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ஆண்டறிக்கை
Annual Report
2016

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சிரம வாசனா நிதியம்
Shrama Vasana Fund

Contents...

Vision and Mission…

Vision

"A contended workforce"

Mission

'Creating an agreeable place of work by assisting workers in distress and improving the promotion of workers' welfare'

Greetings from the Hon. Minister

The Shrama Vasana Fund established by Act No. 12 of 1998 is under the purview of the Ministry of Labour and the Secretary to the Ministry of Labour functions as its Chairman.

As Minister of Labour, it is with great pleasure that I issue this congratulatory message to the annual report published by the Shrama Vasana Fund.

An efficient and productive workforce is essential for the development of a country and I appreciate the programmes being conducted countrywide by the Shrama Vasana Fund for the attainment of this objective.

I wish to convey my thanks to the Secretary to the Ministry, the staff of the Department and the staff of the Shrama Vasana Fund who have undertaken this effort aimed at the advancement of thousands of workers and wish that the Shrama Vasana Fund be able to render a yeoman service to the workforce of the country through good governance.

W.D.J. Seneviratne
Minister of Labour and Trade Union Relations

Greetings from the State Minister of Labour

It gives me great pleasure to extend my best wishes to the Annual Report 2016 of the Shrama Vasana Fund, an institution under the Ministry of Labour.

The Ministry of Labour and the institutions under its purview make an immense contribution for economic development of the country and to nine million strong workforces of the country.

Shrama Vasana Fund has exclusively set up for the welfare of the workers of the private sector and I line with its objectives it not only empowers workers but their families as well.

Holding medical clinics island-wide, organizing and conducting awareness programmes for workers and organizing numerous other programmes on diverse topics including safety at workplace are some of the standout work carried out by the Fund and it also devise proactive plans for identifying and preventing potential risks and dangers.

My thanks are due to the staffs of the Ministry of Labour, the Department of Labour, all other affiliated institutions and the General Manager and the staff of the Shrama Vasana Fund.

Ravindra Samaraweera
State Minister of Labour and Trade Union Relations.

Congratulatory message of the Chairman

I am pleased to issue this congratulatory message to the Annual Report 2016 of the Shrama Vasana Fund.

Shrama Vasana Fund established by the Shrama Vasana Act No.12 of 1988 plays a key role for the welfare of workers employed in the private sector. By assisting workers during in times of distress, granting scholarships to children of workers who are killed or become permanently disabled in workplace accidents, providing legal aid to workers when the institutions they were working in are closed down without prior notice or when workers dismissed from service, guiding them towards training programmes enabling them to undertake new employment, the Shrama Vasana Fund makes a maximum contribution to the welfare of workers.

I wish to convey my gratitude to the Secretary of the Ministry of Labour, labour commissioners, deputy labour commissioners, factory inspecting engineers and the staff of the Department of Labour who work tirelessly towards achieving these objectives.

I also wish to take this opportunity to convey my thanks to the General Manager and the staff of the Shrama Vasana Fund who are committed to the advancement of the Fund while administering all its activities.

S.M. Gotabhaya Jayartne
Secretary, Ministry of Labour
Chairman/ Shrama Vasana Fund.

Congratulatory message of the General Manager

I am so pleased to issue a congratulatory message for Annual Report 2016 of the Shrama Vasana Fund established exclusively with the wellbeing of country's working class in mind.

Shrama Vasana Fund primarily empowers nearly 9 million workforce scattered around the country and their families by raising funds through 'Jathika Sampatha' lottery conducted jointly by the Fund and the National Lotteries Board.

With the objective of creating an active and healthy labour force, the Fund renders various services to address the needs of workers while constantly looking into their needs through countrywide labour offices and district factory inspection engineering offices.

Medical clinics, scholarship Programmes, eye clinics, awareness Programmes, training Programmes and empowerment Programmes are organized under the guidance of the Fund and I recall with gratitude the support extended by other affiliated institutions on the instructions of the Hon. Minister of Labour and the Hon. State Minister of Labour.

I also wish to express my heartfelt gratitude to my staff for their unstinted support and enthusiasm in carrying forward these activities successfully.

D.R. Jayalath
General Manager
Shrama Vasana Fund

Administrative Structure.

