

NATIONAL HUMAN RESOURCES DEVELOPMENT COUNCIL OF SRI LANKA

ANNUAL REPORT

2013

Annual Report - 2013

Institutional Background

Institution : National Human Resources Development Council of Sri Lanka

Ministry : Ministry of Youth Affairs and Skills Development

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People's Bank

Chairman's message

In comparison with the performance of the National Human Resources Development Council of Sri Lanka since its establishment, year 2013 can be introduced as a turning point of the Council. Although this Council has been established in terms of the Act No. 18 of 1997 of National Human Resources Development Council of Sri Lanka, with the purpose of assisting the government to formulate the national level policies, the recruitment of the qualified staff for the said task started from June, 2013. While a staff comprising those who were recruited time to time on contract basis and temporary basis and as consultants has been performing their duties in this institute, out of the permanent staff of nine employees, serving by January 2013, four employees belonged to junior staff. We, having understood this situation, both a cadre consisting of an adequate staff to accomplish the targets and objectives of the institute and a Scheme of Recruitment were approved subsequently recruiting a staff of 30 permanent employees by June 2013 accordingly. Under this, one Director, three Assistant Directors and eight Research Officers and Development Officers were recruited.

Then having understood the role expected by in terms of the Act by which this institute was established, Reserch and Development projects were organized. A corporate Plan was prepared with the help of projects so designed for future projects and the Operation Plan for year 2013 was formulated in order to fulfill the identified function to acheive its content. Following Operation Plan was prepared subject to the Rs 16 million allocated by the General Treasury as Capital expenditure.

Special attention was paid to the following activities of the relevant Act at the selection of projects of this Plan. The projects were identified covering major fields specified in Section 14.1.

Major Areas

- (a) employment, training and education;
- (b) the application of Science and Technology;
- (c) The enhancement of the quality of life;
- (d) The designing of social protection for disadvantaged groups of persons; and
- (e) Maintaining entitlements with economic reforms;

Employment, Training and Education

Meanwhile a series of awareness programmes were conducted with the assistance of various vocational training centers by covering the wide area of employment, training and education, to direct specially the school dropouts for the vocational education, who are not qualified for higher education. Accordingly, the said project was implemented in Baticaloa, Ampara, Matara, Kegalle, Ratnapura, Puttalam and Kurunegala specially covering the North and East provinces.

A study was conducted regarding the strategy and policy adopted by the government to employ the graduates and it has been handed over to the government. Various governments recruited the graduates in different numbers in different occasions under the Graduate Schemes. The purpose of this study is to measure the policy adopted in such recruitments and the recommendations and conclusions so obtained have been referred to the government through the Minister in charge of portfolio.

A General Vocational Guidance Programme

Vocational Guidance is essential for the school students, school drop outs and university students. It enables the students to choose the education and skill development courses relevant to the profession they should select in the future. However, although the vocational training centres are implementing various vocational guidance programmes specific for the, the programmes adopted in schools by the Ministry of Education are totally different to them. We have understood that there is no proper vocational guidance, a general vocational guidance programme was prepared and referred to the government in year 2013 through the Hon. Minister.

A survey on school dropouts

We know that students leave the school due to different reasons. We, realizing the need for an accurate study on these reasons to seek a solution for this, a study was conducted with the involvement of the students who participated in the programmes to direct the school dropouts for the vocational education and the status was reported to the government through the Hon. Minister.

Survey about the war affected families

One of the five areas identified by the Section 14(1) of the Act by which our institute was incorporated is to carry out a study for the unprivileged social groups and to submit the proposals for the government. Under this specially a study was conducted as per the instructions given by our Hon. Minister Dally Alahapperuma about the families in Kiinochchi district whose father/mother/both parents were deprived. We having confirmed by the secondary data, that there are about 7500 families involving these target families, prepared a questionnaire for our survey and a training was given to the public service employees in that district. The response of 6704 families out of 7500 identified for our questionnaire indicted its success. The number of families identified and responded in each divisional secretariat is gievn below.

Type of questionnaire	Punakarini	Pachchileipale	Kandawali	Karachchi	Total
Small	771	504	1352	3406	6033
Large	182	182	83	222	671
Total	953	688	1435	3628	6704

The observation made by analysing all the data obtained by this survey through SPSS programme were presented back to the community and there views were obtained. In addition to that, they were furnished to the public officers including the District Secretariat in Kilinochchi district and their views were obtained. Eventually, by furnishing them to the senior level officers including Secretaries to the Ministries, the final report was prepraed with their observations and has been submitted to the government through the Hon. Minister.

Deyata Kirula Exhibition

The government decided to hold the Dayata Kirula exhibition in year 2014 in Kurunegala distrcit and the governemnt decided to carry out development activities in Kurunegala, Puttalam and Kegalle districts on that behalf. Accordingly, we carried out following programmes.

(a) Attitudinal Development Programmes

Three attitudinal development programmes were carried out for three districts in order to create public service employees who were committed for the clients' benefit, eliminating the slow moving nature of the public service. According to this programme, one day programme was organized by the District Secretariat in Puttlam under the complete supervision of the Secretary to the Ministry of Public Administration and Home Affairs centering Chillaw town for a group of 200 graduates who were newly recruited to the public service.

Further, one day training programme was organized centering the Wariyapola town in Kurunegala district for 200 officers in different levels in the public service with the organization of the Divisional Secretariat, Wariyapola. One day workshop was conducted for the officers in Education Administrative Service including the principals in the field of education in Kegalle district under the guidance of Director of Education, Sabaragamuwa Province. Responses were obtained from the participants at the end of every programme and it was confirmed that one day programme has caused a positive attitudinal development of many employees.

(b) Awareness Programmes for school students

Following programmes and activities were implemented in several selected schools in these three districts.

1. The programme to uplift the physical and mental health of the students in rural schools in line with the Deyata Kirula Programme.
 - i. Mabopitiya Maha Vidyalaya, Kegalle district
 - ii. Kamel Balika Vidyalaya, Puttlam district
 - iii. Wataraka Maha Vidyalaya, Kurunegala district
2. Awareness programme for the students in urban schools about the dangerous aspect of the Cyber space, in line with the dayata Kirula programme
 - i. Swarna Jayanthi Maha Vidyalaya, Kegalle district
 - ii. Kamel Balika Vidyalaya, Puttlam district
 - iii. Wataraka Maha Vidyalaya, Kurunegla district

Introducing an Electronic Document Management system and data base

In terms of Section 16(2) (f) by which our institute was incorporated, a data base should be maintained in relation to the human resources development. Accordingly, a data base in which especially school dropouts can be registered was launched as www.nhrdc.gov.lk/. The students who are registered in this data base get the opportunity to seek a vocational training or employment and students can be selected for the vocational training institute without bearing an additional advertising cost. Similarly, both the public sector and the private sector get the opportunity to select the best qualified applicants for the vacant posts. Actions will be taken in the future to register all school dropouts with the coordination of the schools and divisional secretariats of the island.

In an era the information technology is developing, we introduced an electronic documentation management system instead of conventional documentation and file arrangement system. Under this system it has been scheduled to submit a letter as a soft copy by the relevant officer without printing a draft and to forward all files, minute sheets and letters and to get the signature through this system. All necessary equipments for this are being purchased at present and it is anticipated to implement an office management system totally excluded from paper usage during year 2014.

Wijaya Wickramarathna
Chairman

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1. Institutional Background and Scope

National Human Resources Development Council of Sri Lanka is an institution established in terms of the the Act of National Human Resources Development Council of Sri Lanka, No. 18 of 1997 to perform an important role of work under the Ministry of Youth Affairs and Skill Development. It takes responsibilities for important role of work such as assisting to initiate, promote and implement the policies pertaining to Human Resources Development and by giving priority in all the activities of Human Resources Development under the powers vested upon the said institute. Its main objective is to organize as a Higher institution that provides instructions in respect of the Human Resources Development to the Minister concerned to and the government.

1.1 Institutional Introduction

The National Human Resources Development Council of Sri Lanka which is a national level Consultative Board was commenced on the 05th of June 1987 as a unit of the Ministry of Youth Affairs. Subsequently, it was established as an independent statutory body under the Ministry of Science & Technology by the Act of the National Human Resources Development Council of Sri Lanka, No. 18 of 1997. Since then, this institution was assigned under the Ministry of Technical Education and Vocational Training within a short time period in the year 2000 and in the year 2001, and it was again assigned under the Ministry of Education & Cultural Affairs. And also, with the change of the government this institution was assigned to the administration of the Ministry of Skill Development Vocational & Technical Training. This Institution which was operating affiliated to various ministries within a short period is carrying out all its functions under the Ministry of Youth Affairs and Skills Development at present.

1.2 Vision

“ A nation of visionary and skilled human capital”

1.3 Mission

Promote and facilitate the development and implementation of effective policies and strategies, on human capital and thereby contribute to making Sri Lanka the Wonder of Asia.

1.4 Objective

Objective of the National Human Resources Development Council of Sri Lanka is to create an institutional frame work suitable to provide instructions and guidelines for the government in respect of the Human Resources Development. This institution is also responsible for the sectors such as Human Resources Development process planning, policy review and improvement of the Human Resources field. Responsibilities and role of this Council, as per Act of the Council are as follows.

1.
 - a. employment, training and education;
 - b. the application of Science and Technology;
 - c. The enhancement of the quality of life;
 - d. The designing of social protection for disadvantaged groups of persons; and
 - e. Maintaining entitlements with economic reforms;
2. Recommendations for the Minister in charge of the portfolio in order to submit the human resource development plans and programmes which are in compliance with the national policy to the government.
3. In case where it is necessary to review and inspect the national human resource development policy and plans under operations time to time, giving recommendations for the Minister regarding the changes to be made for such policies, plans and programmes.
4. To inspect about the implementation of human resource development plans and programmes approved by the government.
5. Implementation of any project in relation to any of the subject specified in the schedule to this Act. However, where such project is connected with the subjects assigned to som other Minister, it should be implemented with the accordance of the said Minister and
6. Carrying out all other activities which the Council intends as necessary or congenial to develop the human resource in comply with the national objectives.

