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# வருடாந்திர அறிக்கை - 2017
# ANNUAL REPORT - 2017

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நீர்ப்பாசன, நீர் வளச் முகாமைத்துவ அமைச்சு
MINISTRY OF IRRIGATION & WATER RESOURCES MANAGEMENT

## ජල සම්පත් මණ්ඩලය
## நீர் வளச் சபை
## WATER RESOURCES BOARD

# ANNUAL REPORT
# 2017

Water Resources Board

Ministry of Irrigation & Water Resources Management

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# INTRODUCTION

The water resources board was established in 1966 under the Act No. 29 of 1964, as an advisory body to the Minister on all matters concerning the control and utilization of the Water Resources in Sri Lanka

In 1978, Groundwater Division of the Irrigation Department was transferred to the Water Resources Board and functions of the Board were expanded and commenced the implementation activities.

The Water Resources Board Act was amended and passed by the parliament in 1999 to enable the Water Resources Board to pay more emphasis on matters pertaining to Groundwater Resources in Sri Lanka

As per the Gazette notification No. 2010/23 of 16th March 2017, the use of natural water springs or ground water for certain activities or projects should be done under the supervision & direction of the Water Resources Board.

# VISION

Adequate access to clean safe water for all

# MISSION

To advise the government and the people on assessing, conserving, harnessing developing and frugally utilizing particularly the finite groundwater resources in the country working in close collaboration with the rural society, relevant central and local government Department/ Divisions/ Authorities/ Institutions, national and international organizations, and scientific communities here and abroad.

# OBJECTIVES

- Carry out research on groundwater resources of the country.
- Collection of data on groundwater resources and maintain a groundwater data base.
- Carry out hydrogeological surveys.
- Awareness creation on the groundwater related issues.
- Assessment of groundwater resources.
- Implementation of the activities of the board with the coordination of other institutions.
- Groundwater development and management.

# FUNCTIONS

- Interpretation of data on groundwater resources development
- Carry out hydrogeological surveys to detect groundwater resources
- Identification of groundwater potential zones
- Identification of groundwater sources by using geo scientific methods
- Carry out feasibility studies for groundwater resources development
- Analysis of water samples, chemically, bacteriologically and for heavy metals
- Collect and maintain groundwater data and preparation of hydrogeological maps

# Corporate Information

## Name of the Organization
Water Resources Board

## Legal Form
Government owned Statutory Board

## Year of Establishment
1966 by Act of Parliament, No.29 of 1964.

1999, the Act was amended Water Resources Board (Amendment) Act No.42 of 1999.

## Head Office
No.02 A, Hector Kobbekaduwa Mawatha,
Colombo 07
Tel: +94 11 2694835, +94 11 2697050
Fax: +94 11 2669517 (Admin)
Email: helpdesk@wrb.gov.lk
Web:www.wrb.gov.lk

## Line Ministry
Ministry of Irrigation and Water Resources & Disaster Management

## Tax Identification No.
409018017

## VAT Registration No.
409018017 – 7000

## Bankers
Bank of Ceylon
National Savings Bank

## Income Tax Consultants
ARS Associates
(Chartered Accountants)

## Auditors
Auditor General's Department
Chief Internal Auditor (Ministry of Irrigation and Water Resources & Disaster Management)
Internal Auditor (Water Resources Board)

## Board of Directors
Eng. A.C.M.Zulfikar - Chairman
Mr.S.P.Wikkramaarachchi - Working Director
Mr.S.Sathish Kumar - Director
Mr.R.M.C.Ratnayake - Director
Mr.T.H.Ashoka De Mel - Director
Mrs.J.K.N.Samanmalee - Treasury Representative

## Senior Executive Officers
Mr. R.S.Wijesekera
**General Manager**
Mr. G.R.R. Karunaratne
**D.G.M (Research & Development)**
Mr P.P.S.R.K. Pathirana
**D.G.M (Operation)**
Mr. M.A. Pushpakumara
**D.G.M. (HR & F)**
Mr. A.B.M. Chandrasiri
**Assistant General Manager (Finance)**
Mr. M.J. Deshapriya
**Assistant General Manager (Engineering)**
Mr.R.M.S.Rathnayaka
**Assistant General Manager(Hydrogeology)**

# Corporate Governance

## Key Players

| | | |
|---|---|---|
| i Eng. A.C.M.Zulfikar | - | Chairman |
| ii Mr. S.P.Wikkramaarachchi | - | Working Director |
| iii Mr.S.Sathish Kumar | - | Director |
| iv Mr.R.M.C.Ratnayake | - | Director |
| v Mr.T.H.Ashoka De Mel | - | Director |
| vi Mrs.J.K.N.Samanmalee | - | Treasury Representative |

### Board Meetings

Five (05) Board meetings were held in the year under review.

## Audit and Management Committee

| | | | |
|---|---|---|---|
| i | Mrs.J.K.N.Samanmalee | - Chairman | - Treasury Representative |
| ii | Mr. S.P.Wikkramaarachchi | - Member | - Working Director |
| iii | Mr.T.W.M.P.I.Indika Bandara | - Member | - Director |
| iv | Mr.R.M.C.Ratnayake | - Member | - Director |
| v | Mr.T.H.Ashoka De Mel | - Member | - Director |
| vi | Mr. R.S. Wijesekera | - Secretary | - General Manager |

### Audit and Management Committee Meetings

Four (04) audit and management committee meetings were held during the year 2017.

## Senior Executive Officers – year 2017

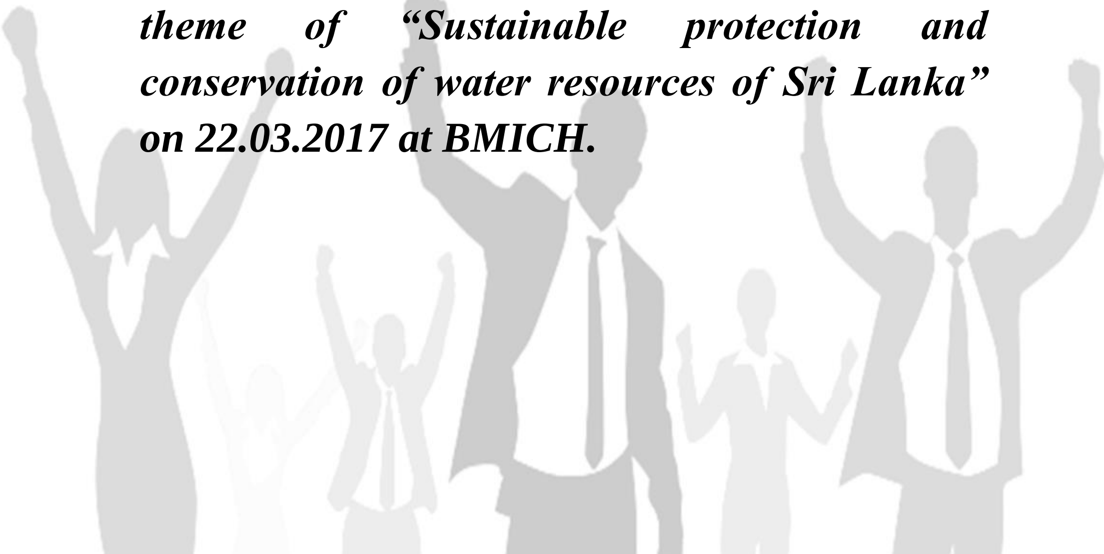
| | | |
|---|---|---|
| i. Mr. R.S.Wijesekera | - | General Manager |
| ii. Mr. G.R.R. Karunaratne | - | D.G.M (Research & Development) |
| iii. Mr P.P.S.R.K. Pathirana | - | D.G.M (Operation) |
| iv. Mr. M.A. Pushpakumara | - | D.G.M. (HR & F) |
| v. Mr. A.B.M. Chandrasiri | - | Assistant General Manager (Finance) |
| vi. Mr. M.J. Deshapriya | - | Assistant General Manager (Engineering) |
| vii.Mr.R.M.S.Rathnayaka | - | Assistant General Manager (Hydrogeology) |

# Highlights of the Year

- ***Enhancing the power of WRB by the Gazette published on 16.03.2017***

- ***Launching official web site of WRB Laboratory (www.wrblabs.lk)***

- ***World water day celebration 2017 under the theme of "Sustainable protection and conservation of water resources of Sri Lanka" on 22.03.2017 at BMICH.***



# Divisional Structure of the Organization with Staff (As at 31.12.2017)

Water Resources Board

## Head Office Divisions/Units

| | Staff |
|---|---|
| Hydrogeology | 20 |
| Drilling | 08 |
| Emergency Operation Unit | 03 |
| Laboratory | 05 |
| Operation | 10 |
| Administration | 15 |
| Finance | 11 |
| Transport | 18 |
| Procurement | 06 |
| Maintenance | 08 |
| Internal Audit | 03 |
| | **107** |

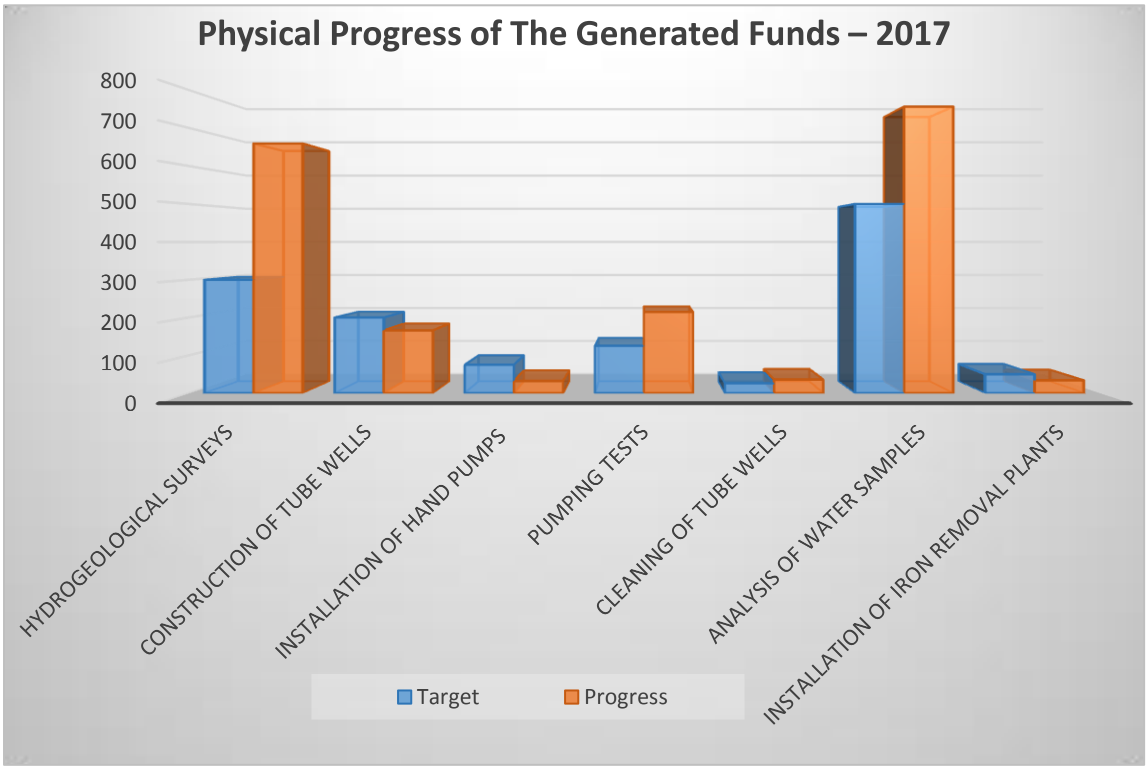
## Regional Office

| | | Staff |
|---|---|---|
| Rathmalana | Office | 29 |
| | Stores | 05 |
| | Drilling Units | 38 |
| Puttalam | Office | 18 |
| | Laboratory | 01 |
| | Drilling Units | 06 |
| Anuradhapura | Office | 19 |
| | Laboratory | 02 |
| | Drilling Units | 06 |
| Jaffna | Office | 06 |
| | Laboratory | - |
| | Drilling Units | 07 |
| Monaragala | Office | 14 |
| | Drilling Units | 09 |
| | | **160** |