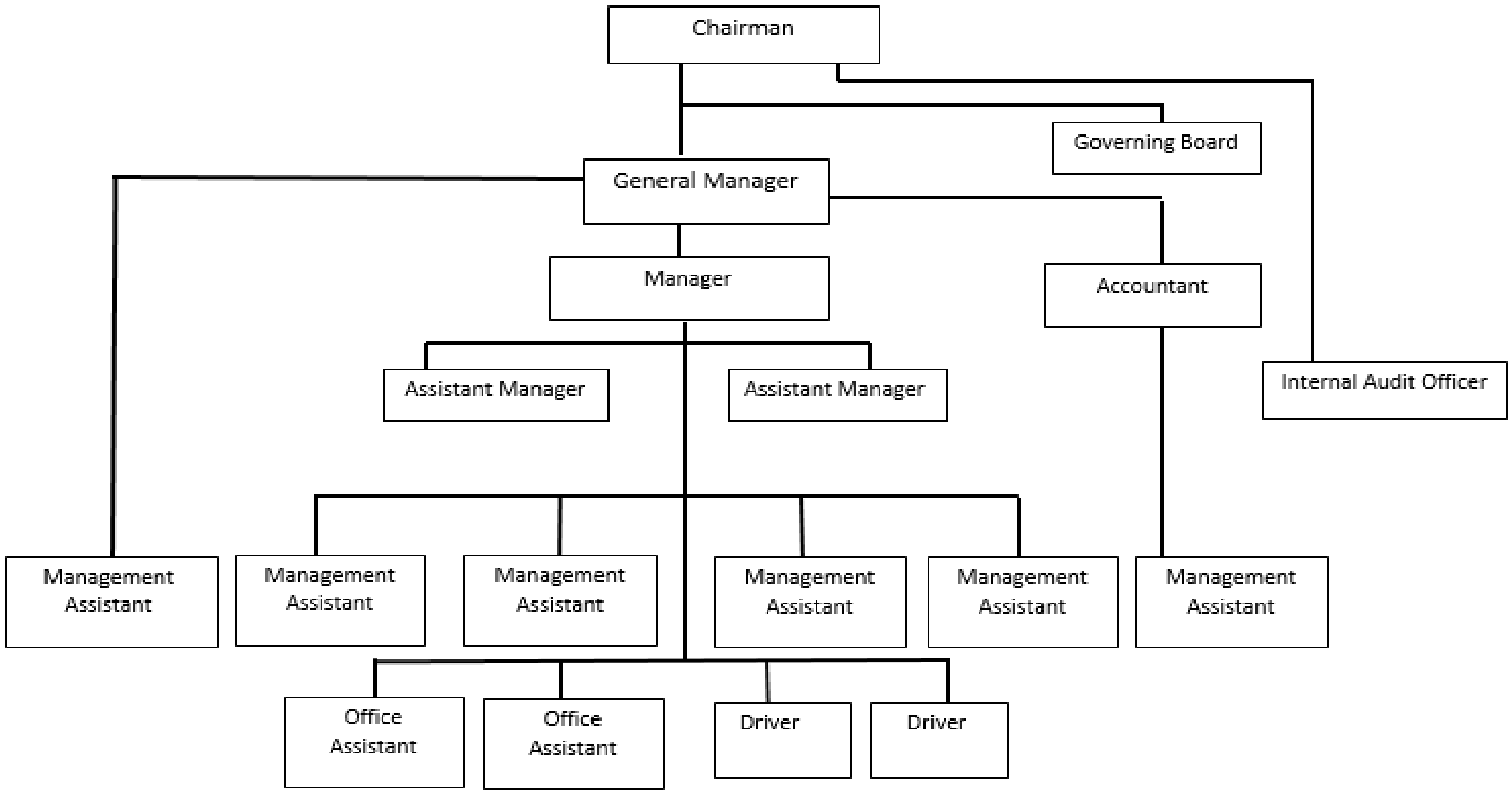
Shrama Vasana Fund established by the Shrama Vasana Fund Act No.12 of 1998 is under the purview of the Ministry of Labour and the Secretary to the Ministry of Labour is its ex-officio Chairman.

In terms of the provisions of the Shrama Vasana Fund Act, the administration of the Fund is fully vested in the Board of Directors of the Fund and the administration of the fund and all activities incidental thereto have been entrusted to the Board of Directors.

Board of Directors 2016- Shrama Vasana Fund

Name	Post
S.M. Gotabhaya Jayaratne	Chairman
M.D.A. Amaratunga	Member
M.J.R. Puviraj	Member
W.P. Amarasinghe	Member
S.N. Suriyakumara	Member
S.B.U.S. Maithreepala	Member
D.R. Jayalath	G.M.- Shrama Vasana Fund

Organization Chart as at 2016/12/31



Shrama Vasana Fund and its Objects

Shrama Vasana Fund

Shrama Vasana Fund established to promote welfare of employees by Act No. 12 of 1998 is an institution under the purview of the Ministry of Labour and Trade Union Relations. Under 06 broad objectives outlined in the Act, the fund since its inception has initiated a number of welfare measures for the betterment of employees.

The main source of funding of 'Sharma Vasana Fund" is the Jathika Sampatha lottery of the National Lotteries Board. With the increase in sales of the Jathika Sampatha Lottery, the fund too has witnessed a corresponding growth enabling the provision of expanded services for the welfare of employees.

Objects of the Fund

(a) to promote the welfare of employees;
(b) to provide financial and other assistance to employees when the institutions they were working in, are closed down without prior notice;
(c) to provide medical and other facilities to employees in times of emergency
(d) to provide temporary assistance to employees when inquiries are instituted against them;
(e) to provide financial and other benefits to employees or their dependents, in times of distress;
(f) to give awards to persons who have rendered outstanding service to employee welfare.

