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2018

தேசிய கல்வி ஆணைக்குழு

வருடாந்த அறிக்கை

2018

National Education Commission

Annual Report

2018



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Introduction

National Education Commission was established under the National Education Commission act No. 19. of 1991 to make recommendations to the President on educational policy in all its aspects with a view to ensuring continuity in educational policy and enabling the education system to respond to changing needs of the society.

The first Commission was appointed for the period from 1991-1996. The second Commission functioned from 1st October 1996 up to end of September 2001. The third Commission was in operation from 1st October 2001 to 30th May 2004. The fourth Commission functioned from 01st July 2004 to March 2006. The fifth Commission commenced its functions on the 10th April 2006 and its term of office expired on 9th April 2011. The sixth Commission launched its operations and had its inaugural meeting on 20th November 2012 and its term of office expired on 28th April 2017. The seventh Commission was appointed on 7th September 2017 by H.E. the President and had its inaugural meeting on 19th October 2017.

Vision

A Comprehensive National Policy Framework for a sound Education for All, ensuring fairness and adaptability, to face all challenges and for maintaining Sri Lankan identity.

Mission

Deliberate on National Education Policy and make recommendations ensuring continuity in all segments of the education system in the context of changing needs of Sri Lanka.

Tasks and Functions

National Education Commission was established under the National Education Commission Act No. 19 of 1991 for the purpose of submission of recommendations to His Excellency the President, and its major functions are indicated below:

- (a) to make recommendations to the President, on educational policy in all its aspects, with a view to, ensuring continuity in educational policy and enabling the education system to respond to changing needs in society, including an immediate review of educational policy and plan or plans and the making of recommendations to the President, on a comprehensive National Education Policy;
- (b) to review and analyse periodically, the National Education Policy and Plan or plans in operation and where necessary, to recommend to the President, changes in such Policy, Plan or Plans;
- (c) to advise the President on any other matter relating to education which may be referred to it by the President, for its advice.

The Composition of the Commission

- (a) Chairman of the University Grants Commission established under Universities Act No. 16 of 1978.
- (b) Chairman of the Tertiary and Vocational Education Commission established under the Tertiary and Vocational Education Act No. 20 of 1990.
- (c) A member appointed by the President on the recommendation of the Minister in charge of the subject of Education and Higher Education.
- (d) A member appointed by the President on the recommendation of the Minister in charge of the subject of Finance.
- (e) A member appointed by the President on the recommendation of the Minister in charge of the subject of Provincial Councils.
- (f) Ten other members to be appointed by the President from among persons who have excelled in the fields of education, administration or management or have proved exceptional abilities in a certain professions. The Chairman, Vice Chairman (Policy) and Vice Chairman (Planning) appointed under Section 5 of the Act should serve the Commission on a full time basis.

National Education Commission is located at No. 126, Nawala Road, Nugegoda. The Secretary of the Commission appointed by the President is in charge of the administrative functions. At present the permanent staff of the Commission consists of 31 employees.

Targets and Performance Indicators - 2018

Activity		Objective	Key Performance Indicators(KPIs)
01	Formulation of a National Policy on school system	Formulation of a policy to resolve the issues in the school system of Sri Lanka	Availability of a policy on the school system of Sri Lanka
02	Formulation of a national policy on pre-school education	To ensure the providing of quality education enabling to achieve the objectives of pre - school in Sri Lanka	Availability of a policy on pre - school education in Sri Lanka
03	Contribution for the Policy Initiatives on STEM Education	To make contribution for the formulation of policy on STEM Education.	Submit the recommendations of the NEC on STEM Education to the Ministry of Education
04	Formulation of Policy on Higher Education	To introduce policy directives to address the existing issues the Higher Education system.	Formulation of a policy document on Higher Education.
05	Formulation of Policy on Technical and Vocational Education	To review the existing policy and to formulate a new policy document to ensure the requirement of world of work.	Formulation of a policy document on Technical and Vocational Education.
06	Standardization of the usage of Sinhala Language	Make recommendations by doing a study on the standards of "Sinhala Letters"	Preparation of a report with recommendations

Summary of the Performance 2018

Introduction

The major functions entrusted to the National Education Commission falls in to three main categories as follows.