# Physical & Financial Progress of the Year

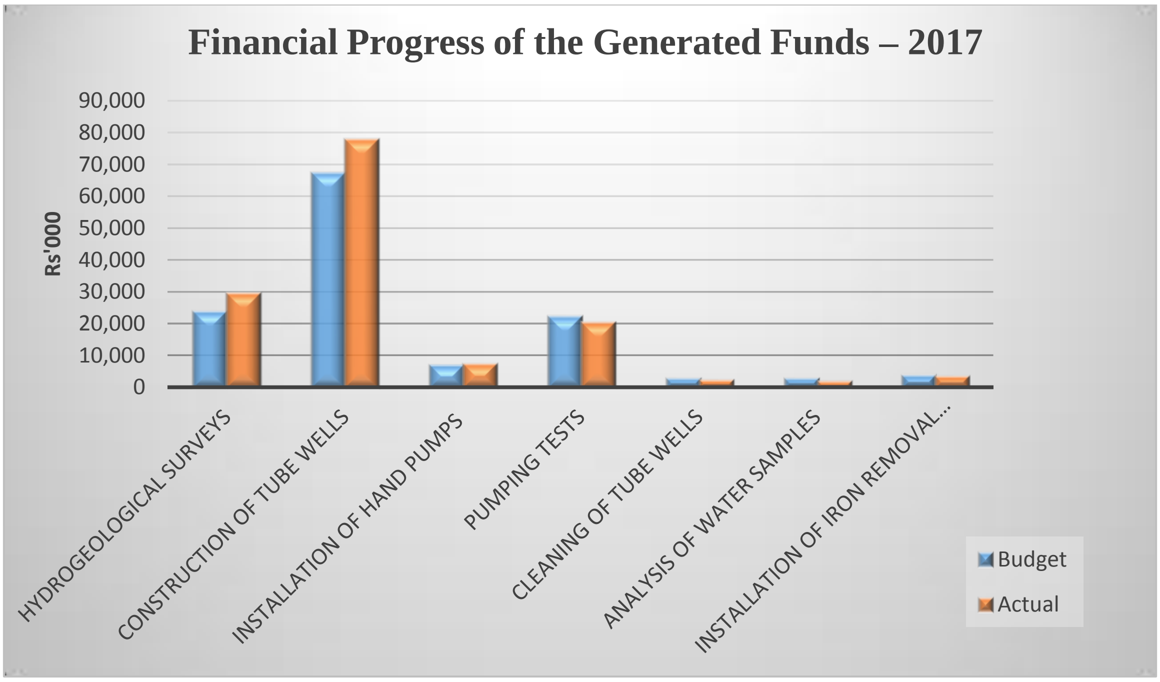
## Physical Progress of the Generated Funds – 2017

| Activity | Cumulative Physical Target up to December (Qty/Nos) | Cumulative Physical Progress up to December (Qty/Nos) |
|---|---|---|
| **Conducting of Hydrogeological Surveys** | 300 | 659 |
| **Construction of Tube Wells** | 200 | 166 |
| **Installation of Hand Pumps** | 75 | 32 |
| **Conducting of Pumping Tests** | 125 | 215 |
| **Cleaning of Tube Wells** | 26 | 36 |
| **Analysis of Water Samples** | 500 | 756 |
| **Installation of Iron Removal Plants** | 50 | 34 |



## Financial Progress of the Generated Funds – 2017

| Activity | Budget Rs'000 | Actual Rs'000 |
|---|---|---|
| **Conducting of Hydrogeological Surveys** | 24,000 | 29,819 |
| **Construction of Tube Wells** | 67,500 | 78,059 |
| **Installation of Hand Pumps** | 7,200 | 7,666 |
| **Conducting of Pumping Tests** | 22,500 | 20,677 |
| **Cleaning of Tube Wells** | 3,000 | 2,488 |
| **Analysis of Water Samples** | 3,000 | 2,055 |
| **Installation of Iron Removal Plants** | 4,000 | 3,724 |



# Cadre Information as at 31st December 2017

| Salary Scale | Approved Cadre | Existing Cadre |
|---|---|---|
| | Permanent | Permanent |
| HM | 11 | 11 |
| MM | 47 | 27 |
| JM | 27 | 16 |
| MA | 92 | 47 |
| PL | 236 | 169 |
| Total | 413 | 270 |

# Cadre Information as at 31st December 2017

| Designation | Salary Scale | Approved cadre | Existing cadre | Vacancies to be filled |
|---|---|---|---|---|
| General Manager | HM | 1 | 1 | |
| Dy. General Manager | HM | 3 | 3 | |
| Asst. General Manager | HM | 7 | 7 | |
| Provincial Manager | MM | 5 | 5 | |
| Hydro Geologist/Snr Hydro Geologist | MM | 23 | 15 | 8 |
| Engineer (Mechanical) | MM | 1 | 1 | |
| Engineer (Civil) | MM | 2 | | 2 |
| Chemist | MM | 7 | 4 | 3 |
| Manager (Drilling) | MM | 3 | | 3 |
| Internal Auditor | MM | 1 | | 1 |
| Accountant | MM | 1 | 1 | |
| Manager (Administration) | MM | 1 | | 1 |
| Manager (Procurement) | MM | 1 | 1 | |
| Legal Officer | MM | 1 | | 1 |
| Senior Water Analyst | JM 1-1 | 1 | 1 | |
| PA to Chairman | JM 1-1 | 1 | 1 | |
| PA to General Manager | JM 1-1 | 1 | 1 | |
| Administrative officer | JM 1-1 | 2 | 2 | |
| Accounts officer | JM 1-1 | 1 | 1 | |
| Transport/Logistic Officer | JM 1-1 | 1 | | 1 |
| Environmental Officer | JM 1-1 | 1 | | 1 |
| Audit Officer | JM 1-1 | 1 | | 1 |
| Librarian | JM 1-1 | 1 | | 1 |
| IT Officer | JM 1-1 | 1 | 1 | |
| Engineering Asst (Civil) | JM 1-1 | 4 | 4 | |
| Engineering Asst (Mechanical) | JM 1-1 | 2 | | 2 |
| Stores Superintendent | JM 1-1 | 1 | 1 | 0 |
| Procurement Officer | JM 1-1 | 1 | | 1 |
| Drilling Superintendent | JM 1-1 | 6 | 3 | 3 |
| Progress Monitoring Officer | JM 1-1 | 1 | | 1 |
| Drawing Office Asst. | JM 1-1 | 1 | 1 | |
| Technical Asst (Civil) | MA 2-2 | 7 | 1 | 6 |
| Technical Asst (Mechanical) | MA 2-2 | 6 | | 6 |
| Asst. Drilling Superintendent | MA 2-2 | 14 | 10 | 4 |
| Draughtsman | MA 2-2 | 4 | | 4 |
| Water Analyst | MA 2-2 | 10 | 1 | 9 |
| Work Supervisor | MA 2-2 | 2 | | 2 |
| Workshop Supervisor | MA 2-2 | 2 | | 2 |
| System Operator | MA 2-2 | 1 | | 1 |
| Accounts Asst. | MA 2-2 | 2 | 2 | |
| Store Keeper | MA 2-2 | 3 | 2 | 1 |
| IT Technician | MA 2-2 | 1 | | 1 |
| Management Asst. | MA 2-1 | 2 | 2 | |
| Management Asst. | MA 1-2 | 37 | 29 | 8 |
| Security Officer/Asst. | MA 1-2 | 1 | | 1 |
| Drilling Mechanic cum Driver | PL 3 | 7 | | 7 |
| Mason | PL 3 | 3 | 1 | 2 |
| Plumber | PL 3 | 4 | | 4 |
| Driver | PL 3 | 50 | 41 | 9 |
| Welder / Fitter | PL 3 | 3 | 2 | 1 |
| Motor Mechanic | PL 3 | 2 | 2 | |
| Latheman/Fitter | PL 3 | 1 | 1 | |
| Electrician | PL 3 | 1 | 1 | |
| Auto Electrician | PL 3 | 1 | | 1 |
| Tinker / Painter | PL 3 | 2 | 1 | 1 |
| Heavy Machinery Mechanic | PL 3 | 2 | | 2 |
| Drilling Machine Operator cum Driver | PL 3 | 7 | 4 | 3 |
| Drilling Helper | PL 2 | 7 | 5 | 2 |
| Maintenance Helper | PL 2 | 3 | 3 | |
| CB Keeper | PL 2 | 1 | 1 | |
| Laboure | PL 1 | 105 | 81 | 24 |
| Office Aide | PL 1 | 23 | 12 | 11 |
| Security Guard | PL 1 | 14 | 14 | |
| **Total** | | **412** | **270** | **142** |

# Major Activities ……….

Construction of Tube Wells

Conducting pumping tests

Conducting geophysical investigations

Analyzing of water samples

# Valuable Assets

## Vehicles, Machinery & Equipment

| Category | Quantity | Value Rs. |
|---|---|---|
| Vehicles | | |
| Double Cabs | 17 Nos | 57,900,000.00 |
| Lorries | 15 Nos | 34,350,000.00 |
| Motor Cars | 02 Nos | 1,900,000.00 |
| Jeeps | 01 No | 400,000.00 |
| Single Cabs | 01 No | 150,000.00 |
| Three Wheelers | 01 No | 225,000.00 |
| **Total** | **37 Nos** | **94,925,000.00** |
| Machinery | | |
| Rig Machines | 16 Nos | 73,000,000.00 |
| Air Compressors (Truck Mounted) | 12 Nos | 81,100,000.00 |
| Pump Units | 03 Nos | 18,800,000.00 |
| **Total** | **31 Nos** | **172,900,000.00** |
| Scientific Equipments | | |
| Resistivity Meters | 10 Nos | 26,531,500.00 |
| DGPS | 01 No | 2,000,000.00 |
| Geophysical Logger | 02 Nos | 14,166,900.00 |
| **Total** | **13 Nos** | **42,698,400.00** |
| Laboratory Equipments | | |
| Atomic Absorption Spectro Unit | 02 No | 3,000,000.00 |
| pH Meter | 15 Nos | 1,092,976.00 |
| Flame Photometer | 03 Nos | 1,930,000.00 |
| **Total** | **13 Nos** | **6,022,976.00** |

# OPERATIONAL ACTIVITIES PERFORMED DURING THE YEAR 2017

All Operational Activities related to the responsibilities and objectives of the Board are mainly conducting by hydrogeological and Operation Divisions

The groundwater development programs and projects undertaken during the year 2017 have been distributed among Hydrogeology, Drilling Divisions and relevant Provincial Offices in different parts of the country. Those activities can be divided in to three categories as follows,

01. Implementation of Groundwater regulations gazettified under special gazette notification number 2010/23 dated 16th March 2017.
02. Conducting of research and studies on Groundwater management purpose of the country. Those studies were formulated under Treasury Grant and funds allocated by the Ministry of Irrigation and Water Resources Management.
03. Conducting of groundwater development activities on the request of public, Government institutions and other organizations on their requirements.

**01. Implementation of Groundwater regulations gazettified under special gazette notification number 2010/23 dated 16th March 2017.**

In order to implement newly introduced groundwater regulations and a special section Emergency Operation Unit has been established at the Colombo Head Office under the direct instructions of Chairman, Water Resources Board. In this context, Water Resources Board has mainly focused to prevent and minimize improper deep well construction in the island wide and build up a detailed database of the constructed deep well distribution in Sri Lanka to utilize as a management tool. In this setup, following activities were completed in year 2017.

01. Registration of private sector deep tube well drilling companies and agreements were made with them to follow up the regulations.
02. Similarly, external Hydrogeologists who are qualified to conduct preliminary groundwater investigations for deep well construction has also been selected and registered in Water Resources Board.

Table: 1 is illustrating the summery of registered deep well construction companies and external Hydrogeologists in year 2017.

**Table 1: Registered drilling companies and external Hydrogeologists**

| **Number of registered private sector deep well drilling companies in year 2017** | **Number of registered external Hydrogeologists in year 2017** |
|---|---|
| 120 | 13 |

**02. Conducting of research and studies on Groundwater management purpose of the country. Those studies were formulated under Treasury Grant and funds allocated by the Ministry of Irrigation and Water Resources Management.**

Following Researches and Groundwater Studies were conducted under funds granted by Treasury and Ministry of Irrigation and water Resources Management.