1.5 Authority of the Council

In terms of the Sub section 16 (2) (1) of the Act of National Human Resources Development Council of Sri Lanka No 18 of 1997, the powers of the Council are as follows

- (a) To carry out surreys, investigations, studies and researches required to execute the functions of the Council.
- (b) To inquire the facts personally or in public for the purpose of understanding the opinion of specialists, professionals or public with regard to the matters related to the Human Resources Development.
- (c) To establish and maintain relationships with the foreign agencies out of the country, which carry out functions similar to the Council
- (d) To enter into all the contracts and agreements which are necessary to perform the functions of the Council and to accomplish them.
- (e) To engage in the activities for conducting research on Human Resources Development by means of individuals or institutions in Sri Lanka or foreign countries.
- (f) To create and maintain a data bank on Human Resources Development and related fields.
- (g) To open and maintain the current accounts, saving accounts or deposits account in a bank or Banks.
- (h) To welcome and accept grants and contributions both in movable and immovable forms.
- (i) To take necessary steps in order to enhance the talents of the officers in the Council aiming at developing a pool of specialists competent in various fields on Human Resources Development.
- (j) To appoint committees, expert groups and consultation boards necessary for performing the functions of the Council properly.
- (k) To request and obtain the information deem as necessary by the Council, including the statistics received from Ministries, Government Departments, Public Corporations, Statutory Bodies, Provincial Councils, Local Governments and Private Sector Organizations.
- (l) To take all steps deemed necessary, favorable or consequential by the Council in its view in order to fulfill implement and carry out its functions, power and activities

02. Organizational Structure of National Human Resource Development Council of Sri Lanka

This Council operating under the Ministry of Youth Affairs and Skills Development is composed of a chairman and 20 members appointed under the provisions made in National Human Resources Development Council of Sri Lanka Act No.18 of 1997. Out of them 15 members are appointed by their office and 5 from other relevant institutions. Apart from that, 5 members are appointed considering the experience and competences in the relevant fields and among them 2 members are from the private sector. The Minister in charge of the portfolio is vested power under the Act to nominate one of the members of the Council as the executive chair person. The Chief Executive Officer is the Chairman of the Council. The Council was composed of 19 members as at 31.12.2013.

The composition of the Board of Directors of the Council of Sri Lanka was as follows as at December 2012.

Appointments made under Sec. 3(1) (a) to (v) of the Act.

- | | | |
|----------------------------------|---|---|
| 1. Mr. Wijaya Wickramarathna | - | Chairman, National Human Resources Development Council of Sri Lanka |
| 2. Mr. K.A.Thilakarathna | - | Secretary, Ministry of Youth Affairs and Skills Development |
| 3. Dr. Sunil J. Navarathna | - | Secretary, Ministry of Higher Education |
| 4. Mr. Anura Dissanayake | - | Secretary, Ministry of Education |
| 5. Dr.Y.D. Nihal Jayathilaka | - | Secretary, Ministry of Health |
| 6. Mrs. Dhara Wijethilaka | - | Secretary, Ministry of Technology & Research |
| 7. Mr. W.J.L.U. Jayaweera | - | Secretary, Ministry of Labour Relations & Productive Development |
| 8. Mr.P.B.Abeykoon | - | Secretary, Ministry of Public Administration and Home Affairs |
| 9. Mr.Anura Siriwardhana | - | Secretary, Ministry of Industrial & Commerce |
| 10. Mr. R. M. D. B Meegasmulla | - | Secretary, Ministry of Agriculture |
| 11. Prof. Dayantha S. Wijesekara | - | Chairman, Tertiary & Vocational Education Commission |
| 12. Dr.Rasika Perera | - | Director General, Tertiary and Vocational Education Commission |

13. Prof. Lakshman Jayathilaka - Chairman, National Education Commission
14. Prof. Kshanika Hirimburegama- Chairman, University Grant Commission
15. Mr. Chandana Arunadeva - Chairman, National Apprentice and Industrial Training Authority
16. Mr. A.Dayarathna - Additional Director General, Department of Public Finance

Appointments made under Sec. 3 (1) n of the Act

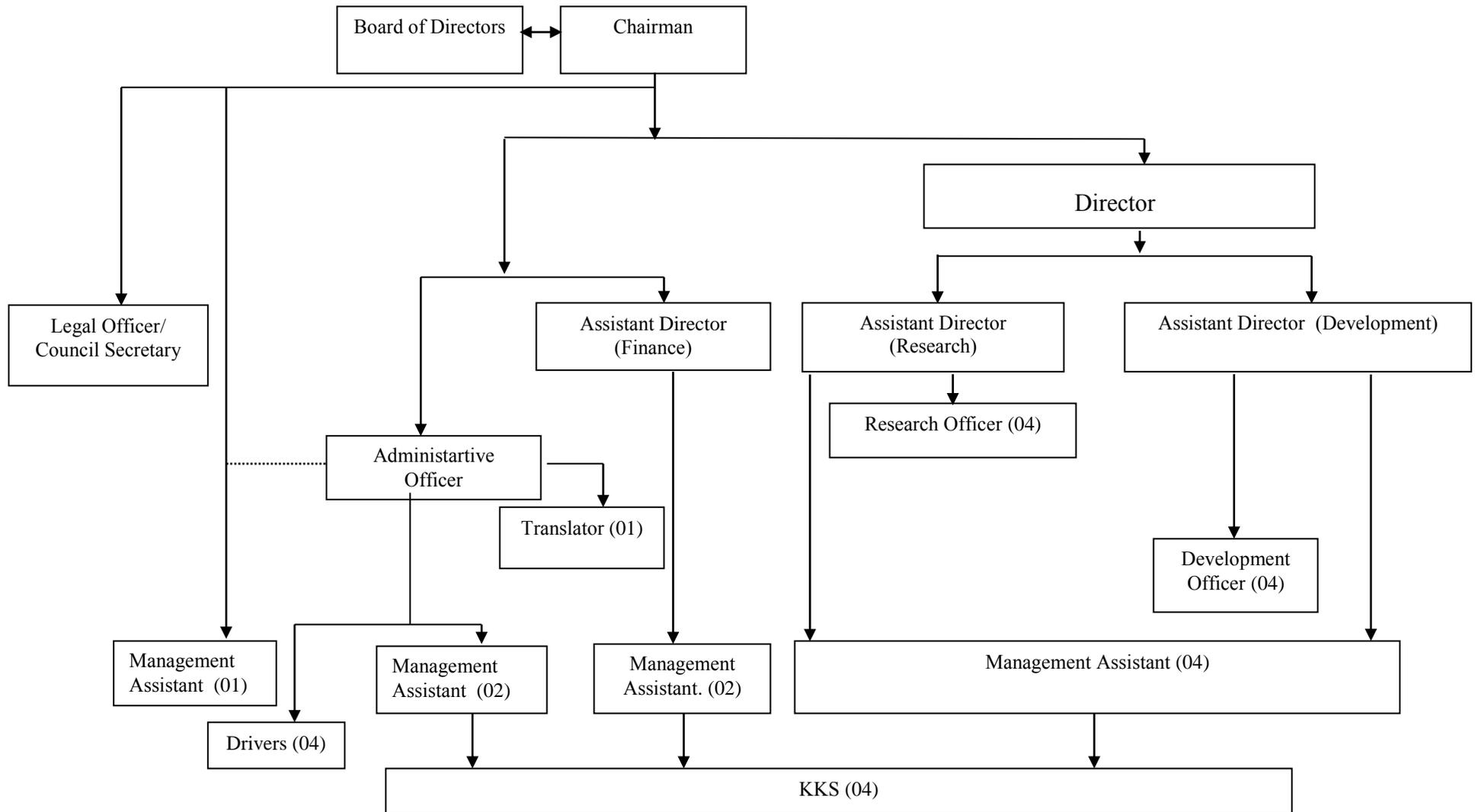
1. Mr. P.P. Weerasingha - Sarasi, Radampola, Urugamuwa
2. Mrs. Lalitha Withanachchi - No. 377, Tangalle Rd, Maddawatta, Matara
3. Mr. R.Wickramasingha - 36 C , Vihara Mawatha, Papiliyana

03. Council and Meeting

Details about the dates in which Council Meetings of the National Human Resource Development Council for year 2013 were held and the participants

	Name of the Member of the Director Board	18.01.2013	27.03.2013	23.05.2013	02.08.2013	31.10.2013	27.12.2013
01.	Chairman National Human Resource Development Council	√	√	√	√	√	√
02.	Secretary, Ministry of Youth Affairs and Skills Development	√	-	-	-	-	-
03.	Secretary, Ministry of Higher Education	-	-	-	√	-	-
04.	Secretary, Ministry of Education	-	-	-	-	-	-
05.	Secretary, Ministry of Technology and Research	√	-	-	-	-	-
06.	Secretary, Ministry of Labour Relations and Productivity Development	-	-	-	-	√	-
07.	Secretary, Ministry of Public Administration and Home Affairs	-	-	-	-	-	-
08.	Secretary, Ministry of Health	-	-	-	-	-	-
09.	Secretary, Ministry of Industrial and Commerce Affairs	-	-	-	-	-	√
10.	Secretary, Ministry of Agriculture	√	√	-	-	√	√
11.	Chairman, Tertiary and Vocational Education Commission	√	√	-	√	√	√
12.	Director General, Tertiary and Vocational Education Commission	√	-	√	√	-	√
13.	Chairman, National Education Commission	√	-	√	√	√	√
14.	Chairman, University Grants Commission	-	√	-	√	√	√
15.	Chairman, National Apprentice and Industrial Training Authority	-	-	-	-	-	-
16.	Secretary, Ministry of Finance & Planning (Representative)	√	√	√	√	√	√
17.	Appointed member – Mrs. Lalitha Withanachchi	-	-	√	-	√	√
18.	Appointed member – Mr. Piyadasa P. Weerasingha	√	√		√	√	√
19.	Appointed member – Mr. R. Wickramasinghe	-	√	√	√	√	√
		09	07	06	09	10	11

04. National Human Resources Development Council of Sri Lanka – Organizational Structure



**05. The cadre of National Human Resources Development Council of Sri Lanka
and
their designations**

Designation	Approved Cadre	Staff as at 31.12.2013	Vacancies as at 31.12.2013	Name
Chairman	01	01	-	Mr. Wijaya Wickramarathna
Director	01	01	-	Mr. Thulitha Wickrama
Assistant Director	03	03	-	Mr. S. Thanagaseelan Mr. U.S.T. Vithanage Mrs.J.A.C.P. Jayasinghe
Council Secretary/Legal Officer	01	01	-	Miss.G.G.Kasuni Uthpala
Research Officer	04	04	-	Mrs. R.M.A.U.K.Rathnayaka Miss. A.H.S.C. Perera Miss H.D.A.A. Hathurusingha Mr. D.M.S.N.B. Jayathilaka
Administrative Officer	01	01(Assign ment basis)	-	Mrs. Chamini Kariyawasam
Translator	01	-	01	-
Development Officer	04	03	01	Mrs. P.E.S. Senarathna De Silava Mr. R.D.C.S. Rajapaksha Mr. K.P.P.Perera
Personal Assistant of the Chairrman	01	01(Acting.)	-	Miss. Nalika Rathnayaka
Management Assistant	08	07	01	Mrs. K.S.N. Perera Mrs. C.K. Jayasekara Mr. C.R.Maddage Mrs. K.A.M. Damayanthi Miss. M.G.N. Dilhari W.M.Lakshitha Rajith Miss. P.H.G.C.Priyadarshani
Driver	04	03	01	Mr. G.M.Pinnaduwa Mr.W.H.E. Jayarathne Mr. N.G.Ishan Rexmand
KKS	04	04	-	Mr. Buddhika Wijesinghe Mr. N.G.Nadun Maduranga Mr.W.R.A. Prince Granvil Miss. A. Nayana Priyadarshani
Total	33	29	04	

As a result of the effort taken at the end of year 2012, amended Procedure of Recruitment could be approved on 05/03/2013 in terms of the provisions made in Management Service Circular No: 30. Accordingly, qualified officers were recruited for all the grades including staff grade posts which had been so far remained vacant in the approved cadre, on 06/06/2013. Therefore, it was able to perform the functions assigned by the Council Act, in relation to the Action Plan effective from later part of year 2013.

