

Annual Report & Accounts 2013



Sri Lanka Bureau of Foreign Employment

Vision

“ Sri Lanka to be the best choice for competent human resources for overseas market”

Mission

“Create efficient and equitable pathways for people to benefit from their skills in overseas employment markets securing interests of all stakeholders while contributing to economic growth”

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ACKNOWLEDGEMENT

I take this opportunity to thank Hon Minister of Foreign Employment Promotion and Welfare, for the guidance given in carrying out the policy decisions during the period.

I also wish to thank the Board of Directors, Licensed Foreign Employment Agencies, officers and other categories of employees of the Bureau for the co-operation extended to me in implementing the objectives set out in the SLBFE Act during the period ended 31st December 2013.

NANDAPALA WICKRAMASURIYA

CHAIRMAN

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT

❖ Establishment of the Bureau

Sri Lanka Bureau of Foreign Employment was established under the provisions of Sri Lanka Bureau of Foreign Employment Act. No: 21 of 1985 as amended by Act. No 4 of 1994 and the latest Amendment of Act No.56 of 2009. At present it functions under the Ministry of Foreign Employment Promotion and Welfare.

❖ Objectives of the Bureau

The objectives of the Bureau are out lined in section 15 of the aforesaid Act as amended by the latest Amendment Act No. 56 of 2009. Accordingly main objectives are promotion and development of overseas employment for Sri Lankans while assisting and regulating the business of foreign employment and securing welfare and protection of Sri Lankans employed outside Sri Lanka.

❖ Members of the Board of Directors

The following Directors represented the Board for the year 2013.

1.	Mr. Amal Senalankadhikara	Chairman
2.	Mr.Susil Ranasinghe	Director
3.	Mrs. G.D.C.Ekanayake	Director
4.	Mrs.Ashoka Alawatta	Director
5.	Mr.Rodney M.Perera	Director
6.	Mr.M.P.Pathirana	Director
7.	Mr.M.Z.M.Mansoor	Director
8.	Mr.L.A.R.N.Perera	Director
9.	Mr.Rohan Somawansa	Director
10.	Mr.B.P.Niyadandupola	Director
11.	Mr.A.R.B.Nihmatdeen	Director

During the year 2013, 12 Board Meetings were held and 194 Board Papers were submitted to the Board.

❖ Audit and Management Committees

During the year 2013 the committee focused its attention mainly for the observations made by the Auditor General in his Audit Report for the year ended 31st December 2011, review of cope minutes and other operational matters relating to the outstanding audit queries, inspection of Training centers, Purchase of lands identified losses, etc.

❖ Senior Management

1.	Mr. Amal Senalankadhikara	Chairman
2.	Mr.Susil Ranasinghe	Director
3.	Mr.H.Batagoda	General Manager
4.	Mr.K.O.D.D.Fernando	Addl.General Manager (Promotional & Corporate Functions)
5.	Mrs.Kisholi Perera	Addl.General Manager (Social & Economic Functions)
6.	Mrs.K.M.K.P.Herath	Actg.Addl.General Manager (IT & deployment Function)
7.	Mr.M.A.D.Chandrawansa	Deputy General Manager (Finance)
8.	Mrs.M.A.C.K.Premasiri	Deputy General Manager (Legal)
9.	Mr.R.K.K.M.P.Randeniya	Deputy General Manager (Licensing & Social Development)
10.	Mr.A.K.U.Rohana	Actg. Deputy General Manager (Training & Recruitment)
11.	Mrs.V.Munasinghe	Actg. Deputy General Manager (Internal Audit)
12.	Mr.M.R.C.B.Ekanayake	Actg. Deputy General Manager (Conciliation & Planning)
13.	Mrs.Y.C.N.Abeygunawardena	Actg. Deputy General Manager (Administration & HR)
14.	Mrs.I.Pathinayake	Actg. Deputy General Manager (Approval & Airport)
15.	Mr.K.L.H.K.Wijerathne	Actg. Deputy General Manager (Foreign relations & Marketing)

16.	K.K.D.A.G.Karunathilaka	Actg.DGM(Welfare & Publicity)
17.	Thuwan Roshan Hasim	IT Consultant

Annual Report of the Board of Directors of the Affairs of the Sri Lanka Bureau of Foreign Employment

The Board of Directors of the Sri Lanka Bureau of Foreign Employment has pleasure in presenting their annual report for the financial year ended 31st December 2013 along with the financial statements of the Bureau for the year 2013.

The Sri Lanka Bureau of Foreign Employment has by now completed 28 year of service to Sri Lankan Employees and other stakeholders of the foreign employment industry.

Principle Activities

The principle activities under taken by the Bureau during the year under review can be categorized under the following thrust areas.

- ❖ Good Governance and Regulation of the industry of Foreign Employment
- ❖ Protection and empowering Migrant Workers and their families
- ❖ Migration and Development
- ❖ Utilization of corporate resources for supporting business strategies

❖ GOOD GOVERNANCE AND REGULATION OF THE INDUSTRY OF FOREIGN EMPLOYMENT

Licensing, Approval, contract registrations, Investigation, Legal division and Signing of MOUs with receiving countries are mainly involved with the activities relating to the regulation of industry of foreign employment. Following activities are performed by the above divisions during the year under review.

• ISSUING AND CANCELLATION OF LICENSE

As per the section 24 of the Sri Lanka Bureau of Foreign Employment Act No.21 of the year 1985 a person other than the Bureau shall not carry on the business of a Foreign Employment Agency unless he is the holder of a license issued under this Act.

The licensing division has performed the duties relating to the issuing, renewing and cancellation of the licensed issued under the above Act. Performances of the division were as follows;

	<i>Year 2013</i>	<i>Year 2012</i>
No. of new licenses issued	108	135
No. of licenses renewed	926	816
No. of Awareness Program for License Agents		03
Celebration of Ifthar Ceremony	01	01
Registration of Foreign Employment Promotion Assistant	-	359

• GRANTING OF JOB ORDER APPROVALS AND ADVERTISEMENT APPROVALS TO THE LICENSED AGENCIES.

	<i>2013</i>	<i>2012</i>
Nos. of Job orders approved	6,326	10,558
Nos. of Job vacancies approved	504,914	644,966
Nos. of Advertisements approved (News Papers)	3,583	2,700
Nos. of Permissions Granted for Interviews & Seminars		107
Nos. of Job Orders renewed	2,979	-

• GRANTING OF FINAL (DEPARTURE) APPROVALS AND REGISTRATION OF PROSPECTIVE MIGRANTS.

	<i>2013</i>	<i>2012</i>
Nos. of departure approvals granted to the prospective migrant employees	181,937	176,495
Self (individual) registrations	109,245	102,025

• REGISTRATION OF EMPLOYMENT CONTRACTS

Action has been taken to read and explained the conditions in the employment contract of the migrant workers in presence of the licensed agent or his authorized representatives before signing it by them. There are 182,779 nos. of contract agreements were authenticated during the year 2013.

• LAW ENFORCEMENT

Investigation Division of the Sri Lanka Bureau of Foreign Employment continued the operations during the year 2013 with the objectives of eradicating malpractices in the business of Foreign Employment and enhancing good practices.

The performance of the investigation division was as follows.

	<i>Year 2013</i>	<i>Year 2012</i>
Nos of complaints received during the year	3,510	2,833
Nos of complaints settled during the year	2,774	1,753
Amount recovered to settle complaints (in Rupees)	10,580,189	7,066,665
Nos of raids conducted	115	77
No. of inquiry files concluded	98	47

• LEGAL ACTIVITIES

Following duties were performed by the Legal division during the year under review

- Draft and file action against the persons who have committed offences under the Sri Lanka Bureau of Foreign Employment Act.
- Appearing before courts on behalf of the Sri Lankan employees as well as foreign job seekers who have been cheated or misled by licensed foreign employment Agents and unauthorized personal engaged in the business of foreign Employment.
- Appearing in courts, tribunals and commissions for case filed against the Sri Lanka Bureau of Foreign Employment by various parties.
- Provide Legal instructions to other divisions of the Sri Lanka Bureau of Foreign Employment. Conducting awareness programmes for public officers (law enforcement).
- Preparing and attesting Legal documents for the Sri Lanka Bureau of Foreign Employment

Performance of the Legal Division is given below.

Division/ Activity	<i>Year 2013</i>		<i>Year 2012</i>	
			progress	
	In Physical	In Financial Terms(Rs.)	In Physical	In Financial Terms(Rs.)
LEGAL DIVISION				
•Appearing in the courts				
No. of New Cases instituted	143		303	
No. of Cases pending	2,908		2,887	
No. of Cases closed	122		126	
No. of cases called in court	3,576		3,133	
Recoveries by litigation		1,433,688		3,487,638
Fines imposed		1,195,000		1,296,000
Remittance made to WWF by way of 75 % of fins imposed		896,250		934,500
•Providing legal assistance to the divisional activities				
No. of Reports submitted for renewal of licenses	1,284		916	
No. of Insurance payment files completed	284		273	
Attestation of Lease Agreement	16		04	

❖ PROTECTION AND EMPOWERING MIGRANT WORKERS AND THEIR FAMILIES

• WELFARE PROGRAMME CONDUCTED FOR SRI LANKAN EMPLOYEES AND THEIR FAMILY MEMBERS.

Following programmes were conducted by the welfare division of the Bureau being welfare of Sri Lankan employees and their family members.

	Year 2013		Year 2012	
	Nos.	Amount Rs. Million	Nos.	Amount Rs. Million
Payment of insurance claims	2,784	130.52	2,884	405.92
Providing special financial assistance to the Migrant workers and their family members	163	9.21	104	3.98
Scholarship awarded to the children of Migrant workers	-	-	2,715	52.42
Construction of houses for disabled Migrant workers	13 (Under Constructions)	2.3	Completed 01 In progress 08	
Payment of hospital bills of Migrant workers	125	0.21	10	0.13
Providing of bus fare and refreshments to the Migrant workers and their family members	475.30	0.066	292	0.009
Financial assistance to the Children of Migrant workers those who are having special talents (Darudiriya)	2008	15.15	6,526	1.03
Subsidies the interest of Loans obtained by migrant workers & returned	542	0.561		

Child Protection Programme

67 nos of child protection of migrant workers and amount spent for these programmes was Rs.1.08 million.

• PROVIDING OF WELFARE FACILITIES TO THE SRI LANKAN EMPLOYEES THROUGH AIRPORT COUNTERS AND “SAHANA PIYASA” WELFARE ASSISTANCE CENTRE. - KATUNAYAKE

For the purpose of providing welfare and other facilities to the needy Sri Lankan Employees the SLBFE operates 04 nos. of service counters at Katunayake Airport and “Sahanapiyasa” welfare assistance centre 24 hours on all the 365 days.

The Sri Lankan Employees who returned to Sri Lanka due to various problems arisen at the work place are received by the Bureau staff who deployed in arrival area and handing them over to “Sahanapiyasa” staff to provide necessary welfare facilities. Such as providing of Transport facilities, Food & Accommodation, Hospitalization.

26 seater bus, ambulance and two vans are kept ready to transport the returnees from airport to “Sahana piyasa”.

Total number of persons benefited during the year 2013 was 11,448. (Returnees and persons left for employment abroad).

Passengers who were ill were referred to the hospitals such as Sri Jayawardhanapura hospital, National hospital and Mental hospital or hospitals which are close to their residences on the recommendation of medical officer who attached to the medical centre at Sahana piyasa. Payments for the returnees admitted to the Sri Jayawardhanapura hospital are made by the Bureau.

	Year 2013	Year 2012
Nos of Sri Lankan Employees who were provided foods and accommodation	11,448	300
Nos of Migrants who were provided transport facilities to their residences and bus stands	260	300
Nos of returnees admitted to the hospitals	179	85
Nos of returnees given bus fare	7,753	7,170

For the pregnant ladies who are not willing to go to their homes arrangements have been made to accommodate them at the Salvation Army Hostel by paying Rs. 1500/- person, per month until the delivery.

Other than these services Rs. 10,000 is being paid per dead body received from the Airport, as funeral expenses for those who were registered with the Bureau prior to their departure.

Female passengers who were unable to go to their residences alone, steps were taken to contact their NOKs over the phone or by sending telegrams and police messages.

The expenses have been incurred by Bureau in providing above facilities were as follows.

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The expenses have been incurred by Bureau in providing above facilities were as follows.

The details of the repatriations are given below.

	2013		2012	
	<i>Nos of persons repatriated</i>	<i>Cost Rs.</i>	<i>Nos of persons repatriated</i>	<i>Cost Rs. Million</i>
Under the migrant workers insurance scheme	1,462	42,577,668	935	27.34
Under workers welfare fund	513	16,610,766	665	26.07
Through other sources and utilization of money deposited by NOKs	717	13,823,933	-	-
Total	2,692	73,012,367	1,600	53.41

(d) Monitoring SLBFE Registration at the Missions.

4,180 renewals & first registrations have been made by the Sri Lankan Missions during the year under review.

(e) Attending to death cases of Sri Lankan migrant workers including assistance to dispatch of human remains to Sri Lanka.

- Assisted to obtain death compensations, salary arrears & other dues, blood money etc., on behalf of the deceased Sri Lankans while working abroad.
- Preliminary funeral award of Rs.10,000 was made to the NOKK for mortal remains brought to Sri Lanka

• RECEIVING AND SETTLEMENT OF COMPLAINTS.

Conciliation division of the Bureau handles the receiving and settlement of complaints. Performance of the division is as follows.

Settlement of complaints

	<i>Year 2013</i>	<i>Year 2012</i>
No of complain received	9,231	9,030
Complain settled/closed	8,447	7,818
No of cases compensation paid	447	316
Total amount paid as compensation (Rs.)	21,608,238	14,039,257

Nature of complaints

<i>By Nature</i>	<i>Year 2013</i>	<i>Year 2012</i>
Breach of Contract	1688	1,396
Harassment	1539	1,427
Lack of communications	1250	1,056
Nonpayment of agreed wages	2020	1,809
Others	551	693
Sickness	1525	1,576
Not sent back after completion of contract period	658	1,073

• OTHER WELFARE PROGRAMMES

a. Rataviruwo Organization

Establishment of Migrant Workers Network (Rataviruwo Organization): A Programme has been launched to support the sustainable development of the Migrant Workers and Families through establishment of a network of their-own community (migrant workers and family members)

At the inception the network has coordinated the provision of facilities for Sri Lankan migrant worker families to build houses obtaining loans, consultancy and technical support services through Samurdhi Authority Progress of performance of housing programme under this network is stated below.

<i>Particulars</i>	<i>Performance in year 2013</i>
No. of applications issued for districts	6,050
No. of applications selected to grant loans	1,075
No. of Loans issued	878
No. of applications under process	3,480
No. of applications rejected	657

<i>Progress of the Construction of Houses</i>	<i>No. of Houses</i>
Laying Foundation	428
Construction of walls	256
Constructed up to roof level	142
No. of completed houses	52

- | | |
|--|-------------|
| b. Prevention of HIV/Aids among migrant workers in Sri Lanka | Nos. |
| • Prevention of HIV/AIDS among Migrant workers in Sri Lanka | 587 |
| • Sensitization programme for Office Bears of Rataviruvo | 27 |
| • Field Level awareness raising programme | |
| - Left behind spouse of migrant workers | 26 |
| - Foreign Job Seekers | 1 |
|
c. Provide welfare facilities/assistance for the migrant workers & their family members | |
|
d. Reintegration programmes targeting returned migrant workers | Nos. |
| • Assisting to self employment for returnees | 23 |
| • Advisory support for returnees | 2 |
| • Conduct assessment survey of identify persons who need technical Support for establish business ventures | 45 |
|
e. Psycho Social Programme for SLBFE officers and Social development Officers | |
| • TOT for Officers of SLBFE | 07 |
| • TOT for Social Development Officers | 28 |
|
• PRE- DEPARTURE ORIENTATION DIVISION | |

In year 2013 it has been established the Pre-departure Orientation Programme domestic female workers.

The Pre-Departure Orientation programme (PDO) emphasizes the welfare and protection prospective and expects to reduce cost of migration ,maximize human development and empower migrants. The duration is limited to one day (24 hours).

Primary objective of PDO is to enable prospective workers with the means to adapt to their new work environment and cope with difficulties in adjusting, which are often experiences especially during their first few months of working abroad. At every stage of migration process, access to authentic information is a precondition to safe migration and it should be started at pre-migration stage. Pre-Departure orientation is a strategy at pre-migration stage which provides authentic information to the needy persons for safe migration. The objectives of pre-departure orientation are;

- Value addition for government, economy and migrant workers
- Migrants aware on their responsibilities with enhanced capacity for integration
- Maximize benefit from employment of migrant labour
- Reduced vulnerability
- Informed decision regarding safe migration

- Empowerment of individual migrants
- Maximum gain from migration

❖ MIGRATION & DEVELOPMENT

• RECRUITMENT OF SRI LANKANS TO SOUTH KOREA

The Government of Sri Lanka has signed a MOU with the Republic of South Korea to send the workers under the employment permit system.

Performance of the Recruitment Division

Accordingly, the following activities are carried out by the Recruitment division.

Under the employment permit system, the main activities of Recruitment division are as follows.

- Selection of Job seekers
- Conducting of Korean language training
- Organizing of Korean language test
- Sending workers to South Korea

	<i>Year 2013</i>	<i>Year 2012</i>
No. of Agreements received from South Korea	4,891	4,621
No. of Agreements received from South Korea - Re-entry	524	217
No. of Agreements signed by Job seekers (Normal)	4,002	4,498
No. of Agreements refused to sign (Normal)	120	133
No. of Agreements signed by Job seekers (Re-entry)	507	208
No. of Agreements refused to sign (Re-entry)	25	09
No. of Visa received (Normal & Special)	4,704	4,240
No. of Visa received (Re- entry)	556	-
No. of Agreements signed by Job seekers (Special)	749	-
No. of Agreements refused to sign (Special)	15	-
No. of Job seekers pre – departure trained	3,903	4,410
No. of Job seekers Language trained in Korean Language	3,278	9,027
No. of Bank loans recommended	1,141	793
No. of Recruits departed to South Korea	4,323	4,101
No. of Recruits departed to South Korea - Re-entry	522	107

• Training of prospective Migrants

<i>Domestic housekeeping and care giving training</i>	<i>Nos. of trainees trained in 2013</i>
Middle East (Sinhala) – domestic house keeping	18,054
Literacy	1,993
Israel	1,597
Singapore	563
07 days for the workers expected to re-migrate	3,025
Cyprus	593
TOT Programme	06
Completed NVQ	4,101
Five Day Training Programme	
▪ No. of Classes	1,400
▪ No. of participants	45,565
Italy Care Giver Programme	
▪ No. of Classes	4
▪ No. of participants	274

• PLANNING DIVISION

Scope of the Division

- Preparation of corporate plan and annual work (Action) plan for the SLBFE.
- Implementation of planned activities with the assistance of the respective heads of divisions.
- Monitoring progress of the implementation of activities by conducting regular progress review meeting.