## 2.1 Treasury Grant Projects

**Table 2: Summary of treasury grant projects in year 2017**

| No | Project Name | Responsibility for Implementation |
|---|---|---|
| 01 | Long term Groundwater monitoring in most sensitive Groundwater Terrains in Sri Lanka (Colombo Negambo sandy aquifer, Puttalm linestome and Kalpitiya sandy aquifer agriculture terreins in Anuradhapura, Vauniya and Kilinochchi districts, Jaffna Peninsula, Kelani river basin) (Rs. 2.5 Mn) | Colombo Head Office |
| 02 | Development of Ground water monitoring network for Jaffna peninsula (Rs. 3.50 Mn) | Jaffna Office |
| 03 | The study on the direct & indirect impacts on the climate changes on the coastal aquifer system of Sri Lanka (Rs. 2.5 Mn) | Colombo Head Office |
| 04 | Water quality study in CKD prevailing areas of Ampara ,Kurunagala,Trincomalee,Hambantota,Badulla,Monaragala and Polonnaruwa districts (Rs. 5.00 Mn) | Anuradhapura, Puttalam, Monaragala Office |
| 05 | Groundwater assessment of Kirindi Oya Basin (Kirindi Oya Project) (Rs. 1.60 Mn) | Monaragala Office |
| 06 | Development of Groundwater for emergency use (Rs. 4.60 Mn) | Colombo Head Office |
| 07 | Rehabilitation of Hand pump tube wells in Dry Zone (Rs. 2.30 Mn) | Colombo Head Office |
| 08 | Conducting of combine inspection with central environmental authority and other government agencies on environmental issues relating to ground water depletion and pollution (Rs. 0.5 Mn) | Colombo Head Office |

Details of the above projects are as follows;

### 2.1.1 Long term ground water monitoring project in groundwater sensitive terrains (LTGM) (Rs. 2.5 Million)

This is an ongoing monitoring project and the study was commenced under the treasury grant to identify the water quality distribution in surface water, shallow and deep groundwater aquifers in different areas. This project is a combined project of 06 numbers of completed projects which have extended for long term groundwater monitoring. At the beginning of the project, test bore holes were constructed with considering different groundwater issues identified in each project areas to establish a monitoring network. The details of constructed test bore holes given in following table.3

**Table 3: Constructed test bore holes under LTGM project**

| S. No. | Project Name | Area | Constructed test wells |
|---|---|---|---|
| 1. | Detailed hydrogeological study on coastal sandy aquifer extended from Colombo to Negombo | Coastal sand belt from Colombo to Negombo | 78 |
| 2. | Identification Suitable Areas for Groundwater Recharge in Puttalam District | Puttalam,kalpitiya area | 14 |
| 3. | Detailed hydrogeological study on Kelani River Basin | Kelani basin | 10 |
| 4. | Identification of hazardous minerals in Anuradhapura district | Anuradhapura District | 32 |
| 5. | Hydrogeological studies in Vauniya and Kilinochchi areas | Vauniya, Kilinochchi | 35 |
| 6. | Hydrogeological study in limestone aquifer system in Mannar district | Mannar | 55 |

The water quality and water level monitoring on the established network was performed quarterly basis including post and pre-monsoon periods for year 2017. Based on the results of the monitoring data, it was decided to continue monitoring works for next five years in order to identify the water level behaviour and water quality changes with increasing industrial development, application of fertilizer in agricultural activities and other natural process of the subsurface lithological formation.

### 2.1.2 Development of Groundwater Monitoring Network for Jaffna Peninsula (Rs. 3.5 Million)

The main objective of this study is to identify the status of groundwater in the selected areas and establish a long-term monitoring network to observe improvements of groundwater with the implementation of mitigation programs and finally to go for the Groundwater model for the region. In addition to the main objective, an identification of the availability of fresh groundwater areas through quality assessment and identification of the influence of agricultural practices, bacteriological pollution and other factors to be affected to the groundwater of the Peninsula. Furthermore, it is expected to interpret the hydro-chemical evolution of groundwater through the limestone aquifer by determining the chemical characteristics and make the recommendations of most relevant controls on the groundwater composition.

Under this project, following works have been completed in Jaffna Peninsula.

**Table 4: Activities performed in Jaffna area.**

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Carry out hydrogeological surveys | 15 |
| 02 | Construction of test bore holes | 15 |
| 03 | Conducting pumping tests | 15 |
| 04 | Levelling of monitoring well points | 15 |
| 05 | Water sampling and well monitoring | 600 |
| 06 | Water quality analysis | 300 |

The analytical results of the water revealed that EC, Salinity, Nitrate, TDS , Chloride and Water level change within the Pre and post monsoonal period. Therefore, it is necessary to continue the monitoring program for next 5 year period to check the water quality variation and water level depletion within the project area.

.

*Figure 2 : Analysis of water sample in the field*

### 2.1.3 The Study on the Direct and Indirect Impacts on the Climate Changes on the Coastal Aquifer System of Sri Lanka (Rs. 2.5 Million)

This is an ongoing project granted by treasury and the Project was started in 2015 to identify water issues related to the climatic changes on coastal aquifer in Western coast and eastern cost of the island. Main Objectives of the project are to identify water quality changes and water level fluctuations with time, identification of sea water fresh water interface, identification of salinity level changes of coastal aquifer and to introduce regular mechanism for optimum use of groundwater.

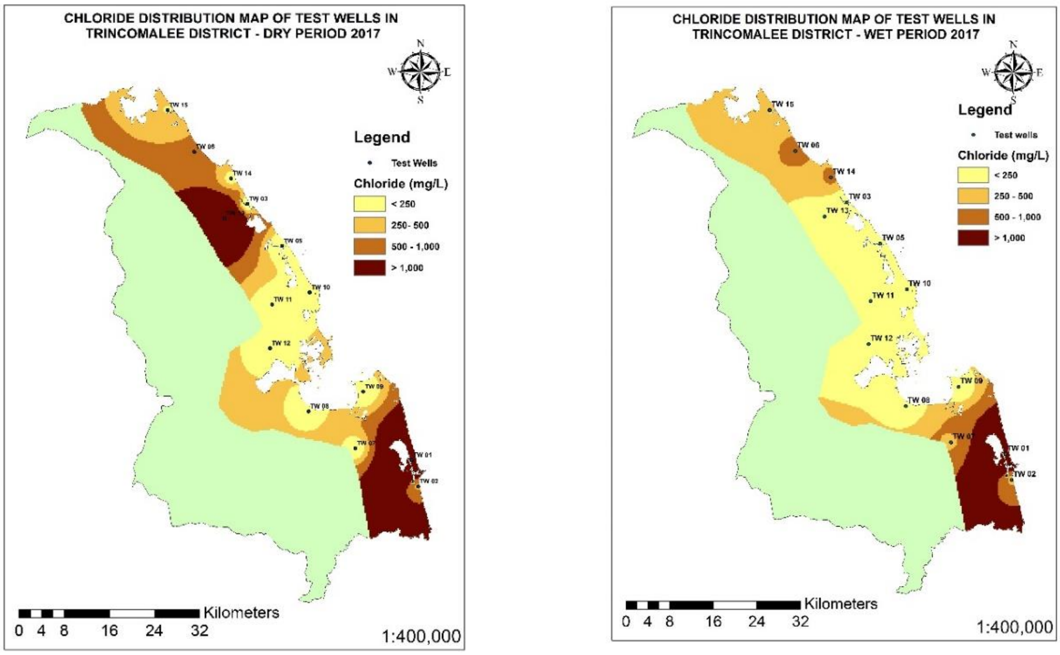
To achieve the objective of this study, 74 nos. of wells (50 nos. of shallow wells and 24 nos. of test wells) were selected to established the monitoring network in the western coastal zone which exist from Colombo to Weligama coastal strip and Trincomalee district on Eastern coastal strip were .

In addition to that, eight (08) test wells were drilled in 2017 in several places in Mullativu district to expand the monitoring area up to Mulativu district in Eastern coastal strip. The yield of the wells is ranging from 30 liter per minute to 750 litter minutes.

Pumping tests were carried out in constructed tube wells in Mulativu district to determine the safe yield that can be extracted from the well without harming to the surrounding environment and also to determine the sea water intrusion by measuring the Electrical conductivity values.

According to analytical results of the monitoring data, Chemical parameters such as Electrical Conductivity, Salinity became higher in dry period but in wet period due to dilution the values of above parameters became lower. Water quality in shallow ground water is bad near to the lagoon. But ground water quality near to the ocean is comparatively good. Water level fluctuation with rainfall pattern and tidal effect will affect to the water quality changes of the aquifer. But identification of tidal effect is difficult.

**Fig 5: Chemical Distribution Maps in eastern coastal strip**




**Recommendations and Future Plans**

- Monitoring chemical parameters of coastal aquifers with climate change.
- Identifying water level fluctuations.
- Determination of chemical parameters such as Salinity, EC, pH and Chloride level fluctuation in the coastal belt of Trincomalee district.
- Identification of areas with sea water intrusions using isotope technique.
- Identification of risk areas and impacts on the coastal sandy aquifer due to expected climate is to be evaluated.
- Identification of possible areas for artificial recharge.

### 2.1.4 Water Quality Study in CKD prevailing areas of Ampara, Kurunegala, Trincomalee, Hambanthota, Badulla, Moneragala and Polonnaruwa districts (Rs. 5.0 Million)

Chronic Kidney Disease (CKD) was initially reported in some parts of Anuradhapura district and recently reported in other areas in the districts of Ampara, Kurunegala, Trincomalee, Hambantota, Polonnaruwa and Badulla. It is believed that the application of agrochemicals and fertilizer in excess amounts would be one of the reasons for the CKD. The hardness and the presence of fluorides in groundwater also considered as some other reasons for CKD. Therefore, Water Resources Board has initiated project in 2014 to monitor the water quality of groundwater in CKD prevailing areas. In the year 2017, study was carried out in Kurunegala, Monaragala, Badulla and Polonnaruwa districts and the details of the activities are as follows;

***Table 06: Details of activities conducted under CKD project***

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Carry out hydrogeological surveys | 20 |
| 02 | Construction of bore holes | 20 |
| 03 | Water sampling and well monitoring | 500 |
| 04 | Water quality analysis | 150 |
| 05 | Water clinics and awareness program | 10 |
| 06 | Installation of handpump tube wells | 20 |

It is revealed that water quality is suitable for drinking purposes and people who are living in CKD affected areas use water for drinking and other day to day activities. However, it is necessary to collect and analyse water (pre and post monsoon period) to see the variation of water quality. Therefore, analysis of EC, Hardness, Fluoride, Chloride , pH are very important in test bore holes in next 5 year period.

### 2.1.5 Groundwater Assessment of Kirindi Oya Basin (Rs. 1.6 Million)

The study was started in 2015 to establish the groundwater monitoring network to monitor the water quality and water level fluctuation in the Kirindi oya basin. Under this project, following works have been completed in year 2017.

***Table 07: Details of activities conducted under Kirindi oya project***

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Carry out hydrogeological surveys | 10 |
| 02 | Construction of bore holes | 10 |
| 03 | Conducting pumping tests | 10 |
| 04 | Levelling of monitoring well points | 35 |
| 05 | Water sampling and well monitoring | 200 |
| 06 | Water quality analysis | 100 |

According to test bore hole results, water is mainly extracted from fractured aquifer formation and water quality is suitable for drinking purpose. Therefore, monitoring of water quality and water level is very important in next five-year period to see variation due to the climatic changes and other natural process of subsurface lithological formation.

### 2.1.6 Development of groundwater resources in the districts of dry zone area by construction of deep wells, pumps and water filter installation for emergency use.( Rs. 4.6 Million)

The main objective of this project is to provide safe and clean drinking water to the rural community who are living in most water scare and drought-stricken areas in Sri Lanka. During the period from January 2017 to December 2017, following activities were completed in Monaragala,, Kurunegala, Puttalam, Kandy and Matale districts.

Under this project, following works have been completed in above areas.

***Table 08: Details of activities carried out under Emuse project***

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Carry out hydrogeological surveys | 15 |
| 02 | Construction of bore holes | 15 |
| 03 | Conducting pumping tests | 05 |
| 04 | Installation of submersible pump. | 05 |
| 06 | Installation of RO filters | 05 |

The above wells have constructed in most water scare areas and water quantity and water quality is in the acceptable level for drinking purposes.

### 2.1.7 Rehabilitation of Hand Pump tube wells in Dry Zone (Rs. 2.3 Million)

This program was carried out to rehabilitate old hand pump tube wells in order to provide safe and clean water for rural areas in Badulla, Moneragala and Hambantota Distrcts. Following activities were completed during the period from January 2017 to December 2017.