New Recruitments

Name	Designation	Date of appointment
Miss.G.G.Kasuni Uthpala	Council Secretary/Legal Officer	2013.05.02
Mr. Thulitha Wickrama	Director	2013.06.03
Mr. S. Thanagaseelan	Asst. Director(Research)	2013.06.03
Mrs.J.A.C.P. Jayasinghe	Asst. Director(Development)	2013.06.03
Mrs. R.M.A.U.K.Rathnayaka	Research Officer	2013.06.03
Miss. A.H.S.C. Perera	Research Officer	2013.06.03
Mr. U.G.T.C. Ariyaratne	Development Officer	2013.06.03
Mrs. P.E.S. Senarathna De Silva	Development Officer	2013.06.03
Mr. K.P.P.Perera	Development Officer	2013.06.03
Mr. R.D.C.S. Rajapaksha	Development Officer	2013.06.03
Miss. M.G.N. Dilhari	Management Assistant	2013.06.03
Mr. W.M.Lakshitha Rajith	Management Assistant	2013.06.03
Miss. P.H.G.C.Priyadarshani	Management Assistant	2013.06.03
Mr. N.G. Ishan Rexmand	Driver	2013.06.03
Mr. N.G. Nadun Maduranga	Office Aid	2013.06.03
Mr. W.R.A.Prince Granwil	Office Aid	2013.06.03
Miss A.N. Priyadarshani	Office Aid	2013.06.03
Mr. U.S.T. Vithanage	Asst. Director(Finance)	2013.06.16
Miss H.D.A.A. Hathurusingha	Research Officer	2013.11.01
Mr. D.M.S.N.B. Jayathilake	Research Officer	2013.11.20

Attachment

Name	Designation	Institute attached	Date of attachment
G.M. Pinnaduwa	Driver	NIFNE	2013.07.15

Assigning Duties

Name	Designation	Date of assigned
Mrs. Chamini Kariyawasam	Administrative Officer	2013.07.01

Resignations from the service

Name	Designation	Date of resignation
Mr. M.K.P.Lakmal	Driver	31.10.2013
Mr.U.G.T.C. Ariyaratna	Development Officer	14.11.2013
Mr. Thuitha Wicramasingha	Director	31.12.2013

Capacity Building Programs for the Staff

Training workshops for various subjects in relation to the Human Resource Development were organized having identified the Capacity Building requirements of them who were new to the government service and the opportunities were given to the staff of the Ministry of Youth Affairs and other 16 institutes under the purview of the said Ministry to participate in them.

Training programmes conducted and number of participants have been depicted in Table (1) and the programmes conducted only for the staff of the National Human Resources Council are shown in Table (2).

Specially due to the training relevant for conducting Study and Research, planning Development Projects and regarding the Establishment Code and Financial Regulations and Financial Regulations, our staff became a well versed personnel within a very short time period.

Capacity Building Programs for the Staff

Table 1								
Name of the institute	Information & Communication Technology	Preparation of Project Proposals			A public service without auditing	Dignified public service	Introducing qualitative research method regarding the human resource development	
	2013.01.21	2013.01.28	2013.01.29	2013.02.19	2013.02.28	2013.4.30	2013.6.14	2013.6.17
National Human Resources Development Council of Sri Lanka	12	8	8	8	12	6	10	13
Ministry of Youth Affairs and Skills Development	29	2	-	-	1	18	5	2
Rural Leaders' Training Centre	5	6	6	4	-	1	12	12
Tertiary and Vocational Education Commission	12	12	10	8	-	4	6	4
Youth Corps	-	5	5	4	-	-	-	-
National Youth Service Corperative Association Ltd.	5	2	2	2	-	-	2	2
Youth Service Association Ltd.	3	-	-	-	-	-	-	-
Ocean University	9	4	4	4	-	1	3	3
Vocational Training Authority	20	7	7	5	15	22	3	3
Department of Technical Education and Training	16	4	4	4	6	-	-	-
National Youth Council	-	6	6	6	5	16	4	3
National Apprenticeship and Technical Training Authority	-	4	4	4	10	10	2	2
German Technical Training Institute	3	3	5	-	5	7	-	-
	114	63	61	49	54	85	47	44

Table 2											
Financial Regulation and Establishment Code	Office Management	Procurement (1)	Dignified Public Service	Workshop on leave	Workshop on guidance & evaluation		Procurement (2)	Communication	Preparation of project reports		
2013.6.24	2013.7.17	2013.8.2	2013.8.16	2013.9.9	2013.9.17	2013.9.18	2013.9.21	2013.10.15	2013.10.28	2013.10.29	2013.11.28
17	11	18	16	22	15	14	16	18	13	10	11
17	11	18	16	22	15	14	16	18	13	10	11

6. Projects and Programs

6.1 Kilinochchi project 2013

The focal subject in this paper is the disadvantaged families in Kilinochchi District. The study reveals the existence of about 7000 numbers of Disadvantage households in this particular study.

Study on disadvantaged community in conflict affected areas in Kilinochchi is a study aimed at reports recommending policies by the NHRDC. This initial study phase in Kilinochchi (July 2013 – December 2013) focused on identifying urgent needs & the solutions with the integration of many areas (Infrastructure, Education & Training, Agriculture, Health, self-employment & etc.)

This study has assisted understanding of the root causes, corrective actions deemed necessary and also preventive actions needed to avoid such social disaster in future.

Sample population of study

The sample population selected from Disadvantage families

Questionnaire	Poonakary	Pachchilaipalai	Kandawalai	Karachchi	Total
Small	771	504	1352	3406	6033
Large	182	184	83	222	671
Total	953	688	1435	3628	6704

Questionnaires were administered among the participants as follows:

- a) 3628 disadvantaged individuals in Karichchi,
- b) 1435 from Kandawalai,
- c) 688 from Pachchilaipalai and
- d) 953 from Poonakary were selected among the most vulnerable communities

In total 6704 families identified as most disadvantaged groups with widows, widowers and parentless from divisional secretariats.

After conducted the study the following result identified. As a result of this study the final important findings described in the table below where depression symptom saw.

S/No	Area	Percentage (%)
01	Mental depression	95% (Depression symptoms)
02	Unemployment	68%
03	Main cause due to the unemployment	30% (Lack of job opportunity in district)
04	Vocational training (Age between 15 to 29)	65% not received
05	Most preferred employment option	67% (Self – Employment)
06	Opportunity to be self - employed	37% (No opportunity)

According the research finding we organized two conferences; respectively one in Kilinochchi District with the relevant government and non-government organizations on 21.10.2013 and another one in Colombo with relevant line ministries and non-government organizations on 04.12.2013. We could receive all others' views, ideas, suggestion and recommendation from these conferences.

The following recommendations are suggested from the above conferences;

1. To identify the finding in Kilinochchi District as a matter of great importance needing the intervention of the SL Govt. in order to alleviate the suffering of the this segment of marginalized community and also to meet the community social and cultural need thus unanswered.
2. To provide livelihood for the women headed households
3. To provide skills [to the youth/adults female] development training program while being gainfully employed
4. To find educational training institutes [mobile /permanent closer to the place living station

5. To create CBOs for the disadvantaged community referred to above for sharing knowledge and employment tool kits [such as books, guide, counseling, children and infants needing care and attention]
6. To find access for the community aforesaid medical support and assistance through respective Govt agencies [this includes mental health and related interventions too]
7. To include infants and children also as parties deserving life support as youth and adult female
8. To activate social mobilization to create awareness among the disadvantaged parties in regard to rebuilding their self-reliance by creating CBOs [to access micro credit] which can come under Ministry of Economic Development and Ministry of Finance [to soften the rigid stands re- lending policies to the CBOs by the banking sector]
9. To create a mechanism comprised of 'Inter- Ministries of the SL Govt' for intervention of the Government to provide vocational training where necessary by attracting NGOs, INGOs, CBOs to invest in the same direction. And the intervention shall carry the wishes of the residents as well. Here the 'learning while earning concept' [training on the job without disturbing the daily income of the marginalized/disadvantaged community which shall come as a government policy] has won the admiration of many.

6.2 Survey on recruitment of the graduates for the public service, their job and its impact on government sector

Objective of the survey

Main Objective:-

To acquire the knowledge necessary to introduce a Scheme of Recruitment which enhances the job satisfaction of the graduates, efficiency and the productivity of the public sector and submission of suitable recommendations.

Specific objectives :-

- 01 Identify the weaknesses and strengths of the graduate trainees scheme.
- 02 Identifying the inter relationship of graduates' preference for the jobs and their localization under the recruitment of graduate trainees.
- 03 factors effecting for the job satisfaction of the graduates and the efficiency and the productivity of the Public Service.

Reserach Methodology

Research Area :-

Six Ministries reporting highest recruitments during year 2005/2012 were selected and 2000 graduates who were selected out of them were subjected to survey.

Selection of the sample

Serial No.	Ministry	Graduates		Selected Sample	
		2005	2012	2005	2012
01	Ministry of Economic Development	224	8999	41	1645
02	Ministry of Child Development and Women's Relations	406	474	85	87
03	Ministry of Disaster Management	0	60	0	12
04	Ministry of Youth Affairs and Skills Development	249	146	26	50
05	Ministry of Public Administration and Home Affairs	22	103	4	12
06	Ministry of Social Services	150	99	26	12
Total		10093		2000	

Data and Methods

Data

Primary data and Secondary data were used. In this case, as the secondary data, internet, Department of Census and Statistics and other data records from which the data can be obtained were used. In order to collect the primary data, a questionnaire sent by post was used and structural interviews were held with the graduates of the Ministries.

These data were obtained separately as qualitative and quantitative data.

Methods

In order to analyse these collected data, Ms excel, SPSS data analysing methods were used.

Analysis of the problem

When the data records about the background of the graduates recruited to the public service up to now is taken into consideration, it should be noted that the absence of a suitable policy with regard to the recruitment of the graduates for the public sector is a shortcoming. It is another defect that the recommendations required to examine the prevailing situation and to build a suitable policy accordingly.

Accordingly, when the graduates are recruited for the public sector, many weaknesses and strengths can be seen in the Procedures of Recruitment. Entitling a large group for the jobs in public sector is a certain favourable condition. However, it is a shortcoming that graduates have not been employed according to their consent and consistence within this Procedure of Recruitment. The main objective of this survey is to look over about such a situation.

Workshops conducted under the graduates survey

01) Date : 23/10/2013

Venue : Hector Kobbekaduwa Agrarian Research and Training Institute.

Participants : Graduates (34)

Objectives : To obtain their proposals and ideas based on the result of our survey.

Result : 01. Information which further confirms our result further could be obtained.
02. The qualitative data which were not be able to obtained could be collected.
03. Their ideas, proposals and experience could be further obtained.

02) Date : 24/10/2013

Venue: Hector Kobbekaduwa Agrarian Research and Training Institute

Participants : Additional Secretaries to the Ministries and Heads of the Institutes (15)

Objective: based on the survey data of the graduates who were recruited for the Public Service, to obtain the recommendations the experience, proposals and recommendations of them as the heads of the institutes.