1. Appraisal of the Educational Policies of the country through reviewing and analyzing existing programmes.
2. Update Educational Policy proposals according to the current needs of society.
3. Recommend Educational Policies to the President based on the reviews, analysis, appraisals and modernization of existing policies, plans, programmes etc.

Three standing committees have been appointed by the National Education Commission as follows in order to accomplish the above functions.

1. **Standing Committee on General Education.**
2. **Standing Committee on Higher Education.**
3. **Standing Committee on Technical and Vocational Education.**

Each standing Committee consists of 15- 20 key stakeholders including distinguished professionals and experts representing respective fields from public and private sector.

The performance of the planned activities for the year 2018 can be summarized as follows.

1. Performance on General Education.

1.1 Awareness on the curriculum of Technology proposed to be introduced for the 13 years compulsory education

A discussion was held on 17.01.2018 with the Standing Committee members of General Education and Officials of the National Institute of Education to make them aware of the newly introduced Technology curriculum for 13 years compulsory education.

1.2 Formulation of National Policy on School System

The requirement of formulating a policy framework on school system was realized as there is no chapter on school system in the National Education Commission policy framework on General Education presented to H.E the President in 2016.

There are many issues with regard to the school system in Sri Lanka. Disparity is one of the major issues in the school system. In addition, some secondary schools in urban areas are far superior to schools in rural areas. As a result, large number of rural children are transferring from rural to urban schools. Due to abandonment of Central School system model, secondary education facilities and opportunities have not sufficiently improved in the rural areas.

In view of the above, a survey is scheduled to be done in the Sabaragamuwa Province to review the existing school system and a meeting in this regard was held with the Chief Secretary and the Director/Education of Sabaragamuwa Province. Accordingly, it has been agreed by the Chief Secretary of Sabaragamuwa Province to allocate necessary funds for this survey. It is expected to collect data through questionnaires and interviews from principals, teachers and parents of Sabaragamuwa Province.

Further a workshop was conducted in early November 2018 with the Education Directors of the provinces to discuss the formulating of a National Policy for school system in Sri Lanka.

1.3 Formulation of National policy on Pre-School Education

The necessity of having a national policy on pre- school education has been identified and therefore, necessary initiatives have been taken to initiate a policy dialogue with all the stakeholders to formulate a comprehensive policy document on pre- school education.

Apreliminary workshop was conducted on 12.10.2018 at the Sri Lanka Foundation Institute along with the representatives of Ministry of Education, Provincial Education Officers, Ministry of Women's Affairs and other stake holders.

In addition, necessary action has already been taken to appoint a working committee to prepare the proposed pre- school education policy and a seminar in early November 2018 was organized in this regard.

1.4 Policy Initiatives on STEM Education

Awareness workshop on STEM education was conducted from 5th to 7th October 2018 in Negombo funded by the Ministry of Education and to accommodate the views of the respective stakeholders to implement STEM Project.

A document titled "STEM Education Strategy" prepared by a 38 member committee was discussed at the workshop.

The proposals in the document are scheduled to be discussed with the Academic Affairs Board of the National Institute of Education (NIE), University Grants Commission (UGC) and other stake holders in due course.

1.5 Involvement in National Educational Policy initiatives

Recommendations regarding the cabinet memorandum submitted by the Hon. Minister of Health, Nutrition and Indigenous Medicine on "Introducing Health as a compulsory subject for GCE (O/L) examinations were submitted by the NEC to the Ministry of Health as well as to the Ministry of Education and to the Secretary to the Cabinet.

2. Performance on Higher Education

2.1 Formulation of National Policy on Higher Education

Formulation of a Policy on Higher Education has been initiated with the objective of introducing policy directives for Higher Education system to address the existing issues of the higher education system.

Eight research teams have been appointed to review the existing policy context, to identify the prevailing issues faced by the system and to identify the trends ahead.