- Preparation of reports on quarterly basis over the performance of activities outlined in the annual action plan.
 - Preparation of monthly progress reports in respect of all the activities of the SLBFE and the other reports at the request of the Ministry and other parties.
 - Upgrading system and procedures that assist the SLBFE to carry out its activities efficiently and effectively.
- Performance of the Planning division – Year 2013
- Prepare Corporate Plan for the next four years 2013 to 2016
 - Prepare Annual Action Plan for the next year (2014)
- Continue the implementation of 5s concepts in the SLBFE
- ISO Programme
 - Established productivity quality circles for all divisions.
- With the view to offer high quality service to the customers of SLBFE ISO 9001:2008 certification was achieved for the Head office with effect from 06.11.2012
- Performance Review
- Performance review meetings were conducted with the participation of top management and the heads of divisions monthly, quarterly and annually for performance evaluation.
 - Performance reports were prepared on monthly and quarterly basis.
 - Progress Review Meeting
- Progress review meetings were conducted with the participation of the top Management of the Ministry and SLBFE to review the progress of the activities monthly basis.
- Other Reports
 - Special reports were prepared to submit to the Ministry and other Govt. Agencies.

❖ UTILIZATION OF CORPORATE RESOURCES FOR SUPPORTING BUSINESS STRATEGIES

Administration and Human resources, Finance, Procurements, Maintenance, Transport, Information technology,, Internal Audit and Research divisions were assisted as supporting divisions to achieve the organizational targets of the year 2013. The performances of the above divisions are given below.

• ADMINISTRATION & HUMAN RESOURCES DEVELOPMENT STAFF DETAILS

	<i>Staff Details</i>	<i>Permanent</i>	<i>Contract</i>	<i>Secondment</i>	<i>Assignment</i>
Year 2012	Nos.	830	83	15	02
Year 2013	Nos.	821	248	16	03

Recruitments

The following new Recruitments were made during the period from January to December of the year 2013.

Month	Grade	Designation	Basis of Recruitment	No.of Recruitments
January	-	Arabic Language Translator	Contract	1
February	S-VI	Office Aide	Permanent	1
	S-IV	General Assistant	Contract	122
	S-IV	Driver	Contract	05
	S-VI	Office Aide	Contract	05
March	-	Arabic Language Translator	Contract	03

	S-IV	General Assistant	Contract	19
	S-VI	Office Aide	Contract	05
	S-IV	Driver	Contract	01
April	S-IV	General Assistant	Contract	01
	S-II	General Assistant	Secondment	01
May	S-IV	General Assistant	Contract	01
	S-IV	Driver	Contract	01
	S-I	Translator	Permanent	01
June	-	IT Consultant	Contract	01
	S-IV	General Assistant	Contract	01
July	S-IV	General Assistant	Contract	08
	S-VI	Office Aide	Contract	04
September	S-VI	Office Aide	Contract	01
November	S-IV	Driver	Contract	01
	S-IV	Three Wheel Driver	Contract	02
	S-IV	Three Wheel Driver	Contract	01
	Absorbed to the position of Three Wheel Driver from the position of Driving Assistant			
December	M-V	Assistant Manager	Permanent	02

Particulars of Staff Departures - Resignations

Month	Designation	Grade
January	Arabic Language Translator	-
February	Office Aide	S-VI
	Arabic Language Translator	
	Arabic Language Translator	
March	House Keeping Trainer	
May	Welfare Assistant	S-III
August	Assistant Manager	M-V
	Staff Assistant	S-I
September	General Assistant	S-IV
	General Assistant	S-IV
October	General Assistant	S-IV
November	Office Aide	S-VI
December	Field Assistant	S-IVAI
	General Assistant	S-IV
	General Assistant	S-IV

Other Staff Departures

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Month	Reason	Designation	Grade
February	VOP	Office Aide	S-VI
March	Terminated	Media Coordinator	-
	VOP	Office Aide	-
	VOP	General Assistant	-
April	Dismissed	General Assistant	S-II
June	VOP	Field Assistant	S-IVAI
	Retired	Office Aide	S-VI
August	Dead	Actg. Asst. Manager	M-VI
October	VOP	Manager	M-IV
	VOP	General Assistant	S-IV
	VOP	General Assistant	S-IV
	Retired	Administrative Officer	M-VI
	Retired	General Assistant	S-IV
December	VOP	General Assistant	S-IV
	VOP	General Assistant	S-IV

Extension of Period of Contract

	Designation	No. of Persons
January		
	Arabic Language Translator	3
	Public Relations Officer	1
	Field Assistant	9
	Driver	2
February		
	Electrician/Plumber	1
March		
	Field Assistant	6
	Driver	3
	Arabic Language Translator	1
	Air Ticketing Executive	2
	Air Ticketing Assistant	1
	A/C Technician	2
	Marketing Executive	1
April		
	General Assistant	1
	Field Assistant	5
	Electrician	1
May		
	Field Assistant	1
	Office Aide	1
June		
	Field Assistant	5
	Driver	2
July		
	Driver	2
August		
	Arabic Language Translator	1

September

Driver	1
Driving Assistant	1

October

Driver	4
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November

General Assistant	2
Field Assistant	1
Driver	10

December

Arabic Language Translator	2
Field Assistant	2

Staff Training

The following Training Programmes and workshops were organized / sponsored by the SLBFE during the year 2013

January	No .of Persons	Expenditure Rs.
Training Programme	234	637,700.00
Work Shops	12	116,000.00
Course Fees	1	1,250.00
February		
Training Programme		
Work Shops	3	14,000.00
Course Fees	1	50,000.00
March		
Training Programme	434	776,172.00
Work Shops	10	49,900.00
Course Fees	5	559,575.00
April		
Training Programme		
Work Shops	6	30,500.00
May		
Training Programme		
Work Shops	5	35,000.00
Course Fees	7	140,000.00
June		
Training Programme	167	286,750.00
Work Shops	8	64,500.00
Course Fees	1	112,500.00
July		
Training Programme		
Work Shops	7	70,500.00
Course Fees	1	13,500.00
August		

	Training Programme		
	Work Shops		
	Course Fees	6	487,500.00
September			
	Training Programme	3	75000.00
	Work Shops	4	11,000.00
	Course Fees		
October			
	Training Programme		
	Work Shops	4	26,000.00
	Course Fees	1	56,250.00
November			
	Training Programme	297	594,000.00
	Work Shops	4	38,500.00
	Course Fees	1	16,500.00
December			
	Training Programme	136	272,000.00
	Work Shops	3	24,600.00
	Course Fees		

The Financial Value of the training programmes provided to the employees during the year 2013 was Rs. 4,559,197 /-

- * Provisions of financial assistance to the employees for their studies up to PhD Level
- * Preparation of Annual Training Plan
- * Familiarization visits to Labour receiving countries

Reimbursement of Medical Expenditure

Employees have reimbursed medical expenses under the medical scheme operated by the SLBFE during the year 2013 as mentioned below

January	No. of Claimants	Expenditure Rs.
- Indoor	19	389,584.76
- Outdoor	428	1,489,074.04
February		
- Indoor	7	124,545.00
- Outdoor	321	1,085,112.73
March		
- Indoor	15	413,916.90
- Outdoor	420	1,416,374.60
April		
- Indoor	10	331,463.20
- Outdoor	306	993,514.00
May		
- Indoor	22	532,491.03

	- Outdoor	538	2,026,127.21
June			
	- Indoor	28	604,016.00
	- Outdoor	478	1,737,841.76
July			
	- Indoor	17	344,169.61
	- Outdoor	476	1,514,208.61
August			
	- Indoor	13	202,901.84
	- Outdoor	366	1,075,318.98
September			
	- Indoor	15	373,483.85
	- Outdoor	443	1,404,376.52
October			
	- Indoor	15	384,279.96
	- Outdoor	374	1,119,477.89
November			
	- Indoor	19	501,863.00
	- Outdoor	417	1,841,989.88
	- Death	1	500,000.00
December			
	- Indoor	12	332,040.00
	- Outdoor	351	1,090,061.11

Staff Loan Scheme

Loans granted to employees during the year 2013 as mentioned below

January	No. of Loans Granted	Expenditure Rs.
- Distress Loan	18	2,194,206.00
- Vehicle Loan	6	2,315,000.00
- Reimbursement of Housing Loans	88	578,776.50
- Instant Loan	11	256,500.00
February		
- Distress Loan	26	3,706,937.00
- Vehicle Loan	8	3,365,000.00
- Reimbursement of Housing Loans	72	664,796.90
- Instant Loan	10	320,570.00
March		
- Distress Loan	28	4,242,550.00
- Vehicle Loan	7	2,795,000.00
- Reimbursement of Housing Loans	76	508,120.07
- Instant Loan	8	232,700.00
- Festival Advance	738	3,690,000.00

April		
- Distress Loan	21	2,701,418.00
- Vehicle Loan	8	3,805,000.00
- Reimbursement Interest of Housing Loans	66	524,908.90
- Instant Loan	2	75,000.00
May		
- Distress Loan	23	3,767,142.75
- Vehicle Loan	6	2,270,000.00
- Reimbursement Interest of Housing Loans	82	671,812.10
- Instant Loan	11	277,022.00
June		
- Distress Loan	32	3,423,127.00
- Vehicle Loan	4	1,600,000.00
- Reimbursement Interest of Housing Loans	68	556,073.25
- Instant Loan	14	382,605.00
July		
- Distress Loan	45	5,915,659.00
- Vehicle Loan	8	4,556,000.00
- Reimbursement Interest of Housing Loans	80	608,225.60
- Instant Loan	3	74,866.00
August		
- Distress Loan	51	5,950,604.50
- Vehicle Loan	3	2,150,000.00
- Reimbursement Interest of Housing Loans	92	605,518.40
- Instant Loan	10	221,555.00
- Festival Advance	1	5,000.00
September		
- Distress Loan	47	6,049,755.50
- Vehicle Loan	9	4,564,780.00
- Reimbursement Interest of Housing Loans	57	492,061.80
October		
- Distress Loan	24	2,472,859.00
- Vehicle Loan	14	8,236,000.00
- Reimbursement Interest of Housing Loans	57	492,061.80
November		
- Distress Loan	29	4,038,636.00
- Vehicle Loan	9	3,784,640.00
- Reimbursement Interest of Housing Loans	69	616,640.12
December		
- Distress Loan	15	2,526,409.50
- Vehicle Loan	13	7,100,000.00
- Reimbursement Interest of Housing Loans	73	819,138.22
- Festival Advance	9	45,000.00

Staff Transportation

Transport facilities are provided for 05 destinations (Matugama, Ratnepura, Nittambuwa & Horana) Expenditure for Transportation during the year 2013 is as follows.

Month	No. of Persons	Expenditure Rs.
January	260	1,014,557.00
February	293	875,373.00
March	301	890,373.00
April	303	890,373.00
May	308	971,823.00
June	309	904,624.00
July	314	1,055,524.00
August	299	931,840.00
September	315	942,090.00
October	322	999,056.50
November	307	904,597.00
December	310	662,290.00

Increments

Month	No. of Increments	Expenditure Rs.
January	25	6,130.00
February	53	12,755.00
March	40	9,475.00
April	52	13,230.00
May	125	32,805.00
June	86	28,055.00
July	89	22,865.00
August	17	4,775.00
September	55	15,035.00
October	80	24,100.00
November	102	27,310.00
December	19	4,345.00

Transfers

Month	No. of Transfers
January	15
February	56
March	38
April	22
May	38
June	26
July	20

August	39
September	31
October	35
November	31
December	14

Reimbursement of Daycare Fees

Employees have reimbursed daycare fees under the staff welfare scheme during the year 2013 as follows

Month	No. of Children	Expenditure Rs.
January	7	31,125.00
February	8	28,750.00
March	8	16,000.00
April	5	17,500.00
May	10	37,500.00
June	3	7,000.00
July	9	24,000.00
August	1	5,500.00
September	13	35,600.00
October	4	4,800.00
November	5	12,850.00
December	7	27,500.00

Performance of the Migrant Resource Centre during the year 2013

January	
Inquiries by Telephone	4720
Skype Inquiries	431
E- Mail sent/ forwarded by the Centre	239
February	
No. of benefitted at 24Hrs Migration Resource Centre	
Inquiries by Telephone	6220
Skype Inquiries	609
E- Mail sent/ forwarded by the Centre	227
March	
Inquiries by Telephone	4090
Skype Inquiries	689
E- Mail sent/ forwarded by the Centre	145
April	
Inquiries by Telephone	3112
Skype Inquiries	722
E- Mail sent/ forwarded by the Centre	117
May	
Inquiries by Telephone	6233

Skype Inquiries	784
E- Mail sent/ forwarded by the Centre	216
June	
Inquiries by Telephone	8468
Skype Inquiries	796
E- Mail sent/ forwarded by the Centre	216
July	
Inquiries by Telephone	7440
Skype Inquiries	884
E- Mail sent/ forwarded by the Centre	176
August	
Inquiries by Telephone	29354
Skype Inquiries	991
E- Mail sent/ forwarded by the Centre	127
September	
Inquiries by Telephone	20169
Skype Inquiries	991
E- Mail sent/ forwarded by the Centre	351
October	
Inquiries by Telephone	23457
Skype Inquiries	1194
E- Mail sent/ forwarded by the Centre	212
November	
Inquiries by Telephone	36104
Skype Inquiries	1202
E- Mail sent/ forwarded by the Centre	226
December	
Inquiries by Telephone	44359
Skype Inquiries	1291
E- Mail sent/ forwarded by the Centre	259

- Employee Performance Appraisal System was introduced for all employee categories of SLBFE since 01-09-2013
- Employee of the Quarter motivation system was introduced in the year 2013 too.
- New finger scanning machines with special features were introduced during the year 2013

Procurement Division

Following services were rendered by the procurement division in Year 2013.

- Procurement of goods and services in time.
- Annual registration of suppliers
- Matters related to the Air port counters.
- Disposal of used assets.
- Protection of assets of the SLBFE through an appropriate insurance coverage.
- Provision of service.

- Settlement of dues to the suppliers.
- Provision of staff uniforms and other utilities to the staff.
- Renting out buildings for training centers and regional officers.
- Acquisition of required assets for the SLBFE.

Maintenance Division

The maintenance division undertook the supervision and providing all necessary arrangements to maintenance of building, office equipment, utility services & settlement of utility bills during the Year 2013.

Financial Highlights

Revenue generated for last five years is given below.

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Recruitment fees (Agency)	406,885	420,111	388,552	491,972	511,057
Recruitment Fees (Bureau & Individual)	475,750	581,541	645,097	544,049	600,522
Facilities Fees	49,154	53,181	52,722	56,818	58,311
License Fees	8,340	8,510	7,480	28,610	80,210
Cess	27,085	29,325	20,449	28,702	21,952
Training Fees	11,321	52,206	68,242	284,842	238,269
Korean Administration fees	32,559	19,287	26,827	20,580	21,694
Re-Entry Korean Fees	-	-	-	2,012	9,296
Investment Income	486,085	520,461	616,925	420,615	361,106
Reimbursement of Expenses of WWF	339,398	395,394	371,419	530,302	617,550
Others	16,272	29,337	63,596	61,808	351,220
Total	1,852,849	2,109,353	2,261,309	2,470,310	2,871,187

Expenditure

Expenditure incurred by the Bureau for the services rendered is classified in the accounts under two headings namely Bureau & Worker's Welfare Fund. The expenses on administrative purposes are borne by the Bureau while expenses for welfare for migrant employees are debited to Worker's Welfare Fund.

A summarized expenditure for the previous 5 years is stated below.

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Staff cost	400,414	414,419	470,784	507,366	670,992
Establishment Expenses	135,956	166,599	175,910	206,430	244,484
Operational Expenses	129,555	148,566	166,708	216,802	245,021
Advertisement & Publicity	45,884	47,952	47,799	49,683	82,031
Business Promotion	28,010	10,838	65,849	90,632	45,648
Welfare & Training	622,502	729,901	727,898	1,146,187	1,273,294
Total	1,362,321	1,518,275	1,654,948	2,217,100	2,561,470

Profit (surplus)

Profit before taxation of the Bureau for the last 5 years were as follows

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Surplus	490,528	591,076	605,594	253,210	309,717

The value of assets acquired during the year as given

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Land and Buildings(Free hold)	485	34,907	17	194,111	247,928
Motor Vehicles	8,419	293	22,850	78,856	9,778
Computers	4,577	11,683	14,897	47,114	28,432
Furniture & Other Equipment	42,148	25,258	30,253	52,445	317,971

Finance Division of the Bureau is entrusted with the collection of revenue, settlement of bills, investment of funds, disbursement of compensation for Gulf war victims etc.

• **INFORMATION TECHNOLOGY DIVISION**

Information Technology Division functions under direct supervision of the Deputy General Manager (Information Technology) and the Manager (Information Technology). IT division has been organized as following units to maximize the productivity of the division.

Program Development Unit

This unit functions under the supervision of System Analyst and consist of 7 computer programmers. This Unit is responsible for designing and maintaining the computer programs according to the various requirements of the other divisions.

The official Website of SLBFE (www.slbfe.lk) is developed and maintained by this unit. Sri Lanka Missions in the abroad have been connected on line with the SLBFE head office via SLBFE official website.

