. 587,799 and that was a loss to the organization. Accordingly, a sufficient attention had not been drawn by the organization to print flags , distribution and selling of flags and to collect the sales income.

(iii) A number of 28,200 stickers had been distributed to 20 District Secretariats and it was observed that 2,490 stickers were sold as at 31 December in 13 Districts . Accordingly, no information was provided that whether the 25,710 stickers were sold and the printing cost of those stickers were Rs. 159,753.

(f) Maintaining of Elders' Day Care Centres

Although the preparation of the Guideline for the Elderly Day Care Centres commenced in the month of January 2017 it had not been completed. Similarly, even though 150 Elderly Day Care Centres had identified, aids had not been provided by the National Secretariat for Elders.

(g) Supervision of Elders' Homes

The total number of Elderly Homes maintain in Sri Lanka were 306 and the number of registered in the Secretariat had been 119 . However, only 19 out of those Elderly Homes had been examined by the Secretariat in the year under review.

(h) Not meeting the objectives of the Act

The following activities had not been implemented by the National Council for Elders in terms of the Section 13 of the Protection of the Rights of Elders Act, No. 09 of 2000 in the year under review.

(i) To maintain accurate and up to date statistics relating to elders.

(ii) To promote studies and research with a view to identifying the principal causes of the problems of elders and their needs and aspirations and to promote effective measures for the alleviation or elimination of such causes and for the satisfaction of such needs and aspirations

(iii) To aware people with regard to the problems, requirements and aspirations of elders.

(iv) To monitor and coordinate programmes and schemes initiated and implemented by the Government, voluntary Organizations and bodies of persons, for the upliftment of the status of elders .

(v) To introduce and implement a health insurance benefit scheme for elders.

(vi) To maintain a directory of paid and unpaid job opportunities available to elders for the awareness of elders, for the reference of elders and to assist elders wherever possible to be gainfully employed and to maintain a directory of elders according to their talent and expertise for the reference of the public .

4.2 Management Activities

The following observations are made.

(a) Out of a sum of Rs. 5,000,000 received in the preceding year to start a medical insurance scheme for the senior citizens who were 75 years of age and for a preparation of a National Policy for providing common transport facilities for the Elders for more than age of 65 years a sum of Rs. 3,305,836 had been incurred in that year for the awareness programmes in the National Secretariat for Elders and the 331 Divisional Secretariats . The remainder out of that amounting to Rs. 1,694,164 had been retained in the General Deposit Account . However, even though 02 years had lapsed by the 30 June 2018 the date of audit, the Policy Statement had not been prepared.

(b) Estimated take over the land of Nivithgala Nilvala Sevana Disabled Centre in extent 02 acres and the building received by a deed of gift in the year 2009 for carrying on a Protection Centre for elders to the National Secretariat for Elders had not been made. Similarly, a repair also had been done in that building for Rs. 390,000 . Due to being unused for any activity and closed even up to the year under review, related parties also had filed cases against the Secretariat requesting this land again.

(c) Because of the total value of furniture, office equipment and machineries purchased during the year amounting to Rs. 26,715,433 from the year 2003 to the year 2013 by the organization had been entered in the Register of Fixed Assets without classifying the assets in each year separately, it had been impossible to identify the disposable and unused assets.

(d) The gratuity amounting to Rs. 104,445 had been overpaid for 06 officers who had retired from the service of the office in the year under review and the that money had not been recovered even by the date of the report.

4.3 Operational Activities

The following observations are made.

(a) (i) From the Elders' allowance amounting Rs. 2,000 provide on monthly basis for the elders who are more than the age of 70 years a sum of Rs. 100 provides to the National Secretariat for Elders by the Divisional Secretariats and the approval also had been obtained through a Cabinet Memorandum No. අමප/ 16/ 0719/ 711/010 dated 30 August in the preceding year for ten activities which should be done from that money. A sum Rs. 860,094,400 had been received from the month of February in the preceding year to the year under review and a sum of Rs. 841,783,300 received had been deposited in short term fixed deposit accounts in 02 state banks without achieving related activities.