Accordingly, Terms of References (TORs) were prepared to cover eight areas on; (i) Governance, Financial and Resource Management (ii) Postgraduate Education and Research (iii) Student Welfare and Discipline (iv) Career Guidance and Counseling (v) Access to Higher Education, student admission and identification of demand for new subjects/disciplines (vi) Private Higher Education and Public Private Partnership (vii) Academic and Non-Academic staff development and (viii) Quality Assurance and Accreditation of Government and Non-Government Higher Education Institutions.

Two workshops were conducted on 03rd and 13th of August 2018 to review the Interim Reports received from the respective groups on the above and all the draft final research reports have been received by the National Education Commission.

Two workshops were conducted with the review panel on 26th November and 17th December 2018 for the finalization of the reports.

3. Performance on Technical and Vocational Education

3.1 Formulation of Policy on Technical and Vocational Education

The existing policy framework on Technical and Vocational Education prepared by the NEC was published in 2009. The socio- economic and technology developments that have taken place in the country and in the world during the past decade necessitated to review the existing policy and to formulate a new policy document to ensure the requirement of world of work.

Accordingly, National Education Commission initiated the formulation of policies on Technical and Vocational Education by holding an inception workshop in 2017. Nine (09) policy formulating groups were appointed and the reports submitted were presented at a stakeholder workshop in July 2018. The finalized reports were edited and the recommendation of the Standing Committee on Technical and Vocational Education were obtained.

The proposed policy document focuses on nine areas; (i) Increase of access to TVET (ii) Optimal Utilization of Physical, Financial and Human Resources (iii) Rationalization of training programmes at regional level to minimize overlaps (iv) Relevance and Quality of TVET Programmes (v) Interrelation among industry, employers, employees and TVET (vi) Interrelation of TVET with General Education and Higher Education (vii) Recruitment and Career Progression of TVET Academics and Administrative Staff (viii) Access to TVET for Vulnerable and Disadvantaged people (ix) Information Gathering, Dissemination and Career Guidance.

Nine chapters recommended by the Standing Committee on Technical and Vocational Education after final editing was presented to the National Education Commission on 25.10.2018 and was approved.

All 09 edited and summarized reports are in the process of translation into Sinhala and Tamil languages.

English version of the policy document on Technical and Vocational Education was printed in December 2018.

4. Policy Related Studies

In addition to the above functions, the Commission was assigned to submit a report to H.E. the President on “Sinhala AksharaLekanaya Ha BhashaPrayogaVidhiPilibandaPramithiya” as a special study.

Accordingly, above mentioned book was prepared by an expert team consisting of Prof. Wimal G. Balagalle, Prof. J. B. Dissanayake, Prof. Asoka Premarathna and Prof. RatnasiriArangala.

The report has been submitted to the National Education Commission by the respective panel of experts for the purpose of publishing.

The details of the staff of the National Education Commission as at 31.12.2018 are as follows.

Designation	Approved Cadre	Existing Staff	Vacancies
Secretary	1	1	—
Senior Policy Research Officer	5	2	3
Deputy Secretary/ Assistant Secretary	1	1	—
Accountant	1	—	1
Policy Research Officer	4	2	2
Administrative Officer	1	1	—
Programme Officer(Finance)	1	1	—
Programme Officer(policy Planning)	4	3	1
Programme Officer(Information)	1	1	—
Development Officer	4	—	4
Management Assistant	10	7	3
Driver	6	6	—
Security Guard	2	2	—
Office Assistant	4	4	—
Total	45	31	14

Human Resources Development

Research and surveys for policy making are compulsory and essential, and it is important for skilled staff to perform such tasks. In this regard, steps are being taken to fill all existing vacancies.