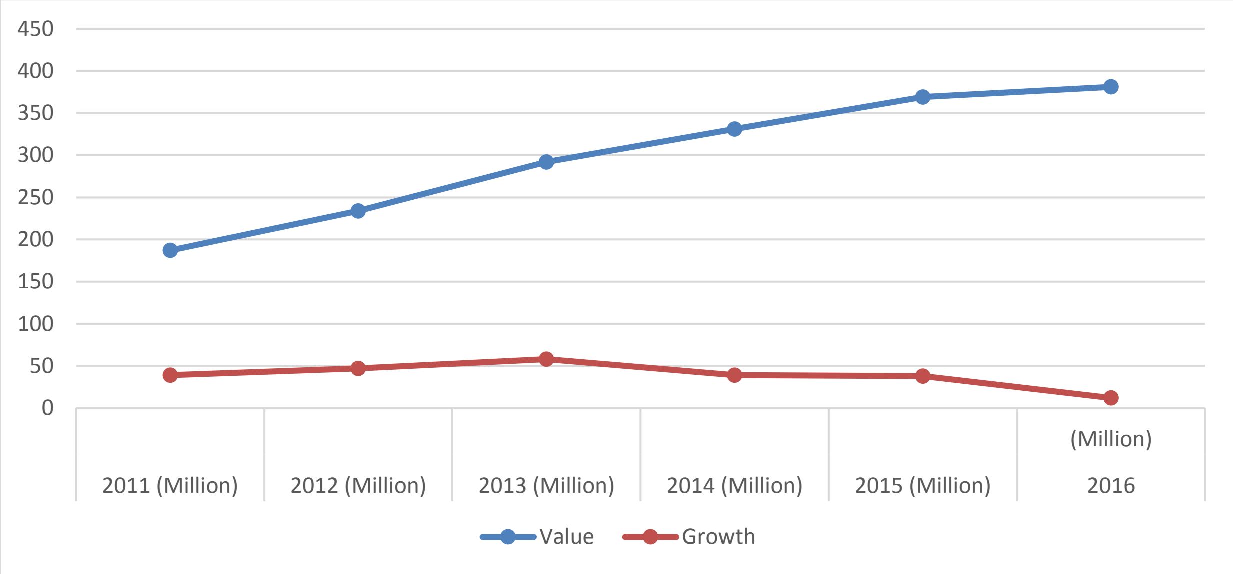
Receipts for Shrama Vasana Fund

- All such sums of money as may be voted from time to time by Parliament for the purpose of carrying out the objects of the Fund
- All sums of money received as grants, gifts or donations from local or foreign sources
- All sums of money received as income from investments made by the Fund
- All sums of money derived by the Fund in the exercise of its powers, and the discharge of its functions, under this Act, including the proceeds of the lotteries referred to in section 13 of the Act.

The fund has been established covering employees of the private sector, but it does not cover those engaged in self-employment. Based on the financial capacity of Shrama Vasana Fund, various programmes are implemented during different periods of time. With the steady increase in the financial capacity, the services were further expanded in year 2012 beyond the traditional scope of work.

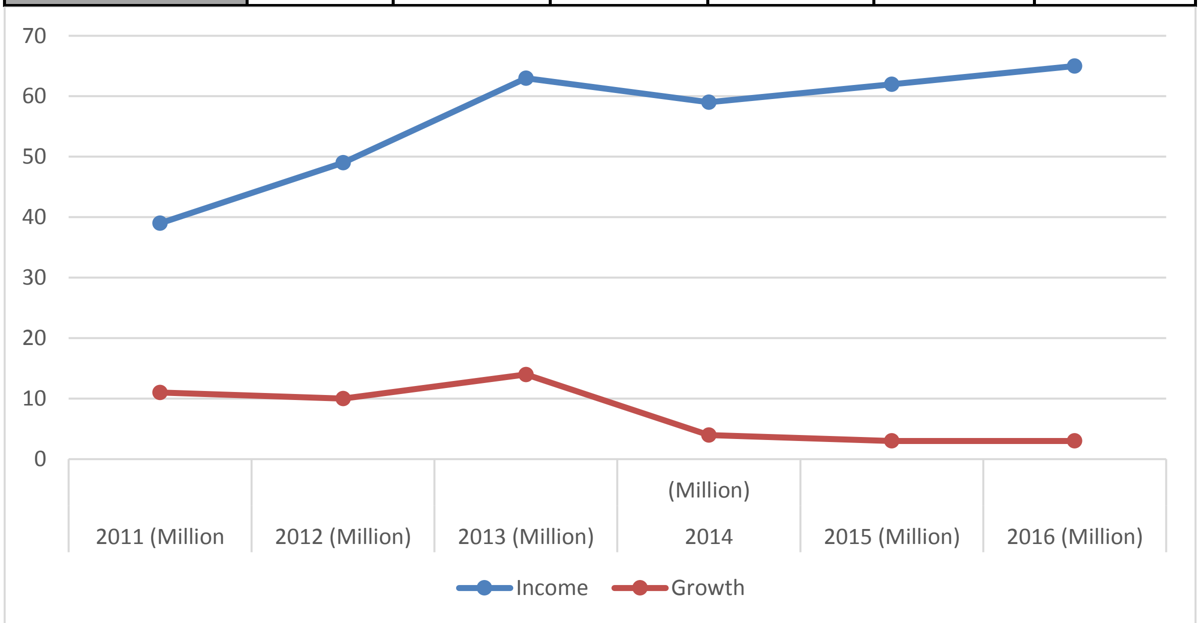
Growth of Shrama Vasana Fund

	2011 (Million)	2012 (Million)	2013 (Million)	2014 (Million)	2015 (Million)	2016 (Million)
Value	187	234	292	331	369	381
Growth	39	47	58	39	38	12



Lottery Income

	2011 (Million	2012 (Million)	2013 (Million)	2014 (Million)	2015 (Million)	2016 (Million)
Income	39	49	63	59	62	65
Growth	11	10	14	4	3	3



Review of programmes of Shrama Vasana Fund

Peaceful situation, political stability and good governance prevailing in Sri Lanka at present and the general acceptance that Sri Lanka is a country suitable for investors have resulted in increased investments in the country which in turn has contributed to a rapid growth in the economic front.

Boosted by investments, a number of new factories have been established in Sri Lanka and correspondingly, the country's active labour force has reached nearly 9 million.

Shrama Vasana Fund too has expanded services rendered by it targeting the ever-increasing workforce. The fund has also increased services provided to the Sri Lankan labour force in line with its objectives and incidental objectives.