(b) The money charges from the Elders' allowance by Divisional Secretariats amounting Rs. 100 is being sent by the cheques and the cheques with errors therein had been presented to those Divisional Secretariats again. Accordingly, a sum of Rs. 19,738,200 had been receivable from 54 Divisional Secretariats as at 31 December in the year under review and proper steps had not been taken to recover that money .

(c) The fixed deposits are being re-invested at the instance of the maturity by the organization and as a result of the fixed deposits valued at Rs. 577,394,762 so matured had been in idle from 07 days to 47 days period until re-invest, an interest amounting to Rs. 2,675,830 had been lost.

4.4 Transactions in Contentious Nature

A sum of Rs. 59,800 incurred by a member of the Council for the Elders for own private foreign trip had been reimbursed by the National Secretariat for Elders in the year under review.

4.5 Idle and Under- utilized Assets

Even though Holy Cross land in Gampaha valued at Rs. 13,000,000 and the Rajitha watta land in Haragama amounting Rs. 3,200,000 had been received by a deed of gift from an external party in the year 2011 to the organozation for the construction of Elderly Homes , due to the failure in proceed construction of houses those lands were remained in idle.

4.6 Staff Administration

The following observations are made.

(a) The number of approved cadre of the National Elders Secretariat as at 31 December in the year under review was 143 and the number of actual cadre was 133. Accordingly 10 vacancies were existed. The post of Assistant Director (Administration) and the post of Legal Officer were in vacant from the year 2011 onwards , even by the 31 May 2018.

(b) Even though the approval of the Department of Management Services had been obtained on 11 January 2017 to recruit an officer on contract basis for the post of Assistant Director (Information and Communication Technology) an officer had not been enrolled even by the date of audit 18 May 2018 .

(c) Elders' Rights Promotion Officers had not been appointed to any Divisional Secretariats in the Nuwaraeliya and Kilinochchi Districts and the number of officers assigned for the District Secretariats in Ratnapura and Anuradhapura were less than the required number.

5. Sustainable Development

All the government institutions should be functioned as per the United Nations year 2030 Agenda for the Sustainable Development 2017 and the National Council for Elders had not aware of the way of proceed with regard to the functions under the scope with regard to the year under review . Because of non- awareness as such Sustainable Development objectives and the targets had not been identified.

6. Accountability and Good Governance

6. 1 Internal Audit

Even though an Internal Audit Report should be prepared once in a quarter in terms of Paragraph 09 of Management Audit Circular No. DMA / 2009 (1) of 09 June 2009, those reports had not been prepared.

6. 2 Procurement

According to the Procurement Plan prepared by the organization in the year under review a sum of Rs. 8,875,947 had been obtained from the Treasury in 06 occasions from the March to November in the year under review for the purchase of capital equipment . Computer equipment amounting to Rs. 2,325,055 had been purchased during the year by the organization and as a result of delays in purchasing procedure of 63 computers up to 31 December a sum of Rs. 6,550,892 or 73 per cent could not be able to utilized. Accordingly , the procurement procedure had not been consisted to be able to fulfill the necessity of the organization .

6. 3 Budgetary Control

The variances were observed while comparing the budgeted income and expenditure with the actual income and expenditure ranging from 26 per cent to 93 per cent thus indicating that the budget had not been made use of as an effective instrument of management control.

7. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Council from time to time. Special attention is needed in respect of the following areas of systems and controls.