It is necessary to provide opportunities for the staff of the National Education Commission for capacity building in line with a comprehensive Human Resources Development plan considering the identified training needs of the staff

Details of the Training Programmes provided for the staff of the National Education Commission- 2018

	Programme	Name of the participant	Designation	Duration
1.	Assets Management	Mrs. H.N.N. Gunasekera	Secretary	26.02.2018
2.	Operation, Maintainance ofFixed Assetswith regard to Property/Equipment	Mr. H.F.C.J. Fonseka	Administrative Officer	28.02.2018
3.	Course on Education Research Themes and Literature Review	Mr. R.A. Karunarathna Mrs. W.D.A.K. Damayanthi	Policy Research Officer Programme Officer (Policy/Planning)	08,09,10.06.2018
4.	Disciplinary and Code of Ethics for the Drivers and Office Assistants	Mr. S.A.C. Priyanjith	Driver	07,08.06. 2018
5.	Preparation of Bid Documents	Mr. H.F.C.J. Fonseka	Administrative Officer	31.05.2018
6.	Bid Evalation	Mrs.W.D.A.K.Damayanthi	Programme Officer (Policy/Planning)	14.06. 2018
7.	Introduction to SPSS for statistical Analysis	Mr. R.A. Karunarathna	Policy Research Officer	03,10,17,24.06.2018
8.	Short Course on Research Mythology - 2018	Mr.S.A.D. de Silva Mr.D.D.C.Kalubowila Mr. R.A. Karunarathna Mrs.W.D.A.K.Damayanthi Mr. C.R. Mayuran Mrs. W.A.D.T. Jayasinghe	Senior Policy Research Officer Senior Policy Research Officer Policy Research Officer Programme Officer (Policy/Planning) Programme Officer (Policy/Planning) Programme Officer (Policy/Planning)	Registered 18.06.2018
9.	Workshop on Advanced Excel	Mrs.G.L.Nimesha	Management Assistant	01,08,15.08.2018
10.	National Procurement Guidelines - 2017	Mrs.M.A.D.Dananjane	Management Assistant	02,03.08.2018
11.	New Tax Law	Mr. H.F.C.J. Fonseka	Administrative Officer	14.08.2018

12.	Procurement and Evaluation of Equipment related with Information Technology	Mr. S.M.A.de Alwis Mr. H.F.C.J. Fonseka	Deputy Secretary Administrative Officer	27,28.09.2018
13.	Responsibilities and Duties of the Administrative Officers	Mr. H.F.C.J. Fonseka	Administrative Officer	20,21,22.09.2018
14.	Termination of Employment	Mr. S.M.A.de Alwis	Deputy Secretary	04.09.2018
15.	Data Analysis	Mr. R.A. Karunaratna Mrs. W.A.D.T. Jayasinghe Ms. H.O.C. Gunasekera	Policy Research Officer Programme Officer (Information) Programme Officer (Policy/Planning)	from 30.09.2018 (4 months)
16.	Disciplinary and Code of Ethics for the Drivers and Office Assistants	Mr. P.A. Gunathunga Mr. R.A.R. Chandimal	Driver Office Assistant	22, 23.10.2018
17.	Higher National Diploma in Procurement and Contract Administration -	Mrs. W.A.R.N. Kumarasinghe	Programme Officer (Finance)	2017/2018
18.	International Study Tour for Capacity Building of Program Officers of National Education Commission	Mr. N.P.J. Hewage Mr. R.A.R. Karunaratne Mrs. W.D.A.K. Damayanthi Mr. C.R. Mayuran Mrs. W.A.D.T. Jayasinghe Ms. H.O.C. Gunasekera	Policy Research Officer Policy Research Officer Programme Officer (Policy/Planning) Programme Officer (Policy/Planning) Programme Officer (Information) Programme Officer (Policy/Planning)	From 26 th November 2018 to 02 nd December