***Table 09: Details of rehabilitated wells***

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Cleaning of old tube wells | 25 |
| 02 | Repairing of old hand pumps | 50 |
| 04 | Installation of hand pumps. | 20 |

***Fig8 :Rehabilitation of a hand pump***

### 2.1.8 Conducting of combined inspection with Central Environmental Authority and other Government Agencies on Environmental issues relating to groundwater depletion and pollution (Rs. 0.5 Million)

The project objective of this study is to identify environmental issues relating to groundwater depletion and pollution due to soil, gravel, rock, clay excavation, sand mining and over extraction of groundwater. The studies and inspection was carried out with the coordination of Central Environmental Authority and other relevant Agencies. Hundred (100) sites were inspected in Colombo, Gampaha, Kurunegala, Puttalam, Anuradhapura, Monaragala, Kegalle and Kalutara Districts with the participation of officers from CEA, GSMB, NBRO and other relevant authorities.

## 2.2 Ministry Funded Groundwater Development Projects

***Table 10: Details of Ministry funded projects***

| No | Project Name | Responsibility for Implementation |
|---|---|---|
| 01 | Groundwater management plan for Jaffna Peninsula (Rs. 3.6 Mn) | Jaffna Office |
| 02 | Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes (Rs. 1.0 Mn) | Anuradhapura Office |
| 03 | Groundwater Development in Dry zone areas (Rs. 15.0 Mn) | Colombo Head Office |

### 2.2.1 Groundwater management plan for Jaffna Peninsula (Rs. 3.6 Mn)

The groundwater development in Jaffna Peninsula must be done more scientifically. Therefore, Water Resources Board has planned to initiate groundwater study to assess the groundwater potential of the peninsula in order to develop a groundwater management master plan for Jaffna Peninsula. Under this program, Five (05) awareness program were conducted with the participation of District Secretary – Jaffna, Additional Secretary-Ministry of Irrigation & Water Resources Management and other relevant stake holders to prepare well inventory for Jaffna Peninsula. And also, arrangement has been made to purchased Eighty (80) numbers of GPS and Eighty (80) numbers EC meters for the study. Furthermore, it is expected to collect all the technical details of wells in year 2018 in order to prepare well inventory and prepare the maps.

***Fig 9: : An Awareness Programme***

### 2.2.2 Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes (Rs. 1.0 Mn)

The objective of this study is to identify the water quality and quantity changes associated with new irrigation schemes in Yan oya and Malalwathu oya basins. Under this project, following activities were completed in year 2017 to established the monitoring network to monitor the water quality and water level changes around the reservoir area.

Following activities were completed in Yan oya reservoir area during the year 2017

| S.No. | Activity | Nos. |
|---|---|---|
| 01 | Collection of data | 100 |
| 02 | Carry out hydrogeological surveys | 25 |
| 03 | Construction of monitoring bore holes | 25 |
| 04 | Collected water samples and analysis of water samples | 13 |

***Table 11: Details of activities carried out during the year 2017***

With the support of test bore holes, monitoring network was established in order to identify the water quality improvement due to Yan oya reservoir.

**Future plan for year 2018**

1. Construction of twenty (20) test bore holes in yan oya reservoir area in order to fill the data gaps of the Monitoring Net work.
2. Construction of twenty five (25) test bore holes in Malwathu-oya reservoir area

### 2.2.3 Groundwater Development in Dry zone areas (Rs. 15.0 Mn)

The following activities were carried out under the above project in 2017.

#### 2.2.3.1 Well cleaning program in flood affected areas in Colombo, Ratnapura, Kalutara,Galle, Matara, Hambantota and Kegalle Districts. (Rs. 20.0 Million)

The drinking water wells of the flood affected areas were contaminated by flood water and therefore, Water Resources Board was initiated well cleaning programme to clean those wells and to provide safe drinking water for the affected peoples. The program was mainly concentrated to the Ratnapura, Matara and Kalutara districts.

The summary of well cleaning programme is given as follows;

***Table 12: Details of wells cleaned under well cleaning project***

| District | No.of wells cleaned |
|---|---|
| Ratnapura | 490 |
| Matara | 786 |
| Kalutara | 548 |
| **Total** | **1824** |

During the well cleaning Program, 784 water samples were analysed for pH,EC and Microbiology.

*Figure 111: Well cleaning at Matara district*

*Figure 12: Analysis of water samples at the field*

**2.2.3.2 Construction of deep tube wells, dug wells and installation of water pumps in drought affected areas.**

The main objective of this project is to provide safe and clean drinking water for people living in Dry zone areas in the country and following activities have been completed in Monaragala, Puttalam, Anuradhapura and Kurunegala Districts in year 2017.

***Table 13: Details of wells constructed under drought affected areas.***

| Item | Description | No. |
|---|---|---|
| 01 | Hydrogeological investigation conducted | 35 |
| 02 | Deep tube well constructed | 30 |
| 03 | Pumps installed | 15 |

In addition to that, following water supply schemes were completed under this project.

1. Small water supply scheme at Thorathupitiya-Athimale
2. Rehabilitation of minor water supply schemes in Moneragala District
3. Improvement of Pallegama drinking water project in Moneragala District.

*Figure 13: Construction of Pump House at Pallegama water supply scheme*

## 2.3 Expansion of established Groundwater Monitoring Network in selected 07 Pilot areas of Sri Lanka (DSWRPP-AF)

The spatio-temporal assessment of hydrogeological condition and water chemistry of the groundwater resources of the country has not been addressed by a systematic approach due to various reasons during the past few decades. However the study on present status, threats, impact on these resources and subsequent establishment of a well representative surveillance groundwater monitoring network are of vital importance in long term groundwater resources management and in implementation of remedies. In this context, 07 Pilot areas covering 37 Divisional Secretariats of seven districts in seven provinces identified by WRB and activities related to the establishment of groundwater monitoring program was initiated in 2010 under the Ministry of Irrigation and Water Resources Management. Water Resources Board (WRB) was entrusted to carry out this project as a sub-component of component-2 of the Dam Safety and Water Resources Planning project (DSWRPP).

The identified pilot areas are selective DSD's of Jaffna, A'pura, Mathale, Puttalam, Gampaha and Ampara Districts considering certain issues recorded and reported with respect to water quality and Quantity. The main noted issues were: excess application of fertilizer and pesticide, over abstraction of water resulting sea water intrusion, poor sanitary facilities and high concentration of Fluoride. Further, agro wells are highly pumped and also no proper criteria of construction and management. All the above causes were taken into consideration during the process of establishing the network. Awareness programs, three national level workshops, school level programs were conducted to gather different opinion to fulfill the objectives.

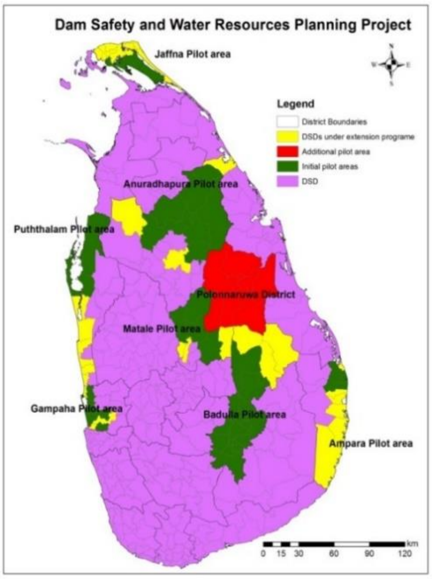



*Figure 13 : Pilot areas of PhaseI & PhaseII of the project and the newly selected Polonnaruwa Pilot area.*

**Table 14: Activity progress on each of the pilot area as at the end of December 2017**

| SN | Pilot Area | CWQ | | | Geophysics | | | | TW Drilling | | Geo_Logging | | Test Pumping | | Levelling | | Extended Area WQ | | | | | Awareness program | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Wet | Dry | Amt | 1D | | 2D | | | | | | | | | | | | | | | | |
| | | | | | Tgt | Cmpl | Tgt | Cmpl | Tgt | Cmpl | Tgt | Cmpl | Tgt | Cmpl | Tgt | Cmpl | Tgt | Smpled | A | C | D | Tgt | Cmpld |
| 1 | Ampara | | 27 | 59 | 20 | 20 | 20 | 20 | 10 | 10 | 6 | 0 | 4 | 0 | 50 | 0 | 100 | 121 | 66 | | 55 | 1 | 1 |
| 2 | Apura | | | 34 | 20 | 17 | NR | NR | 10 | 10 | 6 | 0 | 3 | 0 | 50 | 0 | 100 | 99 | | 98 | 0 | 2 | 1 |
| 3 | Matale | | 39 | 44 | 20 | 15 | NR | NR | 15 | 7(2) | 6 | 0 | 4 | 0 | 40 | 0 | 50 | 0 | | | | 2 | 1 |
| 4 | Puttalam | | | 30 | 30 | 28 | 20 | 10 | 20 | 10 (5) | 6 | 0 | 5 | 0 | 50 | 0 | 120 | 56 | | | 56 | 3 | 1 |
| 5 | Gampaha | | | 24 | 20 | 0 | 10 | 0 | 10 | 0 | 2 | 0 | 3 | 0 | 40 | 0 | 100 | 87 | | 87 | | 2 | 1 |
| 6 | Jaffna | | 124 | 124 | 30 | 15 | 20 | 0 | 15 | 15 | 6 | 0 | 5 | 5 | 50 | 0 | 140 | 156 | | 128 | | 3 | 1 |
| 7 | Kalpitiya | | | 15 | 20 | 20 | NR | NR | 15 | 15 | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR | 0 | 0 |
| 8 | Polon'wa | | | | 100 | 100 | NR | NR | 21 | 0 (3) | NR | NR | 21 | 0 | 50 | 0 | 200 | 75 | 55 | 20 | | 3 | 1 |
| 9 | Badulla | | | 33 | 20 | 12 | NR | NR | 20 | 17 | NR | NR | NR | NR | 50 | 0 | 50 | 72 | | 46 | 26 | 1 | 1 |
| | Total | | | 363 | 280 | 227 | 70 | 30 | 136 | 81 | 32 | 0 | 45 | 5 | 380 | 0 | 860 | 666 | 121 | 379 | 137 | 17 | 8 |

Tgt - target
A -Analysis in progress
D- Discarded, no analysis
TBS - To be scheduled

Cmpl -Completed
C- Analysis completed
CWQ - Continuous Water Quality Monitoring

NR - Not relevant

Specific approach was formulated to achieve outputs based on the issues identified and objectives of each pilot area. The study was focused more towards water chemistry in the pilot areas except Matale pilot area which addresses on the focal problem of groundwater depletion due to over abstractions. The main work components of these assessments were i.) aware the community and stake holders on present situation, ii.) identify groundwater flow regime and iii.) Determine the spatio-temporal water quality distribution through detail water quality analysis from the shallower & deeper aquifer systems during dry period as well as wet period. Awareness programs, Preliminary field investigations, base map preparations, water sampling, groundwater level monitoring, in-situ water quality testing, 1-D & 2-D Geophysical surveys, test bore hole constructions, pumping tests, water quality analysis (physical, chemical, heavy metal, bacteriological and pesticides), DGPS levelling of monitoring points, result analysis and interpretation/ processing work are some of the principal activities included in the entire methodology. The establishment of monitoring network was finalized for each respective pilot areas based on the output of these activities.

The above figure indicated the initially selected pilot areas and extension areas including the new pilot area added in Polonnaruwa District. The summary table above indicated the progress of each activities as cumulative basis up to August 2017.

**03. Conducting of groundwater development activities on the request of public, Government institutions and other organizations on their requirements.**

With the present environmental issues on groundwater extraction, groundwater level depletion and quality deterioration, Water Resources Board has the responsibility to give sound solution for most of the cases arising with rapid development of the country. In addition to the introducing sustainable groundwater sources for drinking, domestic, agriculture and industrial purposes, Water Resources Board has attended to the Initial Environmental Examinations of metal quarries, sand mining, gravel mining, etc. to minimize groundwater related issues.

The special projects conducted during the year 2017 are given below;

***Table 15: Details of projects***

| No | Project Name | Responsibility for implementation |
|---|---|---|
| 01 | Hydrogeological Study on the Assessment of Groundwater Contamination in Chunnakam Area | Colombo Head Office |
| 02 | Consultancy Services for pond rehabilitation of Jaffna city region | Colombo Head Office |
| 03 | Construction of tube wells in Moragahakanda and Kalu Ganga resettlement areas | Colombo Head Office |
| 04 | Construction of tube wells in Mannar District under the task force on resettlement of protracted IDPs in Nothern Province (Ministry of Prison Reforms, Rehabilitation, Resettlement and Hindu affairs | Colombo Head Office |
| 05 | Hydrogeological Investigations and construction of production tube wells for water supply schemes in Killinochchi and Mulathivu District under Water Supply and Sanitation Improvement Project-WASSIP (Ministry of City Planning & Water Supply) | Colombo Head Office |

In addition to that following activities were completed on the request of public, Government and other organizations.