Hardware Unit

Hardware Unit of the SLBFE consists of 5 nos of Technical Officers and undertakes all maintenance work of the computers and Network of the SLBFE. Responsible for the proper functioning of slbfe network system and trouble shoot as and when required. As a result of proper operation of this unit it has been able to save large amount the money which has to be paid to the outside service providers and able to provide the service without any delay.

Infrastructure Development of the IT Division

All training centers and regional offices have been connected to the main server located at the head office. On line system has implemented to connect all training centers and regional offices through IP/VPN connection. Labour sections of the missions are connected to the main server located at Head office through internet and has implemented online web based system. Enhancing this we have facilitated the local agencies and foreign agencies giving access to online web based recruitment system.

Implemented the application of biometrics for identification of Sri lankan workers recruited for outside Sri lanka.

Migrant Resource Centre has been established to provide information for the public in 24 hours in all 365 days.

Established 8 IT Centers for the beneficiary of the children of the migrant workers as well as the employees to provide IT skills training with the assistant of SLANA and Microsoft.

Internal Audit Division

The internal audit is an independent and objective appraisal within an organization. Accordingly, this division continued to provide an independent and objective consultancy service to the management to improve the organization's controls, governance and risk management during the year under review too. Besides, this division was able to make an immense contribution to ensure three Es (Economy, Efficiency and Effectiveness) of the transactions taken place during the year 2013 through its audit findings and recommendations.

All members of the Internal Audit Division had carried out their examinations by observing the following the four main principles so as to ensure a quality audit while discharging their responsibility as a tool of internal control.

01. Integrity
02. Objectives
03. Competencies
04. Confidentiality

The scope of the Internal Audit as set out by various statutes and professional Bodies was as follows.

- (a). Establishment and monitors the achievement of the organization's objectives.
- (b). Ensure the economical, effective and efficient use of resources.
- (c). Ensure compliance with established policies, procedures, laws and regulations.

- (d). Safeguard the organization's assets and interests from losses of all kinds including those arising from Fraud, irregularity or corruption.
- (e). Ensure the integrity and reliability of information, accounts and data, including accountability processes.

Accordingly, the management of the SLBFE had really assessed the manpower requirement of this division and provide with the service of three officers of Junior Executives and three clerical officers in addition to the Internal Auditor.

Those officers had contributed to carry out 77 investigations on various identified areas to the Chairman during the year under review. Manpower, the Internal Audit Division had acted as the convener for 03 Audit Committee Meetings held in the year 2013.

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2013

	Notes	As at 31 December 2013		As at 31 December 2012	
		Group Rs.	Bureau Rs.	Group Rs.	Bureau Rs. Jan. Dec
ASSETS					
NON CURRENT ASSETS :					
Property, Plant & Equipment	1	1,184,612,033	1,101,854,036	729,770,913	656,527,176
Deferred Tax Assets		52,143	-	-	-
Staff Loans		223,072,116	223,072,116	-	-
Investment in Subsidiary Company		-	5,000,000	-	5,000,000
Finance Assets / Treasury Bonds & Fixed Deposits	3	1,010,679,247	891,404,247	4,309,479,949	4,203,204,949
Work In Progress - Buildings (Homagama, Rathnapura)	2	17,504,284	17,504,285	141,402,468	141,402,468
Total Non-Current Assets		2,435,919,823	2,238,834,683	5,180,653,330	5,006,134,593
CURRENT ASSETS :					
Stock in Hand	4	9,959,628	9,889,278	14,330,924	14,330,924
Sundry Debtors	5	1,628,108,549	1,627,066,790	1,684,576,133	1,674,794,822
Sundry Deposits		6,197,663	6,082,263	4,612,954	4,497,554
Treasury Bonds & Fixed Deposits Short term					
Investments	3	3,482,444,094	3,482,444,094	1,094,858,438	1,094,858,438
Staff Loans	6	54,640,788	53,012,511	239,720,718	238,314,379
Sundry Advances		13,868,187	13,868,187	31,450,635	31,039,534
Cash & Cash Equivalent	7	3,566,639,527	3,544,159,292	1,847,044,871	1,842,707,566
TOTAL CURRENT ASSETS		8,761,858,437	8,736,522,415	4,916,594,673	4,900,543,216
TOTAL ASSETS		11,197,778,260	10,975,357,097	10,097,248,003	9,906,677,809
EQUITY AND LIABILITIES :					
Capital and reserves					
Accumulated Fund	10	3,605,562,888	3,518,644,853	3,349,103,938	3,273,415,836
Revaluation Reserve		49,522,346	41,713,346	41,713,346	41,713,346
Total equity		3,655,085,234	3,560,358,199	3,390,817,284	3,315,129,182
Non Current liabilities					
Overseas Workers Welfare Fund		3,085,022,159	3,085,022,159	2,769,275,712	2,769,275,712
Provision for Gratuity (Long Term)		134,851,459	133,020,147	126,733,230	125,292,588
Deferred Foreign Aid and Grants		777,591	777,591	710,662	710,662
Interest Bearing Borrowings		2,297,263	-	-	-
Insurance Fund		9,458,929	-	-	-
Special Distress Fund		500,000	-	-	-
		3,232,907,401	3,218,819,897	2,896,719,603	2,895,278,961
Current liabilities					
Taxation		153,507,884	147,888,745	111,234,236	107,727,073
Agency Creditors		237,475,697	238,740,947	215,943,664	216,711,914
Accrued Expenses		105,921,930	121,488,279	73,647,216	102,454,442
Sundry Creditors & Borrowings	8	943,519,721	837,740,383	746,474,594	613,606,197
Migrant Workers' Contributions		6,110,128	6,110,128	5,574,053	5,574,053
Kuwait Compensation Payable		2,822,217,375	2,822,217,375	2,640,315,984	2,640,315,984
Deferred Tax Liability		0	-	120,145	-
Pre Paid Licence Fees		13,551,066	13,551,066	9,880,000	9,880,000
Provision for Gratuity		4,865,090	4,865,090	-	-
Bank Overdraft	9	22,616,733	3,576,988	6,521,223	-
		4,309,785,624	4,196,179,001	3,809,711,114	3,696,269,662
Total Liabilities		7,542,693,025	7,414,998,898	6,706,430,718	6,591,548,624
Total equity and liabilities		11,197,778,260	10,975,357,097	10,097,248,003	9,906,677,809

M.A.D.Chandrawansa
D.G.M.FINANCE

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Approved the Financial statement by the Board of Directors on 11.12.2014

Amal Senalankadhikara
Chairman

L.A.R.N.Perera
Director

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2013

	Notes	Year Ended		Year Ended	
		' 31 December 2013		' 31 December 2012	
		Group Rs.	Bureau Rs.	Group Rs.	Bureau Rs.
Revenue					
Operating Income	20	1,588,465,523	1,541,310,327	1,466,021,193	1,457,587,430
Other Operating Income	21	1,351,184,832	1,329,876,868	1,033,265,361	1,012,723,415
		2,939,650,355	2,871,187,195	2,499,286,554	2,470,310,845
Staff Costs	22	(687,473,024)	(670,992,410)	(520,928,442)	(507,365,922)
Establishment Expenses	22	(251,114,457)	(244,483,733)	(212,887,023)	(206,429,647)
Operational Costs	22	(255,686,419)	(245,020,772)	(226,971,855)	(216,802,298)
Advertisement & Publicity	22	(84,302,488)	(82,030,721)	(50,497,813)	(49,683,380)
Business Promotion Expenses	22	(52,148,591)	(45,648,305)	(93,978,488)	(90,632,213)
Worker's Welfare Fund Expenses	22	(1,282,727,235)	(1,273,294,305)	(1,135,127,410)	(1,146,187,261)
Excess of Income Over Expenditure before tax		326,198,141	309,716,949	258,895,523	253,210,125
Tax		(91,571,807)	(86,720,746)	(88,884,048)	(87,727,184)
Excess of Income Over Expenditure for the period		234,626,334	222,996,203	170,011,475	165,482,941
Other Comprehensive Income					
Exchange Gain / loss in translating foreign operations		11,601,352	11,649,013	5,090,690	5,261,558
Revaluation Surplus		-	-	-	-
Actuarial gain / Loss on pension plans		8,503,555	8,503,555	-	-
Other Comprehensive Income		20,104,907	20,152,568	5,090,690	5,261,558
Total comprehensive (expenses)/income for the period		254,731,241	243,148,771	175,102,165	170,744,499

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT AND ITS SUBSIDIARY COMPANY
Statement of Cash Flows for the period ended 31.12.2013

	Year Ended ' 31 December 2013		Year Ended ' 31 December 2012	
	Group Rs.	BUREAU Rs.	Group Rs.	BUREAU Rs.
Cash Flows From Operating Activities				
Cash generated from Operations	(1,269,769,301)	(1,280,763,674)	961,472,739	910,603,223
Depreciation	162,510,196	158,364,034	137,501,805	131,657,259
Interest income	(388,505,200)	(372,287,978)	(440,386,090)	(430,846,218)
Gratuity provision	25,488,012	25,097,342	18,264,845	18,129,427
Cash Received on Disposal of Fixed Assets	(2,138,393)	-	-	-
Profit on Disposal	-	-	(601,339)	-
Loss from disposal	-	-	122,485	122,485
Exchange Gain Loss	11,601,352	11,649,013	(5,090,690)	(5,261,558)
Taxpaid	(49,310,896)	(46,571,811)	(102,351,435)	(98,363,265)
Increase Deferred Tax	(120,145)	-	-	-
Deferred Tax Assets	(52,143)	-	-	-
Prior Year Adjustments	2,150,402	2,502,940	(11,723,877)	(16,382,182)
Net Cash generated from operating activities	(1,508,146,116)	(1,502,010,135)	557,208,442	509,659,170
Cash flows from investment activities				
Investment income	377,322,921	361,105,699	430,154,750	420,614,878
Interest on Staff Loans	11,182,279	11,182,279	10,231,340	10,231,340
Cash received from disposal of fixed assets	2,138,393	-	3,582,589	-
investment in fixed assets	(486,066,826)	(480,215,404)	(384,466,410)	(381,838,035)
Long term investment	3,298,800,702	3,311,800,702	(252,912,025)	(187,411,985)
Net Cash used in investing activities	3,203,377,469	3,203,873,276	(193,409,755)	(138,403,801)
Cash flows from financing activities				
Gratuity Paid	(3,988,401)	(3,988,401)	(5,781,308)	(5,412,697)
Funds credited to consolidated Fund	-	-	(625,000,000)	(625,000,000)
Special Distress Fund	500,000	-	-	-
Interest Bearing Borrowings	2,297,263	-	-	-
Insurance Fund	9,458,929	-	-	-
Net cash used in financing activities	8,267,791	(3,988,401)	(630,781,308)	(630,412,697)
Net (decrease)/increase in cash and cash equivalents	1,703,499,145	1,697,874,740	(266,982,621)	(259,157,328)
At the start of period	1,840,523,648	1,842,707,566	2,107,506,269	2,101,864,894
(Decrease)/increase	1,703,499,145	1,697,874,740	(266,982,621)	(259,157,328)
At the end of period	3,544,022,794	3,540,582,305	1,840,523,648	1,842,707,566

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT AND ITS SUBSIDIARY COMPANY

Statement of Changes in Fund & Reserve for the year ended 31.12.2013

Group

	Accumulated Fund	Funds transfer to Consolidated Funds	Tax Over / Under Provision	Over / Under Stated Accounts	VAT Arreous	Receivable Dividends	Retained Earnings	Total Rs.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01.01.2011	3,085,264,467				-	-	295,292,451	3,380,556,918
Total Comprehensive income for the period - 2011							460,718,913	460,718,913
Under Stated Depreciation OWWF				1,935,990				1,935,990
Under Stated Motor Vehicle Cost OWWF				1,935,990				1,935,990
Agency refund - Briteway International				(47,575)				(47,575)
Economic Service Charges				(3,787,277)				(3,787,277)
Correction of Opening Balance Error				(4,103,810)				(4,103,810)
VAT 1/3 Recoveries					(1,122,754)			(1,122,754)
VAT arreous					(5,349,283)			(5,349,283)
Scholarship Expenses year 2010				(29,145,000)				(29,145,000)
Balance as at 31.12.2011	3,085,264,467	-	-	(33,211,682)	(6,472,037)	-	756,011,364	3,801,592,112
Balance as at 01.01.2012	3,085,264,467	-	-	(33,211,682)	(6,472,037)	-	756,011,364	3,801,592,112
Total Comprehensive income for the period							175,102,165	175,102,165
Funds Transfer to Consolidated Fund		(625,000,000)						(625,000,000)
Prior Year Adjusment SLFEA				(2,142,241)				(2,142,241)
Expenses Under Provided				(24,381,052)				(24,381,052)
Over provision of Expenses				22,366,573				22,366,573
Under Provision of Interest				67,029				67,029
Reversal of Provision for bad debtors				855,357				855,357
Transfer to Accumulated Fund				643,995				643,995
Under Provision of tax-2012/2013				-				-
Balance as at 31.12.2012	3,085,264,467	(625,000,000)	-	(35,802,021)	(6,472,037)	-	931,113,529	3,349,103,938
Balance as at 01.01.2013	3,085,264,467	(625,000,000)	-	(35,802,073)	(6,472,037)	-	931,113,529	3,349,103,938
Total Comprehensive income for the period							254,731,241	254,731,241
Expenses Under Provided				(441,033)				(441,033)
Over provision of Expenses			(352,538)	356,250				3,712
Under provision of Income for prior Years				2,099,830				2,099,830
Correction of loan Recovery Duplicated				65,200				65,200
Balance as at 31.12.2013	3,085,264,467	(625,000,000)	(352,538)	(33,721,826)	(6,472,037)	-	1,185,844,770	3,605,562,888

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT AND ITS SUBSIDIARY COMPANY

Statement of Changes in Fund & Reserve for the year ended 31.12.2013

Bureau

	Accumulated Fund	Funds transfer to Consolidated Funds	Tax Over / Under Provision	Over / Under Stated Accounts	VAT Arrears	Receivable Dividends	Retained Earnings	Total Rs.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01.01.2011	3,006,890,833						295,292,451	3,302,183,284
Total Comprehensive income for the period - 2011							461,859,891	461,859,891
Under Stated Depreciation OWWF				1,935,990				1,935,990
Under Stated Motor Vehicle Cost OWWF				1,935,970				1,935,970
Agency refund - Briteway International				(47,575)				(47,575)
Economic Service Charges				(3,787,277)				(3,787,277)
Correction of Opening Balance Error				(4,103,793)				(4,103,793)
VAT 1/3 Recoveries					(1,122,754)			(1,122,754)
VAT arrears					(5,349,283)			(5,349,283)
Scholarship Expenses year 2010				(29,145,000)				(29,145,000)
Over Stated Rent SLFEA				1,000,000				1,000,000
Receivable Dividends Year 2006 / 2007						2,760,033		2,760,033
Balance as at 31.12.2011	3,006,890,833	-	-	(32,211,685)	(6,472,037)	2,760,033	757,152,342	3,728,119,486
Balance as at 01.01.2012	3,006,890,833	-	-	(32,211,685)	(6,472,037)	2,760,033	757,152,342	3,728,119,486
Total Comprehensive income for the period - Bureau							170,744,500	170,744,500
Funds Transfer to Consolidated Fund		(625,000,000)						(625,000,000)
Expenses Under Provided				(24,381,052)				(24,381,052)
Over provision of Expenses				22,366,573				22,366,573
Under Provision of Interest				67,029				67,029
Reversal of Provision for bad debtors				855,357				855,357
Transfer to Accumulated Fund				643,945				643,945
Balance as at 31.12.2012	3,006,890,833	(625,000,000)	-	(32,659,835)	(6,472,037)	2,760,033	927,896,842	3,273,415,836
Balance as at 01.01.2013	3,006,890,833	(625,000,000)	-	(32,659,835)	(6,472,037)	2,760,033	927,896,842	3,273,415,836
Total Comprehensive income for the period - Bureau							243,148,771	243,148,771
Expenses Under Provided				(441,033)				(441,033)
Over provision of Expenses				356,250				356,250
Under provision of Income for prior Years				2,099,830				2,099,830
Correction of loan Recovery Duplicated				65,200				65,200
Balance as at 31.12.2013	3,006,890,833	(625,000,000)	-	(30,579,588)	(6,472,037)	2,760,033	1,171,045,613	3,518,644,854

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**1. REPORTING ENTITY**

Sri Lanka Bureau of Foreign Employment is a Public Corporation established under Act No.21 of 1985. The main objective of the Bureau is promotion & development of overseas employment for Sri Lankan while assisting and regulating the business of Foreign Employment securing welfare and protection of Sri Lankan employee out of the country. The registered office is located at No.234, Denzil Kobbakaduwa Mawatha, Koswawatta, Battaramulla.

2. BASIS OF PREPARATION

The Financial Statements of the Bureau have been prepared in accordance with Sri Lanka Accounting Standard (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka.

3. ACCOUNTING POLICIES

The Sri Lanka Foreign Employment Agency (Pvt) Ltd is a fully owned subsidiary company. The financial year of the Bureau and company ends on 31st December.

Notes to the Accounts

1. Property Plant & Equipment

The Property Plant & Equipment except Motor Vehicles & other equipment revalued at Rs.43,019,866 in year 2010, are shown in the financial statements at cost less accumulated depreciation or revalued amount less accumulated depreciation. Provision for depreciation is calculated annually on cost or revalued amount on (straight line basis). Over the estimated useful life of assets no depreciation has been provided on the year of disposal.

	<i>Bureau</i>
Wooden Furniture	7.5%
Steel Furniture	7.5%
Other office Equipment	20%
Motor Vehicles	20%
Computers	25%
Building & Partitioning	7.5%
Electrical Goods & Accessories	20%
Sundry Equipment	50%
Library Books	50%

Cost of leasehold properties is allocated equally during the period of lease as depreciation.

The chief valuer has been requested to value the Land & buildings owned by the Bureau. The action will be taken to make necessary accounting treatments in year 2013 after receipt of his report. The revaluation of land & building will be made in once a every five years.