Budgetary provisions and financial progress - 2018

National Education Commission

Financial Progress Report as at 31st December 2018

Object Code	Description	Provision Rs.	FR66/69 Transfers & Supplementary Rs	Net Provision Rs.	Expenditure Rs.	Expenditure as Percentage (%)
	Recurrent Expenditure	40,202,000	-192,000	40,010,000	38,473,542	96.16
	Personal Emoluments	23,750,000		23,750,000	22,531,873	94.87
1001	Salaries and Wages	17,000,000		17,000,000	16,871,023	99.24
1002	Overtime and Holiday Payments	750,000		750,000	676,070	90.14
1003	Other Allowances	6,000,000		6,000,000	4,984,780	83.08
	Travelling Expenses	600,000		205,000	193,986	94.63
1101	Domestic	100,000	53,000	153,000	142,154	92.91
1102	Foreign	500,000	-448,000	52,000	51,832	99.68
	Supplies	1,900,000		2,007,000	1,993,294	99.32
1201	Stationery and Office Requisites	300,000		300,000	299,616	99.87
1202	Fuel	1,350,000	149,000	1,499,000	1,487,124	99.21
1203	Diets and Uniforms	150,000	-42,000	108,000	107,399	99.44
1205	Other	100,000		100,000	99,155	99.16
	Maintenance Expenditure	1,900,000		1,794,000	1,758,428	98.02
1301	Vehicles	1,300,000		1,300,000	1,293,696	99.52
1302	Plant and Machinery	500,000	-56,000	444,000	429,640	96.77
1303	Buildings and Structures	100,000	-50,000	50,000	35,092	70.18
	Services	11,000,000		11,174,000	10,937,724	97.89
1402	Postal & Communication	1,100,000	130,000	1,230,000	1,196,129	97.25
1403	Electricity & Water	900,000		900,000	809,762	89.97
1404	Rents & Local Taxes	7,200,000	-769,900	6,430,100	6,430,100	100.00
1409	Other	1,800,000	813,900	2,613,900	2,501,734	95.71
	Transfers	1,052,000		1,080,000	1,058,237	97.98
1502	Retirements Benefits	1,052,000		1,052,000	1,051,600	99.96
1506	Property Loan Interest to Public Servant	--	28,000	28,000	6,637	23.70
	Capital Expenditure	9,250,000	220,000	9,470,000	7,990,910	84.38
	Acquisition of Capital Assets	1,320,000		1,320,000	802,772	60.82
2102	Furniture & Office Equipment	750,000		750,000	259,475	34.60
2103	Plant, Machinery & Equipment	570,000		570,000	543,297	95.32
	Capacity Building	1,750,000		1,970,000	1,945,380	98.75
2401	Staff Training	1,750,000	220,000	1,970,000	1,945,380	98.75
	Research Programmes on Education	6,180,000		6,180,000	5,242,758	84.83
2507-1	Research and Development	980,000		980,000	586,113	59.81
2507-2	Formulation of Policy Proposals on University Education-Research and Development	5,200,000		5,200,000	4,656,645	89.55
	Total	49,452,000	28,000	49,480,000	46,464,452	93.91

Annex I

Acquisition of Fixed Assets - 2018

Description	Quantity	Value (Rs.)
Printer	4	47,600.00
Wireless media Pointer	1	4,900.00
Low Back Chair	8	63,900.00
Book Almira	1	20,340.00
Clerical Table	2	25,018.25
Air Conditioner	2	490,796.53
Finger Print Machine	1	54,050.00
Sound System	1	94,557.16
Total		802,771.94

Financial Statement 2018

ACA-P

Statement of Financial Position
As at 31st December- 2018

	Note	Actual 2018 Rs	2017 Rs
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA-6	43,749,643.00	42,946,871.00
<u>Financial Assets</u>			
Advance Accounts	ACA-5/5(a)	2,346,589.00	2,367,694.00
Cash & Cash Equivalents	ACA-3	1,162,384.00	70,625.00
Total Assets		47,258,616.00	45,385,190.00
<u>Net Assets / Equity</u>			
Net Worth to Treasury		2,309,039.00	2,337,694.00
Property, Plant & Equipment Reserve		43,749,643.00	42,946,871.00
Rent and Work Advance Reserve	ACA-5(b)		
<u>Current Liabilities</u>			
Deposits Accounts	ACA-4	37,550.00	30,000.00
Imprest Balance	ACA-3	1,162,384.00	70,625.00
Total Liabilities		47,258,616.00	45,385,190.00

Detail Accounting Statements in ACA format Nos. 1 to 6 presented in pages from 5. to 48 and Notes to accounts presented in pages from 53 to 60 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.