**Commercial activities**

The following commercial activities were performed on the requests made by Government and other organizations including public requirements. The progress is given bellow.

***Table 16: Details of commercial activities carried out in year 2017***

| No | Item | Nos. |
|---|---|---|
| 1 | Hydrogeological Surveys | 659 |
| 2 | Tube Well Constructions | 166 |
| 3 | Hand Pump Installations | 32 |
| 4 | Pumping Tests | 215 |
| 5 | Tube Well cleanings | 36 |
| 6 | Chemical Analysis of Water Samples | 756 |
| 8 | Installation of Iron Removal Plants | 34 |

## 04. Other activities of Water Resources Board

**World Water Day Program**

World Water Day – 2017 was celebrated by the Water Resources Board under the theme of **"Sustainable Protection and Conservation of Water Resources of Sri Lanka"** on 22.03.2017 at BMICH. The Chief guest for this ceremony was Hon. Gamini Vijith Wijayamuni Soyza – Minister of Irrigation & Water Resources Management. About 135 Nos. School children participated at this workshop from Anuradhapura, Ampara, Polonnaruwa and Moneragala districts. An Art exhibition of the participated school children on "Water Conservation" was also held paralleled to this event. School Bags were given to all participated school children and special presents were given to the winners of the Art Exhibition.

***Fig15: Distribution of certificates and bags to the school children***

***Fig 16: Art exhibition***

## ACTIVITIES CARRIED OUT BY PROVINCIAL OFFICE (NC/C)-ANURADHAPURA

### 1 Commercial Activities

In order to fulfil domestic, agricultural and industrial water requirement of people, government and private institutions in Anuradhapura, Polonnaruwa, Kurunegala, Matale, Baticaloa, Mullaitivu, Mannar and Trincomalee districts, the following activities were completed during the year 2017.

**Table 17: Activities carried out during the year 2017**

| S.No. | Activity | No. |
|---|---|---|
| 01 | Hydrogeological investigations | 124 |
| 02 | Construction of deep tube wells | 67 |
| 03 | Pumping tests | 17 |
| 04 | Installation of hand pumps | 13 |
| 05 | Well Cleaning | 01 |
| 06 | Water sample analysis | 84 |
| 07 | Accommodation facilities at Circuit Bungalow | |
| 08 | Accommodation facilities at Training Centre | |

1.1. Carried out detailed hydrogeological surveys to identify the high groundwater potential areas in deep aquifer in order to supply groundwater for drinking purposes in Community Based Organizations (CBO) in Pahalamaragahawewa, Rathmalgahawewa, Nekettegama, Jayagama, Talawa, Thambuttegama, Getalawa and Kirindiwatta in Anuradhapura district.

1.2. Carried out detailed hydrogeological surveys to identify the high groundwater potential areas in deep aquifer in order to supply groundwater for drinking and agricultural activities in private and Government institutions in Anuradhapura, Matale and Polonnaruwa districts.

1.3 Construction deep tube wells at Palaikuli, Marichchikaddi, Mullikulam, Konduchchi in Musali DS division, Mannar under the task force on resettlement of protracted IDPs northern province funded by the Ministry of Prison reform, Rehabilitation, Resettlement and Hindu religious affairs. In this project 31 hydrogeological investigations were carried out and 19 production based tube wells were constructed.

Fig 17: Conducting hydrogeological surveys at Palaikuli village in Mulasi, Mannar

1.4 To assess the environmental impact as result of sand and gravel mining and metal quarry activities, the Hydrogeological and Geophysical surveys and pumping tests were carried out at the respective lands and provided technical guideline, recommendations to minimize the impact on groundwater sources due to these activities. The necessary reports were submitted to the Central and Provincial Environmental authorities, Pradesiya Sabha, Divisional Secretariat, GSMB and other relevant organizations. at Kahatagasdigiliya, Kebithigollewa, Medawachchiya, Bulagala, Mathawa, Palagala and Rideegama areas in Matale, Anuradhapura and Kurunegala districts.

Fig 18: Conducting hydrogeological survey for quarry

1.5 Carried out five (05) numbers of detailed hydrogeological surveys to identify the high groundwater potential areas in deep aquifer in order to supply groundwater for drinking purposes in resettlement areas of Kajuwatta, Gomarankadawala in Trincomalee district under Yan Oya Reservoir Project to construct five (05) numbers of hand pump fitted tube wells.

1.6 Carried out sixteen (16) numbers of detailed hydrogeological surveys to identify the high groundwater potential areas in deep aquifer in order to supply groundwater for drinking purposes in resettlement areas of Urawa, Omarakada in Anuradhapura district under Yan Oya Reservoir Project to construct sixteen (16) numbers of hand pump fitted tube wells.

1.7 Well cleaning was carried out in deep tube well of a Community Based Organization (CBO) in Oththappuwa area in Anuradhapura district to provide a higher yield of clean and safe groundwater for the consumers.

Fig 19: Conducting pumping test for a tube well of CBO

1.8.1 Eighty four (84) numbers of water samples that were collected by various persons, projects, Community Based Organizations (CBO) and institutions were analysed at the laboratory affiliated to the Provincial Office.

## 2. Other Activities

The full equipped new laboratory for the Provincial Office (NC/C) was constructed under DSWRPP funds and it has facility to analyse pesticide, heavy metals in soils and water and drinking water parameters.

***Fig 20 Newly constructing laboratory building at Provincial Office (NC/C)***

**ACTIVITIES CARRIED OUT BY PROVINCIAL OFFICE (NW/SAB)-PUTTALAM**

## 1 Commercial Activities

1.1 Carried out detail hydrogeological surveys, Tube wells drilling, pumping tests and water quality analysis for Community Base Organization (CBO),miner water supply schemes (Praja_Mula) and for private and government parties at Puttalam and Kurunegala Districts.

1.2 To assess the environmental impact due to the sand, gravel mining and metal quarry activities, the Hydrogeological and geophysical surveys were carried out at the respective lands. Provided technical guideline and recommendations to minimize the environmental impact due to above activities and submit the reports to GSMB, CEA and Provincial Environmental Authorities

**Progress report from January to December 2017, Provincial Office Puttalam**

| | Month | Groundwater Investigations | Tube Well Drilling | Pumping Test | Well Cleaning | Water Samples Analysis | Hand Pump Installation |
|---|---|---|---|---|---|---|---|
| 01 | January | 07 | 02 | 05 | 01 | 11 | - |
| 02 | February | 09 | 01 | 04 | 00 | 13 | - |
| 03 | March | 13 | 01 | 04 | 02 | 05 | - |
| 04 | April | 05 | 00 | 00 | 00 | 03 | |
| 05 | May | 12 | 00 | 01 | 00 | 08 | - |
| 06 | June | 13 | 00 | 03 | 00 | 01 | - |
| 07 | July | 12 | 00 | 05 | 00 | 36 | - |
| 08 | August | 19 | 00 | 01 | 00 | 27 | 01 |
| 09 | September | 21 | 00 | 07 | 00 | 04 | - |
| 10 | October | 19 | 00 | 09 | 00 | 03 | 01 |
| 11 | November | 09 | 01 | 03 | 00 | 03 | 01 |
| 12 | December | 07 | 02 | 03 | 01 | 08 | - |
| | **Total** | **146** | **07** | **45** | **04** | **122** | **03** |

# ACTIVITIES CARRIED OUT BY PROVINCIAL OFFICE (UVA/EAST)-MONERAGALA

## 1. Commercial Activities

1.1 Carried out detail hydrogeological surveys, Tube wells drilling, pumping tests and water quality analysis for private and government parties in Moneragala, Badulla,

Hambanthota, Matara and Ampara districts. The details of the sites are as follows;

***Table 18: Details of Ministry funded projects***

| S.No. | District | No.of sites complted |
|---|---|---|
| 1 | Moneragala | 30 |
| 2 | Badulla | 09 |
| 3 | Hambanthota | 11 |
| 4 | Matara | 07 |
| 5 | Ampara | 01 |
| 6 | Ratnapura | 02 |

1.2 To assess the environmental impact due to the sand, gravel mining and metal quarry activities, the Hydrogeological and geophysical surveys were carried out at the respective lands. Provided technical guideline and recommendations to minimize the environmental impact due to above activities and submit the reports to GSMB, CEA and other relevant authorities

## 2. Construction of minor water supply schemes in Moneragala district under Ministry fund

Water Resources Board has commenced the minor water supply schemes to provide drinking water for people living in drought prone areas. Under this project, following works have been completed in Monaragala District.

1. Gonaganara water supply scheme
2. Construction of water filter in Menik Gaga
3. Buddama Water tank
4. Agunukolapelessa, Tanamalwila water supply scheme
5. Thelulla water supply scheme

**Figu26: Gonaganara sand filter water project**

**Fig 27: Thelulla water project**

## ACTIVITIES CARRIED OUT BY PROVINCIAL OFFICE (NORTH)-JAFFNA

### 1. Commercial Activities

Groundwater development activities were carried out on the request of public, Government institutions and other organizations on their requirements. The following works were completed during the year 2017.

**Table 20: Summary of total annual income from each commercial activity.**

| Activity | Nos. |
|---|---|
| Full Chemical Analysis | 36 |
| Partial chemical analysis | 18 |
| Bacteriological analysis | 56 |
| Geophysical investigations | 34 |
| Pumping tests | 22 |

### 2. Other works done by Jaffna office

Water Resources Board has decided to expand their activities in regional scale. Therefore, a New building was constructed in Palai and 80% of the total work has been completed in 2017.

***Fig 34 : Construction of Palai building***

# Other Activities

## Water Day - 2017






## Art Exhibition



## Vesak Dansala



# Financial Statements

**WATER RESOURCES BOARD**

**Statement of Financial Performance**

| For the year ended | NOTE NO | Actual 2017 Rs'000 | | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|---|---|
| Revenue from Operating Activities | **01** | 192,816 | | 133,573 | 186,545 |
| Treasury Grants- Recurrent | | 160,466 | | 155,000 | 160,400 |
| Treasury Grants- Capital(Operational) | **02** | 23,531 | | 34,003 | 27,350 |
| Other Income | **03** | 12,591 | | 2,850 | 11,975 |
| **Total Revenue** | | **389,404** | | **325,426** | **386,270** |
| Administrative Costs | **4.1** | (210,820) | | (172,763) | (208,850) |
| Supplies & Requisites | **4.2** | (54,817) | | (28,456) | (41,345) |
| Contractual Services & Maintenance expenses | **4.3** | (20,822) | | (22,728) | (20,920) |
| Other Operational Expenses | **4.4** | (10,193) | | (10,323) | (6,790) |
| Other Project Expenses | **4.5** | (54,654) | | (26,533) | (57,065) |
| Treasury Grants - Capital (Research Studies ) | **4.6** | (23,531) | | (34,003) | (27,300) |
| Depreciation | | (7,624) | | (3,526) | (5,000) |
| **Total Expenses** | | **(382,461)** | **-** | **(298,332)** | **(367,270)** |
| **Surplus / (Deficit) from Operations** | | **6,943** | | **27,094** | **19,000** |
| Tax | | (200) | | (2) | - |
| **Surplus / (Deficit) for the period** | | **6,743** | | **27,092** | **19,000** |

**WATER RESOURCES BOARD**
**Statement of Financial Position**

| As at 31st DECEMBER | NOTE NO. | 2017 Rs'000 | 2016 Rs'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 05 | 51,847 | 7,981 |
| Trade and other receivables | 06 | 34,301 | 29,575 |
| Inventories | 07 | 171,516 | 49,225 |
| Prepayments | 08 | 312 | 223 |
| | | 257,976 | 187,004 |
| **Non - current assets** | | | |
| Property,Plant & Equipment | 09 | 350,458 | 377,626 |
| | | 350,458 | 377,626 |
| **TOTAL ASSETS** | | **608,434** | **64,630** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade Creditors | 10 | 477 | 422 |
| Other Provisions & Payables | 11 | 10,544 | 51,849 |
| Deferred Income (Advances for Services) | 12 | 82,490 | 21,413 |
| | | 93,511 | 73,684 |
| **Non - current liabilities** | | | |
| Retirement Benefit Obligations | 13 | 67,422 | 64,994 |
| Staff Security Deposits | 14 | - | 2 |
| Deferred Income (For Government Grants) | 15 | 305,961 | 310,900 |
| | | 373,383 | 375,896 |
| **TOTAL LIABILITIES** | | **466,894** | **449,580** |
| **NET ASSETS** | | **141,540** | **115,050** |
| **NET ASSETS / EQUITY** | | | |
| **CAPITAL & RESERVES** | | | |
| Accumulated Fund | 16 | 256,618 | 272,725 |
| Other Grants | 16 | 233,273 | 233,273 |
| Accumulated Profit/( Deficit) | 16 | (349,523) | (392,120) |
| Revaluation Reserve | 16 | 1,172 | 1,172 |
| **TOTAL NET ASSETS / EQUITY** | | **141,540** | **115,050** |

**The Accounting Policies and the Notes from pages 06 To 23 Form on Integral part of these Financial Statements.**

I certify that the above Financial Statements are true and correct as per the records available of the Board.