Area of Systems and Control	Observations
(a) Accounting	Assets and donations not taken in to accounts properly
(b) Staff Administration	Existing vacancies in the staff had become a barrier to achieve the objectives of the Council
(c) Fund Control	Maintaining the Elders' Social Security Fund in idle.
(d) Land Development	Non- use of lands received as donations for the targeted activities

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General

H.M. Gamini Wijesinghe

Auditor General

ජාතික වැඩිහිටි මහලේකම් කාර්යාලය
முதியோர்களுக்கானதேசியசெயலகம்
National Secretariat for Elders

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சமூக நலன்புரி மற்றும் ஆரம்ப கைத்தொழில் அமைச்சு
Ministry of Social Welfare and Primary Industries

සක්‍රිය වැඩිහිටි වියක් උදෙසා -செயலூக்கமான முதுமையை நோக்கி - Towards an active ageing

මගේ අංකය எனது இல. **My No.**	NSE/DEV/01/03/iii	ඔබේ අංකය உமது இல. **Your No.**		දිනය திகதி **Date**	2018.09.

Through Secretary,
Ministry of Social Welfare and Primary Industries
Chairman,
National Council for Elders
Auditor General,
Auditor General's Department,
Battaramulla

Report of the Auditor General on the Financial Statement of the National Council for Elders for the year ended 30November 2017 in terms of Section 14(2)(c)of the Finance Act, No.38 of 1971

Answering the Audit Report on Accounts for the year ended 31.12.2017

The details were submitted to the National Council for Elders on 28. 12. 2017 in accordance with the report of the Auditor General, bearing No. LEW/C/NCE/1/17/19 dated 16. 07. 2018 and Section 14 (2) (c) of the Finance Act. In subsequence, the proposed actions to be taken for the matters shown in the report are kindly submitted as follows.
Paragraph numbers as per the report of the Auditor General

2. Financial Statements
2.1 Expressing the views on Financial Statements
2.1.1 Sri Lanka Public Sector Accounting Standards

A revaluation committee has been appointed by now for this purpose and preliminary affairs for performing the revaluation activities are underway by the said committee.

2.2.1. Accounting Deficiencies

The following observations are made.

(a) and (b)

It had been calculated the excess amount due to calculation of an incomplete period of service for the gratuity calculation and unawareness of the officers regarding the Circular dated 17 November, 2014. Actions would be taken to avoid such mistakes in future and arrangements would be made to charge the amount of this money from the relevant employees in future.

(c) I would take actions to rectify these through the final accounts 2018

(d) Even though it was shown in the audit that the amount of Rs. 418,088/- had been noted in the fixed asset register and depreciated in the year 2015, having entered the said amount of money in the wood furniture and office equipment Account, as per it's entries, the equipment worth Rs. 273,428/- and Rs. 96,500/- had been given to Kandy Godahewa Elders Home and Medirigiriya Elders home respectively. In subsequence, the amount of Rs. 369,928/- which had been utilized for purchasing goods for the elders homes, had been removed from the fixed assets register and corrected it and the remaining Rs. 43,160 /- was given to Katuwana Divisional Secretariat to purchase office equipment for officers attached to the said Divisional Secretariat. Accordingly, I mention that the said amount of money, which was mistakenly included in the fixed assets register has been corrected.

(e) If there is any accounting deficiency occurred in this process, you are informed that the actions would be taken to change the accounting policies in the future.

(f) Distribution of the copies of the interim constitution for the elders committees has already been completed and as you mentioned that the value of the books of Rs. 763,980/- was brought to the account as an expenditure.

(g) The depreciation value of the machinery and equipment of Rs. 4,114,295/- is the correct value given in the financial statements in 2017

2.2.2. Lack of Evidence for Audit

(a) Many evidences of confirmation related thereto were received after the follow up activities, which had been conducted with regard to the relevant divisional secretariats.

(b) The receipts have so far been received from 200 divisional and district secretariats with regard to the administrative expenditure, which had been sent to 331 divisional secretariats and arrangements, have been made to receive the remaining receipts as well.

(c) A fixed asset register has been maintained since 2013 and necessary actions for separately identifying all fixed assets, which had been utilized before, were taken following the appointing of a revaluation committee in the year 2018.

2.2.3 Non – compliance with Laws, Rules, Regulations and Management Decisions

(a) In spite of the total cost estimate should be prepared in the construction activities, a total cost estimate had not been prepared for these activities as we had felt that it is not essential. Arrangements would be taken to prepare the total cost estimates for future activities.