 Chief Accounting Officer
 Name :
 Designation :
 Date : 27-02-2019

Prof. W. I. Siriweera
 Chairman
 National Education Commission
 126, Nawala Road, Nugegoda,
 Sri Lanka.


 Accounting Officer
 Name :
 Designation :
 Date : 27-02-2019

H. G. Apsara Caldera
 Secretary
 National Education Commission
 No. 126, Nawala Road, Nugegoda.


 Chief Financial Officer/ Chief Accountant/
 Director (Finance)/ Commissioner (Finance)
 Name : **S. M. Ariyaratna De Alwis**
 Date :
 Deputy Secretary
 National Education Commission
 126, Nawala Road, Nugegoda.

Annex III

Details of the Commission Members

The Seventh Commission was appointed by His Excellency the President on 7th September 2017, and inaugural Commission meeting was held on 19th October 2017.

Membership of the Commission

Chairman : Prof. W.I. Siriweera
 Vice Chairman (Policy) : Dr. G.B. Gunawardena
 Vice Chairman (Planning) : Dr. T.A. Piyasiri (from 09.01.2018)

The Ex-officio members:

Chairman, University Grants Commission	Prof. Mohan de Silva
Chairman, Tertiary and Vocational Education	Prof. Rajiva Wijesinha (up to 14.03.2018) Mrs. Sudharma Karunarathne (from 09.05.2018) Prof. Dayantha Wijeyesekera (from 11.07.2018 to date)
Representative of the Ministry of Education and Higher Education	Prof. R.U. Halwathura
Representative of the Ministry of Finance and Planning	Ms. Geetha K. Wimalaweera (up to 11.07.2018) Mr. A.N. Hapugala (from 26.08.2018 to date)
Representative of the Ministry of Provincial Councils and Local Government	Mr. H.T. Kamal Pathmasiri

Appointed Members:

Ven. Dr. Akuratiye Nanda Nayaka Thero
 Dr. S.B. Ekanayake
 Prof. K. Kandasamy
 Dr. Mallika Karunarathne
 Prof. M.A. Nuhman
 Prof. D.A. Tantrigoda
 Mrs. V.B.P.K. Weerasinghe

Reports of the Auditor General 2018

Translation done by National Education Commission

NATIONAL AUDIT OFFICE

Chairman,
National Education Commission

Concise report of the Auditor General in terms of Section 11(1) of the National Audit Act No. 19 of 2018, regarding the Financial Statements of the National Education Commission for the year ended on 31st December 2018

1. Financial Statements

1.1 Opinion

Financial position of the National Education Commission as at 31st December 2018, Financial Performance statements for the year ended on that day and financial Statements, comprising Cash Flow Statements for the year ended 31st December 2018, were audited by me under the provisions included in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka, to be read in conjunction with the provisions under the National Audit Act No. 19 of 2018. My comments and observations regarding these Financial Statements, to be forwarded to the Chairman of the National Education Commission in terms of Section 11 (1) of the National Audit Act No. 19 of 2018, are mentioned in this report. The annual comprehensive management audit report was issued to the Chief Accounting Officer of the National Education Commission on 30th May 2018 in terms of Section 11 (2) of the National Audit Act No. No. 19 of 2018. Auditor General's report to be submitted in terms of Section 10 of the National Audit Act, to be read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka, will be submitted to the Parliament in due course.

My opinion is that by the financial statements financial position of the National Education Commission as at 31st December 2018 and the financial performance and cash flow statements for the year ended on that day reflects true and

reasonable position in accordance with generally accepted principles of accounting.

1.2 Basis for the opinion

I carried out the audit in accordance with the Sri Lanka audit standards. My responsibility regarding financial statements, have been further described in the Section called Responsibility of the Auditor. I believe that the audit evidence obtained by me for providing a basis for my opinion are adequate and appropriate.

1.3 Responsibility of the Chief Accounting Officer regarding the financial Statements

Preparation of financial statements in a manner which would reflect the true and reasonable position in accordance with generally accepted accounting principles and Section 38 of the National Audit Act No. 19 of 2018 and devoid of quantitative incorrect statements, which may occur due to fraud and errors. The National Education Commission should maintain the books and reports properly regarding its income, expenditure, assets and liabilities to enable the annual and timely financial statements, as per section 16(1) of the National Audit Act No. 19 of 2018.