**A.B.M. Chandrasiri**
Assistant General Manager (Finance)

The Directors are responsible for the preparation & presentation of the Financial Statements. Approved and Signed for on behalf of the Board.

**Eng. A.C.M. Zulfikar**
CHAIRMAN
**08th March 2018**

**S.P. Wickramarachchi**
BOARD DIRECTOR

**NOTE : 16**

| | Accumulated Fund Rs'000 | Other Grants Rs'000 | Revaluation Reserve Rs'000 | Accumulated Profit/Deficit Rs'000 | Total Rs'000 |
|---|---|---|---|---|---|
| **Balance as at 31st December 2015 B/F** | **329,505** | **802,079** | **2,563** | **(532,052)** | **602,095** |
| Adjustments made for prior period events | - | - | - | 112,840 | 112,840 |
| Restated Balance | 329,505 | 802,079 | 2,563 | (419,212) | 714,935 |
| Change in Net Assets/Equity for 2016 | 2,563 | - | (2,563) | - | - |
| Surplus / (Deficit) for the period | - | - | - | 27,092 | 27,092 |
| Revaluation - Adjustments | (66,943) | (568,806) | - | - | (635,749) |
| Revaluation Surplus | - | - | 1,172 | - | 1,172 |
| Assets Purchased from Ministry Funds | 7,600 | - | - | - | 7,600 |
| **Balance as at 31st December 2016** | **272,725** | **233,273** | **1,172** | **(392,120)** | **115,050** |
| | | | | | |
| **Balance as at 31st December 2016 B/F** | **272,725** | **233,273** | **1,172** | **(392,120)** | **115,050** |
| Adjustments made for prior period events | - | - | - | 35,854 | 35,854 |
| Restated Balance | 272,725 | 233,273 | 1,172 | (356,266) | 150,904 |
| **Change in Net Assets/Equity for 2017** | (25,347) | - | - | - | (25,347) |
| Surplus / (Deficit) for the period | - | - | - | 6,743 | 6,743 |
| **Revaluation - Adjustments** | 9,240 | - | - | - | 9,240 |
| **Balance as at 31st December 2017** | **256,618** | **233,273** | **1,172** | **(349,523)** | **141,540** |

**NOTE:-** Details of other grants are as follows

| OTHER GRANTS | Balance as at 31.12.2017 (Rs.000) |
|---|---|
| JICA | 11,973 |
| ADB & NWRA | 1,025 |
| Others | 24,624 |
| Japanese 2 KR Project | 81,476 |
| Amerasian Fund | 1,771 |
| DSWRPP Fund | 112,404 |
| **Total** | **233,273** |

**CASH FLOW STATEMENT**

| | | 2017 Rs'000 | | 2016 Rs'000 |
|---|---|---|---|---|
| **Cash Flows from operating activities** | | | | |
| Surplus / [Deficit] for the year before Treasury Grants (Recurrent) | | (153,523) | | (127,908) |
| Add: Treasury Grants received (Recurrent) | | 160,466 | | 155,000 |
| Surplus / [Deficit] before Tax for the year | | **6,943** | | **27,092** |
| Add : Fund adjustments from projects | | 242 | | 5,949 |
| Less: Prior Year adjustments | | (1,733) | | (475) |
| Add: Payment of E.P.F. Arrears (Funds received from Treasury) | | 37,534 | | - |
| | | **42,986** | | **32,566** |
| **Non Cash Movements** | | | | |
| Depreciation | 7,624 | | 3,526 | |
| Increase in Provisions to Gratuity | 13,586 | | (16,180) | |
| Increase in payables | 19,801 | | (1,435) | |
| Decrease in Other Current Assets | (22,380) | | 4,620 | |
| [Gain] / Losses on sale of Property plant & Equipment's | (4,691) | | (241) | |
| Increase in receivables | (4,726) | 9,214 | (13,234) | (22,944) |
| | | **52,200** | | **9,622** |
| Interest received for gratuity Savings | (193) | | (116) | |
| Tax Paid | (167) | (360) | - | (116) |
| **Net cash flows from operating activities** | | **51,840** | | **9,506** |
| **Cash Flows from Investing activities** | | | | |
| Proceeds from sale of Property Plant & Equipments | 7,296 | | 275 | |
| Purchase of Property Plant & Equipment's | 40,317) | | (10,847) | |
| Interest received for security deposits | - | | 1 | |
| Interest received for gratuity Savings | 193 | | 116 | |
| Payment of Security deposit | (2) | | (13) | |
| Payment of gratuity | (11,158) | | (9,681) | |
| **Net cash flows from Investing activities** | | **(43,988)** | | **(20,149)** |
| **Cash Flows from financing activities** | | | | |
| Government Grants [Capital for Property Plant & Equipments] | 4,356 | | - | |
| Ministry Funds [Capital for Property Plant & Equipments] | 31,658 | | 7,600 | |
| **Net cash flows from financing activities** | | **36,014** | | **7,600** |
| **Net Increase/[decrease] in cash & cash Equivalents** | | **43,866** | | **(3,043)** |
| Cash & Cash Equivalents at beginning of Period | | 7,981 | | 11,024 |
| **Cash & Cash Equivalents at end of Period** | | **51,847** | | **7,981** |

- **NOTES TO THE CASH FLOW STATEMENT**

01 Cash and cash equivalents consist of balances with banks. Cash and Cash equivalents included in the Cash Flow Statement comprise the following Statement of Financial Position amounts.

| | 2017 Rs'000 | 2016 Rs'000 |
|---|---|---|
| Current Account Balances with banks | **41,614** | **5,850** |
| Savings with National Savings Bank | **10,233** | **2,131** |
| | **51,847** | **7,981** |

02 Cash Flows from Treasury Grant (Capital) for the operational activities are included in the Cash Flows from operating activities.

## TREASURY GRANT RELEASES RECONCILIATION - YEAR 2017

| Disclosed Statement | Releases (Rs. 000 ) | As per Treasury Printout (Rs. 000 ) | Provision for the year (Rs. 000) |
|---|---|---|---|
| **01 RECURRENT GRANT** | | | |
| **Vote: 198 - 1 - 2 -2 - 1503** | | | |
| - Financial Performance | 160,466 | - | - |
| - Statement of Financial Position | 37,534 | - | - |
| | **198,000** | **198,000** | **198,000** |
| **02 CAPITAL GRANT** | | | |
| **Vote: 198 - 1 - 2 -2 - 2201** | | | |
| Financial Performance - Operational | 23,531 | - | - |
| Statement of Changes in Net Assets/Equity (for purchase of assets) | 4,356 | - | - |
| | **27,887** | **27,887** | **30,000** |

## NOTES TO THE FINANCIAL STATEMENTS & ACCOUNTING POLICIES

### 1. Corporate Information

**General**

The Water Resources Board is a statutory Board established in 1966 under the provisions of Act No. 29 of 1964.

**Principal Activities and Nature of Operations**

During the year, the principal activities of the Board Comprised of carryout Hydrogeological Surveys, Construction of Tube Wells, Chemical Analysis of Water Samples, Cleaning of dug wells and Preparation of Groundwater Maps etc.

**Directors Responsibility Statement**

The Board of Directors take the responsibility for the preparation and presentation of these Financial Statements as per the provisions of Sri Lanka Public Sector Accounting Standards.

**Address of the Registered Office and the Principal Place of the Activities of the Board**

No.02A, Hector Kobbekaduwa Mawatha, Colombo 07.

### 2. Significant Accounting Policies

**2.1.Statement of Compliance**

The financial statements of the Water Resources Board are prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS) laid down by the Public Sector Accounting Standards Committee of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) with the Participation of the Ministry of Finance& Planning**.(Ref: Circular: PED/03/2013 dated 02.10.2013)** Standards of borrowing Cost (No. 04) and the effects of changes in Foreign exchange rates (No. 05) are not applicable to the Board at present.

**2.2. Basis of Preparation**

The Financial Statements are prepared on the Historical Cost Basis.

**2.3. Functional and Presentation Currency**

These Financial Statements are presented in Sri Lankan Rupees, which is the Board's Functional Currency and all Financial Information has been rounded to the nearest thousands unless otherwise specifically indicated.

### 3. Assets and Basis of their Valuation

**3.1 Property, Plant & Equipments**

Property Plant and Equipments are initially recorded at cost less accumulated depreciation. The cost of Property, Plant & Equipment is the Cost of purchase/revaluation or construction together with any incidental expenses thereon.

Revalued assets are carried at revalued amount less any subsequent depreciation thereon.

### 3.2 Depreciation

Depreciation of an asset begins when it is available for use and ceases at the earlier of the dates on which the asset is derecognized.

1. Depreciation is calculated so as to write off the Cost / Revaluation of Property, Plant and Equipment on a Straight - Line Basis over the expected useful lives of the Assets concerned. The principle annual rates used for this purpose are,

| | |
|---|---|
| Buildings | 5% |
| Motor Vehicles | 25% |
| Machinery | 20% |
| Laboratory Equipments | 20% |
| Scientific Equipments | 20% |
| Computers & Accessories | 20% |
| Furniture, Fittings& Office Equip. | 10% |

### 3.3 Government Grants

Assets received by way of grants from treasury, line ministry and other related government projects are recognized under Income Approach. Differed income(related to Government Grants) will be setoff against depreciation account in the Statement of Financial Performance on a systematic basis over the life of the assets.

### 3.4 Inventories

Inventories consist of vehicle spares, stores materials, machinery spares, fuel and other consumables. The cost of inventories are based on the first – in – First-out (FIFO) principle.

### 3.5 Receivables

3.5.1 Receivables are stated at the amounts they are estimated to realize.

3.5.2 Bad and Doubtful Debts.

The estimated losses to these debts are based on continuous review of all invoices and claims identified as bad and doubtful.

### 4.1 Accounts Payables and Accrued Expenses

Trade and other payables are stated at cost.

### Deferred Income

Advances received for services to be rendered are shown as deferred income under current liabilities in the statement of Financial Position until recognize the income.

### 4.2 Provisions

Provisions are recognized when the entity has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. The expense relating to any provision is presented in the Statement of Financial Performance of any reimbursement.

### 5. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Water Resources Board and the revenue can be reliably measured, regardless of when the payment is being made.

**Major sources of income**

Hydrogeological surveys, construction of Tube wells, Hand pump installations, Pumping tests, cleaning of Tube wells, Water sample analysis and Installation of iron removal plants. Revenues from these sources are recognized upon the realization.

## Other income

Other income consists of circuit bungalow reservations, fines & surcharges, fitness certificate income and sundry income and they are recognized on an accrual basis.

## Interest Income

Interest income mainly derived from interest on Distress loans, Cycle loans and interest on Deposits at National Savings Bank maintained for the purpose of gratuity payments.

## 6. Retirement Benefit Obligations

### 6.1 Defined Benefit Plan - Gratuity

Provision is made in the Financial Statements for retiring Gratuity, which may fall due for payment of Gratuity Act No.12 of 1983. It is provided one half of the basic salary and statutory allowances for the last month of the financial year for each year of continuous service. This item is shown as Non-Current Liabilities in the Statement of Financial Position.

### 6.2 Defined Contribution Plans – EPF & ETF

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective Statutes and Regulations. The Board contributes 12% and 3% of personal emoluments of employees to EPF and ETF respectively.

## 7. Taxation

Tax expense Comprises Current and any adjustment to tax payable in respect of previous years.

## 8. Research Studies Expenses.

Operational expenses which have been identified directly to Research Studies under Treasury Grants capital vote have been Charged to the Statement of Financial Performance.

## 9. Cash Flow Statement

The Cash Flow Statement is prepared using the indirect method as stipulated in SLPSAS 02 Cash Flow Statement, whereby gross cash receipts and gross cash payments of operating activities , financing activities and investing activities have been recognized. Cash and cash equivalents comprise mainly balances with banks.

## 10. Events after the reporting period

All the material events after the reporting period have been considered and appropriate adjustment and disclosures have been made in to the financial statement, where necessary.