(b) 1. Petty Cash advance had been settled by 31 December 2017

2. After completing the relevant activity, settlement of payments had been recommended and submitted to the Finance Division within 07 days.

(c) A fixed assets register has been maintaining for the computer accessories and software in accordance with the Treasury Circular No. IAU /2002/02

(d) A copy of the relevant circular is attached herewith and actions had been performed in compliance with the said circular (Annex 01)

3. Financial Review

3.1 Financial Result

4. Operating Review

4.1 Performance

4.1.1 Planning

A cooperate plan on the basis of 03 years has not so far been prepared and accordingly you are informed that the arrangements would be taken to prepare and maintain a cooperate plan since 2019.

Writing down and updating the progress of the action plan is in operation at present.

4.1.2 Operation and Review

(a) Supply of eye lenses and hearing aids

(i) Owing to the fact that, year 2017 had been ended when the procurement activities on the supply of eye lenses for the year of 2017 had been completed, there had not been a sufficient time to purchase. Hence the approval could not obtain from the Secretary of the Ministry to purchase these apparatus. Therefore, the task of purchasing the eye lenses could not be performed.

(ii) As per the request made from the Director General of Health to obtain 2 doctors in the Ministry of Health, the specifications had been prepared by the doctors whom had been sent by the Ministry and therefore the said work had been delayed. Hence the purchasing role of hearing aids could not be performed until the year had been ended.

(iii) When purchasing the medical equipment, the cooperation of each medical division should be received to the preliminary activities of procurement process, however, the various attempts made for this purpose had been unsuccessful and therefore it could not reach to a ad hoc progress of 100%.

Provisions had been allocated to this programme from the Elders Security Fund in the year 2018 and providing eye lenses had been done in connection with the government hospitals. Therefore, it had been informed by a letter dated 10.07.2018 to prepare a register of names of the hospitals, in which the applicants in the relevant divisional secretarial authority limits have the possibility to obtain the eye lenses from such hospitals.

(b) <u>Providing assistants to the cancer patients</u>

The programme of providing nutrient foods, Strength milk powder and etc to the cancer patients held in Apeksha Hospital on 04.06.2018 had been successfully completed. (Annex 02)

(c) <u>Training research and awareness programmes</u>

(i) Only one programme had been held and by utilizing the remaining of this programme, one scholarship had been given in 2017 to follow a post graduate degree to a Elders Rights Promotion Assistant in order to upgrade the educational qualifications of the employees in the institution.

(ii) Presently, qualifications of the Elders Rights Promotion Assistants are being checked by the National Institute of Social Development and it is due to sign a memorandum of understanding for this purpose in future.

(d) Updating the data on elderly people

Future activities of the maintenanceof correct and up to date data system on elders and affairs of releasing such data on internet were decided continue after the discussion held on 23.07.2018.

(e) Conduct of Elders day

(i) The relevant officers were instructed to prevent such delays and mistakes in future.

(ii) After the follow up activities done in the month of March 2018, a considerable number of confirmation letters have been received.

(iii) Instructions were given to prevent such delays and mistakes in future.

(e) Pasting flags and stickers for the international day of elders

i. When the activities related to the distribution of flags under the audit, the reports with regard to the receipt of flags had not been received from 14 divisional secretariats. Accordingly letters have been sent to those divisional secretariats to receive the said reports. Furthermore, I wish to inform that the amount of Rs. 1,293,744/58 has so far received. The cheques have been received from the relevant divisional secretariats furthermore and some cheques, which were with deficiencies, were sent back to correct them.

ii. They had been made aware in many occasions over the telephone as well as by reminder letters regarding the printing and distribution of flags, sale of flags and collection of selling revenue

iv. Records had been not maintained regarding the revenue received by selling the relevant stickers.

The main objective had been to make arrangement to increase the financial assets belonging to the divisional level elders committees. Moreover, I herewith inform you that the sticker printing cost of Rs. 159,753/- is not a loss.