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT
FOR THE PERIOD ENDED 31.12.2013

1. PROPERTY, PLANT & EQUIPMENT -BUREAU

	Lease Hold Land	Free Hold Land	Free Hold Building	Partitioning Works	Motor Vehicle	Workers' Welfare Fund Fixed Assets	Furniture & Other Office Equipment	Computers	Electrical Goods & Accessories	Sundry Equipment	Library Books	Total	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
DESCRIPTION													
Cost - at 01.01.13	74,854,347.00	8,903,795	530,981,130.35	35,098,286	177,945,232	248,377,833	116,779,435	145,067,271	74,768,879	2,157,724	1,073,014	1,416,006,947	1,416,006,947
Revaluation Gain	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	20,035,000	223,299,859	4,594,486	9,778,905	292,441,245	22,091,293	28,432,805	3,195,106	197,485	47,403	604,113,587	604,113,587
Cost - at 31.12.2013	<u>74,854,347</u>	<u>28,938,795</u>	<u>754,280,989</u>	<u>39,692,772</u>	<u>187,724,137</u>	<u>540,819,077</u>	<u>138,870,729</u>	<u>173,500,076</u>	<u>77,963,985</u>	<u>2,355,209</u>	<u>1,120,417</u>	<u>2,020,120,534</u>	<u>2,020,120,534</u>
PROVISION FOR DEPRECIATION:													
Depreciation at 01.01.13	7,381,355	-	245,174,605	18,689,792	68,930,519	171,934,546	74,110,762	99,430,773	70,844,560	2,013,303	969,556	759,479,771	759,479,771
for the year	2,537,486	-	55,196,781	2,939,274	31,553,005	26,149,632	12,821,650	25,494,884	1,865,272	102,474	126,269	158,786,727	158,786,727
On Disposals/ Transfers	9,918,841	-	300,371,386	21,629,066	100,483,524	198,084,178	86,932,412	124,925,657	72,709,832	2,115,777	1,095,825	918,266,499	918,266,499
Depreciation at 31.12.2013	<u>9,918,841</u>	<u>-</u>	<u>300,371,386</u>	<u>21,629,066</u>	<u>100,483,524</u>	<u>198,084,178</u>	<u>86,932,412</u>	<u>124,925,657</u>	<u>72,709,832</u>	<u>2,115,777</u>	<u>1,095,825</u>	<u>918,266,499</u>	<u>918,266,499</u>
WRITTEN DOWN													
Balance at 31.12.2013	<u>64,935,506</u>	<u>28,938,795</u>	<u>453,909,603</u>	<u>18,063,706</u>	<u>87,240,613</u>	<u>342,734,899</u>	<u>51,938,317</u>	<u>48,574,419</u>	<u>5,254,153</u>	<u>239,432</u>	<u>24,592</u>	<u>1,101,854,036</u>	<u>1,101,854,036</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

1. CONSOLIDATED PROPERTY, PLANT & EQUIPMENT

	Lease Hold Land	Free Hold Land	Building	Partitioning Works	Motor Vehicle	Workers' Welfare Fund Fixed Assets	Furniture & Other Office Equipment	Computers	Electrical Goods & Accessories	Sundry Equipment	Library Books	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
DESCRIPTION												
COST 01.01.13	74,854,347	65,603,796	538,760,130	35,098,286	198,903,881	248,377,833	123,547,613	146,881,517	74,768,879	2,157,724	1,073,014	1,510,027,020
Disposals	-	-	-	-	3,425,000	-	-	-	-	-	-	3,425,000
Additions-BUREAU	-	20,035,000	223,299,859	4,594,486	9,778,905	292,441,245	22,091,293	28,432,805	3,195,106	197,485	47,403	604,113,587
Additions-SLFEA	-	-	7,809,000	-	4,940,000	-	911,422	-	-	-	-	13,660,422
Balance at 31.12.13	74,854,347	85,638,796	769,868,989	39,692,772	210,197,786	540,819,077	146,550,328	175,314,322	77,963,985	2,355,209	1,120,417	2,124,376,030
ACCUMULATED FOR DEPRECIATION:												
Balance at 01.01.13	7,381,355	-	245,174,605	18,689,792	85,397,841	171,934,546	76,952,206	100,898,343	70,844,560	2,013,303	969,556	780,256,107
Charge for 2013-BUREAU	2,537,486	-	55,196,781	2,939,274	31,553,005	26,149,632	12,821,650	25,494,884	1,865,272	102,474	126,269	158,786,727
Charge for 2013 SLFEA	-	-	194,850	-	2,759,070	-	1,088,558	103,684	-	-	-	4,146,162
On Disposals	-	-	300,566,236	21,629,066	119,709,916	198,084,178	90,862,414	126,496,911	72,709,832	2,115,777	1,095,825	943,188,997
Balance at 31.12.13	9,918,841	-	300,566,236	21,629,066	116,284,916	198,084,178	90,862,414	126,496,911	72,709,832	2,115,777	1,095,825	939,763,997
WRITTEN DOWN VALUE at 31.12.13	64,935,506	85,638,796	469,302,753	18,063,706	93,912,870	342,734,899	55,687,914	48,817,411	5,254,153	239,432	24,592	1,184,612,033

2. Work in Progress

Capital expenditure incurred in connection with the construction works is shown at cost.

Capital Work In Progress	GROUP	BUREAU	GROUP	BUREAU
	2013 - Rs.	2013 - Rs.	2012 - Rs.	2012 - Rs.
WIP – Mathugama	-	-	24,209,649	24,209,649
WIP – Katharagama	1,161,505	1,161,505	921,180	921,180
WIP – Homagama	736,740	736,740	736,740	736,740
WIP – Tangall	-	-	109,715,681	109,715,681
WIP – Rathnapura	5,819,218	5,819,218	5,819,218	5,819,218
WIP- Haliela	7,733,158	7,733,158	-	-
WIP-Dambulla	2,053,664	2,053,664	-	-
Total	17,504,285	17,504,285	141,402,468	141,402,468

3. Financial Assets - Treasury Bonds & Fixed Deposits

A sum of Rs.5,000,000/- invested in fully owned subsidiary namely Sri Lanka Foreign Employment Agency (Pvt) Ltd and investments to be matured after one year from the balance sheet date are shown as Long Term Investments.

Treasury Bonds & Fixed Deposits	GROUP	BUREAU	GROUP	BUREAU
	2013 - Rs.	2013Rs.	2012 - Rs.	2012Rs.
Treasury Bonds – Korean Welfare Fund	189,669,046	189,669,046	660,481,571	660,481,571
Treasury Bonds – WWF Members Contribution	-	-	5,085,098	5,085,098
Treasury Bond for Gratuity Provision	-	-	123,756,601	123,756,601
Treasury Bonds	499,663,581	499,663,581	3,413,881,679	3,413,881,679
Fixed Deposits - (Long Term)	321,346,620	202,071,620	106,275,000	-
Total Investments to be Matured after 12 months	1,010,679,247	891,404,247	4,309,479,949	4,203,204,949

	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013- RS.	2012 - RS.	2012 -RS.
Short Term Investments of Funds				
Treasury Bonds	2,670,786,429	2,670,786,429	-	-
Treasury Bonds -(Gratuity Provision)	136,391,917	136,391,917	-	-
Treasury Bonds -(WWF-Members Contributions)	5,085,098	5,085,098	-	-
Treasury Bonds -(Korean Welfare)	599,386,510	599,386,510	-	-
Fixed Deposits - (Short Term)	2,944,591,391	2,944,591,391	2,286,096,713	2,286,096,713
State Institution Temporary Surplus Trust Fund	155,692,985	155,692,985	145,564,516	145,564,516
A/C BOCA/C DFCA/USD/(73-394)-832	229,321,784	229,321,784	220,786,208	220,786,208
Less: Short Term Investments to be matured within 3 months	(3,258,812,022)	(3,258,812,022)	(1,557,588,999)	(1,557,588,999)
Total Investments to be matured within 03 months to 9 months	3,482,444,094	3,482,444,094	1,094,858,438	1,094,858,438

4. Inventories

Inventories are valued at the lower of cost or net realizable value, after making allowance for obsolete and slow moving items. The inventories are consisting of the following items.

- Stationery and other consumable items
- Educational Equipment purchased to distribute among the children of migrant employees

	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 - RS.	2012 - RS.	2012-RS.
Stock in Hand				
Stock In Hand	10,016,475	9,946,125	14,387,770	14,387,770
Less: Cost of Slow Moving Items	56,846	56,846	56,846	56,846
Total	9,959,628	9,889,278	14,330,924	14,330,924

5 Receivables

Receivables are stated at the amounts they are estimated to be realized, based on a review of all outstanding accounts at the year end if necessary.

Sundry Debtors	GROUP	BUREAU	GROUP	BUREAU
	2013 - Rs.	2013 - Rs.	2012 - Rs.	2012Rs.
Interest receivable on Investments	163,399,277	162,842,830	136,723,922	136,066,185
Labour Con. Agree. Fees. L/M	1,360,548,646	1,360,548,646	1,446,958,337	1,446,958,337
Cess Commission Receivable	2,873,500	2,873,500	2,774,500	2,774,500
Refundable Deposit	167,258	167,258	167,358	167,358
Other Receivable	3,563,573	36,875	12,362,975	15,928,920
Pre Payments	49,536,934	49,238,786	36,827,198	36,827,198
Salary advance	86,600	86,600	146,800	146,800
WHT5%	-	-	1,118,392	-
Payee tax	-	-	125,873	125,873
Loan to slfea (pvt) ltd	153,340	13,153,340	104,802	20,104,802
Amount Receivable from S/L Mission in Rome Italy	887,610	887,610	887,610	887,610
Funds Receivable(Kwt.Com.Case No.28912)	156,000	156,000	156,000	156,000
Receivable Recruitment Fees	1,775,700	1,775,700	1,499,250	1,499,250
Korean Exams fees	1,332,755	1,332,755		
VAT & WH VAT recoverable	3,326,267		2,207,875	
Receivable from SLFEA (As per SLFEA AC 2012)	-			
Advance payment for renovation	500,000			
Receivable Dividends from SLFEA		3,510,033		2,760,033
Funds receivable from Ministry of External Affairs	6,374,400	6,374,400		
Commission Receivable SLIC	6,096,332		2,806,644	
Premium Receivable	2,622,561		30,247,140	
Collection Of Air Tickets	787,274	787,274	9,461,457	10,391,957
Other receivable				
Loan for Rataviru programme	25,000	25,000		
Economic Service Charges	40	-		
Suspense A.C	3	3		
Israel Visa & Documents Attest	625,300			
Interst receivable from SLFEA	3,194,794	3,194,794		
Payment for Kahagolla Land	20,034,475	20,034,475		
I.T.Q.Lanka (Pvt) Ltd	40,910	40,910		
Total	1,628,108,549	1,627,066,790	1,684,576,133	1,674,794,822
Provision For Bad Debtors				
Total	1,628,108,549	1,627,066,790	1,684,576,133	1,674,794,822

6. Staff Loans

Staff Loans	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 RS.	2012 - RS.	2012 RS.
Interest Free Loans	-	-	4,200	4,200
Distress Loans	169,385,460	167,786,183	155,216,941	153,837,601
Vehicle Loans	106,711,263	106,711,263	83,358,631	83,358,631
Festival Advances	931,700	902,700	755,798	728,798
Instant Loan to Staff	684,481	684,481	383,149	383,149
Total	277,712,904	276,084,627	239,718,718	238,312,379

	Group 2013 - RS.	Bureau 2013 RS.
Loan Balances and advances to be recovered after 12 months	223,072,116	223,072,116
	54,640,788	
Loan Balances and advances to be recovered within 12 months		53,012,511
TOTAL	277,712,904	276,084,627

7 CASH & CASH EQUIVALENT	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013RS.	2012 - RS.	2012- RS.
B/C Offshore Banking Unit – 2305	43,594,120	43,594,120	36,762,461	36,762,461
B/C Corporate Branch A/c 1672	-	-	22,798,680	22,798,680
B/C Corporate Branch – 1650	14,925,840	14,925,840	58,832,912	58,832,912
P/B ,Queens Branch A/C No. - 1069	1,207,164	1,207,164	1,582,164	1,582,164
P/B, Queens Branch A/C No. 033 100 161791068	452,321	452,321	218,444	218,444
P/B, Battaramulla A /C No. 208 1001 51791068	4,972,143	4,972,143	5,538,177	5,538,177
B/C Corporate Br - A/C No. 1834	44,901,654	44,901,654	35,604,131	35,604,131
DFCA USD (106)	301,198	301,198	289,995	289,995
RFC/0033/030	197,809	197,809	193,273	193,273
B/C Corporate Branch A/C No. 1825	228,263	228,263	234,263	234,263
B/C Corporate Branch A/C No. 1816	18,013,713	18,013,713	61,294	61,294

B/C Corporate Branch A/C 1939	7,271,061	7,271,061	4,342,506	4,342,506
BOC Taprobane Branch A/C NO.2026582	51,730	51,730	51,730	51,730
HSBC A/C No. 001749035101	2,520,391	2,520,391	44,317,389	44,317,389
B/C Corporate Branch –A.C. 73469314	100,000	100,000	100,000	100,000
NSB – Battaramulla – A.C No. 100800442461	2,011,998	2,011,998		
BOC Cor..Bra. A/C 9290730 (welfare North)	3,986,487	3,986,487	51,023	51,023
Bureau - Head office			122,993	122,993
Galle			-	-
Tangalle			9,579	9,579
Katunayake	114,610	114,610	157,860	157,860
Airport	40,000	40,000		
Kurunegala	19,870	19,870		
Coin Imprest	693	693	693	693
York street	1,130	1,130	2,000	2,000
Approval	(270)	(270)		
Pinwatta	5,000	5,000	5,000	5,000
Keselwatta IT	780	780	780	780
Pannipitiya			31,028	31,028
Peoples Bank A/c No-100183694176	5,550,249		1,317,441	1,317,441
Peoples Bank A/c No-100103694830(Narahenpita 2)	25,000		25,000	
Peoples Bank Queens Branch 033402102466473	62,992		61,846	
Peoples Bank A/c No-119100273694176			22,214	
BOC A/C 9099724	498,767		839,023	
Savings Account – NSB – 02-19304	8,609		8,223	
Savings Account – NSB – 02-20396	46,008		43,946	
Savings Account – NSB – 02-24499	4,161		3,974	
Savings Account – NSB – 02-18634	14,004		13,376	
Savings Account – NSB – 02-40494	65,418		62,483	
Savings Account – 106110016703	16,195,028		1,929,779	
Cash in Hand	10,000		10,000	
P/B Queens Bra.Savings (A.C No.00332620672391)	207,565	207,565	87,919	87,919
NSB Head Qua. Bra. A.C.No. 100010908843	12,278	12,278	259,031	259,031
NSB Head Qua. Bra. A.C.No. 100010814989	14,461	14,461	4,446,676	4,446,676
Savings A/C 2620212743 Videshika	4,119,274	4,119,274	1,408,719	1,408,719
Savings A.C No. 2620213079 Siyatha	2,729,832	2,729,832	1,417,102	1,417,102
CASH IMPREST- PRE DEPARTURE ORINTATION UNIT			1	1
Cash imprest- mathugama resource centre			100,000	100,000

Additional petty cash imprest -sahanapiyasa	120,000	120,000	100,000	100,000
Cash ImprestBogawanthawala	15,000	15,000		
Cash Imprest Athurugiriya	15,000	15,000		
CASH IN TRANSIT				
	38,234	38,234	227,182	227,182
Cash with Embassy			1,587,632	1,587,632
Cash and & Bank Balance Foreign Missions	133,157,923	133,157,923	64,175,931	64,175,931
Investments to be matured within 03 months	3,258,812,022	3,258,812,022	1,557,588,999	1,557,588,999
Total	3,566,639,527	3,544,159,292	1,847,044,871	1,842,707,566

8.