Results : 01. Detailed information about the Procedure of Recruitment of the grduates was presented.
02. The proposals required to change the prevailing situation (job unsatisfactory of the graduates) were submitted.



- 03) Date : 26/12/2013
 Venue : Hector Kobbekaduwa Agrarian Research and Training Institute
 Participants : Graduates and heads of the institutes (30)
 Objectives Finally, to obtain further views on recommendations to be proposed, based on the our survey results.
 Result Proposals required to further confirm our recommendations were submitted. Thereby final survey report recommendations couldn't be improved.



Survey results

Sector	Result	
	Yes	No
01.Satisfied about the Procedure of Recruitment	52.1%	47.9%
02. Agreed to activate the old Procedure of Recruitment	22%	78%
03. Your profession conform with the vocational education.	59%	41%

04. Reasons for the dissatisfaction over the emplotments

Serial No.	Reasons	Percentage
01	Recruitments have not been made according to the degree	43%
02	Political interventions	33%
03	Recruitment out of prevailing facilities	8%
04	Not treating as internal/external graduates	7%
05	Not treating for educational qualifications	4%
06	Employments are not subjective	3%
07	Absence of a specific methodology	2%

05. Proposals for future recruitments

Serial No.	Reasons	Percentage
01	Removing the political interventions	30%
02	To attach for prevailing vacancies	23%
03	To make the recruitments by conducting exams	20%
04	To give a high educational value	16%
05	To attach according to the educational qualifications	8%
06	To make annual recruitments	3%

NHRDC Recommendations

01. A data base should be developed for the recruitments in public and private sector. The graduates subjected to the degree should register in this data base through the university. Similarly, public and private sector should enter the details about their existing vacancies and they should be updated. That vacancy should include the relevant educational qualifications, Procedure of Recruitment, salary and other necessary details. This should include the information about local labour market.

In addition to that, a data base including the information about the graduates employed in the public sector and it should be connected with the main database.

- ❖ Responsibility : Ministry of Public Administration and Home Affairs
- ❖ Co-ordination : Ministry of Public Management and Reforms
- ❖ Follow up : National Human Resources Development Council of Sri Lanka

02. To provide the required training for the public officers currently employed in public service.

A) Induction Period

This training should be given for any graduate recruited for the public sector. The expected area to be covered is satisfying the improvement of the conditions such as Attitudes, Language, Skills, Information Technology, Establishment Code, Financial Regulations, Office Management,

B) Subject related training

Providing the training for the graduates in comply with the subject they are attached.

C) Training of attitudinal development

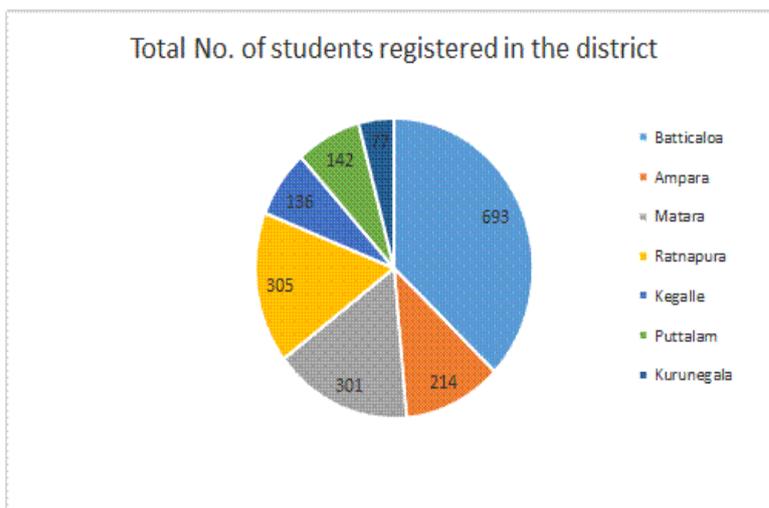
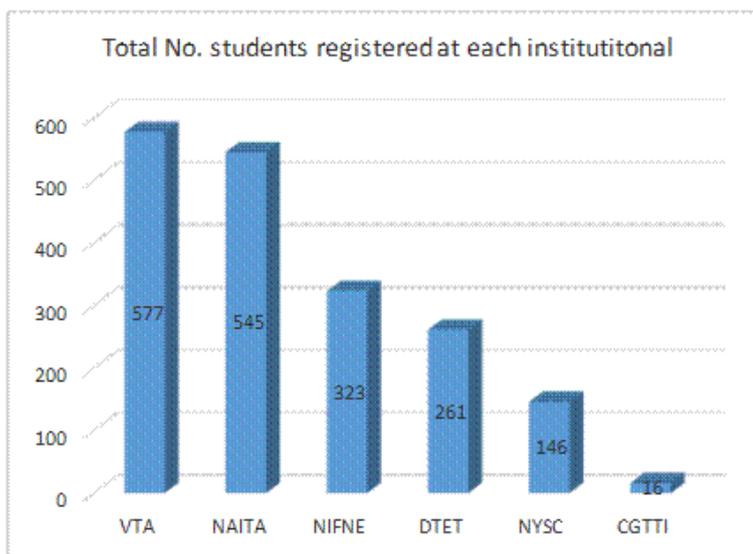
- ❖ Responsibility : Ministry of Public Administration and Home Affairs
- ❖ Cordination : SLIDA
- ❖ Follow – up : National Human Resources Development Council of Sri Lanka

6.3 Social Hospitality of Empowering School Leavers Through Job Oriented Skill Development Programme

As a concept of a Hon. Dullus Alahapperuma, Minister of Youth Affairs and Skills Development, the National Human Resources Development of Council of Sri Lanka has launched a Career Guidance Program to empower the school leavers in selected districts such as Jaffna, Batticaloa, Ampara, Matara, Ratnapura, Kegalle, Puttalam and Kurunegala with the assistance of the Training Institutions coming under the Ministry of Youth Affairs and Skills Development. In Kegalle, Puttalam and Kurunegala District programmes were done parallel to the ‘Deyata Kurula’ Program.

Letters were sent for each exam failures in both G.C.E. O/L and A/L in the year 2012 as well as made aware of this program to the school leavers in each district via Grama Niladharis, Skills Development Officers attached to the DS Divisions.

At the end of the programmes consequent No. of school leavers have been registered in each institution to follow vocation training courses conducted by them. Finally registered students are being follow up whether they follow courses registered, if not what are the barriers for that, and urge them to get vocational training to enable them to get a good job opportunity.



Number of enrollments in each training institute

District	Date held	Venue held	No. of participants	Number of enrollments in each training institute						Total enrollment
				VTA	NAITA	NIFNE	DTET	NYSC	CGTTI	
Batticaloa	24.01.2013	Vincent Girls' High School, Batticaloa	700	274	203	94	88	34	-	693
Ampara (Sinhala & Tamil mediums)	29.05.2013 30.05.2013	Technical College, Samanthurei Town Hall, Ampara	324	55	60	87	5	7	-	214
Matara	27.07.2013	Technical College, Meddawatta	704	95	95	66	45	0	-	301
Ratnapura	28.09.2013	Provincial Council Complex, Ratnapura	581	31	96	63	67	41	07	305
Kegalle	25.10.2013	St. Joseph Girls' Primary School, Kegalle.	167	35	27	0	30	39	05	139
Puttalam	21.11.2013	Sudasuna Hall	191	57	39	08	18	16	04	142
Kurunegala	30.11.2013	Dutugemunu Central College. Pothuhera	263	30	25	5	8	9	-	77
Total				577	545	323	261	146	16	1868

School Leavers Study

i. Objective of the Study

Identify the factors for failing G.C.E. O/L and A/L examinations and not following vocational training courses and make suggestions to increase the number of students who follows vocational training courses

ii. Study area

This survey was conducted for those who failed the G.C.E. O/L and A/L examinations in the year 2013.

Out of these districts, Matara, Ratnapura, Kegalle, Puttalam and Kurunagala we have done surveys by providing questionnaire for the participants to find out the barriers during schooling and reasons for not selecting higher studies and failing exams.

The National Human Resources Development Council of Sri Lanka (NHRDC) has already distributed 1452 of questionnaires to the participants of Matara, Ratnapura and Kegalle districts. Out of them, 1051 numbers of completed questionnaires has been received by the NHRDC and the analysis was based on this analysis explained the results obtained from the survey done by NHRDC filling questionnaire by the participants in Matara, Ratnapura and Kegalle districts.

Using primary data gathered from the questionnaire to identify the factors affected for the school leavers those who couldn't to get through the GCE(O/L)/GCE(A/L) or do higher studies.

followings are the findings of the study.

Reasons for not enrolling in vocational training or any courses

- Lack of awareness of the courses
- Centres are too far away from the living area
- Poverty and financial difficulties
- Force by parents to do a job due to poverty
- Transport difficulties
- Inadequate qualifications to follow preferred courses

Conclusion of the findings

- There is no proper social marketing system has been implemented to absorb rural youths for the respective vocational training centers.
- Existing carrier guidance system is also not equipped to trace proper vocational trades and to guide respective carrier paths for the respective candidates.
- There is no monitoring, evaluation, and education system for guide students to carrier upliftments such as to climb in the ladder of NVQ levels 1- 7.
- There is no suitable training centers, the unsatisfactory of the service provided by the training providers, transport difficulties and unawareness.

Recommendation given by Officials who participated in the Conference on School Leavers Program held on 03.04.2013

- Real training requirement of the school leavers must be identified
- Popularization of private jobs
- Job Security – introduce insurance scheme
- Introduce soft skills development programs
- Aware about the financial management
- Introduce learning while earning concept
- Increase quality of training institutes
- Introduce methods of awareness of vocational training at schools
- Aware them the job opportunities that can be gained after this vocational training courses
- Training them towards positive thinking
- Improve the current career guidance system
- Uplift the National competency standards
- Reduced mismatch between the school and the working environment
- Make aware them regarding vocational training through media and youth societies
- More awareness creating programs should conducted by schools and media for parents to change the negative attitudes of the parents towards the vocational training
- All school students should be made aware of the newly introduced University College System

Recommendations of the NHRDC

- Create free vocational training courses targeting current local job market
- More Vocational Training Courses should be created targeting the requirements of the youth of the area
- More vocational training programmes should be created targeting foreign job market
- Short term courses (3-4 months) should be started focusing students who are awaiting for results after G.C.E.(O/L) and A/L examinations. eg. English, Computer courses
- It is suggested to organize social marketing campaign at the end of O/L and A/L examinations each year.
- The carrier guidance seminars to be conducted at the Divisional Secretariat level with the participation of all the training providers.
- The present carrier guidance system has to be upgraded monitored and educated the trainees' carrier paths from NVQ level 1 to 7.
- In this case it is suggested to develop a proper Management Information System(MIS) to guide and monitor each trainees carrier development as well the employability.
- Make aware of the NVQ level 1-7 system to students as well as the parents in school level
- Special bus service with a season ticket at a reasonable rates should be arranged
- Training allowance should be paid for at least the students with financial constraints
- Learning while earning system must be introduced to reduce financial problems
- Hostel facilities should be arranged those who are far away from the institutes
- Implement the Private Public Partnership(PPP)

Out Come

The study report was prepared and published.