During the year 2016, covering all districts, the Fund conducted a host of diverse empowerment, welfare and awareness Programmes.

Eye medical clinic, Battaramulla – 31.01.2016

Presenting the first ticket of 'Jathika Sampatha' lottery, the main source of funding for Shrama Vasana Fund, to His Excellency the President – 10.02.2016

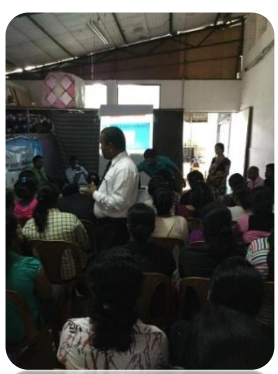
Scholarship programme – Sri Lanka Investment Promotion Zone, Katunayake – 28.04.2016



Welfare promotion programme- Sri Lanka Investment Promotion Zone, Katunayake – 28.04.2016



Awareness programme, Jaffna – 12.05.2016


Distribution of dry rations amongst worker families affected by floods, Aranayake - 02.06.2016



Distribution of dry rations amongst worker families displaced by flash floods, Bulathkohupitiya - 02.06.2016



Granting scholarships to children of employees killed or became permanently disabled due to occupational accidents, Thimbirigasyaya- 23.06.2016



Empowerment of women of labourer families, Thimbirigasyaya- 23.06.2016



Free spectacles for workers, Thanthirimale- 06.07.2016



Women empowerment programme, Polonnaruwa- 30.07.2016



Scholarship seminar programme targeting children of workers' families – Rajarata Maha Vidyalaya auditorium- 30.07.2016



Distribution of school equipment among children of low income worker families, Polonnaruwa- 30.07.2016



Distribution of school equipment among children of low income families, Mathugama – 09.08.2016



Distribution of dry rations among low income worker families, Mathugama –



Distribution of school equipment among children of low income families, Gomarankadawala-



Distribution of dry rations among low income worker families, Gomarankadawala-



Distribution of school equipment among children of low income families, Morawewa- 13.09.2016



Distribution of dry rations among low income worker families, Morawewa- 13.09.2016



Distribution of school equipment among children of low income families, Padaviya -14.09.2016



Economic Processing Zone, Seethawaka (Volleyball court for employees)

Economic Processing Zone, Biyagama (donating a dental clinic chair) - 17.11.2016

Awareness programme- Construction division of the three armed forces, Akurugoda-21.11.2016

Distribution of school equipment among children of low income worker families, Ratnapura- 28.11.2016

SHRAMA VASANA FUND
FINAL ACOUNTS 2016

Description

Shrama Vasana Fund
Statement of Financial Position
as at December 31st ,2016

		Rs. 2016	Rs. 2015
Assets			
Current Assets			
Cash and Cash Equivalents		5,356,725.69	917,326.57
Inventories	**Note 04**	2,079,533.16	-
Deposit in Postal Machine		10,280.00	23,280.00
Pre-payment Insuarance		201,705.98	142,198.97
Receivables	**Note 03**	326,496,635.50	333,997,625.66
		334,144,880.33	335,080,431.20
Non-Current Assets			
Investment in Fixed Deposit		52,000,000.00	35,000,000.00
Investment in ISO & Web Base System		845,629.00	144,600.00
Intangible asset	**Note 02**	33,000.00	33,000.00
Plant Machinary & Equipment	**Note 01**	12,487,765.70	3,233,314.59
		65,366,394.70	38,410,914.59
Total Assets		399,511,275.03	373,491,345.79
Liabilities			
Current Liabilities			
Payables	**Note 06**	1,307,231.54	3,551,416.57
Total liabitilies		1,307,231.54	3,551,416.57
Net Assets		398,204,043.49	369,939,929.22
Accumulated Surpuls	**Note 05**	398,204,043.49	369,939,929.22
Total net Assets		398,204,043.49	369,939,929.22

The Board of Directors of an entity is responsible for the preparation and presentation of its Financial Statements

S.M.Gotabaya Jayarathne	M.D.C.Amarathunga	D.R.Jayalath	M.L.J.Fernando
Chairman	Director	General Manager	Accountant
ShramaVasana Fund	ShramaVasana Fund	ShramaVasana Fund	ShramaVasana Fund

S.M. Gotabaya Jayarathne
Secretary
... of Labour and Trade Union Relations

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Mr. D. R. Jayalath
General Manager

M. L. J. Fernando
Accountant

Shrama Vasana Fund

Shrama Vasana Fund
Statement of Financial Performance
as at December 31st ,2016

		Rs. 2016	Rs. 2015
Revenue			
Income	**Note 08**	68,509,170.45	65,398,341.79
Total Revenue		68,509,170.45	65,398,341.79
Expenses			
Administration Expences	**Note 09**	8,952,149.91	7,109,721.84
Depreciation	**Note 10**	1,025,245.84	965,527.22
Expenditure for objective of fund	**Note 11**	30,267,660.43	18,829,460.31
		40,245,056.18	26,904,709.37
Surplus for Year		28,264,114.27	38,493,632.42

Shrama Vasana Fund

4

Shrama Vasana Fund
Statement of Changes in Funds
For the Year Ended December 31, 2016

	Accumulated Fund	Total
Balance as at 31st December 2014	331,446,296.80	331,446,296.80
Surplus for the year	38,493,632.42	38,493,632.42
Balance as at 31st December 2015	369,939,929.22	369,939,929.22
Surplus for the year	28,264,114.27	28,264,114.27
Balance as at 31st December 2016	**398,204,043.49**	**398,204,043.49**