Sundry Creditors	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013- RS.	2012 - RS.	2012 - RS.
Loan Scheme Money Held For Korean T.T.	4,563,693	4,563,693	4,563,693	4,563,693
Insurance Claim Received from N.I.C.	3,474,174	3,474,174	3,629,174	3,629,174
Deposit for salaries & Settlement of complaints	17,738,269	17,738,269	14,000,000	14,000,000
Retention Money Payable	12,275,825	12,275,825	12,318,069	12,318,069
Refundable Tender Deposit	1,023,438	1,023,438	635,288	635,288
Guarantee Money From Cashiers	25,000	25,000	25,000	25,000
IPEC Project with ILO	4,061,143	4,061,143	3,147,308	3,147,308
Deposit for Korean Visa Fees	31,707,119	31,707,119	13,102,200	13,102,200
Deposit for Korean Ticket Fees	134,541,914	134,541,914	134,123,441	134,123,441
Deposit for Korean Pre Departure Loan				
Deposit for Korean Examination fees				
With Holding Tax	44,730		44,730	-
VAT	22,857,827	17,622,877	20,124,244	12,540,059
Sundry Creditors	27,383,397	27,383,397	74,059,860	73,629,949
Suspence Account			(148,865)	(148,865)
Nations Building Tax	11,633,746	11,633,746	3,994,142	3,994,142
Stamp Duty	25	25	133,600	133,600
Provision for Gratuity (Short Term)	229,107	229,107	229,107	229,107
Recruitment Chargers For Foreign Employment	279,275	279,275	147,145	147,145
Deposit for Kuwait Insurance	15,460	15,460	15,460	15,460
Collection of Air Tickets				-
Project Prevention of Trafficking	554,111	554,111	554,111	554,111
Refundable deposit female domestic workers	543,758,638	521,158,638	330,907,560	330,907,560
Food supplier payable	9,966,641	9,966,641	4,410,234	4,410,234
Money Deposited By Migrant Workers	820,870	820,870	927,503	927,503
Re-entry Korean charges	514,888	514,888	725,920	725,920
Service Creditors	11,767		-	-

Economic Service Charges			123,980	
Lease Creditors			958,341	
Interest Bearing Borrowings	1,000,002	-	500,004	
Other Payable	15,753,543	-	5,936,116	
Nawala Rent Advance			-	
Refundable Deposit			26,832,000	
Insurance Fund VAT			35,086,404	
Sri Lanka Insurance Corporation	46,704,684		45,624,150	
MBSL Insurance Corporation			8,310,676	
Death Claim Payable	9,813,000		400,000	
Soft Logic Information			1,037,900	
Safe Accounts – Overseas	34,981,989	34,981,989		
Deposit for Repatriation Cost	8,014,554	3,397,893		
Rataviruvo Project				
TOTAL	943,519,721	837,740,383	746,474,594	613,606,197

9 Bank Overdraft	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 - RS.	2012 - RS.	2012 -RS.
B/C Corpo.Br- A/C (697)1672	3,576,987.55	3,576,988	0	-
SLFEA – BOC A/C			0	
SLFEA – Union Bank				
SLFEA – NDB Bank	19,039,745.62		0	
			6,521,222.95	
Total	22,616,733.17	3,576,988	6,521,222.95	-

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Accumulated Fund	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 - RS.	2012 - RS.	2012RS.
Balance As at 01.01.2013	3,349,103,938	3,273,415,837	3,801,592,089	3,728,119,486
Add: Prior Year Adjustment	1,727,709	2,080,247	(2,590,317)	(448,149)
Adjustment for the year 2013		-		
Less :Funds Transfer to Consolidated Fund	-	-	(625,000,000)	(625,000,000)
Add: Excess/(Loss) of Income Over Expenditure	254,731,241	243,148,771	175,102,165	170,744,499
Balance as at 31.12.2013	3,605,562,888	3,518,644,854	3,349,103,887	3,273,415,836

11. Prior Year adjustments

<i>Nature of the error</i>	<i>Group Rs.</i>	<i>Bureau Rs.</i>	<i>Line item affected</i>
Expenditure pertaining to the previous years			
• Hall reservation for scholarship programme	14,000	14,000	Accumulated fund & Sundry Advance Account (Bureau)
Income Pertaining to the previous years			
(75% Court Deposit transferred from settlement of complaint account	(356,250)	(356,250)	Accumulated Fund & Settlement of Complaint account
Under provision of Income Tax – (Subsidiary Company)	352,538		Accumulated fund income Tax Payable.
Under provision of Expenses in previous year	427,033	427,033	Accumulated fund
Under provision of Income	(2,099,830)	(2,099,830)	Accumulated fund
Over provision of Expenditure	(65,200)	(65,200)	Accumulated fund
TOTAL	(1,727,709)	(2,080,247)	

12. Provision for Gratuity

The Bureau is liable to pay gratuity in terms of the relevant statute, Act No. 12 of 1983.

In order to meet this liability a provisions have been made by using projected unit credit method described in the Sri Lanka Accounting Standards and mortality table published with the standard. Following key assumptions were made in arriving at the above figures.

Rate of Discount	-	10% p.a.
Salary Increment Rate	-	1.84%
Retirement Age	-	60 years

Gratuity payments to be settled within 12 months have been shown under current liabilities and payments due after 12 months have been shown under non current liabilities.

13. Taxation.

The Sri Lanka Bureau of Foreign Employment is liable to pay income tax on taxable income of Bureau and Workers Welfare Fund in accordance with the provisions of the Act No. 10 of 2006 and is subsequent amendments. The Provision of Income Tax is based on the elements of Income and Expenditure reported in the Financial statements.

14. Foreign Aid Account

Foreign Aid relate to specific capital expenditure are treated as different income, which is then credited to income statement over the related assets useful life. Other grants are credited to the income statement in the period which they are utilized.

15. Overseas Workers Welfare Fund.

Fess collected registration of contract agreements by the foreign missions are credited as receipts and total expenditure incurred in respect of Labour welfare work abroad is debited as expenditure. The remainder is shown as current liability in the balance sheet.

16. Kuwait Compensation Account

The balance shown in the accounts represents the net value of unsettled compensation claims & the interest and exchange gain earned from the investment of such funds. Bureau intends to distribute these funds among the claimants for whom compensation was awarded by the United Nation Compensation Committee.

17. Contingent Liabilities

There are 16 numbers pending court cases filed by the employees and outsiders against the Bureau. (Three cases in Supreme Court, Four cases in Court of Appeal, One case in High Court(Colombo), Three cases in District Courts and Five cases in labor court).

Since these cases are still pending the actual liability cannot be accounted.

18. Foreign currency transaction

All foreign currency transaction is converted to Sri Lankan Rupees at the rate of prevailing at the time the transactions were effected. Monetary assets and liabilities denominated in foreign currencies are converted to Sri Lankan Rupees equivalents using year-end foreign exchange rate published by Central bank of Sri Lanka. The resulting gains and losses are accounted as comprehensive income.

19. Income

In the case of agency recruitment facilities fees & recruitment fees are calculated as follows:

Salary Rs.	Fees Payable Rs.	Facilities Fees. Rs.	Recruitment Fees Rs.	Agency Portion (70%) Rs.	Remarks
Below 5,000	3,200	200	900	2,100	
5,000– 10,000	5,200	200	1,500	3,500	
10,000-20,000	7,700	200	2,250	5,250	
Above 20,000	10,200	200	3,000	7,000	

Fees collected on Bureau individual recruitments the total receipts have been accounted as facilities fees and recruitment fees.

Registration fees (individual), Registration fees (Agency), License fees, Training fees, Cess Income, Investment income & other income is ascertained on an accrual basis.

Operating Income	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 - RS.	2012 - RS.	2012RS.
Recruitment Fees - Agency	511,056,500	511,056,500	491,972,250	491,972,250
Recruitment Fees - Individual	600,521,500	600,521,500	544,049,300	544,049,300
Facilities Fees	58,311,200	58,311,200	56,818,485	56,818,485
Licence Fees	80,209,500	80,209,500	28,610,000	28,610,000
Cess Income	21,951,865	21,951,865	28,702,383	28,702,383
Korean Administration Fees	21,694,482	21,694,482	20,580,416	20,580,416
Re-Entry Korean Fee - Documentation & System Maintenance	9,295,840	9,295,840	2,012,319	2,012,319

Korean Training Fees	57,412,419	57,412,419	53,544,032	53,544,032
Advertisement Approval	79,265		374,514	
Training Income	180,857,021	180,857,021	231,298,245	231,298,245
Recruiting Income	10,103,863		4,983,195	
Agency Claim	3,129,000		2,887,500	
Agency Commission			188,555	
Other Income	33,843,068			
Total	1,588,465,523	1,541,310,327	1,466,021,194	1,457,587,430

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	GROUP	BUREAU	GROUP	BUREAU
	2013 - RS.	2013 - RS.	2012 - RS.	2012-RS.
Other Operating Income				
Foreign Aid and Grants	214,959	214,959	208,643	208,643
Contribution Received From ILO Project	-	-	850	850
Commission received to Air ticketing Unit	7,043,486	7,043,486	4,666,046	4,666,046
Interest from Investments (Note - 10)	361,105,699	361,105,699	420,614,878	420,614,878
Reimbursement of Expenses for Overseas Workers Welfare Fund	617,550,479	617,550,479	530,302,135	530,302,135
Foreign Currency Exchange Gain / (Loss)			-	-
Interest from Staff Loans	11,182,279	11,182,279	10,231,340	10,231,340
Sundry Income	332,029,966	332,029,966	46,699,523	46,699,523
Interest on Savings	949,109	-	720,912	
Interest on Fixed Deposit	15,268,113	-	8,818,962	
Rent Income			-	
Profit on Disposal of Vehicle			601,339	
Other Income	5,840,742	750,000	10,400,735	
Total	1,351,184,832	1,329,876,868	1,033,265,363	1,012,723,415

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2013

Description	2013			2012
	Bureau Rs.	W.W.F. Rs.	Total Rs.	ACTUAL Rs.
Income				
Recruitment Fees - Agency	343,064,250	167,992,250	511,056,500	491,972,250
Recruitment Fees - Individual	540,469,350	60,052,150	600,521,500	544,049,300
Facilities Fees	58,311,200	-	58,311,200	56,818,485
Licence Fees	80,209,500	-	80,209,500	28,610,000
Cess	21,951,865	-	21,951,865	28,702,383
Korean Administration Fees	21,694,482	-	21,694,482	20,580,416
Re-Entry Korean Fee - Documentation & System	9,295,840	-	9,295,840	2,012,319
Training Fees	-	180,857,021	180,857,021	231,298,245
Korean Training Fees	-	57,412,419	57,412,419	53,544,032
Total	1,074,996,487	466,313,840	1,541,310,327	1,457,587,430
Add: Other Income				
Foreign Aid and Grants	54,209	160,751	214,959	208,643
Contribution Received From ILO Project	-	-	-	850
Commission received to Air ticketing Unit	7,043,486	-	7,043,486	4,666,046
Interest from Investments	207,860,854	153,244,845	361,105,699	420,614,878
Reimbursement of Expenses for Overseas Workers Welfare Fund	-	617,550,479	617,550,479	530,302,135
Interest from Staff Loans	11,182,279	-	11,182,279	10,231,340
Dividends SLFEA	750,000	-	750,000	-
Profit of Sale of Fixed Assets	-	-	-	-
Sundry Income	321,753,325	10,276,641	332,029,966	46,699,523
Contribution to WWF (From Bureau)	(204,000,000)	204,000,000	-	-
	344,644,153	985,232,714	1,329,876,868	1,012,723,415
Total Income	1,419,640,640	1,451,546,555	2,871,187,195	2,470,310,845
Less : Expenditure				
Staff Costs	630,628,037	40,364,373	670,992,410	507,365,922
Establishment Expenses	161,417,529	83,066,204	244,483,733	206,429,647
Operational Costs	217,995,589	27,025,183	245,020,772	216,802,298
Advertisement & Publicity	56,794,282	25,236,439	82,030,721	49,683,380
Business Promotion Expenses	45,648,305	-	45,648,305	90,632,213
Worker's Welfare Fund Expenses	-	1,273,294,305	1,273,294,305	1,146,187,261
Total Expenditure	1,112,483,742	1,448,986,504	2,561,470,246	2,217,100,720
Excess of Income Over Expenditure	307,156,898	2,560,050	309,716,949	253,210,125
Less : Provision for Taxation	86,003,932	716,814	86,720,746	87,727,184
Balance Carried Forward to Accumulated Fund	221,152,967	1,843,236	222,996,203	165,482,942
Other Comprehensive Income				
Exchange Gain/loss in translating foreign operations	-	11,649,013	11,649,013	5,261,558
Actuarial Gain on Gratuity Provision	8,503,555	-	8,503,555	-
Revaluation Surplus	-	-	-	-
Actuarial gain / Loss on pension plans	-	-	-	-
Other Comprehensive Income	8,503,555	11,649,013	20,152,568	5,261,558
Total Comprehensive Income	229,656,522	13,492,249	243,148,771	170,744,500

SRI LANKA BUREAU OF FOREIGN EMPLOYMENT
STATEMENT OF COMPREHENSIVE EXPENDITURE FOR THE YEAR ENDED 31.12.2013

Description	Group 2013 Rs.	2013		Bureau 2013 Rs.	Group 2012 Rs.	Bureau 2012 Rs.
		Bureau Rs.	W.W.F. Rs.			
Staff Costs					WWF	
Salaries & Wages	347,652,343	319,320,105	16,832,791	336,152,897	254,950,004	245,969,458
Staff Welfare	81,981,502	76,527,121	4,375,746	80,902,867	80,890,301	79,603,795
E.P.F & E.T.F.	59,305,085	55,374,199	2,914,432	58,288,631	39,544,632	38,698,256
Reim. of Interest on Housing Loans	6,730,235	6,323,534	406,700	6,730,235	6,546,671	6,546,671
Bonus	70,039,233	65,072,104	3,391,184	68,463,288	53,354,496	51,829,527
Overtime	73,772,296	69,260,980	3,642,455	72,903,434	50,699,120	50,083,999
Travelling	16,449,044	13,294,109	3,120,524	16,414,633	10,186,374	10,012,789
Gratuity	25,488,012	19,718,756	5,378,586	25,097,342	18,264,845	18,129,427
Staff Training	6,055,273	5,737,129	301,954	6,039,083	6,492,000	6,492,000
	687,473,024	630,628,037	40,364,373	670,992,410	520,928,442	507,365,922
Establishment Expenses						
Printing, Stationery & Consumable	40,493,196	34,845,475	4,742,294	39,587,769	39,959,165	39,139,949
Telephone & Postage	45,613,547	40,446,397	4,148,056	44,594,454	37,968,382	37,117,740
Rent	47,809,672	17,396,186	30,413,486	47,809,672	38,660,416	38,660,416
Maintenance of Premises	15,910,284	10,807,660	3,715,087	14,522,747	14,529,693	13,927,774
Audit Fees	708,768	507,080	26,688	533,768	980,415	805,415
Electricity	44,283,196	35,690,655	8,029,038	43,719,693	37,596,998	37,115,195
Security Charges	42,293,903	15,644,744	26,027,277	41,672,022	30,250,078	29,751,757
Cost of piece rate workers	31,175	29,616	1,559	31,175	4,040	4,040
Directors Fees & Traveling		612,750	30,750	643,500	952,961	612,001
Water	6,942,870	2,576,079	4,228,103	6,804,183	5,329,239	5,204,463
Consultancy & Legal Fees	5,591,617	2,860,886	1,703,865	4,564,751	6,655,637	4,090,897
	249,678,228	161,417,529	83,066,204	244,483,733	212,887,023	206,429,647
Operational Costs						
Depreciation of Fixed Assets	162,510,196	137,966,941	20,397,093	158,364,034	137,501,805	131,657,259
Motor Vehicle Running Expenses	63,492,974	54,955,056	3,505,602	58,460,658	45,098,866	42,907,163
Hiring of Vehicles	11,581,887	10,747,367	568,128	11,315,495	16,554,424	16,429,424
Economics Service Charges	-	-	-	-	9,627,983	9,627,983
Computer Running Expenses	4,251,246	3,953,999	208,105	4,162,104	4,788,611	4,693,346
Maintenance of Office Equipment	8,942,520	6,835,065	1,896,216	8,731,282	4,874,237	4,874,237
Financial Charges(Loan Interest,Lease Charges,Lease I	2,182,141	1,614,784	106,444	1,721,228	1,329,549	853,839
Newspapers & Periodicals	1,389,434	1,113,955	239,380	1,353,334	1,109,893	1,059,833
Bad debtors	144,112	144,112	-	144,112	-	-
Loss of Sale of Fixed Assets	-	-	-	-	122,485	122,485
General Expenses	1,191,909	664,310	104,215	768,525	5,964,002	4,576,729
	255,686,419	217,995,589	27,025,183	245,020,772	226,971,855	216,802,298
Advertisement & Publicity						
Advertisements	42,911,684	24,232,884	16,543,688	40,776,572	20,175,279	19,360,846
Cost of T.V.Programmes	8,646,606	7,531,439	1,115,167	8,646,606	1,419,557	1,419,557
Cost of Radio Programmes	7,280,446	3,961,134	3,319,312	7,280,446	12,882,401	12,882,401
Awareness Programmes	25,463,753	21,068,825	4,258,272	25,327,097	16,020,576	16,020,576
	84,302,488	56,794,282	25,236,439	82,030,721	50,497,813	49,683,380
Business Promotion Expenses						
Business Promotion Mission	26,983,037	25,905,405	-	25,905,405	49,357,705	46,082,248
Market promotional Activities	14,701,564	11,526,883	-	11,526,883	9,632,883	9,632,883
Expenses of Korean project and Recruitment Expenses	8,973,804	6,725,831	-	6,725,831	26,512,980	26,442,163
Direct Expenses Fof Air Ticket Unit	6,214	6,214	-	6,214	-	-
Seminars & Workshops	1,483,972	1,483,972	-	1,483,972	8,474,920	8,474,920
	52,148,591	45,648,305	-	45,648,305	93,978,488	90,632,213

Description	Group 2013 Rs.	'2013		Bureau 2013 Rs.	Group 2012 Rs.	Bureau 2012 Rs.
		Bureau Rs.	W.W.F. Rs.			
Worker's Welfare Fund						
Training Activities	163,881,622		159,841,808	159,841,808	201,031,305	212,103,040
Expenses on Overseas Workers Welfare Fund	617,550,479	-	617,550,479	617,550,479	530,314,019	530,302,135
Cost of Insurance of Migrant Workers	249,472,235	-	249,472,235	249,472,235	225,326,646	225,326,646
Scholarships to Children's of Migrant Empl.	1,737,061	-	1,737,061	1,737,061	54,476,691	54,476,691
Distribution of School Books	18,235,657	-	18,235,657	18,235,657	14,671,862	14,671,862
Interest Subsidy on Bank Loans	531,118	-	531,118	531,118	433,673	433,673
Welfare Centre - Seeduwa	21,678,950	-	21,678,950	21,678,950	18,400,040	18,400,040
Interest on Migrant Workers' Contributions	553,446	-	553,446	553,446	504,889	504,889
Conciliation & Other welfare work local and abroad	575,569	-	575,569	575,569	2,142,532	2,142,532
World Bank ILO Project Expenses	-	-	-	-	850	850
Re-Intrigation Programme	479,000	-	479,000	479,000	189,262	189,262
Social welfare Programme for Migrant workers	6,201,753	-	6,201,753	6,201,753	10,142,538	10,142,538
Housing Programme for disabled Migrant Workers.	5,268,642	-	5,268,642	5,268,642	2,901,510	2,901,510
Welfare Facilities to the Migrant Workers	169,282	-	169,282	169,282	262,360	262,360
Foreign Travel on Overseas audit	1,572,458	-	1,572,458	1,572,458	3,884,515	3,884,515
Conduct Instructors Training Programme	-	-	-	-	27,109	27,109
Special Award Scheme of Funeral Expen.	1,290,500	-	1,290,500	1,290,500	90,000	90,000
Study Tours to labour receiving countries	4,407,854	-	4,407,854	4,407,854	4,786,440	4,786,440
Medical Bill for Migrant Workers	4,401,232	-	4,401,232	4,401,232	119,784	119,784
Payment of VAT & NBT on account of registration	10,962,285	-	10,962,285	10,962,285	11,871,366	11,871,366
Daru Diriya Programme Expenses	12,987,904	-	12,987,904	12,987,904	1,136,007	1,136,007
Child Protection Uplifting Programme	901,000	-	901,000	901,000	120,000	120,000
Providing bus fair & Refreshment to the Complainant	502,166	-	502,166	502,166	139,653	139,653
Mathu Aswanu Udesa Lama Ketha Aswadduma	-	-	-	-	1,460,254	1,460,254
Medical Camp to the MIG Workers and their families	94,599	-	94,599	94,599	1,047,581	1,047,581
International Migrant Day Expenses	8,094,700	-	8,094,700	8,094,700	44,861,986	44,861,986
Expenses of Rataviru Project	37,817,875	-	37,817,875	37,817,875	4,003,503	4,003,503
PRE DEPARTURE ORIENTATION EXPENSES	499,805	-	499,805	499,805	781,037	781,037
Expenses OF Welfare of Korean Recruitment	7,685,900	-	7,685,900	7,685,900	-	-
Rataviru Talant star	105,174,143	-	99,781,027	99,781,027	-	-
	1,282,727,235	-	1,273,294,305	1,273,294,305	1,135,127,410	1,146,187,261

22. Expenditure

The expenses incurred by the Bureau on the Workers Welfare which can not be directly identifiable are apportioned on the following basis from the year 2005 as recommended by Public Enterprises Department of the General Treasury.