**NOTES TO THE FINANCIAL STATEMENTS.**

| REVENUE FROM OPERATING ACTIVITIES<br>NOTE NO:01 | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **HYDRO: INVESTIGATIONS / EXPLORATION** | | | |
| Hydro Geological Survey | 29,819 | 23,583 | 24,000 |
| Tube Well Construction | 78,059 | 62,650 | 67,500 |
| Hand Pump Installation | 7,666 | 3,689 | 7,200 |
| Pumping Tests | 20,677 | 11,981 | 22,500 |
| Tube Well Cleaning | 2,488 | 1,555 | 3,000 |
| Water Sample Analysis | 2,055 | 1,682 | 3,000 |
| Installation Of Iron Removable Plant | 3,724 | 1,900 | 4,000 |
| **sub total** | **144,488** | **107,040** | **131,200** |
| **GROUNDWATER MONITORING** | | | |
| Dam Safety Water Resource Planning Project | 2,786 | 6,698 | 4,000 |
| **sub total** | **2,786** | **6,698** | **4,000** |
| **GROUNDWATER DEVELOPMENT** | | | |
| World Water Day | 1,500 | - | 1,500 |
| Drinking Water Project - Medagama | 6,970 | - | - |
| Mud Pumps for Rigs | 4,000 | - | - |
| Galgamuwa, Karuwalagaswewa Water Project | 709 | - | - |
| Pallegama Drinking Water Project | 2,837 | - | 2,850 |
| Construction Of Tube Wells in drought affected areas | 12,650 | - | 12,650 |
| Ethimale Drinking Water Project | 6,874 | - | 9,000 |
| Ground Water Study in Jaffna Peninsula | 149 | - | 9,000 |
| Monitoring G.W. level & Water Quality changes in around Irriation Scheme | 1,000 | - | 2,000 |
| Minor Water Supply Scheme at Monaragala | 6,620 | - | 6,620 |
| Emergency Flood & Land Slide Relief | 2,233 | - | 7,725 |
| Gonaganara & Rathupasketiya Project | - | 2,387 | - |
| Chunnakan Project | - | 2,627 | - |
| Well Cleaning at Avissawella to Colombo | - | 3,401 | - |
| Construction of Production Well - Dry Zone | - | 9,851 | - |
| Well Cleaning at Salawa to Colombo | - | 1,569 | - |
| **sub total** | **45,542** | **19,835** | **51,345** |
| **GRAND TOTAL** | **192,816** | **133,573** | **186,545** |

## NOTES TO THE FINANCIAL STATEMENTS.

| REVENUE FROM OPERATING ACTIVITIES | Actual 2017 | Actual 2016 | Budget 2017 |
|---|---|---|---|
| **NOTE NO: 02** | Rs'000 | Rs'000 | Rs'000 |
| **TREASURY GRANT - CAPITAL** | | | |
| (RESEARCH STUDIES - OPERATIONAL) | | | |
| Jaffna Ground water Monitoring | 2,622 | 5,000 | 2,750 |
| Study on the direct and indirect impacts of climatic changes | 2,235 | 1,665 | 2,000 |
| Water Quality Studies in CKDU Project | 4,521 | 4,826 | 4,900 |
| Rehabili. of H.P/ Tube W. in H'tota, Badulla & Moneragala | 1,933 | 5,000 | 2,500 |
| Ground Water Assessment of Kirindi-Oya Basin (Phase-1) | 1,250 | 1,676 | 2,000 |
| Staff Training | 884 | 300 | 1,000 |
| Releases for Rehabilitation & Improvements | 4,481 | 3,700 | 4,500 |
| Development of Ground Water Emergency use | 3,706 | 5,000 | 4,500 |
| Long Term G. W. monitoring in most sensitive G.W. terrains | 1,611 | - | 1,800 |
| Inspections relating to G. water depletion & pollutions | 288 | - | 1,400 |
| Hydro geological coastal study in Colombo to Negombo | - | 210 | - |
| Study in water quality changes in aquifer system - A'pura | - | 238 | - |
| Hydro geological Study in Vavunia and Kilinochchi | - | 168 | - |
| Hydro geological Study in limestones Aquifers in Mannar | - | 4,000 | - |
| Artificial Recharge Project (Phase 1 Puttlam) | - | 220 | - |
| Ground Water Assessment of Kelani Ganga Basin (Phase-1) | - | 2,000 | - |
| **GRAND TOTAL** | **23,531** | **34,003** | **27,350** |

**NOTE NO:03**

**OTHER INCOME**

| | | | |
|---|---|---|---|
| Circuit Bungalow Reservation | 97 | 131 | 50 |
| Fines & Surcharges | 90 | 55 | 100 |
| Sundry Income | 2,379 | 743 | 1,000 |
| Disposal Income | 4,691 | 241 | 7,500 |
| Interests on Loans & Bank Deposits | 847 | 723 | 700 |
| Water Treatment Plant Income | - | 820 | - |
| Staff Accommodation Income | 98 | 137 | 125 |
| Fitness Certificate Income | 4,082 | - | 2,300 |
| Registration Fees Income | 307 | - | 200 |
| **GRAND TOTAL** | **12,591** | **2,850** | **11,975** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.1 ADMINISTRATIVE COSTS** | | | |
| Salaries & Wages | 154,177 | 154,556 | 156,000 |
| Overtime & Holiday Pay | 13,633 | 8,304 | 10,700 |
| Employees Provident Fund -12% | 14,453 | 14,215 | 15,000 |
| Employees Trust Fund -3% | 3,613 | 3,554 | 3,700 |
| Director's Fees | 1,190 | 1,041 | 950 |
| Other Allowances | 15 | 106 | 50 |
| Gratuity | 13,586 | 6,179) | 13,000 |
| Travelling - Local | 8,458 | 6,009 | 7,700 |
| Travelling - Overseas | 46 | 44 | 100 |
| Welfare & Sports facilities | 465 | 105 | 550 |
| Medical Scheme | 770 | 772 | 800 |
| Entertainment | 102 | 181 | 100 |
| Vacation Leave Encashment | 312 | 55 | 200 |
| ***GRAND TOTAL*** | **210,820** | **172,763** | **208,850** |
| **NOTE NO: 4.2 SUPPLIES REQUISITES** | | | |
| Fuel & Lubricants | 26,048 | 18,656 | 20,500 |
| Drilling Works Consumables | 25,112 | 7,706 | 20,000 |
| Laboratory Consumables & Others | 2,985 | 1,611 | 250 |
| Other Consumables | 672 | 483 | 595 |
| ***GRAND TOTAL*** | **54,817** | **28,456** | **41,345** |
| **NOTE NO: 4.3 CONTRACTUAL SERVICES & MAINTENANCE EXPENSES** | | | |
| Postage & Telecommunication | 1,654 | 1,369 | 1,500 |
| Electricity | 2,406 | 2,789 | 2,900 |
| Rent , Rates & Taxes | 1,737 | 849 | 1,000 |
| Cash in Transit Insurance | 20 | 10 | 10 |
| Audit Fees | 205 | 157 | 180 |
| Printing & Publications | 351 | 830 | 900 |
| Workshop & Seminars | 52 | 64 | 60 |
| Water Bills | 109 | 111 | 100 |
| Consultancy Charges - Payroll | 123 | 67 | 170 |
| Sundry Expenses | 1,162 | 905 | 900 |
| Maintenance of Motor Vehicles | 7,147 | 6,520 | 6,500 |
| Maintenance of Machinery | 1,164 | 6,952 | 3,200 |
| Maintenance of Office Equipments | 2,760 | 1,816 | 1,500 |
| Maintenance of Buildings | 1,932 | 289 | 2,000 |
| ***GRAND TOTAL*** | **20,822** | **22,728** | **20,920** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.4 OTHER OPERATING EXPENSES** | | | |
| Stationery & Office Requisites | 564 | 514 | 500 |
| Uniforms | 359 | 639 | 300 |
| Periodicals & Newspapers | 208 | 206 | 200 |
| Publicity | 956 | 681 | 500 |
| Bank Charges | 164 | 165 | 160 |
| Medical Test Charges | 19 | 70 | 50 |
| Legal Expenses | 64 | 4 | 10 |
| Stamp Duty | 63 | 11 | 50 |
| Vehicle Service - Ratmalana | 993 | 459 | 900 |
| Hiring Charges | 101 | 11 | 20 |
| Water Day Expenditure | - | 1,410 | - |
| Fines & Surcharges | - | 15 | - |
| Bad Debts | - | 190 | - |
| Revaluation Deficit | 242 | 5,948 | - |
| Operating Lease Rentals | 4,569 | - | 4,100 |
| N.B.T. Expense | 1,891 | - | - |
| ***GRAND TOTAL*** | **10,193** | **10,323** | **6,790** |

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.5 OTHER PROJECT EXPENSES** | | | |
| **DAM SAFETY WATER RESOURCES PLANING PROJECT** | | | |
| Overtime & Holiday Pay | 552 | 779 | - |
| Travelling | 472 | 855 | - |
| Stationery & Office Requisites | 2 | 15 | - |
| Fuel & Lubricants | 1,412 | 2,812 | - |
| Drilling Work Consumable | 148 | 95 | - |
| Office Equipment Maint. & Repairs | - | 132 | - |
| Rent , Rates & Taxes | 87 | 131 | - |
| Entertainment | - | 22 | - |
| Other Consumables | - | 55 | - |
| Salaries & Wages | 34 | 55 | - |
| Printing & Publication | 23 | 1 | - |
| Sundry Expenses | - | 5 | - |
| Maintenance of Motor Vehicles | 1 | 104 | - |
| Maintenance of Machinery | 55 | 515 | - |
| Water Day Expenditure | - | 1,121 | - |
| Postage & Telecommunication | - | 1 | - |
| **Sub Total** | **2,786** | **6,698** | **4,000** |

| NOTES TO THE FINANCIAL STATEMENTS CONTD. | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.5 OTHER PROJECT EXPENSES** | | | |
| WATER DAY EXPENDITURE | 3,000 | - | 1,500 |
| MUD PUMPS FOR RIG | 4,416 | - | - |
| DRINKING WATER PROJECT - MEDAGAMA | 6,970 | - | - |
| GALGAMUWA, KARUWALAGASWEWA WATER PROJECT | 709 | - | - |
| ETHIMALE DRINKING WATER PROJECT | 6,874 | - | 9,000 |
| MINOR WATER SUPPLY SCHEME AT MONARAGALA | 6,699 | - | 6,620 |
| GROUND WATER STUDY IN JAFFNA PENINSULA | 149 | - | 9,000 |
| PALLEGAMA DRINKING WATER PROJECT | 2,837 | - | 2,850 |
| MONITORING G.W. LEVEL & WATER QUALITY CHANGES IN AROUND IRRIGATION SCHEME | 1,000 | - | 2,000 |
| CONSTRUCTION OF TUBE WELL IN DROUGHT AFFECTED AREAS | 15,223 | - | 12,650 |
| EMERGENCY FLOOD & LAND SLIDE RELIEF | 3,991 | - | 9,445 |
| GONAGANARA & RATHUPASKETIYA PROJECT | - | 2,387 | - |
| CHUNNAKAM PROJECT | - | 2,627 | - |
| WELL CLEANING OF AWISSAWELLA TO COLOMBO PROJECT | - | 3,401 | - |
| DUG WELL CLEANING & WATER SAMPLE ANALYSIS SALAWA & KOSGAMA | - | 1,569 | - |
| CONSTRUCTION OF PRODUCTION WELL - DRY ZONE | - | 9,851 | - |
| **Sub Total** | 51,868 | 19,835 | 53,065 |
| **GRAND TOTAL** | 54,654 | 26,533 | 57,065 |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