6.4 Deyata Kirula Program

A series of programmes to uplift the physical and mental health of the school students was conducted by the National Human Resources Development Council of Sri Lanka in line with the Dayata Kirula programme. Above programmes were organized in year 2013 centering the Puttalam, Kegalle and Kurunegala districts in which the Dayata Kirula programme in year 2014 has been scheduled to be held. In this case, the lectures on the improvement of the physical and mental health of the students in three selected schools were held with the leadership of expertise resource persons.

These lectures were conducted based on three main sectors. Those can be cited as below.

1. Mental stress
2. Adverse outcomes of drugs
3. Importance of using organic foods

The schools selected for these lectures were;

- Mabopitiya Maha Vidyalaya representing Kegalle district.
- Wataraka Maha Vidyalaya representing Kurunegala district.
- Camel Girls' School representing Puttalam district.

The No. of children from above schools who participated in this workshop are as follows.

School	Number of children participated
Mabopitiya Maha Vidyalaya	250
Wataraka Maha Vidyalaya	288
Camel Girls' School	360

The workshop conducted in Mabopitiya Maha Vidyalaya on 10.10.2013

The lecture of the mental stress was conducted by Dr. Thilitha Wickrama and the practical group activities were applied to make aware about mental stress. The lecture on drugs was conducted by Mrs. Mangala C. Jayathilaka who represented the National Dangerous Drugs Control Board. Further, Lecturer Mr. S.B.A.M.A. Gunawardhana who is having plentiful

experience in Agricultural education related to the danger of chemical food intake and the children's nutrition. It was a significant factor that this was the first time such a workshop has been launched in this school which was a remote and having minimum facilities.

The workshop in Wataraka held on 05.12. 2013

The above workshop was held in Wataraka Maha Vidyalaya with the experience obtained from Mabopitiya Maha Vidyalaya. Here the school students were made aware regarding the mental health and consequences of using drugs and in addition to that lecturers were conducted about the danger of the Cyber space. Its significance was that all these lecturers were conducted by the officers in the National Human Resources Development Council of Sri Lanka.

The workshop held in Camel Girls' school on 02.12.2013.12.02

A workshop could be held in this school in the same manner successfully.

Workshop to make aware the school students regarding the dangerous aspect of the Cyber space

The workshops were conducted in following selected in three schools in Kegalle, Puttlam and Kurunegala districts to make aware the school students regarding the dangerous aspect of the Cyber space, in simultaneous with the Dayata Kirula programme.

These workshops held in Swarnajayanthi Maha Vidyalaya, Kegalle district, held in Kamel Girls' School, Puttalam district on 02.12.2013 and Wataraka Maha Vidyalaya, Mawathagama, Kurunegala district on 05.12.2013. These workshops were successfully held and we could obtain the favourable responses from the principals, teachers and students.

HR Development Programs

Three HR development programs were held Kurunegala and Kegalle districts for the Public servants and the newly recruited graduates in Puttalam district parallel to the "Deyata Kirula Program.

6.5 Preparation of a Career Guidance System

It is a contravertial issue whether there is a younger generaion in Sri Lanka who is equipped with a professional knowledge suitable for the demand for labour. It can be primarily mentioned that the basic reason for that is the lack of knowledge in vocational guidance.

While a research was conducted by the National Human Resources Development Council of Sri Lanka, through an external resource selected in accordance with a tender procedure, centering the schools, universities and vocational training institutes in order to prepare a vocational guidance system for the schools and vocational training institutes in Sri Lanka, its report could be obtained in December 2012. Prior to obtain the final report, a workshop was conducted on 22nd November in the auditorium of National Human Resources Development Council of Sri Lanka and schools, universities and many officials representing many vocational training institutes affiliated to the Ministry of Youth Affairs and Skills Development participated in it. valuable ideas and proposals of them have been used for the research project.

6.6 Web site www.nhrdc.gov.lk

Established a database for the benefit of both the school leavers those who seek access to vocational training services and some of the training institution under the Ministry of Yourth Affairs and Skills Development. At the moment 1065 No. school leavers have been registered in this website.

6.7 Publish a Newsletter

National Human Resource Development Council of Sri Lanka (NHRDC) publishes a newsletter quarterly. Through this Newsletter NHRDC expect to reduce the information gap between institutions, industries and youth. 1000 copies of Newsletter issued under first publication in August, 2013. The 2nd issue of this year was published in December with 500 copies.

**7.National Human Resources Development Council of Sri Lanka
Statement of Financial Position**

		As at December		
		31,2013		
	Note	2013	2012	In LKR Budgeted
ASSETS				
Current assets				
Cash and cash equivalents	1	1,378,053.62	3,373,266.14	833,837.13
Receivables	2	250,561.50	1,770.00	-
Inventories	3	337,705.74	90,131.45	345,000.00
Prepayments	4	129,860.00	-	150,000.00
Other Current assets	5	<u>1,225,421.67</u>	<u>1,327,114.59</u>	<u>1,359,000.00</u>
		<u>3,321,602.53</u>	<u>4,792,282.18</u>	<u>2,687,837.13</u>
Non-current assets				
Infrastructure, plant and equipment	6	6,716,617.92	3,355,235.28	6,800,000.00
Vehicles	6	10,735,479.45	14,185,479.45	10,735,479.45
Other non-financial assets	6	177,676.42	201,877.81	177,676.42
		<u>17,629,773.79</u>	<u>17,742,592.54</u>	<u>17,713,155.87</u>
Total assets		<u>20,951,376.32</u>	<u>22,534,874.72</u>	<u>20,400,993.00</u>
LIABILITIES				
Current liabilities				
Payables	7	1,469,607.37	380,868.74	222,700.00
Short-term Provisions	8	<u>241,162.82</u>	<u>170,000.00</u>	<u>85,000.00</u>
		1,710,770.19	550,868.74	<u>307,700.00</u>

Employee benefits	9	<u>1,160,263.00</u>	<u>979,054.40</u>	<u>1,160,263.00</u>
		<u>1,160,263.00</u>	<u>979,054.40</u>	<u>1,160,263.00</u>
Total Liabilities		<u>2,871,033.19</u>	<u>1,529,923.14</u>	<u>1,467,963.00</u>
Net assets		<u>18,080,343.13</u>	<u>21,004,951.58</u>	<u>18,933,030.00</u>

Net assets/Equity

**Capital contributed
by**

Contributed Capital		3,000,000.00	3,000,000.00	3,000,000.00
Revaluation Reserve		1,833,030.00	1,833,030.00	1,833,030.00
Government Grant – Capital		17,583,167.18	20,898,715.40	17,000,000.00
Accumulated Surplus/(Deficit)		<u>(4,335,854.05)</u>	<u>(4,726,793.82)</u>	<u>(2,900,000.00)</u>
		<u>18,080,343.13</u>	<u>21,004,951.58</u>	<u>18,933,030.00</u>

Assistant Director (Finance)

Date:

chairman

Date:

8. National Human Resources Development Council of Sri Lanka
Statement of Financial Performance
Statement of Financial Performance for the Year Ended 31 December, 2013
In LKR

	Note	2013	2012	Budgeted
Revenue				
Government Grant - Recurrent	10	13,780,000.00	9,350,000.00	14,000,000.00
Government Grant - Capital	11	11,595,548.22	13,651,947.40	12,848,000.00
Profit on Disposal of Assets	12	13,085.00	-	-
Other revenue	13	<u>67,516.85</u>	<u>85,090.25</u>	<u>71,000.00</u>
Total Revenue		25,456,150.07	23,087,037.65	26,919,000.00
Expenses				
Wages, salaries and employee benefits	14	9,325,037.70	4,942,719.50	9,311,208.60
Grants and other transfer payment	15	7,334,149.51	10,015,639.03	8,530,000.00
Supplies and consumables used	16	342,636.52	434,921.47	395,000.00
Depreciation and amortization expense	6	4,318,600.74	4,003,384.37	4,400,000.00
Travelling, Subsistence & Allowances	17	308,720.00	310,087.50	363,600.00
Utility and Services	18	2,024,806.00	2,064,952.48	2,138,900.00
Maintenance Expenses	19	1,154,670.58	1,072,819.30	1,427,900.00
Other expenses	20	<u>354,867.57</u>	<u>350,572.00</u>	<u>369,209.00</u>
Total Expenses		25,163,488.62	23,195,095.65	26,935,817.60
Surplus/(deficit)for the period		292,661.45	(108,058.00)	(16,817.60)

9.National Human Resources Development Council of Sri Lanka
Statement of Changes in Net Assets/Equity
for the Year Ended 31 December, 2013

In LKR

Attributable to owners of the controlling entity					
	Contributed Capital	Revaluation Reserve	Government Grant - capital	Accumulated Surpluses/ (deficits)	Total net assets/equity
Balance at January 31, 2012 B/F	3,000,000.00	1,833,030.00	18,366,178.79	(4,973,518.32)	18,225,690.47
Prior year Adjustment	-	-		354,782.50	354,782.50
Loss on property Revolution	-	-	-	-	-
Net revenue recognized directly in net asset/equity			6,180,844.98		6,180,844.98
Deficit/surplus for the period	-	-			-
Depreciation w/o			(3,648,308.37)	(3,648,308.37)	-
Deficit for the period				(3,756,366.37)	(3,756,366.37)
Total recognized revenue and expenses for the period	-	-	2,532,536.61	246,724.50	2,779,261.11
Balance at December 31, 2012 carried forward	3,000,000.00	1,833,030.00	20,898,715.40	(4,726,793.82)	21,004,951.58
Balance at December 31, 2012 B/F	3,000,000.00	1,833,030.00	20,898,715.40	(4,726,793.82)	21,004,951.58
Prior year Adjustment	-	-		98,278.32	98,278.32
Net revenue recognized directly in net asset/equity			985,926.52	-	985,926.52
Deficit/surplus for the period	-	-			-
Depreciation w/o	-	-	(4,301,474.74)	-	(4,301,474.74)
Surplus/Deficit for the period	-	-		292,661.45	292,661.45
Total recognized revenue and expenses for the period	-	-	(3,315,548.22)	390,939.77	(2,924,608.45)
Balance at December 31, 2013 carried forward	3,000,000.00	1,833,030.00	17,583,167.18	(4,335,854.05)	18,080,343.13

10.National Human Resources Development Council of Sri Lanka
Cash Flow Statement
Consolidated Cash Flow Statement for Year Ended December 31,2013

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit)	292,661.45	(108,058.00)
<u>Non-cash movements</u>		
Depreciation	4,318,600.74	4,003,384.37
Gratuity	181,208.60	88,268.52
prior year adjustment	98,278.32	354,782.50
Nominal Depreciation Income	(4,301,474.74)	(3,648,308.37)
Interest on Staff Loan	(50,816.85)	
Audit Fee	79,289.00	
(Gains)/losses on sale of property, plant and equipment	(13,085.00)	
Increases (Decreases) in Consumable Stores	(247,574.29)	(18,671.65)
Increases (Decreases) in Pre payments	(129,860.00)	34,990.48
Increases (Decreases) in Staff Loans	94,753.42	490,338.06
Increases (Decreases) in Other Advances	5,939.50	22,272.50
Increases (Decreases) in Creditors	-	(3,000.00)
Increases (Decreases) in Payables	1,088,738.63	(372,237.76)
Increases (Decreases) in Short Terms Provisions	71,162.82	-
Increase in other current assets	1,000.00	-
Increase in receivables	(248,791.50)	-
paid audit fee	(79,289.00)	-
Government Grant	985,926.52	212,360.97
Net cash flows from operating activities	2,146,667.62	1,056,121.62