Rate

Salaries & Wages	5%
Overtime	5%
E.P.F. & Wages	5%
Bonus	5%
Traveling & Subsistence	5%
Gratuity	5%
Staff Welfare & Training	5%
Compensation for employees	5%
Printing Stationery & Consumables	5%
Telephone & Postage	5%
Building Rent	5%
Maintenance of Premises	5%
Audit Fees	5%
Water & electricity	5%
Security Charges	5%
Cost of Piece rate Workers	5%
Director fees & Traveling	5%
Consultancy & legal fees	5%
Motor Vehicle running expenses	5%
Leasing of Vehicles	5%
Debit Tax	5%
Economic service Charges	5%
Computer running cost	5%
Maintenance of Equipment	5%
Financial Charges	5%
Newspapers & Periodicals	5%
Provision for Bad Debtors	5%
General Expenses	5%

Loss on Sale of Assets	5%
Advertisements	5%
TV & radio Programme	5%
Awareness Programme	5%

Deferred Expenditure

Expenditure which is deemed to have a benefit or relationship to more than one financial year is classified as deferred expenditure. Such expenditure is written off over the period, to which it relates, on a straight – line basis.

23. Transaction with Related Parties

(i) The Sri Lanka Foreign Employment Agency (Pvt)Ltd has claimed a sum of Rs.3,085,125/- as 70% Agency commission from the Bureau during the year 2012.

(ii) The Licensees of the following Foreign Employment Agencies served as a board members of the Sri Lanka Bureau of Foreign Employment in year 2012. The 70% portion of the recruitment fees which has been refunded to them in year 2012 were as follows.

<i>Name of the Director</i>	<i>Agency</i>	<i>Amount Refunded (Rs.)</i>
Mr.B.P.Niyandadupola	Deshakthee Lanka Enterprises (L.L. NO.1534)	9,961,000
Mr.A.R.B.Nihmatdeen	Q.P.Employment (pvt) Ltd (L.L.1316)	25,324,250
Mr.M.M.Mansoor	Fa Enterprises (Pvt)Ltd (L.L.428)	976,500
Mr.L.A.R.Perera	Lagodan (Pvt)Ltd	3,689,000

24. Granting of NBT & VAT concession for the Registration Fees to be paid by the Domestic Sector

As per the decision taken by the Board of Directors of the Bureau the action has been taken to grant NBT & VAT concession for the Registration Fees made by the domestic sector Sri Lankan employees those who were left employment through their own channels . During the Year 2012, the SLBFE has incurred a sum of Rs. 11,871,366 as a welfare measure provided by the Bureau.

25.Other Transactions

07 nos fixed deposit accounts opened in National Savings Bank for the winners of the VideshaRekiya Lottery winners have not been shown in final accounts.

Fixed Deposit A/C Nos

20001-90-14730

20001-90-14985

20001-90-15027

20001-90-15051

20001-90-15078

20001-90-15094

20001-90-15892

Unidentified debits made to the Bank A/C No.1650

The values of following two Cheques have been debited to our current No.1650 at Bank of Ceylon, Corporate Branch. Since the above Cheques were stolen and presented to the Bank after making forged signatures.

Cheque No	Date of debited	Value - Rs
239481	11.09.2009	400,000.00
239482	12.10.2009	400,000.00

We have made a complaint to Fraud Investigation Unit at Mirihana Police Station on this matter and investigations are carried out by them. There is a pending court case at Kaduwela M/C on this matter.



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No. }

YS/G/SLBFE/1/13/57

ඔබේ අංකය
உமது இல.
Your No. }

දිනය
திகதி
Date }

12 March 2015

The Chairman,
Sri Lanka Bureau of Foreign Employment.

Report of the Auditor General on the Financial Statements of the Sri Lanka Bureau of Foreign Employment and its Subsidiary Company for the year ended 31 December 2013 in terms of Section 14(2)(c) of the Finance Act, No. 38 of 1971

The audit of consolidated financial statements of the Sri Lanka Bureau of Foreign Employment and its Subsidiary Company for the year ended 31 December 2013 comprising the statement of financial position as at 31 December 2013 and the consolidated comprehensive statement of income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No. 38 of 1971 and Section 18(3) of the Sri Lanka Bureau of Foreign Employment, Act, No.21 of 1985. My comments and observations which I consider should be published with the Annual Report of the Bureau 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 Bureau on 19 November 2014.

1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Sri Lanka 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.

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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+94-11-2887223

oaggov@slt.net.lk



www.auditorgeneral.gov.lk



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.

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 risks assessments, the auditor considers internal control relevant to the Bureau'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 Bureau'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 - Bureau

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 Sri Lanka Bureau of Foreign Employment as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Qualified Opinion – Group

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the consolidated financial statements give a true and fair view of the financial position of the Sri Lanka Bureau of Foreign Employment and its Subsidiary Company as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Consolidated Financial Statements

The Cabinet of Ministers had considered the Cabinet Memorandum No. 96/1019/107/028 dated 18 April 1996 for the establishment of a Subsidiary Company with limited liabilities under the Sri Lanka Bureau of Foreign Employment at the meeting held on 29 May 1996 and approved the establishment of a Subsidiary Company with limited liabilities and a fully paid capital of Rs.5 million. Accordingly, the Sri Lanka Foreign Employment Agency (Private) Company Ltd. with Rs.5 million out of the issued share capital of Rs.5,000,040 of its total authorized capital of Rs.100 million had been established on 06 October 1996.

Any dividends out of the declared dividends of the Subsidiary Company after the year 2009 had not been received and the dividends receivable as at 31 December 2013 amounted to Rs.3,510,073.



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கணக்காய்வகப் பொதுத் துறை
Auditor General's Department

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2.2.2 Sri Lanka Accounting Standards

The following observations are made.

- (a) According to the Sri Lanka Accounting Standard No. 16, in depreciating property, plant and equipment, the effective life of assets should be estimated in advance annually and the rates of depreciation and the methods of depreciation should be changed. As the rates of depreciation had not been estimated annually, the net value of 21 motor vehicles had been shown as a very low value of Rs.500 in the books.
- (b) According to the Sri Lanka Accounting Standard No. 36, if the assets show an impairment position during a specified period, the book value and the market value of such assets should be compared and if the book value is less than the market value, such difference should be written off. But such comparison of value or adjustments had not been done.

2.2.3 Accounting Deficiencies

The sum of Rs.100 million paid in the year under review to the Samurdhi Authority for opening a fixed deposit had neither been disclosed nor shown as a receivable amount in the financial statements.

2.2.4 Unreconciled Control Accounts

According to the financial statements and the schedules furnished therewith differences in 05 assets accounts and 04 liabilities accounts amounting to Rs.850,102 and Rs.56,359,101 respectively were observed. Action had not been taken to identify the differences and settle the accounts.



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காவல்பொதுத் துறைமுக அமைச்சு
Auditor General's Department

2.2.5 Unexplained Differences

The following matters were observed.

- (a) The Compensation Payable Fund as shown in the financial statements amounted to Rs.2,822,502,845 whereas the assets relating to that amounted to Rs.2,678,226,189 and a difference of Rs.144,276,656 between the Fund and the assets was observed.
- (b) A difference of Rs.55,967,407 between the cash balance of Rs.189,125,330 of the Welfare Divisions maintained in the Sri Lankan Missions Abroad and the balance amounting to Rs.133,157,923 shown in the Consolidated Financial Statements was observed. The Bureau had not furnished an explanation for the difference.

2.2.6 Lack of Evidence for Audit

The following evidence had not been furnished to audit.

Item	Value	Evidence not made available
-----	-----	-----
	Rs.	
i. Deposit for Korean Ticket Fees	134,541,914	Schedules and Registers for Confirmation
ii. Deposit for Korean Visa Fees	31,707,119	
iii. Loans granted for Korean Technical Training	4,563,693	
iv. Re - entry Korean Charges	514,888	
v. Pre - paid Licence Fees	13,551,066	
vi. Air Travel Ticket Fees Receivable	787,274	



2.3 Accounts Receivable and Payable

The following matters were observed.

- (a) Out of the Labour Contract Agreement Fees amounting to Rs.2,622,815,725 collected by the Welfare Divisions of the Foreign Missions from the year 2003 to the end of the year under review and remitted to the Bureau through the General Treasury, a sum of Rs.1,262,267,079 only had been received by the Bureau and a sum of Rs.1,360,548,646 remained receivable.
- (b) The Refundable Bid Deposits amounting to Rs.1,038,205 as at the end of the year under review shown in the financial statements included balances as amounting to Rs.583,681 older than two years. Action had not been taken to settle those balances.
- (c) Out of the Cess amounting to Rs.2,873,500 recoverable as at the end of the year under review from the Foreign Employment Agencies, a sum of Rs.368,750 relating to 120 Agencies had not been recovered even by September 2014.

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

The following non-compliances were observed.

Reference to Laws, Rules, Regulations and Management Decisions	Non-compliance
-----	-----
(a) Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985 Section 15	Even though the objective is the raising and development of employment opportunities outside Sri Lanka for Sri Lankans, providing specialized training and making arrangements for the security



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கணக்காய்வகத் துறைமன்ற அலுவலர் திணைக்களம்
Auditor General's Department

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and welfare to the migrant labour and the members of their families, a sum of Rs.101,613,470 had been spent on the Talent Star Project contrary to the objectives.

- (b) Payment of Gratuity Act, No. 12 of 1983
Sections 5(1) and 6(2)

Even though a gratuity should be paid to each employee leaving the service after completion of a service of 05 years, within 30 days from the date of termination of service, the payment of gratuities during the year under review to 19 officers whose services had been terminated by the Bureau had been delayed in the ranges of 75 days to 1,654 days.

- (c) Financial Regulations of the Democratic Socialist Republic of Sri Lanka

- (i) Financial Regulation 371(2)(c)

Even though advances should be settled immediately after the completion of the relevant purpose, action had not been taken over a period exceeding 09 years to settle advances amounting to Rs.238,183 obtained in 18 instances.



(ii) Financial Regulation 395(c)

Even though the Bank Reconciliation of the transactions at the end of each month should be prepared before the fifteenth day of the month following, 32 Bank Reconciliation Statements relating to 15 Bank Current Accounts of the Bureau and 17 Bank Current Accounts of the Labour Welfare Divisions of the Bureau maintained in Sri Lanka Foreign Missions had been prepared and presented after delays ranging from one month to three months.

(iii) Financial Regulation 756

Twelve Labour Welfare Divisions of the Bureau maintained in Sri Lanka Missions Abroad had not conducted Boards of Survey as at the end of the year under review and furnished reports to audit.

(d) Public Administration Circular No.

41/90 of 10 October 1990

Paragraph 2.11

Even though fuel consumption of motor vehicles should be tested once in every 06 months, such tests had not been carried out though a sum of Rs.27,333,369 had been spent on fuel for 117 motor vehicles.



(e) Procurement Guidelines of 25 January

2006

(i) Section 5.4.12

Even though the particulars of payments made to cover the Value Added Tax should be brought to the notice of the Commissioner General of Inland Revenue with copy to the Auditor General on or before the fifteenth day of the month following the payments, it had not been so done.

(ii) Section 1.2.1

The Bureau had obtained a land belonging to a Private Engineering Services Company on lease basis for 99 years and had paid an advance of Rs.20 million without the procurement entity considering the matters to be ensured through the Procurement Procedure.

(iii) Procurement Manual
Supplement No. 19

Even though the approval of the Secretary to the Line Ministry for the repair of motor vehicles costing over Rs.200,000 should be obtained, such approval had not been obtained in connection with 09 instances of repairs during the year under review costing Rs.4,927,672.



2.5 Transactions not supported by Adequate Authority

A post of Labour Welfare Officer for the Welfare Division of Sri Lankan Mission on Japan had not been approved and salaries amounting to Rs.5,103,405 and allowances amounting to Rs.3,483,992 had been paid in the years 2012 and 2013 for a post not approved. According to the reply of the Bureau, there are no problems for the Sri Lankan labour employed in Japan. That the officers' duty is the promotion of job opportunities in Japan for Sri Lankan labour and the salary and allowances only are paid to the officer due to the welfare work being at the minimum level.

3. Financial Review

3.1 Financial Results

The operations of the Bureau and its Subsidiary Company for the year under review had resulted in a pre-tax surplus of Rs.326,198,141 as compared with the surplus for the preceding year amounting to Rs.258,895,523, thus indicating an improvement of Rs.67,302,618 or 26 per cent in the financial result for the year under review. The improvement in the income as compared with the preceding year had been the main reason for the improvement.

3.2 Legal Actions instituted against or/ by the Bureau

Fifteen external parties had filed cases against the Bureau as at the end of the year under review and the Bureau had filed one case against an outside party.

4. Operating Review

4.1 Performance

The following matters were observed.

- (a) Training of migrant labour is being done by 11 private Training Centres in addition to 18 Regional Centres of the Bureau. It was observed that an adequate supervision and administration had not been done in relation to the training conducted and the services provided to the trainees by the private Training Centres.



- (b) According to the Action Plan for the year under review⁴, there were 13 activities which had not been carried out at all while the performance of 25 activities had been at a weak level.

4.2 Management Inefficiencies

The following matters were observed.

- (a) An officer of the Bureau dismissed from service after conducting a formal disciplinary inquiry had been reinstated in service disregarding the disciplinary orders. The reinstatement in service had been cancelled in 12 February 2014 and a sum of Rs.152,960 had been paid as salary and allowances for the period from July 2013 to January 2014.
- (b) Even though officers of the Bureau who obtain more than 10 days of no-pay leave during a year are not entitled to bonus, contrary to that, a systems Analyst of the Bureau who had obtained no-pay leave from 24 December 2007 had been paid bonus amounting to Rs.51,875 though he had obtained 11 ½ days of no-pay leave in the year 2007. The Bureau had failed to recover the money from the officer even by 12 May 2014, the date of audit.
- (c) The penalty of Rs.866,828 recoverable from the above mentioned Systems Analyst in terms of the agreement entered into between the Bureau and the officer for the failure to fulfil the minimum period of service due to the no-pay leave obtained by the officer in several instances, had not been recovered even up to 12 May 2014.
- (d) The deposits made with the Bureau by the Agencies during the year under review and a period of 05 years for the settlement of complaints / disputes of the migrants as at the end of the year under review totalled Rs.17,465,688. Action had not been taken even by September 2014 for the settlement of the unsettled amounts of the deposits.



- (e) The Bureau had maintained a Provident Fund Scheme for the migrant Labour from the year 1989 to the year 1996 and out of the contributions paid by the migrants 60 per cent had been deposited in the Employees Trust Fund Board in the name of the migrant labour and the balance had been retained by the Bureau. The sum retained by the Bureau as at the end of the year under review amounted to Rs.6,110,128. The Provident Fund Scheme is dormant at present, and the Bureau retains the above money belonging to 1,620 migrants without being released to them.
- (f) The Bureau had not introduced a formal course of action for making payments to the migrants concerned the balance of Rs.2,822,502,845 remaining out of the money received from the United Nation Compensation Commission for the payment of compensation for the distress caused to the Sri Lankans employed in Kuwait resulting from the invasion of Kuwait by Iraq in the year 1990.
- (g) A sum of Rs.3,474,174 out of the money received during the years 2009 to 2013 from the Insurers for the payment of insurance indemnity had been shown as creditors in the financial statements without taking actions to pay the migrant workers concerned.

4.3 Operating Inefficiencies

The following matters were observed.

- (a) Even though a sum of Rs.1,210,968 deposited by the Bureau had been shown as a receivable in the financial statements, no follow-up action whatsoever had been taken for the recovery of that amount.
- (b) According to the financial statements of the Sri Lanka Foreign Employment Agency, out of the death compensation amounting to Rs.9,813,000 payable concerning 32 migrants, money for the payment of compensation relating to 11 migrants amounting to Rs.3,465,000 had been received. Even though a period of one year had elapsed by 12 September 2014, the date of audit, the Bureau had not taken action to release the money to the dependents.



- (c) The Register of Motor Vehicle Loans had not been updated and the following matters were observed during the course of a test check.

Motor vehicle loans amounting to Rs.1,049,000 paid to three officers had not been entered in the Register of Motor Vehicle Loans.

The loan balance of an officer amounting to Rs.372,000 had been shown as Rs.87,360 in the Register of Motor Vehicle Loans due to the failure to record the new loans granted and the installments recovered.

- (d) Action had not been taken for the recovery of festival advances, urgent, distress and motor vehicle loans amounting to Rs.5,625,164 obtained by 38 officers and the interest thereon amounting to Rs.512,009.
- (e) It was observed that advances amounting to Rs.3,184,340 had been granted to an officer in 09 instances despite the non-settlement of the previously obtained advances.

4.4 Underutilised Assets

The following observations are made.