Shrama Vasana Fund
Cash flow Statement
For the Year Ended December 31, 2016

		Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		**2016**	**2015**
Surplus for year	*Note 11*	28,264,114.27	38,493,632.42
Non-cash movements			
Depreciation		1,025,245.84	965,527.22
Increment of other payables		(2,244,185.03)	518,047.70
Investment Interest		(3,113,002.82)	(2,624,822.50)
Distress Loan Interest		(16,739.80)	(9,172.22)
Repo investment interest		(150,164.37)	-
Other income		(127,933.46)	(155,207.07)
(Increase)/Decrease of other receivables		7,998,545.01	**(43,014,170.00)**
(Increase)/Decrease in Inventories		(2,079,533.16)	-
Net cash flows from operating activities		29,556,346.48	**(5,826,164.45)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchasing of Plant,Machinary & equipment		(10,279,696.95)	(407,369.05)
Investment Interest		2,615,447.97	3,463,754.00
Distress Loan Interest		16,739.80	9,172.22
Repo investment interest		150,164.37	-
Other income		127,933.46	155,207.07
Deposit Postal Machine & Insurance		(46,507.01)	(165,478.97)
Web Base & ISO		(701,029.00)	(144,600.00)
Investment		(17,000,000.00)	2,000,000.00
Net cash flows from investing activities		(25,116,947.36)	4,910,685.27
Net increase/(decrease)in cash and cash equivalents		4,439,399.12	(915,479.18)
Cash and cash Equivalants at beginning of period		917,326.57	1,832,805.75
Cash and cash Equivalants at end of period		5,356,725.69	917,326.57

SHRAMA VASANA FUND
Statement of Accounting Policies

1. Significant Accounting Policies

1.1 General Policies

1.1.1 Reporting Entity

SHRAMA VASANA FUND is incorporated by Shrama Vasana Fund Act, No.12 Of 1998.

1.1.2 Date of Authorization for issue
The Financial Statements were authorized for issue by the Board of Directors on 16th February 2017.

1.1.4 Basis of Preparation

a) Statement of Compliance

The financial statement comply with Sri Lanka Public Sector Accounting Standards for the accrual basis of Accounting.

b) Basic of Measurement
The Financial statements have been prepared on historical cost basis adjusted for revaluations of assets.

c) Use of Estimates and Judgements
The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

Note 01

Plant machinary & Equipment

01-1

Cost	Restated balance as at 01.01.2016	Additions	Disposal/write off	Balance as at 31.12.2016
Vechicle	-	9,125,000.00		9,125,000.00
Machinary & Equipment	701,187.50	117,993.95	96,187.50	722,993.95
Audio & Video Visual	319,814.00	364,781.00	-	684,595.00
Air Conditioners	1,377,009.99	-		1,377,009.99
Computers	1,780,504.00	517,000.00	163,750.00	2,133,754.00
Furniture and Fittings	1,275,199.80	110,932.00	29,855.00	1,356,276.80
Office Equipment	389,013.14	43,990.00	117,357.57	315,645.57
	5,842,728.43	10,279,696.95	407,150.07	15,715,275.31

01-02

Depreciation	Restated balance as at 01.01.2016	Charge for the period	Disposal/write off	Balance as at 31.12.2016
Machinary & Equipment	385,142.01	93,043.30	96,187.50	381,997.81
Audio & Video Visual	120,342.82	92,592.80		212,935.62
Air Conditioners	584,134.70	257,045.49	-	841,180.19
Computers	1,110,464.22	431,584.25	163,750.00	1,378,298.47
Furniture and Fittings	197,612.77	128,581.21	29,855.00	296,338.98
Office Equipment	211,717.32	22,398.79	117,357.57	116,758.54
	2,609,413.84	1,025,245.84	407,150.07	3,227,509.61

Note 02

Intangible Asset

Accounting Package	33,000.00
	33,000.00

Note 03

Other Receivables

Treasary Operation Department	324,079,521.00
Festival Advance	13,000.00
Distress Loan	353,850.00
Intrest on Fixed Deposit Investment	2,034,979.51
Other Receivable	15,284.99
	326,496,635.50

Note 04

Inventories

Stationary	241,272.49
Empower items	5,305.00
Awarnes mask	3,520.00
Welfare stationary	1,575,194.42
Promotion items	254,241.25
	2,079,533.16

Note 05

Cumulative Fund as at 01.01.2016	369,939,929.22
Surplus for the year 2016	28,264,114.27
Cumulative Fund as at 31.12.2016	398,204,043.49

Note 06

Other payable

Welfare Programe	8,675.00
Provision For Audit Fee	115,260.00
Telephone Payable	28,122.71
Provision for Legal Aid	250,000.00
Advertising & Promotion Payable	506,850.00
water & electricity	5,841.43
Statonries Payable	47,760.00
Other Payable	20,460.00
Over Time	15,262.40
Award ceromony pro.Payable	300,000.00
Retantion 5%	9,000.00
	1,307,231.54

Note 07

Fixed Assets has been depreciated on Straight line basis
Following Rates are used.