The Chief Accounting Officer should ensure that productive internal control systems have been prepared and maintained for financial control of the National Education Commission in conjunction with Sub Section 38 (1) (C) of the National Audit Act.

1.4 Responsibility of the Auditor regarding the auditing of financial Statements

My objective is to provide a reasonable confirmation to the effect that as a whole, the financial statements are devoid of quantitative incorrect statements created due to frauds and errors and issuing the Auditor General's report including my opinion. Although reasonable confirmations are high level confirmations, in carrying out audit inspections in accordance with Sri Lanka auditing standards, it will always not be a confirmation to the effect that it is devoid of wrongful statements. Frauds and errors can be created due to singular or collective impacts and it should be taken into

consideration when decisions are being taken by the users based on these financial statements.

Since professional judgments and professional doubts can be mixed, audit inspection was carried out in accordance with Sri Lanka audit standards.

- In the identification and assessment of risks quantitative incorrect statements which may be found in financial statements due to frauds and errors, risks due to frauds and errors can be avoided by planning timely and appropriate audit procedures timely and obtaining adequate and appropriate audit evidence is the basis for my opinion. Impacts due to frauds can be stronger than the impacts due to incorrect statements and preparation of false documents, intentional negligence or evading internal controls may be reasons for a fraud.
 - It is not intended to express an opinion regarding the productivity of the internal control of the National Education Commission for planning timely and appropriate audit procedures.
- * Transactions and incidents which was the base for the structure and contents including revelations of financial statements have been included to financial statements in an appropriate and reasonable manner.
- * In forwarding financial statements, as a whole the transactions and incidents which were the basis the structure and contents of the financial statements have been included appropriately and reasonably

The Chief Accounting Officer was informed regarding the important audit findings identified by my audit including main weaknesses in internal control and other matters.

1.5 Report regarding other legal requirements

In terms of Section 6 (C) of the National Audit Act No. 19 of 2018, I declare the following matters.

- (a) Financial statements correspond with the previous year,
- (b) As there was no necessity for the National Education Commission to prepare financial statements relevant to the previous year, recommendations regarding financial statements have not been forwarded.

1.6 Expressing views regarding financial statements

1.6.1 Accounting Deficiencies

(a) Non income receipts

The following observations are being made regarding the audit of non-income receipts received by the National Education Commission during the year under review.

(i) Settlement of Advances

Although an amount of Rs.1,384,105 has been mentioned in the Advance Account under the non-income receipts of the Financial Performance Statement, according to the Advance 'B' account of the government servants and Treasury computer print outs, the Settlement of Advances was Rs. 1,321,105. Accordingly, in the financial performance statement, non-income receipts of settlement of advance loans which was Rs.63,000 has been mentioned in excess.

(ii) Other receipts

The amount of Rs.1,000.000 which has been granted under the non - income receipts on 16th March 2018 by the Development Programme of the Skills Division of the Ministry of Skills Development and Vocational Training for the Development National Policy on Technical and Vocational Training which is a key activity of the Commission in addition to the annual estimated provision of Rs.500,000 provided for the above purpose.

Under the non-income receipts of had not been mentioned in the Financial Statements and the allocated amount had not been entered in the estimated budget of the Commission.

1.6.2 Not maintaining documents and books

The following documents had not been maintained by the National Education Commission and it was observed in the Sample Audit Inspection, certain documents had not been up-dated properly.

Serial No.	Category of the Document	Relevant Financial Regulation No.	Observations
01	Register for receiving Cheques, money orders etc.	451	Not maintained
02	Official Telephone Register	845 (1)	- do -
03	Register for Guarantee	891 (1)	- do -
04	Register for electrical Equipment	454 (2)	-do-
05	Register regarding losses	110	-do-
06	Register regarding liabilities	214	-do-
07	counterfoil register	341	-do-
08	Fuel and Lubricants stock Register	1647 (d)	-do -
09	Vehicles listing register	1647 (e)	-do -

2 Financial Review

2.1 Certifications to be carried out by the Chief Accounting Officer

Although the Chief Accounting Officer should have certified matters regarding the following in terms of Section 38 of the National Audit Act No. 19 of 2018, action has not been taken accordingly.