- (a) A stock of 200 mosquito nets for 100 bunk beds had been ordered and obtained for the Tangalle Training Centre. As one mosquito net is adequate for one bunk bed and as such 100 mosquito nets valued at Rs.245,000 remained in the stores without being used, due to ordering for 100 mosquito nets exceeding the required quantity.
- (b) The Bureau had received the approval of the Cabinet of Ministers for the establishment of Training Centres by the Bureau covering all the districts. Even though a sum of Rs.57,272,816 had been spent in the years 2007 to July 2013 for the establishment of Migrant Resources Centres at Katharagama, Ratnapura, Haliela, Homagama and Dambulla, the work of those construction projects had not been completed even by the end of the year under review. As such the Centres could not be made use of for the purpose.



4.5 Identified Losses

The following matters were observed.

- (a) Action had not been taken to set off the input tax amounting to Rs.23,430,210 included in the sum of Rs.218,681,760 paid as the insurance premiums to the National Insurance Trust Fund and the Sri Lanka Foreign Employment Agency during the years 2011 and 2012, in the computation of the tax.
- (b) A sum of Rs.822,894 had not been recovered in the registration of 146 migrants by the Airport Unit during the years 2008 to 2011.
- (c) A sum of Rs.12,260 deposited in a Bank Account as registration fees in the year 2007 and remaining without being realised had been written off on a decision of the Board of Directors without conducting a formal inquiry.
- (d) The Sri Lanka Foreign Employment Agency had paid a surcharge of Rs.5,986 due to the failure to pay the contributions to the Employees Trust Fund in respect of January and April 2009, September 2010 and February 2013 on the due dates.

4.6 Resources of the Bureau given to other Government Institutions

The following matters were observed.

- (a) Three motor vehicles belonging to the Bureau and obtained on hire basis had been used by the relevant Ministry and other Government Institutions contrary to Section 8.3.9 of the Public Enterprises Circular No. PED/12 of 02 June 2003. The Bureau had paid a sum of Rs.2,229,874 in the year under review as the cost of fuel and hire charges.
- (b) Ten officers of the Bureau had been deployed in the services of the Ministry and other Institutions of the Government and sums of Rs.5,425,814 as salaries and Rs.2,527,220 had been paid during the period 2013 to June 2014.



4.7 Uneconomic Transactions

Notwithstanding the purchase of a land, one acre in extent situated in the Division of the Divisional Secretariat, Hali Ela for a sum of Rs.20 million and plans made for the construction of a Migrant Resources Centre of 06 storeys at an estimated cost of Rs.594 million, obtaining another land situated in the Division of the Divisional Secretariat, Haputale in the Badulla District on lease basis for 99 years for a sum of Rs.84 million for the construction of a Training Centre was observed as an uneconomic transaction.

4.8 Staff Administration

The particulars of the staff of the Bureau as at 31 December 2013 had been as follows.

- (a) Even though a permanent staff of 892 under 24 posts of the Bureau had been approved as at 31 December 2013, the actual permanent staff had been 821 and 71 vacancies were observed.
- (b) According to the letter No. DMS/E4/46/4/274/1 dated 06 September 2010 of the Department of Management Services granting approval for the proposal for the restructure of the staff, a staff of 892 for 24 posts had been approved for the Bureau. Instead of taking action for filling of vacancies in the approved staff as referred to above, 248, 16 and 03 persons exceeding the approved staff and the vacancies had been deployed under the contract, secondment and assignment bases respectively.
- (c) Twenty two officers had been recruited on contract basis for 09 posts not approved and a sum of Rs.9,069,532 had been paid during the year 2013 as salaries and allowances.

4.9 Utilisation of Motor Vehicles

The following matters were observed.

- (a) The requisite approval had not been obtained for the 13,632.75 litres of fuel valued at Rs.2,204,131 obtained in excess of the specified limits obtained by 18 officers during March to December 2013.



- (b) An Isuzu Trooper Jeep purchased by the Bureau on 12 November 1999 for Rs.2,075,000 had run 174,142 kilometres from November 1999 to about August 2013. The overall repair cost for that period amounted to Rs.6,682,144. As such nearly three times the value of the motor vehicle had been spent on repairs to the motor vehicle.

5. Accountability and Good Governance

5.1 Corporate Plan

Even though the Bureau had prepared a Corporate Plan for the years 2011 to 2015 compliance with paragraphs 5:1:2 of the Public Enterprises Circular No. PED/12 of 02 June 2003, an evaluation of the progress of the achievement of targets, activities not implemented and slow moving had not been carried out and a report on future action had not been prepared. That had not been brought to the notice of the Board of Directors.

5.2 Budgetary Control

The following matters were observed.

- (a) The variances between the estimated expenditure and the actual expenditure of the Bureau ranged between 11 per cent and 629 per cent and as such the budget had not been made use of as an effective instrument of management control.
- (b) The variances between the estimated expenditure and the actual expenditure of the Employees Welfare Fund ranged between 33 per cent to 100 per cent. It was not possible to be satisfied in audit that adequate welfare activities had been done by the Fund.

5.3 Audit and Management Committees

Even though 03 meetings of Audit and Management Committees had been held, it was observed that the decisions taken had not been brought to the notice of the Board of Directors.



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 Bureau from time to time. Special attention is needed in respect of the following areas of systems and controls.

- (a) Accounting
- (b) Motor Vehicles Control
- (c) Income Generated and Services Supplied through Sri Lanka Foreign Missions
- (d) Activities of Foreign Employment Agencies
- (e) Utilisation of Assets

W.P.C.Wickramaratne
Acting Auditor General

Comments and observation of Chairman of the Sri Lanka Bureau of Foreign Employment on the report of the Auditor General on the Consolidated Financial Statements of the Sri Lanka Bureau of Foreign Employment for the year ended 31st December 2013 in terms of section 14(2) (C) of the Finance Act No.38 of 1971.

Report of the Auditor General	Comments of the Chairman
<p>2.2 <u>Comments on Financial Statements</u></p> <p>2.2.1 <u>Consolidated Financial Statements</u></p> <p>The Cabinet of Ministers had considered the Cabinet Memorandum No.96/1019/107/028 dated 18 April 1996 for the establishment of a Subsidiary Company with limited liabilities under the Sri Lanka Bureau of Foreign Employment at the meeting held on 29 May 1996 and approved the establishment of a Subsidiary Company with limited liabilities and a fully paid capital of Rs.5 million. Accordingly, the Sri Lanka Foreign Employment Agency (Private) Company Ltd. with Rs.5 million out of the issued share capital of Rs.5, 000,040 of its total authorized capital of Rs.100 million had been established on 06 October 1996.</p> <p>Any dividends out of the declared dividends of the Subsidiary Company after the year 2009 had not been received and the dividends receivable as at 31 December 2013 amounted to Rs.3, 510,073.</p> <p>2.2.2. <u>Sri Lanka Accounting Standards</u></p> <p>The following observations are made.</p> <ol style="list-style-type: none"> According to the Sri Lanka Accounting Standard No.16, in depreciating property, plant and equipment, the effective life of assets should be estimated in advance annually and the rates of depreciation and the methods of depreciation should be changed. As the rates of depreciation had not been estimated annually, the net value of 21 motor vehicles had been shown as a very low value of Rs.500 in the books. According to the Sri Lanka Accounting Standard No.36, if the assets show an impairment position during a specified period, the book value and the market value of such assets should be compared and if the book value is less than the market value, such difference should be written off. But such comparison of value or adjustments had not been done. 	<p>Dividends have not been declared by the Subsidiary Company for the years 2010, 2011 and 2012.</p> <p>The requests for dividends have been made to the Subsidiary Company by the Bureau.</p> <p>The steps will be taken to revalue and account the value of Motor Vehicles which have been understated.</p> <p>It is noted to make necessary accounting adjustments for impairment of Assets in preparation of Financial Statements in future.</p>

2.2.3 Accounting Deficiencies

The sum of Rs.100 million paid in the year under review to the Samurdhi Authority for opening a fixed deposit had neither been disclosed nor shown as a receivable amount in the final statements.

2.2.4. Unreconciled Control Accounts

According to the financial statements and the schedules furnished therewith differences in 05 assets accounts and 04 liabilities accounts amounting to Rs.850,102 and Rs.56,359,101 respectively were observed. Action had not been taken to identify the differences and settle the accounts.

2.2.5 Unexplained Differences

The following matters were observed.

- a. The Compensation payable Fund as shown in the financial statements amounted to Rs.2,822,502,845 whereas the assets relating to that amounted to Rs.2,678,226,189 and a difference of Rs.144,276,656 between the Fund and the assets was observed.
- b. A difference of Rs.55, 967,407 between the cash balance of Rs.189, 125,330 of the welfare divisions maintained in the Sri Lankan Missions Abroad and the balance amounting to Rs.133, 157,923 shown in the Consolidated Financial Statements was observed. The Bureau had not furnished an explanation for the difference.

2.2.6. Lack of Evidence for Audit

The following evidence had not been furnished to audit.

<u>Item</u>	<u>Value Rs.</u>	<u>Evidence not made available</u>
I. Deposit for Korean Ticket Fees	134,541,914	} Schedules and Register for Confirmation
II. Deposit for Korean Visa Fees	31,707,119	
III. Loans granted for Korean Technical Training	4,563,693	
IV. Re-entry Korean Charges	514,888	
V. Pre-paid License Fees	13,551,066	
VI. Air Travel Ticket Fees Receivable	787,274	

The fixed deposit of Rs.100 Million has been shown as an investment of the Bureau in Financial Statements.

The actions are being taken to identify these differences and to make necessary accounting adjustments.

It has been identified that the reason for this difference is crediting of the interest received for investment made out of Kuwait Compensation funds to the Bureau Accounts by the Banks directly.

Accounting adjustments for the correction of the difference of Rs.51,197,787.99 have been made in Year 2014. Actions are being taken to identify the balance and to make necessary accounting entries.

Actions are being taken to submit these schedules.

2.3. Accounts Receivable and Payable

The following matters were observed.

- a. Out of the Labour Contract Agreement Fees amounting to Rs.2,622,815,725 collected by the Welfare Divisions of the Foreign Missions from the year 2003 to the end of the year under review and remitted to the Bureau through the General Treasury, a sum of Rs.1,262,267,079 only had been received by the Bureau and a sum of Rs.1,360,548,646 remained receivable.
- b. The Refundable Bid Deposits amounting to Rs.1, 038,205 as at the end of the year under review shown in the financial statements included balances as amounting to Rs.583, 681 older than two years. Action had not been taken to settle those balances.
- c. Out of the Cess amounting to Rs.2,873,500 recoverable as at the end of the year under review from the Foreign Employment Agencies, a sum of Rs.368,750 relating to 120 Agencies had not been recovered even by September 2014.

2.4. Non-compliance with Laws, Rules, Regulations and Management**Decisions**

The following non-compliances were observed.

Non- Compliance

Reference to Laws, Rules,
Regulations and Management
Decisions

Even though the objective is the raising and development of employment opportunities outside Sri Lanka for Sri Lankans, providing specialized training and making arrangement for the security and welfare to the migrant

Though we have made requests regularly, the Treasury has not released these funds. Therefore this money has been shown as amount receivable. A sum of Rs.175.00 million out of this amount has been received in the year 2014. The Treasury has agreed to include a sum of Rs.175 Million to the Budget estimate annually and release it to the Bureau.

Action is being taken to make aware the depositors and take action in future.

The recovery of this money has to be made from the 70% agency claims and there is a recovery problem until they submit their claims to the Bureau. A sum of Rupees 40,000/- has already been recovered out of this amount of Rs.368,750/-. Action is being taken to recover the balance amount of Rs.328,750/-

This program can be introduced as providing stage to the migrant workers for presenting their talents as registered migrant workers as well as the major counterpart of the strengthening of the local economy and as a programme of the advancement of the pride of the migrant workers. This programme had been maintained as a broad propaganda about the services of the Foreign Employment Bureau while telecasting the talent star programme through TV channel in every week.

- a. Sri Lanka Bureau of Foreign Employment Act, No.21 of 1985 Section 15

labour and the members of their families, a sum of Rs.101,613,470 had been spent on the Talent Star Project contrary to the objectives.

b. Payment of Gratuity

Act, No. 12 of 1983

Section 5(1) and 6(2)

Even though a gratuity should be paid to each employee leaving the service after completion of a service of 05 years, within 30 days from the date of termination of service, the payment of gratuities during the year under review to 19 officers whose services had been terminated by the Bureau had been delayed in the ranges of 75 days to 1,654 days.

c. Financial Regulations of the Democratic Socialist Republic of Sri Lanka

i. Financial Regulation 371(2) (c)

Even though advances should be settled immediately after the completion of the relevant purpose, action had not been taken over a period exceeding 09

The Bureau had not made the gratuity payments for the training instructors those who left from service up to year 2012 with the understanding of that they were not entitled for gratuity since their payments were made on hourly basis.

A complaint was made to the Colombo East District Labour office by training instructors left employment claiming gratuity. After investigating the matter, Labour Department directed to pay her gratuity and was made accordingly. Since the gratuity payments were claimed by other training instructors who left employment, the gratuity payments were made for them subsequently.

Since the officers who obtained these advances vacated their posts, the Bureau was unable to settle these advances. However legal actions have been taken to make them settle these advances.

	<p>Years to settle advances amounting to Rs.238,183 obtained in 18 instances.</p>	
<p>ii. Financial Regulation 395 (c)</p>	<p>Even though the bank reconciliation of the transactions at the end of each month should be prepared before the fifteenth day of the month following, 32 Bank Reconciliation Statements relating to 15 Bank current Accounts of the Labour Welfare Divisions of the Bureau maintained in Sri Lanka Foreign Missions had been prepared and presented after delays ranging from one month to three months.</p>	<p>The responsibilities are levied on the officer to prepare all bank reconciliations before 15th day of the following month. The receiving of bank reconciliations are getting delayed due to the fact that the mission staff has to send this document through the Ministry of Foreign Affairs by post. However suitable action will be taken to avoid this in the future.</p>
<p>iii. Financial Regulation 756</p>	<p>Twelve Labour Welfare Divisions of the Bureau maintained in Sri Lanka Missions Abroad had not conducted Boards of survey as at the end of the year under review and furnished reports to audit</p>	<p>All the Missions were instructed to conduct Board of Surveys and send the reports. The file containing the Board of Survey reports were handed over to the Audit on 30.07.2014. The steps will be taken to conduct Board of Survey of all labour sections of Missions.</p>
<p>d. Public Administration Circular No.41/90 of 10 October 1990</p> <p>Paragraph 2.11</p>	<p>Even though fuel consumption of motor vehicles should be tested once in every 06 months, such tests had not been carried out through a sum of Rs.27,333,369 had been spent on fuel for 117 motor vehicles.</p>	<p>It has been planned to carry out relevant test in future.</p>

e. Procurement Guidelines of 25

January 2006

i. Section 5.4.12

Even though the particulars of payments made to cover the value Added Tax should be brought to the notice of the commissioner General of Inland Revenue with copy to the Auditor General on or before the fifteenth day of the month following the payments, it had not been so done.

The action will be taken to send the reports.

ii. Section 1.2.1

The Bureau had obtained a land belonging to a Private Engineering Services Company on lease basis for 99 years and had paid an advance of Rs.20 million without the procurement entity considering the matters to be ensured through the Procurement Procedure.

This advance had been made to purchase a land for the construction of Training Centre for the workers who leave for Korean jobs and training of male workers, with recommendation of the Ministry of Foreign Employment and Welfare and approval of the Board of Directors.

iii. Procurement Manual Supplement No.19

Even though the approval of the Secretary to the Line Ministry for the repair of motor vehicles costing over Rs.200,000 should be obtained, such approval had not been obtained in connection with 09 instances of repairs during the year under review costing Rs.4,927,672.

These payments were made under the financial authority of the Bureau. Steps will be taken to get the approval of the Secretary of the Line Ministry.

2.5. Transaction not supported by Adequate Authority

A post of Labour Welfare Officer for the Welfare Division of Sri Lankan Mission on Japan had not been approved and salaries amounting to Rs.5,103,405 and allowances amounting to Rs.3,483,992 had been paid in the years 2012 and 2013 for a post not approved. According to the reply of the Bureau, there are no problems for the Sri Lankan labour employed in Japan. That the officers' duty is the promotion of job opportunities in Japan for Sri Lankan labour and the salary and allowances only are paid to the officer due to the welfare work being at the minimum level.

3. Financial Review

3.1 Financial Results

The operation of the Bureau and its Subsidiary Company for the year under review had resulted in a pre-tax surplus of Rs.326, 198,141 as compared with the surplus for the preceding year amounting to Rs.258,895,523, thus indicating an improvement of Rs.67,302,618 or 26 per cent in the financial result for the year under review. The improvement in the income as compared with the preceding year had been the main reason for the improvement.

3.2. Legal Actions Instituted against or/by the Bureau

Fifteen external parties had filed cases against the Bureau as at the end of the year under review and the Bureau had filed one case against an outside party.

4. Operating Review

4.1 Performance

The following matters were observed.

- a. Training of migrant labour is being done by 11 private Training Centers in addition to 18 Regional Centers of the Bureau. It was observed that an adequate supervision and administration had not been done in relation to the training conducted and the services provided to the trainees by the private Training Centers.

The necessity of labour officer for the Sri Lankan Embassy in Japan for the promotion of employment opportunities for Sri Lankans was informed to the Board of Directors in 2009. Accordingly the approval of the Board was obtained to appoint Mr. Channa Abeynayake as a labour Welfare officer under the Board papers 36/2009 at the Board Meeting held on 07.07.2009 and he has been appointed under this above approval.

The parties who disagreed with the decision taken by the SLBFE in implementation of the provisions of the Bureau Act and staff members who were not satisfied with the disciplinary action on various irregularities have filed these cases against the Bureau. The legal division of the SLBFE has taken necessary action on account of these cases.

The permission for the opening of training centres was granted subject to the approval of the Board and no permissions were granted for starting training programmes without approval of the training division. Also the instructors for such training centres are provided by the training division of the Bureau. The Manager and assistant Manager of the training division supervise these centres and their reports are submitted to the top management.

- b. According to the Action plan for the year under review, there were 13 activities which had not been carried out all while the performance of 25 activities had been at a weak level.