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Furniture & Fittings	(486,947.00)	(40,165.27)
Purchase of Office Equipment	(854,636.00)	(120,228.00)
Purchase of Computers	(2,093,262.38)	(14,300.00)
Purchase of Vehicles	-	(3,486.00)
Interest on Staff Loan	50,816.85	
Purchase of Software	(770,556.61)	
Purchase of Books	(380.00)	
Proceeds from sale of plant and equipment	13,085.00	
Net Cash flows from investing activities	(4,141,880.14)	(178,179.27)

CASH FLOWS FROM FINANCING ACTIVITIES

Net cash flows from financing activities	-	-
Net increase/(decrease)in cash and cash equivalents	(1,995,212.52)	877,942.35
Cash and cash equivalents at beginning of period	3,373,266.14	2,495,323.79
Cash and cash equivalents at end of period	1,378,053.62	3,373,266.14

11. Notes to the Cash Flow Statement

Cash on hand and balances with banks

People's Bank A/C No 119100120409161	1,283,060.26	1,086,489.99
Bank of Ceylon A/C 165197	94,993.36	2,286,776.15
	1,378,053.62	3,373,266.14

	Notes	2013	2012	Budgeted
<u>Cash and cash equivalents</u>	1			
People's Bank A/C No 119100120409161		1,283,060.26	1,086,489.99	830,000.00
Bank of Ceylon A/C 165197		<u>94,993.36</u>	<u>2,286,776.15</u>	<u>3,837.13</u>
		<u>1,378,053.62</u>	<u>3,373,266.14</u>	<u>833,837.13</u>
<u>Receivables</u>	2			
National Paper Company Ltd		1,770.00	1,770.00	-
National Institute of Fisheries and Nautical Engineering		110,284.63	-	-
Ministry of Youth Affairs & Skills Dev.		67,344.05		
Nimal Bopage (ex-Chairman)		<u>71,162.82</u>		<u>-</u>
		<u>250,561.50</u>	<u>1,770.00</u>	<u>-</u>
<u>Inventories</u>	3			
Consumable Stores		<u>337,705.74</u>	<u>90,131.45</u>	<u>345,000.00</u>
		<u>337,705.74</u>	<u>90,131.45</u>	<u>345,000.00</u>
<u>Prepayments</u>	4	<u>129,860.00</u>	<u>-</u>	<u>150,000.00</u>
		<u>129,860.00</u>	<u>-</u>	<u>150,000.00</u>
<u>Other Current assets</u>	5			
Other Advances		20,000.00	25,939.50	-
Staff Loan - Distress		1,196,421.67	1,291,175.09	1,350,000.00
Festival Advances		<u>9,000.00</u>	<u>10,000.00</u>	<u>9,000.00</u>
		<u>1,225,421.67</u>	<u>1,327,114.59</u>	<u>1,359,000.00</u>

Property, Plant & equipment (Note 06)

Reporting Period 01.01.2013 to 31.12.2013	Furniture & Fittings		Office Equipment		Electrical Fixtures & equipment		Computers		Software		Vehicles		Books		Other Assets	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
opening balance	1,333,395.34	1,291,230.07	1,423,573.95	1,303,345.95	57,656.25	57,656.25	2,327,325.75	2,313,025.75	-	-	18,950,000.00	8,450,000.00	79,717.15	76,231.15	413,865.50	413,865.50
Additions	486,947.00	40,165.27	854,636.00	120,228.00	-	-	2,093,262.38	14,300.00	770,556.61	-	-	10,500,000.00	380.00	3,486.00	-	-
Adjustment	58,606.00	-	-	-	-	-	93,100.00	-	-	-	-	-	-	-	-	-
Disposals	(58,606.00)	-	-	-	-	-	(93,100.00)	-	-	-	-	-	-	-	-	-
Closing Balance	1,818,342.34	1,331,395.34	2,278,209.95	1,423,573.95	57,656.25	57,656.25	4,420,588.13	2,327,325.75	770,556.61	-	18,950,000.00	18,950,000.00	80,097.15	79,717.15	413,865.50	413,865.50
Accumulated Depreciation (year Beginning)	238,498.15	114,475.54	326,573.19	201,683.32	17,457.65	16,237.65	1,202,187.02	878,520.43	-	-	4,764,520.55	1,360,000.00	73,469.36	73,267.61	218,235.48	193,372.48
Adjustment	58,606.00	-	-	-	-	-	93,100.00	-	-	-	-	-	-	-	-	-
Depreciation (As per statement of Financial Performance)	157,850.14	124,022.61	143,733.80	124,889.87	2,720.00	1,222.00	527,856.28	323,666.59	11,859.13	-	3,450,000.00	3,404,520.55	578.39	201.75	24,003.00	24,863.00
Revaluation (net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sum of Revaluation surpluses/Deficits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Accumulated Depreciation on Disposal	(58,606.00)	-	-	-	-	-	(93,100.00)	-	-	-	-	-	-	-	-	-
Closing balance	396,348.29	238,498.15	470,306.99	326,573.19	20,177.65	17,457.65	1,730,043.30	1,202,187.02	11,859.13	-	8,214,520.55	4,764,520.55	74,047.75	73,469.36	242,238.48	218,235.48
Net Carrying Amount	1,421,994.05	1,092,897.19	1,807,902.96	1,097,000.76	37,478.60	40,198.60	2,690,544.83	1,125,138.73	758,697.48	-	10,735,479.45	14,185,479.45	6,049.40		171,627.02	195,630.02

<u>Payable</u>	7			
State Trading Cor.	89,074.00	-	-	-
Metropolitan Office	260,000.00	-	-	-
MS Technologies	739,556.61	-	-	-
Payables Unclaimed		53,055.00	-	-
IWSS Survey Payable	4,580.57	4,580.57	-	-
NVQ Certificate Holders - Galle	19,000.00	19,000.00	-	-
NVQ Certificate Holders - Beliatta	6,000.00	6,000.00	-	-
CADREP	48,097.63	48,097.63	-	-
Salaries & Wages - NIFNI	53,435.53	26,900.00	-	-
Cost of Living Allowance		11,700.00	-	-
Interim Allowance		4,035.00	-	-
E.P.F		5,924.88	-	-
E.T.F		1,481.22	-	-
Holiday Payments		1,081.00	2,400.00	-
Electricity		69,888.80	63,000.00	-
Water		3,346.38	3,000.00	-
Telephone	20,562.50	17,474.58	8,000.00	-
General Maintenance		1,761.92	2,000.00	-
Internet	1,096.73	7,326.77	2,000.00	-
News Paper Bill	2,440.00	1,230.00	1,300.00	-
Janitorial & Security	82,562.33	46,789.48	90,000.00	-
Research Studies & Surveys		19,767.00	-	-
Seminar & Workshops - Traid Media		20,074.96	-	-
Local Travelling Payable	350.00	3,412.50	-	-
Deyata Kirula Payable	2,463.00	-	-	-
Establish For Database Payable	400.00	-	-	-

Other Services Payable	16,660.50	-	15,000.00
Rep; Maintain of vehicle	12,425.00	-	4,000.00
Staff Training & Development	27,000.00	-	8,000.00
Salaries Temporary	39,421.56	-	20,000.00
Over Time	11,552.00	7,941.05	4,000.00
Kilinochchi Survey Payable	32,929.41	-	-
	<u>1,469,607.37</u>	<u>380,868.74</u>	<u>222,700.00</u>

Short-term Provisions 8

Audit Fee - 2011	-	85,000.00	-
Audit Fee - 2012	85,000.00	85,000.00	-
Audit Fee – 2013	85,000.00		85,000.00
Provision for doubtful Debt-N.Bopage	71,162.82	-	-
	<u>241,162.82</u>	<u>170,000.00</u>	<u>85,000.00</u>

Employee benefits 9

Gratuity Provision	1,160,263.00	979,054.40	1,160,263.00
	<u>1,160,263.00</u>	<u>979,054.40</u>	<u>1,160,263.00</u>

	Note	<u>2013</u>	<u>2012</u>	<u>Budgeted</u>
Government Grant - Recurrent	10	<u>13,780,000.00</u>	<u>9,350,000.00</u>	<u>14,000,000.00</u>
<u>Government Grant - Capital</u>	11			
Government Grant - Capital		7,294,073.48	10,003,639.03	8,530,000.00
Nominal Depreciation Income		4,301,474.74	3,648,308.37	4,318,000.00
		<u>11,595,548.22</u>	<u>13,651,947.40</u>	<u>12,848,000.00</u>
Profit on Disposal of Assets	12	<u>13,085.00</u>	<u>-</u>	<u>-</u>

<u>Other revenue</u>	13			
Miscellaneous income		16,700.00	24,742.00	21,000.00
Distress Loan Interest		<u>50,816.85</u>	<u>60,348.25</u>	<u>50,000.00</u>
		<u>67,516.85</u>	<u>85,090.25</u>	<u>71,000.00</u>

Wages, salaries and employee benefits

	14			
Salaries & wages		4,815,399.69	2,613,984.41	5,010,000.00
Acting salary		20,524.98	89,636.32	21,000.00
Special Allowance		723,276.32	327,597.66	737,000.00
Cost of Living Allowance		1,601,947.75	847,683.87	1,562,000.00
Transport Allowance		180,000.00	-	180,000.00
Fuel Allowance		334,000.00	212,400.00	334,000.00
EPF		785,139.39	406,834.73	798,000.00
ETF		196,285.03	101,708.67	200,000.00
Over time		107,184.88	87,739.32	120,000.00
Holiday payments		16,739.50	5,866.00	18,000.00
Salaries temporary		363,331.56	161,000.00	150,000.00
Gratuity Expenses		<u>181,208.60</u>	<u>88,268.52</u>	<u>181,208.60</u>
		<u>9,325,037.70</u>	<u>4,942,719.50</u>	<u>9,311,208.60</u>

Grants and other transfer payment

	15			
Developing a common career guidance system		532,275.00	-	550,000.00
Kilinochchi Survey		1,473,061.05	-	1,500,000.00
HR Programme		492,567.00	-	500,000.00
News Letter		65,500.00	-	80,000.00
Deyata Kirula Exhibition		1,347,567.38	-	1,450,000.00
Labour Market Study		250,657.75	-	500,000.00
Establish A database		824,663.16	-	1,050,000.00

Graduate Trainee Study	437,978.46	-	500,000.00
Career Guidance	1,810,879.71	-	2,300,000.00
Staff Training & Development	99,000.00	12,000.00	100,000.00
Studies/Surveys/Investigations/Research	-	375,253.00	-
Seminars/ Workshops	-	2,185,435.68	-
HRD Projects	-	7,373,538.75	-
Publications	-	69,411.60	-
	<u>7,334,149.51</u>	<u>10,015,639.03</u>	<u>8,530,000.00</u>