Vehicle	10%
Machinary & Equipment	10%
Air Conditioners	20%
Audio & Video Visual	25%
Computers	25%
Furniture and Fittings	10%
Office Equipment	7.5%

Depreciable value of final assets have been depreciated up to scrap value Rs.1

Note 08

Income

Shrama vasana Lottery Income	65,101,330.00
Fixed Deposit Investment Income	3,113,002.82
Distress Loan Interest Income	16,739.80
Repo Investment Income	150,164.37
Other Income	127,933.46
	68,509,170.45

Note 09

Administrative Expenditure

Salary & wages	3,333,135.52
E.P.F.	526,839.40
E.T.F.	79,025.91
Cost of Living Allowance	865,800.00
Other Allowance	344,582.91
Budgetery Allowance	340,000.00
Chairman Allowance	120,000.00
Practical trainee Allowance	510,710.00
Director board Allowance	231,500.00
Bonus	142,335.00
Overtime & Holiday pay	268,386.42
Domestic Travelling & Sub	90,112.00
Transport Charges	228,106.00
Stationery & Others	258,674.51
Postal Expenses	15,685.00
Telephone Expenses	248,187.97
Entertainment Expenses	40,920.00
Refreshment & Other	227,466.71
Sundry	41,720.20
Others	12,076.54
Audit Expenses	49,038.00
Staff training	214,500.00
Water & Electricity	94,086.93
Other Service	275,597.35
Maintance & Repair expence	229,964.77
Staff Welfare	163,698.77
	8,952,149.91

Note 10

Depreciation

Depreciation on Computers	431,584.25
Depreciation on Air Conditioners	257,045.49
Depreciation on Audio & Video Visual	92,592.80
Depreciation on Furniture and Fittings	128,581.21
Depreciation on Office Equipment	22,398.79
Depreciation on Machinary & Equipment	93,043.30
	1,025,245.84

Note 11

Expenditure to achive targets of the fund

Health camp Programme	3,221,863.83
Empowerment programme	1,947,474.00
Awarness Programme	492,277.00
Welfare programme	9,545,555.16
Technical education programme	20,100.00
Medical Assistance Programme	40,000.00
Legal Aid Programme	381,875.00
Scholarship programme	5,619,094.84
Miscellaneous	2,195,481.00
Award Ceremony Programme	1,095,839.00
Promotion Programme	1,943,080.75
Advertising Programme	3,765,019.85
	30,267,660.43

Note 11

Surplus for year 2016	*28,264,114.27*
Surplus for year 2016 (Cash Flow)	*28,264,114.27*

Shrama Vasana Fund
Comparison of Budget 2016
For the year December 31,2016

	Actual Amount	Budget Amount
Administrative Expenditure		
Salary & wages	3,333,135.52	
E.P.F.	526,839.40	
E.T.F.	79,025.91	4,840,000.00
Cost of Living Allowance	865,800.00	
Other Allowance	344,582.91	
Budgetery Allowance	340,000.00	
Chairman Allowance	120,000.00	
Practical trainee Allowance	510,710.00	
Director board Allowance	231,500.00	
Bonus	142,335.00	3,025,000.00
Overtime & Holiday pay	268,386.42	281,500.00
Maintance & Repair expence	229,964.77	312,700.00
Postal & Communication	263,872.97	275,000.00
Water & Electricity	94,086.93	1,100,000.00
Transport Charges	228,106.00	255,000.00
Other Service	324,635.35	375,000.00
Others	322,183.45	342,000.00
Staff Welfare	163,698.77	300,000.00
Domestic Travelling & Sub	90,112.00	110,500.00
Stationery & Others	258,674.51	605,000.00
Staff training	214,500.00	544,500.00
	8,952,149.91	**12,366,200.00**
Expenditure to achive targets of the fund		
Promote the welfare of employees		
Health camp Programme	3,221,863.83	4,700,000.00
Empowerment programme	1,947,474.00	3,000,000.00
Awarness Programme	492,277.00	500,000.00
Welfare programme	9,545,555.16	11,600,000.00
Technical education programme	20,100.00	250,000.00
Medical Assistance Programme	40,000.00	800,000.00
Legal Aid Programme	381,875.00	400,000.00
Scholarship programme	5,619,094.84	7,500,000.00
Miscellaneous	2,195,481.00	3,000,000.00
Award Ceremony Programme	1,095,839.00	2,750,000.00
Promotion Programme	1,943,080.75	2,300,000.00
Advertising Programme	3,765,019.85	4,900,000.00
	30,267,660.43	41,700,000.00
Plant machinary & Equipment		
Vechicle	9,125,000.00	
Machinary & Equipment	117,993.95	
Audio & Video Visual	364,781.00	
Computers	517,000.00	
Furniture and Fittings	110,932.00	
Office Equipment	43,990.00	10,457,271.96
	10,279,696.95	10,457,271.96

Shrama Vasana Fund
As at December 2016
Trail Balance

	Dr.	Cr.
Bank	5,356,725.69	
Fixed Deposit Investment	52,000,000.00	
Inventories-		
Stationary	241,272.49	
Empower items	5,305.00	
Awarnes mask	3,520.00	
Welfare stationary	1,575,194.42	
Promotion items	254,241.25	
Deposit Insuarance	201,705.98	
Investment of ISO Certificate	372,529.00	
Investment of Web base system	473,100.00	
Deposit postal Machine	10,280.00	
Other Receivable	15,284.99	
T.O.D.Receivable	324,079,521.00	
Fixed Deposit Interest receivable	2,034,979.51	
Distress Loan	353,850.00	
Festival Advance	13,000.00	
Vehicle	9,125,000.00	
Furniture & Fittings	1,356,276.80	
Intangible asset-Accounting package	33,000.00	
Audio & Video Visual	684,595.00	
Machinary & Equipments	722,993.95	
Airconditioners	1,377,009.99	
Computers	2,133,754.00	
Office Equipment	315,645.57	
Accumulated Depreciation		
-Office Equipment		116,758.54
-Computers		1,378,298.47
-Airconditioners		841,180.19
-Machinary & Equipments		381,997.81
-Audio & Video Visual		212,935.62
-Furniture & Fittings		296,338.98
Award ceromony pro.Payable		300,000.00
Welfare Payable		8,675.00
Stationaries Payable		47,760.00
Advertising & Promotion Payable		506,850.00
Other Payable		20,460.00
Water & Electricity Payable		5,841.43
Audit Fee Payable		115,260.00
Overtime Payable		15,262.40
Telephone Payable		28,122.71
Legal aid Payable		250,000.00
Retaintion 5%		9,000.00
Cummulated Fund		369,939,929.22
Shrama Vasana Lotary		65,101,330.00
Depreciation-Office Equipment	22,398.79	
-Computers	431,584.25	
-Airconditioners	257,045.49	
-Machinary & Equipments	93,043.30	
-Audio & Video Visual	92,592.80	
-Furniture & Fittings	128,581.21	