- (a) The Chief Accounting Officer should ensure that a productive internal control system has been prepared and maintained for the financial control of the National Education Commission and the productivity of that system should have been reviewed from time to time, necessary alterations should have been made accordingly, such reviews should have been carried out in writing and a copy of it should have been forwarded to the Auditor General. Statements to the effect that such reviews were carried out, were not forwarded for the audit.
- (b) The Chief Accounting Officer should ensure that the annual and other financial statements are prepared within the required time and in addition, although the Chief Accounting Officer should have ensured that the relevant annual reports are submitted to the Parliament, such requirements have not been fulfilled due to audit observation mentioned in paragraphs 3.1.2 of the report.

3 Operational Review

3.1 Performance

According to the Action Plan of the year under review, net provision estimated to implement the envisaged activities was Rs.49,480.000 and following observations are being made regarding the key functions expected to be carried out by the Commission

- (a) Although in terms of the provisions of the Constitution according to Section 2 (1) of the National Education Commission Act No. 1991 the Education Policy for which all the authorities and institutions should comply with regard to all aspects of education should have been announced from time to time by the President and in spite of fact that National Education Commission had submitted its recommendations relevant to the General Education to the President in December 2017 and the fact that such recommendations had not been announced as a policy statement, Although there was a plan to hold awareness programmes on the above policy at national and provincial levels only 05 programmes had been held.
- (b) The allocation for formulation of policy proposals on higher education was Rs.5,220,000 and though a financial performance of Rs.4,656,645 has been acquired, the research report containing the recommendations for policies has not been submitted.

3.1.2 Annual Performance Report

Although according to the Public Finance Circular No. 402 dated 12.08.2002, the Performance Report relevant to the year under review should be tabled in the Parliament within 150 days after ending the financial year by the Commission, the Commission report from the year 2014 to the year under review. Until 01st May 2019. had not been tabled in the Parliament

3.2 Procurements

(a) Although the actual cost of Rs.802,772 relevant to the reviewed year from the estimated procurement value of Rs.1,327,000 as per the key Procurement Plan relevant to the year 2018 has been incurred the Master Procurement Plan has not been prepared according to Section (b) and (c) of the Procurements guidelines.

(b) The standard bid documents have not been used as per Section 5.3.1. (a) and (b) of the Procurement Guideline.

(c) Not maintained the records of the Technical Evaluation Committee meetings and the Procurement Committee meetings as per Section 2.11.3 of the Procurement Guideline.

4. Human Resource Management

4.1 Details regarding the Staff attached and the actual staff

Details regarding the approved, actual, vacant and excess staff as at 31st December 2018, are given below.

	Employee category	Approved No.	Actual No.	No. of vacant
	-----	-----	-----	-----
(i)	Senior Level	12	06	06
(ii)	Tertiary Level	11	06	05
(iii)	Secondary Level	10	07	03
(iv)	Primary Level	12	12	-
		-----	---	----
	Total	<u>45</u>	<u>31</u>	<u>14</u>

(a) When studying about the vacant pots, although applications have been called for the post of Accountant, the interview had not been conducted.

(b) Although two posts of Senior Policy Research Officers have been approved by the Management Services Department on 27th November 2018

under the caption of Re-structuring of Posts, by suppressing the two Additional Secretary posts approved by the Management Services Department's letter No. DMS/1768 dated 14.10.2014, recruitments had not been made until the time of the audit. In addition, it was observed that 11 posts which have been approved, are vacant. It was observed that when obtaining approval for posts, not identifying the posts to suit the role of the Commission may have an impact on the performance of the Commission.

Sgd./

S.T.B.Rtnayake

Assistant Auditor General
for Auditor General

Cc: Director General – Public Accounts Department

Organization Structure

Organizational Structure of National Education Commission