Supplies and consumables used 16

Stationary & office equipment	107,726.52	200,319.47	130,000.00
Fuel & lubricant	207,260.00	234,602.00	240,000.00
uniforms	27,650.00	-	25,000.00
	<u>342,636.52</u>	<u>434,921.47</u>	<u>395,000.00</u>

Depreciation and amortization expense 6 **4,318,600.74** **4,003,384.37** **4,400,000.00**

Travelling, Subsistence & Allowances 17

local travelling & Subsistence	37,520.00	74,087.50	50,000.00
Allowance For Audit Members	84,400.00	54,400.00	73,600.00
Board Members Allowances	186,800.00	181,600.00	240,000.00
	<u>308,720.00</u>	<u>310,087.50</u>	<u>363,600.00</u>

Utility and Services 18

Rates	39,199.97	43,555.52	39,200.00
Electricity	579,465.92	887,272.97	700,000.00
Water	31,839.73	36,367.65	89,300.00
Telephone charges & Rental	171,843.68	195,975.42	170,000.00

postage & telex charges	24,400.00	8,265.00	25,000.00
Janitorial service	206,146.21	151,931.64	206,100.00
Advertising	103,084.80	-	100,000.00
Security Service	518,010.00	383,940.00	455,400.00
Internet	78,949.86	108,561.20	53,900.00
other utility & other service	<u>271,865.83</u>	<u>249,083.08</u>	<u>300,000.00</u>
	<u>2,024,806.00</u>	<u>2,064,952.48</u>	<u>2,138,900.00</u>

Maintenance Expenses 19

Rep & Main. of Building & Structures		8,256.43	-
Rep & Main. of Plant Machinery	251,557.32	-	297,900.00
Rep & main of vehicles	636,054.86	529,643.34	670,500.00
Rep & main of Office Equipment	192,727.60	486,074.93	205,100.00
Rep & main of computer	61,944.80	37,934.60	200,000.00
Rep & main Of electrical Equip	<u>12,386.00</u>	<u>10,910.00</u>	<u>54,400.00</u>
	<u>1,154,670.58</u>	<u>1,072,819.30</u>	<u>1,427,900.00</u>

Other expenses 20

Audit fee	79,289.00	85,000.00	164,289.00
News paper	14,000.00	16,760.00	13,920.00
Staff welfare	43,101.00		43,000.00
Others Service Expenses	39,659.75	136,551.00	38,000.00
Refreshment	107,655.00	112,261.00	110,000.00
Doubtful Debt-Nimal Bopage	<u>71,162.82</u>	<u>-</u>	<u>-</u>
	<u>354,867.57</u>	<u>350,572.00</u>	<u>369,209.00</u>

12. Notes, comprising a summary of significant Accounting Policies and other explanatory Notes

1. National Human Resources Development Council of Sri Lanka established under the Act No 18 of 1997. Under the power vested in the institution, it gives priority to all activities pertaining to Human Resource Development and implements policies for Human Resources Development.

2. Rendering of Accounts and Authorization to issue Financial Statements

As per the section 14 of Finance Act (No. 38 of 1971), National Human Resources Development Council of Sri Lanka as a public corporation shall, immediately after the end of each financial year of the corporation, prepare a draft annual report on the exercise, discharge and performance by the corporation of its powers, functions and duties during that year and of its policy and programme. Such report shall set out any directions given by the appropriate Minister to the corporation during the year. Copies of such report shall, within four months after the end of that year, be submitted to the appropriate Minister and to the Minister of Finance (if he is not the appropriate Minister), the Minister of Planning and the Auditor-General.

As per the section 14 of Finance Act (No. 38 of 1971), the accounts of a public corporation for each financial year shall be submitted to the Auditor-General for audit within four months after the close of that year along with any report on the accounts which the Auditor-General may require to be submitted in the manner specified by him. Any such corporation which contravenes or fails to comply with the preceding provisions of this sub-section shall be guilty of an offence under this Act and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one thousand rupees.

3. Statement of Compliance

Accounting convention of the National Human Resources Development Council of Sri Lanka is prepared in accordance with the Sri Lanka Public Sector Accounting Standards published by Institute of Chartered Accountants of Sri Lanka.

4. Measurement Basis

Financial Statements of the Council are prepared under the historical cost conversion, except for the revaluation carried out in year 2008 and 2011 by Department of Valuation of Sri Lanka, for certain Furniture and Fittings, Office Equipment, Electrical Fixtures and Equipment, Computers, Vehicles and other Assets.

5. Bases of Assets Valuation

5.1 Properties, Plant & Equipment are stated at cost/valuation less accumulated depreciation.

5.2 Depreciation is charged on all property, plant and equipment to write off the cost over the estimated useful life.

5.3 No depreciation is provided in the year of purchased and full year depreciation is provided in the year of disposal for assets purchased prior to the year 2009 and from year 2009 onwards depreciation is computed based on the date of purchase/ date of disposal of each asset.

5.4 Consumable stores are measured at the lower of cost and net realizable value.

6. Depreciation

Classes of Assets and depreciation rates are as follows. Classes of Assets are determined according to the nature and their usage of the entity.

Building & Structures	2.5%
Furniture & Fittings	10%
Office Equipment	10%
Electrical Fixtures & Equipment	20%
Computers	20%
Computer Software	25%
Vehicles	20%
Books	10%
Other Assets	10%

7. Comparative Figures

Figures of the last financial year have been re-classified and adjusted to make the comparability of financial statements.

8. Events after reporting Date

All material balance sheet events have been considered and made appropriate adjustments to or disclosures have been made in financial Statements.

9. Discontinuation of NHRDC Activities

As per the decision of the council dated 02nd August 2013, NHRDC activity of “Update the Web Site on Job Processing” is discontinued. Balance Capital Expenditure allocated to above activities is reallocated among other activities via revised budget.

10. Accounting to Government Grant

Recurrent Grant and Capital Grant received from the General Treasury are used to meet the recurrent and capital expenditure of the National Human Resources Development Council of Sri Lanka respectively. The amount incurred on NHRDC activities and an amount equal to the depreciation charged during the year is recognized as income on a systematic basis over the useful life of capital assets.

11. Retirement Benefit Cost

11.1 Defined Contribution Plan – EPF & ETF

All employees who are eligible for Employee Provident Fund contribution and Employee Trust Fund contribution are covered by relevant contribution funds, with receptive statues and regulations.

11.2 Retirement Gratuity

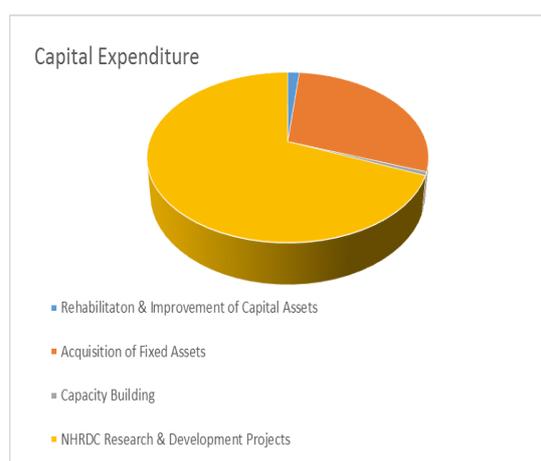
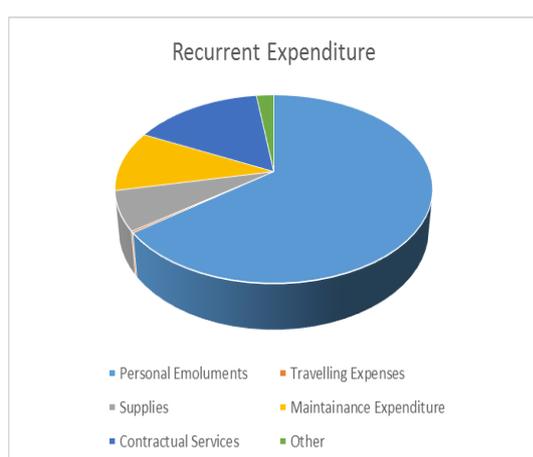
Provision is made in the financial statements for retiring gratuity, which may fall due for payments under the payment of gratuity Act No 12 of 1983 in accordance with LKAS No.19 of “Employee Benefits” for all employees. The gratuity liability is not externally funded or actuarially valued.

12. Financial Performance

All costs incurred in its operation and maintaining its capital assets, the council had functioned efficiently and has been charged to revenue. The Deficit/Surplus of the revenue expenditure has been arrived at after making provision for all known liabilities and depreciation of assets.

13. Cash Flow Statement

Statement of Cash flow is prepared using indirect method which is a prescribed by section 27 of Sri Lanka Public Sector Accounting Standard No 02.





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கணக்காய்வாளர் தலைமை அறிப்பதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல. }
My No. }

YS/D/NHRDC/1/13/05

ඔබේ අංකය
உமது இல. }
Your No. }

දිනය
திகதி }
Date }

11 March 2015

The Chairman,
National Human Resources Development Council of Sri Lanka.

Report of the Auditor General on the Financial Statements of the National Human Resources Development Council of Sri Lanka for the year ended 31 December 2013 in terms of the Section 14(2) (c) of the Finance Act, No.38 of 1971.

The audit of financial statements of the National Human Resources Development Council of Sri Lanka, comprising the statement of financial position as at 31 December 2013 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 the Section 13(1) of the Finance Act, No. 38 of 1971 and Section 24 of the National Human Resources Development Council of Sri Lanka Act, No. 18 of 1997. 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 furnished to the Chairman of the Council on 03 September 2014.

1:2 Management's Responsibility for the Financial Statements

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.

1:3 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 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.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. . - இல. 306/72, பொல்தூவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka

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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 judgment, 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 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 Human Resources Development Council of Sri Lanka as at 31 December 2013 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**

Accounting Deficiencies

- (a) Even though the expenditure of the year under the recurrent grants according to the financial statements amounted to Rs.13,780,000 that sum according to the Treasury computer printouts amounted to Rs.13,966,566. Accordingly a difference of Rs.186,566 was observed between the Treasury computer printouts and the accounts.
- (b) Action had not been taken to revalue and account for 04 assets costing Rs.1,702,500 fully depreciated and remaining in usable condition.

2:3 **Accounts Receivable and Payable**

- (a) Even though 03 items of expenditure payable totalling Rs.73,097 related to periods ranging from 01 year to 03 years action had not been taken even by the end of the year under review to settle them.
- (b) The sum of Rs.71,162 recoverable from an officer who served as the Chairman of the Council had not been recovered up to 02 April 2014, the date of audit.

3. **Financial Review**

Financial Results

The operations of the Council during the year under review had resulted in a surplus of Rs.292,661 as against the deficit of Rs.108,058 for the preceding year. The financial results for the year under review as compared with the preceding year, indicated an improvement of Rs.400,719. The increase of the Government grant by a sum of Rs.4.4 million had been the main reason for the improvement.

Nevertheless it was observed that the monthly expenditure on security services of the Council had been increased by 88 per cent with effect from October 2013 and the expenditure on janitorial services had been increased by 49 per cent with effect from July 2013 without any acceptable justifiable reasons.