Assets Maintance & Repair	127,561.91	
Bank Charges	2,399.04	
Audit fee	49,038.00	
Telephone Charges	248,187.97	
Postage	15,685.00	
Water & Electricity Charges	94,086.93	
Office Maintance & Repair	24,217.58	
Transport	228,106.00	
Other Service	275,597.35	
Vehicle Maintance & Repair	78,185.28	
Practical Trainee Allowance	510,710.00	
Allowance for Directors	231,500.00	
Allowance for Chairman	120,000.00	
Budgetery Allowance	340,000.00	
Staff Salaries	3,333,135.52	
E.P.F.	526,839.40	
E.T.F.	79,025.91	
Cost of Living Allowance	865,800.00	
Bonus	142,335.00	
Other Allowance	344,582.91	
Staff welfare	163,698.77	
Overtime	268,386.42	
others	9,677.50	
Sundry Expence	41,720.20	
Refreshment & Other	227,466.71	
Entertainment	40,920.00	
Stationaries	499,947.00	
Stationory Purchase		241,272.49
Domestic Travelling & Sub	90,112.00	
Health camp Expences	3,221,863.83	
Empowerment Expence	1,952,779.00	
Empowerment Purchase		5,305.00
Worker Awareness	495,797.00	
Awareness items Purchase		3,520.00
Welfare Programe Expence	11,120,749.58	
Welfare Stationory Purchase		1,575,194.42
Medical Assistant Programme	40,000.00	
Techinical Education Programe Expence	20,100.00	
Legal aid Pograme Expence	381,875.00	
Scholership Programe Expence	5,619,094.84	
Micellaneous	2,195,481.00	
Advertising & Promotion Expence	5,962,341.85	
Promotion items Purchase		254,241.25
Award Ceremony	1,095,839.00	
Training of Staff	214,500.00	
Other Income		127,933.46
Interest of Diss.Loan		16,739.80
Repo Investment Interest		150,164.37
Fixed Deposit Interest Income		3,113,002.82
	445,063,373.98	445,063,373.98

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. } එල්ඊඩබ්/ඒ/එස්වීඑෆ්/එෆ්ඒ/2016   ඔබේ අංකය / உமது இல. / Your No. }   දිනය / திகதி / Date } 2017 නොවැම්බර් 10 දින

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ශ්‍රම වාසනා අරමුදල.

ශ්‍රම වාසනා අරමුදලේ 2016 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන පිළිබඳව 1971 අංක 38 දරන මුදල් පනතේ 14(2)(සී) වගන්තිය ප්‍රකාර විගණකාධිපති වාර්තාව

මාගේ සමාංක හා 2017 සැප්තැම්බර් 20 දිනැති ලිපියට යොමුවේ.

02. ඉහත සඳහන් ලිපිය සමඟ එවන ලද මාගේ වාර්තාවේ ඉංග්‍රීසි අනුවාදය මේ සමඟ එවා ඇත.

Manager / Accountant
Pls do the need
28/11/17

ඩබ්ලිව්. ප්‍රේමනන්ද

අතිරේක විගණකාධිපති

විගණකාධිපති වෙනුවට.

පිටපත් : 1. ලේකම් - කම්කරු හා වෘත්තීය සමිති සබඳතා අමාත්‍යාංශය

2. ලේකම් - මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය

විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. LEW/A/SVF/FA/2016 | ඔබේ අංකය / உமது இல. / Your No. | දිනය / திகதி / Date 20 September 2017

The Chairman,
Shrama Wasana Fund

Report of the Auditor General on the Financial Statements of the Shrama Wasana Fund for the year ended 31 December 2016 in terms of Section 14(2)(c) of the Finance Act No. 38 of 1971.

The audit of financial statements of the Shrama Wasana Fund for the year ended 31 December 2016, comprising the statement of financial position as at 31 December 2016 and the statement of comprehensive income, statement of changes in Fund ,the cash flow statement and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No. 38 of 1971 and Section 12(4) of the Shrama Wasana Fund Act, No 12 of 1998. My comments and observations which I consider should be published with the Annual Report of the Fund 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 Fund on 13 June 2017.

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 Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund'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 Fund'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 the 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 Shrama Wasana Fund as at 31 December 2016 and its financial performance and cash flow for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

The Accounting Principle used in the measuring of the stock remained by 31 December 2016 in terms of Paragraph 47 of Sri Lanka Accounting Standard 09 ,had not been disclosed in financial statements.

2.2.2 Lack of Evidence for Audit

Even though, 2692 spectacles valued at Rs.2,422,800 had been distributed in the year under review, the evidences of confirmation of those distribution was not presented to audit.