4.2. Management Inefficiencies

The following matters were observed.

- a. An officer of the Bureau dismissed from service after conducting a formal disciplinary inquiry had been reinstated in service disregarding the disciplinary orders. The reinstatement in service had been cancelled in 12 February 2014 and a sum of Rs.152, 960 had been paid as salary and allowances for the period from July 2013 to January 2014.
- b. Even through officers of the Bureau who obtain more than 10 days of no-pay leave during a year are not entitled to bonus, contrary to that, a system Analyst of the Bureau who had obtained no-pay leave from 24 December 2007 had been paid bonus amounting to Rs.51,875 through he had obtained 11 ½ days of no-pay leave in the year 2007. The Bureau had failed to recover the money from the officer even by 12 May 2014, the date of audit.
- c. The penalty of Rs.866,828 recoverable from the above mentioned Systems Analyst in terms of the agreement entered into between the Bureau and the officer for the failure to fulfill the minimum period of service due to the no-pay leave obtained by the officer in several instances, had not been recovered even up to 12 May 2014.
- d. The deposits made with the Bureau by the Agencies during the year under review and a period of 05 years for the settlement of complaints/disputes of the migrants as at the end of the year under review totaled Rs.17,465,688. Action had not been taken even by September 2014 for the settlement of the unsettled amounts of the deposits.
- e. The Bureau had maintained a provident Fund Scheme for the migrant labour from the year 1989 to the year 1996 and out of the contributions paid by the migrants 60 per cent had been deposited in the Employees Trust Fund Board in the name of the migrant labour and the balance had been retained by the Bureau. The sum retained by the Bureau as at the end of the year under review amounted to Rs.6, 110,128. The Provident Fund Scheme is dormant at present, and the Bureau retains the above money belonging to 1,620 migrants without being released to them.

Action are being taken to upgrade the performance to optimum level after reviewing of these matters .

The order of the reinstatement of Mr.A.G.Niriella was cancelled with effect from 12.02.2014 according to the instructions given by the Secretary of the Ministry of foreign Employment Promotion & Welfare by his letter No. MFE/ADM/3/5/8 dated 29.01.2014 (section 7(a) of the letter)

It was revealed that the officer concerned is employed in Kuwait and he has been informed to pay back this money. If he failed to do so the action will be taken to recover the money from his gratuity payment and take legal action to recover the balance amount.

Legal action are being taken to recover this money.

Action are being to pay these monies to the relevant complainants. A sum of Rs. 6,160,507 out of this has been settled at present.

This monies have been kept in a separate deposit account and their dues are released according to the request made by the relevant migrant workers. And also interest on their balance is credited by the Bureau. It has been decided to make the refund of money after informing them in writing .

<p>f. The Bureau had not introduced a formal course of action for making payments to the migrants concerned the balance of Rs.2,822,502,845 remaining out of the money received from the United Nation Compensation Commission for the payment of compensation for the distress caused to the Sri Lankans employed in Kuwait resulting from the invasion of Kuwait by Iraq in the year 1990.</p> <p>g. A sum of Rs.3, 474,174 out of the money received during the years 2009 to 2013 from the Insurers for the payment of insurance indemnity had been shown as creditors in the financial statements without taking actions to pay the migrant workers concerned.</p>	<p>A sum of Rupees 3,946,009,100 was earned from the temporary deposits made in banks an exchange gain from foreign currencies .The action has been taken to inform the claimant by sending letters and publishing notices in news papers to submit the relevant documents to prove their identity. However it has been taken suitable action in this regard .</p> <p>The relevant claimants were informed to get their monies by sending letters to them and through Newspaper notices. The suitable solutions will be taken on this matter as early as possible.</p>
<p>4.3. <u>Operating Inefficiencies</u></p> <p>The following matters were observed.</p> <p>a. Even through a sum of Rs.1, 210,968 deposited by the Bureau had been shown as a receivable in the financial statements; no follow-up action whatsoever had been taken for the recovery of that amount.</p> <p>b. According to the financial statements of the Sri Lanka Foreign Employment Agency, out of the death compensation amounting to Rs.9, 813,000 payable concerning 32 migrants, money for the payment of compensation relating to 11 migrants amounting to Rs.3, 465,000 had been received. Even through a period of one year had elapsed by 12 September 2014, the date of audit; the Bureau had not taken action to release the money to the dependents.</p> <p>c. The register of Motor Vehicle Loans had not been updated and the following matters were observed during the course of a test check.</p> <ul style="list-style-type: none"> • Motor Vehicle loans amounting to Rs.1,049,000 paid to three officers had not been entered in the Register of Motor Vehicle Loans • The loan balance of an officer amounting to Rs.372, 000 had been shown as Rs.87,360 in the register of Motor Vehicle Loans due to the failure to record the new loans granted and the installments recovered. <p>d. Action had not been taken for the recovery of festival advances, urgent, distress and motor vehicle loans amounting to Rs.5, 625,164 obtained by 38 officers and the interest thereon amounting to</p>	<p>These deposits have been made as the guarantees for the various services obtained by the Bureau . The action are being taken to recover monies recoverable after reviewing.</p> <p>There is no condition in agreement signed between the Bureau and Sri Lanka Foreign Employment Agency to recover this money and compensation payments were made to the claimants according to the MOU between both parties.</p> <p>After discussion made on 05.07.2014 with the management the attention was made to release the cheques to the claimants immediately. The Sri Lanka Foreign Employment Agency agreed to release the payments due to claimants from 05.07.2014 immediately.</p> <p>The Register for vehicle loan is updated by now.</p> <p>This has been corrected by now.</p> <p>This has now been corrected .</p> <p>The actions are being taken to recover the outstanding loans from the guarantors provided. The details of outstanding loans have been furnished to the Legal Division to take recovery action.</p>

Rs.512,009.

- e. It was observed that the advances amounting to Rs.3, 184,340 had been granted to an officer in 09 instances despite the non-settlement of the previously obtained advances.

4.4. Underutilized Assets

The following observations are made.

- a. A stock of 200 mosquito nets for 100 bunk beds had been ordered and obtained for the Tangalle Training Centre. As one mosquito net is adequate for one bunk bed and as such 100 mosquito nets valued at Rs.245, 000 remained in the stores without being used, due to ordering for 100 mosquito nets exceeding the required quantity.
- b. The Bureau had received the approval of the Cabinet of Ministers for the establishment of Training Centers by the Bureau covering all the Districts. Even though a sum of Rs.57, 272,816 had been spent in the years 2007 to July 2013 for the establishment of Migrant Resources Centers at Kataragama, Ratnapura, Haliela, Homagama and Dambulla, the work of those construction projects had not been completed even by the end of the year under review. As such the Centers could not be made use of for the purpose.

Since the projects related to these advances were handled by the officer concerned the Bureau has released the advances to him. He has informed that due to heavy workload the settlement of advance was getting delayed. However the action is being taken to avoid such situations.

The Manager Training (Domestic) was ordered this mosquito nets for the use of Tangalle training centre according to its requirement. Action is being taken by the Training division to provide 100nos mosquito nets out of that to other Training centres.

Kataragama Migrant Resource Centre – The plan has already been prepared to construct the building and soil investigation has also been made. Tender documents have been prepared and submitted to the Secretary of the Ministry. The agreement prepared by the consultancy firm to sign with them has been submitted to the SLBFE on 18.07.2014 and 31.07.2014 it has been signed.

Rathnapura Migrant Resource Centre – The contract was awarded to the M/S Link Engineering on 18.07.2014 and laid foundation stone on 21.08.2014. The construction of this centre is in progress.

Haliela Migrant Resource Centre - The approval of the Cabinet for the construction of the centre has been received. The contract was awarded to the RN Construction (Pvt)Ltd on 09.10.2014. The construction is in progress.

Homagama Migrant Resource Centre - The soil investigations required to start the construction works have been made and the building department was assigned with the preparation of lands. Re-demarcation of boundaries was made on 24.11.2014 and fencing works in progress.

Dambulla Migrant Resource Centre – When a cabinet paper was submitted for awarding contract for the construction of Dambulla MRC, since there was a vast gap between the prices of the lowest and second lowest bidders, Cabinet decided to re tender it has been decided to start and complete the construction early as possible.

4.5 Identified Losses

The following matters were observed.

- a. Action had not been taken to set off the input tax amounting to Rs.23,430,210 included in the sum of Rs.218,681,760 paid as the insurance premiums to the National insurance premium to the National Insurance Trust Fund and the Sri Lanka Foreign Employment Agency during the years 2011 and 2012 ,in the computation of the tax.
- b. A sum of Rs.822, 894 had not been recovered in the registration of 146 migrants by the Airport Unit during the years 2008 to 2011.
- c. A sum of Rs.12, 260 deposited in a Bank Account as registration fees in the tear 2007 and remaining without being release had been written of on a decision of the Board of Directors without conducting a formal inquiry.
- d. The Sri Lanka Foreign Employment Agency had paid a surcharge of Rs.5, 986 due to the failure to pay the contribution to the employees trust found in respect of January and April 2009 September 2010 and February 2013 on the due dates.

4.6.Resources of the Bureau given to other Government Institutions

The following matters were observed.

- a. Three motor vehicles belonging to the Bureau and obtained on hire basis had been used by the relevant Ministry and other Government Institutions contrary to Section 8.3.9 of the Public Enterprises Circular No.PED/12 of 02 June 2003.The Bureau had paid a sum of Rs.2,229,874 in the year under review as the cost of fuel and hire charges.
- b. Ten officers of the bureau had been deployed in the services of the Ministry and other Institutions of the Government and sums of Rs.5, 425,814 as salaries and Rs.2, 527,220 had been paid during the period 2013 to June 2014.

The internal control systems have been strengthened to avoid this type of incidence in future.

The letters under registered cover have been sent to the relevant migrant employees to recover this money and action is being taken to recover this money by calling explanation from the responsible officers who were assigned with the duties at that time. Action has been taken to avoid such situations in future.

Since this is an accounting error the action is being taken to correct this according to the Board decision.

The instruction was given the agency not to repeat such situations in future.

The transport facilities have been provided by using vehicles obtained on rental basis for the use of officers who were assigned with the duties within the scope of the Bureau.

The welfare and protection programmes are implemented by the Bureau to uplift the Social & Economic development of migrant workers and their family members. Policy decision on such programmes were taken by the Ministry of Foreign Employment Promotion and Welfare as the line Ministry. Accordingly Rataviru Piyasa Housing scheme, empowerment of Rataviru organization creation of training programmes, improvement of the quality of

4.7 Uneconomic Transactions

Notwithstanding the purchase of a land, one acre in extent situated in the Division of the Divisional Secretariat, Hali Ela for a sum of Rs.20 million and plans made for the construction of a Migrant Resources Centre of 06 storeys at an estimated cost of Rs.594 million, obtaining another land situated in the Division of the Divisional Secretariat, Haputhale in the Badulla District on lease basis for 99 years for a sum of Rs.84 million for the construction of a Training Centre was observed as an uneconomic transaction.

4.8. Staff Administration

The particulars of the staff of the Bureau as at 31 December 2013 had been as follows.

- a. Even though a permanent staff of 892 under 24 posts of the Bureau had been approved as at 31 December 2013, the actual permanent staff had been 821 and 71 vacancies were observed.
- b. According to the letter No.DMS/E4/46/4/274/1 dated 06 September 2010 of the Department of Management Services granting approval for the proposal for the restructure of the staff, a staff of 892 for 24 posts had been approved for the Bureau. Instead of taking action for filling of vacancies in the approved staff as referred to above, 248, 16 and 03 persons exceeding the approved staff and the vacancies had been deployed under the contract, secondment and assignment bases respectively.

present training courses, the SLBFE had to work with the line Ministry and other Ministries who under take the community base activities. Therefore SLBFE had released its officers to the line ministry and other institutions since they attach to the programmes targeted for migrant employees community.

The Migrant Resources centre under construction at Haliela Divisional Secretary Division Badulla was designed for providing of office and other training for Middle Eastern countries. Since the female hostels and female training classes in the same place could created the problems when male training classes and male hostels were in same premises, Therefore action were been taken to acquire a land in extent of 6 acres 3 rudes and 20.6 perch situated at Kahagolla for the purpose of holding 5 days male training programmes, Korean training programmes and providing circuit bungalow facilities.

The recruitment of the staff on contract basis have been made due to expansion of activities of the Bureau and lack of staff required to implement new programmes introduced for the migrant employees without disturbances.

The staff of the clerical and equal grades was recruited for following activities on contract basis according to the approval granted by the Board of Directors at their meeting held on 14/12/2013 pending approval of the Management services Department of the Treasury to enable the Bureau to maintain its activities without any disturbances.

- Work with Rataviru origination, the main social network of the migrant community.
- Decentralization of the activities of Bureau.
- The advancement of NVQ certificate awarded for migrant employees up to Level 3
- Activities of the training of migrant workers.
- Establishment of Air Port unit at Mattala.
- Obtaining of ISO 9001-2008 certificate by the Bureau.
- Decentralization of conciliation works
- Decentralization of the signing contract agreements
- Duties at the labor welfare sections in Embassies
- Coordination of the works of Development officers
- Increase of the Drivers due to expansion of the activities of the Bureau

- c. Twenty two officers had been recruited on contract basis for 09 posts not approved and a sum of Rs.9,069,532 had been paid during the year 2013 as salaries and allowances.

4.9 Utilization of Motor Vehicles

The following matters were observed.

- a. The requisite approval had not been obtained for the 13,632.75 liters of fuel valued at Rs.2, 204,131 obtained in excess of the specified limits obtained by 18 officers during March to December 2013.
- b. An Isuzu Trooper Jeep purchased by the Bureau on 12 November 1999 for Rs.2,075,000 had run 174,142 kilometers from November 1999 to about August 2013. The overall repair cost for that period amounted to Rs.6,682,144. As such nearly three times the value of the motor vehicle had been spent on repairs to the motor vehicle.

5. Accountability and Good Governance

5.1. Corporate Plan

Even though the Bureau had prepared a Corporate Plan for the years 2011 to 2015 compliance with paragraphs 5:1:2 of the Public Enterprises Circular No.PED/12 of 02 June 2003, an evaluation of the

- Works to be done for Special assignments of the Bureau
- Recruitment of translators for Arabic Language
- Recruitment of instructors for training of trainers
- Establishment of ticketing unit for the purchase of air ticket under concessionary prices
- Recruitment of public relation officer and confidential secretary to the Chairman's Division
- Establishment of E-Foreign Employment project
- Post of Consultant

It has been disclosed by the Divisional Managers continuously at the Progress Review Meeting that lack of sufficient staff has been arisen to cover the official work load by the existing staff due to expanding the purview of the subjects of SLBFE and new division have been established in additions accordingly. Hence a report has been submitted to Department of Management Service through Ministry of Foreign Employment after conducting of works study with a view to carry out the SLBFE without any failure. It is scheduled to receive the approval of Department of Management Services for carder expansion according to the work study report by the SLBFE.

The additional Fuel allocation obtained for the essential official travels with the approval of the Chairman or General Manager have been referred to the Secretary of the Ministry for the approval as per the Board paper No. 90/2013 (M-7)

Action are being taken to dispose the vehicles which incurred high repairing cost.

The Sri Lanka Bureau of Foreign Employment discharge its duties and supervise them by preparation of a Corporate Plan (2011-2015) for a period of 4 years with an annual plan (2013) for a year. The Bureau of Foreign Employment has an exposure to a changing state of Social, Economic

progress of the achievement of targets, activities not implemented and slow moving had not been carried out and a report on future action had not been prepared. That had not been brought to the notice of the Board of Directors.

Political and climate factors very often. In such circumstances the SLBFE has also to take different decisions and activities to avoid to impact of such factors against the protection and Welfare of Migrant Workers specially.

As the number of recruitment of female Sri Lankan employees exceeded that of males, It was necessary to review regularly the progress of activities scheduled under annual action plan. Therefore progress review meetings have been held to review in quarterly basis during the year to review the activities of the previous quarter. By this meeting it was also reviewed the progress in comparison with the progress of previous year relevant to the respective quarter in participation of the management. Therefore special attention was drawn to the targets which could be achieved within the relevant quarter. Based on such reason annual action plan was amended considering the balance half year and action was taken to obtained Board approval for such amendments. Having considering all this facts the action plan for the next year would be prepared accordingly.

Accordingly annual action plan was prepared for implementation of the activities mentioned in the Corporate plan. In the year 2013 it was enabled to increase the total number of male Sri Lankan employees up to 293105 as a percentage of 62.48 at a high rate and to decrease female percentage of 37.52 of a low rate simultaneously, to reduce the social cost, to increase the remittance of year 2013 by this review and regular attention drawn by the progress review for the abovementioned results.

5.2. Budgetary Control

The following matters were observed.

- a. The vacancies between the estimated expenditure and the actual expenditure of the Bureau ranged between 11 per cent and 629 per cent and as such the budget had not been made use of as an effective instrument of management control.
- b. The vacancies between the estimated expenditure and the actual expenditure of the Employees Welfare Fund ranged between 33 per cent to 100 per cent. It was not possible to be satisfied in audit the adequate welfare activities had not been done by the Fund.

Maximum efforts have been taken for the budgetary control as an effective management tool and it has been observed that such deviations were mainly due to expenditure made on special approvals obtained for special requirements.

The inadequate demand for the welfare programmers which designed under welfare fund can be treated as the reasons for this situation.

5.3. Audit and Management Committees

Even though 03 meetings of Audit and Management Committees had been held, it was observed that the decisions taken had not been brought to the notice of the board of Directors.

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 Bureau from time to time. Special attention is needed in respect of the following areas of systems and controls.

- a. Accounting
- b. Motor Vehicles Control
- c. Income Generated and Service Supplied through Sri Lanka Foreign Missions
- d. Activities of Foreign Employment Agencies
- e. Utilization of Assets

The Audit and Management committee meeting for the year 2014 to be held in December 2014. Report of the Audit and Management committee was submitted at the Board meeting held on 11.12.2014 for its consideration.

It has been noted to drawn special attention for these subject arrears and action is being taken to avoid the weakness in these arrears.