(f) The provisions have been allocated for this programme from the social security funds for elders in 2018 and it is due to be performed in due course after the approval of the National Council.

(g) There had been no possibility of preparing a plan under a separate Expenditure Head for the above matter due to limitation of provisions, which had been given by the General Treasury in relation with the year 2017. However, the competition of selecting the best elders home has been prepared in this year in line with the International Day of Elders and afterwards it is expected to grade the relevant elders homes in to some categories and accordingly I wish to inform you that an annual plan would be prepared for the elders homes after completing the grading of such elders homes.

(h) i. Children had been made aware on the social responsibility for elders and health in elderly hood

ii. I wish to inform you that a programme in connection of this would be done in future.

iii. I wish to inform you that a programme in connection of this would be done in future.

iv. Public awareness programmes are already in progress

v. I wish to inform you that a programme in connection of this would be done in future.

vi. Even though some discussions had been held with the relevant insurance companies for providing the insurance benefits for the older persons, those insurance companies had not showed their willingness to prepare an insurance plan for the older persons.

vii. A revolving fund is scheduled to be started for the elders committees under the social security fund in this year.

4.2 Management Activities

(a) Relevant activities were performed for the preparation of the national policy for elders and preliminary activities with regard to the obtaining of public views and suggestions are in progress at present.

(b) A discussion was held on 26.04.2018 with regard to this case and if the said land is handed over us again, it is informed that we can properly maintain it by spending the funds.

4.3 Operating Inefficiencies

(a) All money of social security fund, which is built up by charging Rs. 100/- back from the elder's allowance of Rs. 2000/- is invested in 02 government banks and accordingly it was informed that the benefits of the said investment also would be provided to the elders in future. All activities for spending the said fund are scheduled be performed after receiving the approval of the National Council for Elders following the preparation of an action plan for this purpose.

(b) These delays had been occurred because a long time had been spent for obtaining the interest rates from banks following the reaching of maturity in fixed deposits and obtaining the approval from the National Council for these interest rates.

(c) Actions were taken to receive all cheques, which have mistakes

4.4 Controversial transactions

It had been reimbursed after the approval of the National Council, which was held on 30.11.2017

4.5 Inactive and underutilized assets

As per the information requested from the Department of Valuations dated 11.06.2018, an answer letter dated 19.06.2018 had been forwarded accordingly.

4.6 Staff Administration

(a) For the reason that, the vacancy in the post of Assistant Director (Administration) is remained on acting basis the government officers who are in the service at present, do not like to apply for this post. So this post remain svacant furthermore.

(b) The affairs related to the recruitment of Assistant Director (Information& Communication) on contract basis are in progress and however this recruitment is still under the discussion.

(c) Owing to the fact that, there is a limited number of officers (around 83 officers) to be attached to the Divisional Secretariats and District Secretariats, you are informed that it is an issue to attach these officer by dividing them proportionately to the vacancies.

5. Sustainable Development Goals

There are not the sufficient physical and human resources in the Institution to perform the relevant function with a view to reaching to the sustainable development goals and therefore it is better if you could take actions to provide sufficient knowledge and resources to perform these activities in forthcoming years.

6. Accountability and Good Governance

6.1 Internal Auditing

An Internal Audit Division had not been in the Institution in the year 2017 and new Internal Audit Officer has been appointed since 2018 and I wish to inform you that all reports to be submitted in the year 2017.

6.2 Procurement

A procurement plan in connection with the disbursement of this year was prepared and I wish to inform you that future activities would be performed upon the approval of the governing council, after the establishment of the governing council

6.3 Budgetary Control

I observe whether the annual budget would be used as a control agent for the actual income and expenditure

6.4 Annual report draft

With the final accounts in 2018, actions would be taken to submit a draft annual report.

7. Systems and Controls

The observations pointed by the Auditor in connection with the system and control have strongly been considered and I kindly inform you that I would take the required actions to make them further formal.

M. Ramamoorthy
Director