2.2.3 Accounts Receivable and Payable

The following observations are made.

(a) Action had not been taken to settle the legal aids payable amounting to Rs.140,000 brought forward from the year 2013 even by 31 December 2016.

(b) A sum of Rs.324,079,521 which had been credited to the Consolidated Fund in terms of Section 13(3) of the Act, in respect of the sale of Shrama Wasana Lottery by the National Lottery Board had been shown as receivables in the financial statements by 31 December in the year under review. However, receipt of the total amount had been at an uncertain condition due to those money is released from the Treasury by reviewing the progress of the income, expenditure estimates and progress of the performances of the Fund in granting of those money.

2.3 Non-compliance with Laws, Rules Regulations and Management Decisions

The following Non-compliance with Laws, Rules Regulations were observed .

Reference to Laws, Rules, Regulations, Management Decisions etc.	Non-compliance
(a) Shrama Wasana Fund Act, No.12 of 1998	
(i) Section 6(a)	The management had not prepared a methodology to identify the employees for whom benefits should be granted.
(ii) Sections 13(1) ,13(2) and 13 (3)	A mutual agreement had not been reached between the Lotteries Board and the Srama Wasana Fund on the category and the number of lotteries to be printed each year, the manner in which the lotteries are to be drawn, prizes awarded and how the unclaimed prizes are dealt with, and the expenditure to be incurred for the conduct of a lottery including the value of the prizes awarded for each lottery.
(b) Financial Regulation 272 (1) and (2) of the Democratic Socialist Republic of Sri Lanka	Even though a voucher relating to an expenditure amounting to Rs.341,940 paid for a vehicle repair had been misplaced due to weaknesses in the internal control of the Fund, action in terms of the financial regulation had not been taken in that connection.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result of the Fund for the year under review amounted to a surplus of Rs. 28,264,114 as compared with the corresponding surplus of Rs. 38,493,632 for the preceding year, thus indicating a deterioration of Rs.10,229,518 in the financial result of the year under review as compared with the preceding year. The increase in the expenditure in the achievement of the objectives of the Fund by Rs.11,438,200 and administrative expenditure by Rs.1,842,428 had been the main reasons for this deterioration.

An analysis of the financial results of the year under review and the 04 preceding years revealed that the surplus of the Fund in the year 2012 amounted to Rs.47,201,339 had been continuously deteriorated by Rs.28,264,114 by the year 2016. However, the contribution of the Fund amounted to Rs.48,677,411 in the year 2012 in re- adjusting the employee emoluments and depreciations for non-current assets to the financial result it had been increased by Rs.59,390,283 in the year 2013., the contribution had continuously decreased from the year 2014 and it had been Rs.33,488,296 in the year under review.

3.2 Analytical Financial Review

The expenditure incurred for increase the lottery income and promotion and propaganda activities for make aware of the employees on the objectives of the Fund had been increased by 641 per cent in the year 2015 and 310 per cent in the year under review. Nevertheless, the increase of the sale of lottery as compared with it, had been 4.54 per cent in the year 2015 and it had been decreased by 3.98 per cent in the year under review.

4. Operating Review

4.1 Performance

The main objectives of the Fund in terms of the Shrama Wasand Fund Act,No.12 of 1998 are as follows.

- Promotion of welfare of the workers and Providing employees with medical facilities and other assistance during emergencies.
- When a place of work closes down without the prior notice to the employees, grant financial benefits and other benefits to them.
- Granting temporary relief to employees when enquiries are held against them.
- Granting financial and other forms of assistance to employees or their dependents at the instances of disaster
- Presentation of awards to those who have made an outstanding contribution to workers welfare.

The matters revealed in the examination of the Action Plan and the progress reports prepared for the achievement of those objectives were as follows.

(a) According to the Action Plan of the year 2016, distribution of artificial limbs and 02 compensation programmes expected to be achieved by spending Rs. 3.2 million had not been implemented during the year under review.

(b) The progress of 03 programmes out of 09 programmes which should have been implemented and completed in the year under review had ranged a low level from 02 per cent to 10 per cent and the progress of 03 programmes had ranged between 50 per cent to 70 per cent.

4.2 Management Activities

The management of the Fund had granted a sum of Rs.600,000 for the construction of a Net ball court to the Investment Promotion Zone at Katunayake without being established whether select a contractor by following an accurate procurement procedure and without being obtained an estimate prepared for the construction.

4.3 Operating Activities

Even though a sum of Rs.612,798 had been spent only for publish advertisements for the conduct of a programme in the year 2016 under the theme of " A power to your labour disabled at the work place"(Weda Bimedee Abaditha vu obage Shramayata saviyak) for the granting of an artificial limb to whom lost a foot or a hand in an accident faced at the work place, that programme had not been conducted even by 30 March 2017.

5. Accountability and Good Governance

5.1 Internal Audit

The post of Internal Auditor had been vacant from 12 November 2013 to the year under review included in the approved cadre for the Fund. The management had not paid attention to strengthen the internal audit by recruiting an Officer for that post.

6. Systems and Controls

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

Areas of Systems and Controls	Observations
(a) Budgetary Control	The significant variances existed between budgeted and actual figures had been minimized and the budget had not been made use of as an instrument of management control.
(b) Operating Control	The Fund had conduct of programmes without obtaining the approval of the Board of Directors.
(c) Accounting	The source documents had not been used in the accounting of transactions.
(d) Stock Control	Purchases of the Fund had not been entered in the stock books and those books had not been updated.

H.M.Gamini Wijesinghe

Auditor General

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General