4. Operating Review

4:1 Performance

Six duties and functions of the Council are set out under Section 14 (1) of the National Human Resources Development Council of Sri Lanka Act. But, according to the following matters, it was observed that the plans and the actual functioning of the Council during the past period indicate that attention had not been paid for the execution of the primary objectives relating to the establishment of the Council.

- (a) Even though the Action Plan prepared for the year under review indicated 10 programmes planned for execution in the year, those did not cover 03 out of the 06 objectives set out in the Act.
- (b) The estimated provision for the 10 programmes referred to above amounted to Rs.9,850,000 while only 09 programmes had been implemented at a cost of Rs.7,230,000. Out of the 09 programmes implemented the expected targets of only 03 programmes had been achieved.

4:2 Management Inefficiencies

The members appointed to the Council according to the Act, should consist of Heads of Institutions connected with the economic and human resource development of the Council for the achievement of the objectives of the establishment of the Council more effectively. But 04 members out of the 17 appointed to the Council for the year under review had not participated in any of the meetings and only one member had participated in all the meetings. Five members had participated in only one meeting. Three members to be appointed by the Minister in terms of Section 3(1)(P) of the Act had not been appointed.

4.3 Operating Inefficiencies

The following observations are made.

- (a) The Council had carried out the preliminary works for the preparation and maintenance of a database on the unemployed persons in Sri Lanka with effect from 20 September 2011. Through a private institution at a preliminary cost of Rs.257,500 and sum of Rs.920,375 had been spent thereon. The work had not been completed even by the end of the year under review and the total expenditure incurred had been fruitless. The programme had failed due to the following reasons.
- i. Selection of a private institution without following a proper methodology and the failure to carry out a proper evaluation of the capacity of the institution to carry out the work properly and without interruption.
 - ii. The agreement with the private service provider institution being non-formal and incomplete.
- (b) Awareness programmes had been conducted with the participation of students from 05 selected districts as a pilot project for referring the student who were not eligible for higher education to vocational training to empowering them and for the identification of hindrances relating thereto. A sum of Rs.1,810,879 had been spent thereon during the year under review. According to the following matters it was observed that the expected objectives of the programme had not been achieved.
- (i) Even though 1,906 students had participated in the preliminary programme only 50 per cent out of them had registered with Vocational Training Institutes for vocational training.
 - (ii) Even though the conduct of the programme had been planned for the participation of students from all the regions of the selected 05 districts, an audit test check of the programme conducted in 04 districts revealed that 438 students from the areas around the 04 main towns of those districts had participated while only 25 students from 15 Divisional Secretariat Divisions situated outside the towns had participated. Out of 400 students of 03 districts who had registered for vocational training in several institutions as at the date of the programme, 355 students had not participated in the vocational training courses.

5. Accountability and Good Governance

5:1 Corporate Plan

The Corporate Plan prepared for the year 2013 to 2017 did not include the review of the operations of the 3 preceding years in terms of Sub-section 5.1.2 of the Public Enterprises Circular No.PED/12 of 02 June 2003. As the financial value of the targets to be included had not been shown the annual progress could not be compared in financial terms.

5.2 Internal Audit

An Internal Audit Unit was not in operation in the Council and the Internal Audit Branch of the line Ministry of Youth Affairs and skills Development had carried out the internal audit work of the Council.

6. 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.

- (a) Procurement
- (b) Accounts

W.P.C. Wickramaratne
Acting Auditor General.

Reply for the Audit Report

The Auditor General,
Department of Auditor General,
Polduwa Rd.,
Baththaramulla.

Report of the Auditor General on the Financial Statements of the National Human Resources Development Council of Sri Lanka for the year ended 31 December 2013 in terms of Section 14(2)(C) of the Finance Act No.38 of 1971 and its present status

This refers to the above report submitted with your letter No. YS/D/NHRDC/1/13/05, dated 10 September 2014. Accordingly, explanations are kindly submitted as follows.

2.2. Comments on financial statements

a). Actions will be taken to inquire about the difference and to rectify it.

b) Agreed.

Actions will be taken to account the relevant values by re-computing the assets having an effective lifetime of which the book value is Zero.

2.2.3 Accounts Payable and Accounts Receivable

a) Accounts Payable

Agreed

While the approval has been granted by the Director Board to write of an amount of Rs.48,097.63 out of the accounts payable within 1-3 years period and the necessary adjustments have been incorporated in the final accounts for year 2014. Actions will be taken to look into the remaining expenses and to either pay for the relevant parties or to write off from the accounts upon the approval given by the Director Board.

b) Accounts receivable

Agreed.

The actions have been taken to recover the sum of Rs. 71,162.82 due from the former Chairman immediately by sending, reminders, letter of demands and referring the matter to the Mediation Board in accordance with the accepted institutional procedure. Judicial proceedings have been started since it has been unable to get a favorable reply in this regard.

3. Financial Review

Financial Results

Agreed.

The procurement activities relevant to offer the contracts for the security service and sanitary services of the Nipunatha Piyasa will be undertaken by the Ministry of Youth Affairs. The amount; our institute should bear on, behalf of obtaining such services have been informed by the letter No. 2-3/03/22 dated 09.09.2013 and letter No. 02-03/03/21 dated 26/02/2013 sent by the Ministry. Providing information regarding the price increase is not possible since the above procurement activities exist beyond our control.

4. Operational Review

4.1 Performance

Not agreed.

It was not practically an easy task to lay out the programmes by covering all the 6 objectives given in the Act, up to 30.06.2013 with the small staff consisting only 9 members, when the nature of the objectives of the Act and the potentiality of implementing them is taken into consideration. Actions were taken to carry out the activities mentioned in Para No 14 (1) 9 in the Act, subsequent to the recruitment of new staff. The Action Plan has been prepared and implemented in order to cover the secondary objectives of the initial objectives of the Act in year 2013. Accordingly, the fact that the attention has not been drawn to fulfill the initial objective of the establishment of this institute cannot be accepted.

b) Not agreed.

The reasons for not agreeing have been given against the each objective.

14(1) 1 objective: Action Plan has been prepared and implemented in order to cover the secondary objectives of the initial objectives of the Act.

14 (i) 2 objective: The Human Resource Development Plan has been already submitted by the Senior Ministers Secretariat in comply with the National policy and forwarded for the Cabinet Approval. Accordingly, it is not required to submit a National Human Resource Development Plan by our institute.

14 (i) 3 objective: No opportunity was taken this year to review about the aforementioned National Human Resource Policy, since it was not yet operative.

14 (i) 4 objective: The survey on the evaluation of the productivity of recruiting the graduates for the public service which was a project to look into a government approved human resource development programme named “The plan for recruiting the graduates for the public service and implementation of the same” was successfully carried out as a public programme by covering the objectives in Para 14(1) and 4.

14 (i) 5 objective : The programmes of “Career Guidance Study” and “Assessment of War Affected Disadvantage Families in Kilinochchi District in Sri Lanka” were respectively implemented as the public programmes which covered object No. 2.2 and object No. 5 in the 1st schedule.

14 (i) 6 objective: Four human resource development programmes which our Council expected to be useful to develop the human resource under the “Dayata Kirula” national programme which is implemented according to a national objective were implemented.

b) Not agreed

Out of the programmes implemented during year 2013, 8 programmes had directly contributed for the objectives and purposes of the institute. The other programme was the “Dayata Kirula” programme which is annually held. Only one programme out of the eight programmes mentioned above was not implemented during year 2013 since bids had not been submitted for it. Accordingly, objectives of all the projects implemented have been successfully achieved subject to the limited allocation granted during year 2013.

4.2 Management Inefficiencies

Agreed.

The Director Board of this institute is comprised of 11 secretaries to the Ministries and 4 Chairpersons. Therefore, the continuous attendance of such officers who have a busy schedule can not be practically expected. However, necessary arrangements have been taken to amend the provisions laid down in the Act regarding the members of the Director Board enabling to obtain the maximum contribution of the Council membership to achieve the objectives of the institute, as per the decision made by the Director Board under prevailing circumstances.

4.3 Operational Inefficiency

- a) Although there were some problems with regard to plan and implement the activities relevant for the development of a database and to maintain including the information of unemployed professionals during previous years, the Council had taken the following actions during year 2013 regarding the people responsible for this. In terms of the Section No. 12 of the Memorandum of Understanding between National Human Resource Development Council and Puretel Lanka (Pvt) Ltd., Ven. Pattiyawela Mahinda Thero; the Chairman of that Company has been informed on 05.06.2013 to appoint an arbitrator in year 2013. Further, necessary steps have been taken by sending reminders on 08/07/2013 and 19/10/2013. This has been referred for the Commission to investigate the Bribery and Corruption.

- b) Agreed
 - i. The total number of participants is 2930 and the enrolment of the day was 1871.
 - ii. The students' participation in Rathnapura, Kegalle, Puttalam and Kurunegala which was subjected to sample audit tests is 1202.

Prior to this programme, it has been informed to take steps to make all relevant training institutes, District Secretaries, Divisional Secretaries and the Skills Development Officers, Grama Niladharis, and Youth Service Officers and the students who followed

G.C.E. (O/L) and G.C.E. (A/L) participate in this workshop. In addition to that, all the Grama Niladharis have been informed to display a poster including the information about the workshop, in every GS Division. Further, all the students who failed Advance Level and Ordinary Level exams in year 2012 were made aware by personally sending them a letter, according to the register of the names obtained from the Department of Examination.

The view of the skills Development Officers regarding the minimum participation was that it is due to the transport difficulties. Further, the minimizing the participation of the students outside the town area is a practically normal situation.

While the number of course enrollment in Kegalle, Matara and Ratnapura districts was 745, the number of persons who is following the course is 89.

Similarly, since those institutes do not make recruitments for the vocational training throughout the year and it is often only at the beginning of the year, the recruitments may be done in the future. Further, since there is a possibility of recruiting the students later, due to the limited space, equipment and lack of consultation in some institutes, the information of those students have not been included in these statistics. While it is not practical to decide the results of such a programme based on the statistics of one year, it is appropriate to measure them for a long time period.

These programmes have not been limited only for recruiting students for the courses and a study was conducted by means of a questionnaire in the workshops held in Matara, Rathnapuraya, Kegalle and Puttlam. Its objective was to find the reasons for not focusing their attention towards the vocational training and to aware the Minister in that regard. The report of that study has now been approved by the Board of Directors and referred for the attention of the Minister.

5. Accountability and Good Governance

5.1 Corporate Plan

Agreed

Arrangements will be made to include a review on the operations during previous three years period in the Corporate Plan which is to be prepared for the period from 2014 to 2018 and to correct the financial values of the targets to be achieved, although these values can not be precisely mentioned.

5.2 Internal Audit

Agreed.

Although an internal auditor has been requested by my letter No. NHRDC/1/Rec/2012, dated 05/10/2012 from the Line Ministry through the Salaries and Cadre Commission, in order to establish an internal audit branch in the Council, the said post has not been yet approved. Therefore, the audit activities are being carried out by the internal audit branch of the Ministry of Youth Affairs and Vocational Development.

6. System and Control

It is expected to take necessary actions according to the audit guidance.

Wijaya Wickramaratna

Chairman