**NOTE NO: 4.6 TREASURY GRANTS -CAPITAL (Research Studies)**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **JAFFNA GROUND WATER MONITORING** | | | |
| Overtime & Holiday Pay | 196 | 285 | 150 |
| Travelling | 160 | 265 | 150 |
| Stationery & Office Requisites | 75 | - | 50 |
| Fuel & Lubricant | 362 | 1,872 | 350 |
| Drilling Works Consumables | 1,321 | 2,367 | 1,200 |
| Ground Water Other | 437 | 18 | 475 |
| Rent , Rates & Taxes | 12 | 24 | 20 |
| Salaries & Wages | - | - | 50 |
| Maint. Of Motor Vehicles | 32 | 54 | 100 |
| Maint. Of Machinery | - | 7 | 175 |
| Maint. Of Lab. Equipment | - | 106 | |
| Maint. Of Office Equipment | 27 | - | 30 |
| Entertainment | - | 1 | - |
| Sundry Expenditure | - | 1 | - |
| **Sub Total** | **2,622** | **5,000** | **2,750** |
| Staff Training | 884 | 300 | 1,000 |
| Rehabilitation & Improvement | 4,481 | 3,700 | 4,450 |
| **Sub Total** | **5,365** | **4,000** | **5,450** |
| **THE STUDY ON THE DIRECT & INDIRECT IMPACTS OF CLIMATE CHANGES** | | | |
| Overtime & Holiday Pay | 134 | 162 | 100 |
| Travelling | 94 | 147 | 150 |
| Fuel & Lubricant | 375 | 586 | 350 |
| Drilling Works Consumables | 1,187 | 441 | 750 |
| Maint. Of Motor Vehicles | 82 | 1 | 100 |
| Stationery & Office Requisites | 12 | 6 | 50 |
| Ground Water Other | 197 | 3 | 300 |
| Rent , Rates & Taxes | 14 | 23 | 50 |
| Maint. Of Machinery | 79 | 1 | 80 |
| Postage & Telecommunication | - | - | 5 |
| Sundry Expenditure | 2 | 1 | 3 |
| Maint. Of Lab. Equipments | 12 | 281 | 12 |
| Office Equipment Maint. & Repairs | 47 | 13 | 50 |
| **Sub Total** | **2,235** | **1,665** | **2,000** |

| NOTES TO THE FINANCIAL STATEMENTS CONTD. | Actual 2017 | Actual 2016 | Budget 2017 |
|---|---|---|---|
| | Rs'000 | Rs'000 | Rs'000 |
| **NOTE NO: 4.6 TREASURY GRANTS -CAPITAL (Research Studies)** | | | |
| **WATER QUALITY STUDIES IN CKDU PROJECT** | | | |
| Salaries & Wages | - | - | 100 |
| Overtime & Holiday Pay | 260 | 331 | 300 |
| Maint. Of Motor Vehicles | 87 | - | 100 |
| Maint. Of Machinery | - | - | 200 |
| Rent , Rates & Taxes | - | 3 | - |
| Travelling | 219 | 330 | 300 |
| Stationery & Office Requisites | - | 17 | 100 |
| Fuel & Lubricant | 1,055 | 1,679 | 1,000 |
| Drilling Works Consumables | 2,703 | 1,885 | 2,000 |
| Ground Water Other | 197 | - | 800 |
| Maint. Of Lab. Equipments | - | 155 | - |
| Entertainment | - | 143 | - |
| Publicity | - | 48 | - |
| Water Day Expenditure | - | 235 | - |
| **Sub Total** | **4,521** | **4,826** | **4,900** |
| **REHABILITATION OF H.P/TUBE WELLS IN H'TOTA & MONERAGALA** | | | |
| Salaries & Wages | - | - | 50 |
| Overtime & Holiday Pay | 72 | 249 | 150 |
| Maint. Of Motor Vehicles | 122 | 8 | 100 |
| Maint. Of Machinery | 230 | 8 | 200 |
| Travelling | 73 | 230 | 200 |
| Fuel & Lubricant | 401 | 1,414 | 600 |
| Drilling Works Consumables | 1,035 | 3,083 | 1,100 |
| Ground Water Other | - | 4 | 50 |
| Sundry Expenditure | - | 2 | - |
| Stationery & Office Requisites | - | 2 | 50 |
| **Sub Total** | **1,933** | **5,000** | **2,500** |
| **GROUNDWATER ASSEMENT O KIRINDI-OYA BASIN (PHASE-1)** | | | |
| Overtime & Holiday Pay | 142 | 164 | 150 |
| Rent , Rates & Taxes | - | 18 | - |
| Travelling | 111 | 120 | 200 |
| Fuel & Lubricant | 511 | 752 | 400 |
| Drilling Works Consumables | 294 | 430 | 900 |
| Ground Water Other | 131 | - | 200 |
| Stationery & Office Requisites | 14 | - | 50 |
| Maint. Of Machinery | 47 | 192 | 100 |
| **Sub Total** | **1,250** | **1,676** | **2,000** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.6 TREASURY GRANTS -CAPITAL (Research Studies)** | | | |
| **DEVELOPMENT OF GROUNDWATER EMERGENCY USE** | | | |
| Overtime & Holiday Pay | 298 | 243 | 200 |
| Maint. Of Motor Vehicles | - | 3 | 100 |
| Maint. Of Machinery | - | 8 | 200 |
| Rent , Rates & Taxes | - | - | 100 |
| Travelling | 194 | 224 | 300 |
| Fuel & Lubricant | 695 | 1,448 | 600 |
| Drilling Works Consumables | 2,499 | 3,055 | 2,950 |
| Ground Water Other | 20 | 4 | 30 |
| Stationery & Office Requisites | - | - | 5 |
| Publicity | - | 6 | 10 |
| Postage & Telecommunication | - | - | 5 |
| Sundry Expenditure | - | 5 | - |
| Maint. Of Lab. Equipments | - | 4 | - |
| **Sub Total** | **3,706** | **5,000** | **4,500** |
| **LONG TERM G.W. MONITORING IN MOST SENSITIVE GROUND WATER TERRAINS IN SRI LANKA** | | | |
| Overtime & Holiday Pay | 95 | - | 100 |
| Maint. Of Motor Vehicles | 58 | - | 100 |
| Travelling | 77 | - | 100 |
| Fuel & Lubricant | 94 | - | 250 |
| Ground Water Other | 1,285 | - | 1,200 |
| Stationery & Office Requisites | 2 | - | 50 |
| **Sub Total** | **1,611** | **-** | **1,800** |
| **Inspections relating to G.W. depletion and pollutions** | | | |
| Overtime & Holiday Pay | 41 | - | 200 |
| Rent , Rates & Taxes | - | - | 225 |
| Travelling | 40 | - | 425 |
| Fuel & Lubricant | 145 | - | 350 |
| Stationery & Office Requisites | 62 | - | 50 |
| Legal Expenses | - | - | 150 |
| **Sub Total** | **288** | **-** | **1,400** |
| **HYDROGEOLOGICAL COASTAL STUDY IN COLOMBO TO NEGOMBO** | | | |
| Overtime & Holiday Pay | - | 11 | - |
| Travelling | - | 14 | - |
| Stationery & Office Requisites | - | 3 | - |
| Fuel & Lubricants | - | 28 | - |
| Ground Water Other | - | 2 | - |
| Drilling Work Consumable | - | 17 | - |
| Office Equipment Maint. & Repairs | - | 32 | - |
| Maint. Of Lab. Equipments | - | 103 | - |
| ***Sub Total*** | **-** | **210** | **-** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.6 TREASURY GRANTS -CAPITAL (Research Studies)** | | | |
| **STUDY IN WATER QUALITY CHANGES IN AQUIFER SYSTEM - A'PURA** | | | |
| Overtime & Holiday Pay | - | 17 | - |
| Travelling | - | 22 | - |
| Fuel & Lubricant | - | 42 | - |
| Maint. Of Lab. Equipments | - | 124 | - |
| Drilling Works Consumables | - | 10 | - |
| Office Equipment Maint. & Repairs | - | 22 | - |
| Stationery & Office Requisites | - | 1 | - |
| ***Sub Total*** | **-** | **238** | **-** |
| **HYDROGEOLOGICAL STUDY IN LIMESTONES AQUIFERS IN MANNAR DISTRICT** | | | |
| Overtime & Holiday Pay | - | 310 | - |
| Travelling | - | 263 | - |
| Stationery & Office Requisites | - | 2 | - |
| Fuel & Lubricant | - | 1,290 | - |
| Drilling Works Consumables | - | 1,904 | - |
| Ground Water Other | - | 6 | - |
| Rent , Rates & Taxes | - | 72 | - |
| Maint. Of Lab. Equipments | - | 90 | - |
| Maint. Of Motor Vehicles | - | 52 | - |
| Maint. Of Machinery | - | 1 | - |
| Sundry Expenditure | - | 8 | - |
| Office Equipment Maint. & Repairs | - | 1 | - |
| Entertainment | - | 1 | - |
| ***Sub Total*** | **-** | **4,000** | **-** |
| **HYDROGEOLOGICAL STUDY IN VAVUNIA & KILINOCHCHI** | | | |
| Drilling Works Consumables | - | 10 | - |
| Overtime & Holiday Pay | - | 2 | - |
| Travelling | - | 11 | - |
| Fuel & Lubricant | - | 80 | - |
| Maint. Of Lab. Equipments | - | 62 | - |
| Stationery & Office Requisites | - | 3 | - |
| **Sub Total** | **-** | **168** | **-** |
| **ARTIFICAL RECHARGE PROJECT (PHASE 1 PUTTALAM)** | | | |
| Overtime & Holiday Pay | - | 17 | - |
| Travelling | - | 22 | - |
| Stationery & Office Requisites | - | 4 | - |
| Fuel & Lubricant | - | 43 | - |
| Drilling Works Consumables | - | 10 | - |
| Maint. Of Lab. Equipments | - | 124 | - |
| **Sub Total** | **-** | **220** | **-** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 | Budget 2017 Rs'000 |
|---|---|---|---|
| **NOTE NO: 4.6 TREASURY GRANTS -CAPITAL (Research Studies)** | | | |
| **GROUNDWATER ASSESSMANT OF KELANI GANGA BASIN (PHASE-1)** | | | |
| Overtime & Holiday Pay | - | 184 | - |
| Maint. Of Motor Vehicles | - | 3 | - |
| Maint. Of Machinery | - | 6 | - |
| Rent , Rates & Taxes | - | 60 | - |
| Travelling | - | 304 | - |
| Fuel & Lubricant | - | 593 | - |
| Drilling Works Consumables | - | 726 | - |
| Ground Water Other | - | 2 | - |
| Stationery & Office Requisites | - | 22 | - |
| Sundry Expenditure | - | 3 | - |
| Maint. Of Lab. Equipments | - | 95 | - |
| Entertainment | - | 2 | - |
| **Sub Total** | **-** | **2,000** | **-** |
| ***GRAND TOTAL*** | **23,531** | **34,003** | **27,300** |

**NOTE NO:05**

**CASH & CASH EQUIVALENTS**

| | | |
|---|---|---|
| ( 1 ) Bank of Ceylon York Street Branch (0002026295) | 305 | 86 |
| ( 2 ) Bank of Ceylon Torrington Branch (0002322267) | 41,050 | 5,237 |
| ( 3 ) Bank of Ceylon Torrington Branch (0002322268) | 211 | 28 |
| ( 4 ) Bank of Ceylon Torrington Branch (0005342839) | 48 | 497 |
| ( 5) National Savings Bank -Bambalapitiya (100230211818) | 10,233 | 2,131 |
| ( 7) National Savings Bank - Borella (1-0061-03-31287) | - | 2 |
| ***TOTAL*** | **51,847** | **7,981** |

## NOTES TO THE FINANCIAL STATEMENTS CONTD;

| NOTE NO:06<br>TRADE & OTHER RECEIVABLES | Actual<br>2017<br>Rs'000 | Actual<br>2016<br>Rs'000 |
|---|---|---|
| **STAFF** | | |
| (01) Distress Loan | 13,845 | 11,715 |
| (02) Festival Advance | 30 | 10 |
| (03) Cycle Loan | 3 | 14 |
| (04) Special Loan | 499 | - |
| **Sub Total** | **14,377** | **11,739** |
| **OTHERS** | | |
| (05) Trade | 18,849 | 19,790 |
| (06) Deposits | - | 56 |
| (07) Advance to Suppliers | 29 | 243 |
| (08) Retention Receivable | 1,160 | 149 |
| (09) E.S.C. Receivable | 627 | - |
| (10) V.A.T. Receivable (Refund) | 1,263 | - |
| (11) Other Receivables | 574 | - |
| **Sub Total** | **22,502** | **20,238** |
| **TOTAL RECEIVABLES** | **36,879** | **31,977** |
| (12) Less : V.A.T Payable | (2,578) | (2,402) |
| **TOTAL** | **34,301** | **29,575** |

| NOTE NO: 07<br>INVENTORIES | | |
|---|---|---|
| **MATERIALS & SPARES** | | |
| Vehicle Spares | 1,658 | 1,370 |
| Vehicle Spares ( DSWRPP) | 2,135 | 2,295 |
| Fuel & Lubricants | 2,251 | 1,973 |
| Ground Water Consumables | 43,628 | 24,949 |
| Building Materials | 950 | 144 |
| Stationery | 352 | 237 |
| Machinery Spares (with 2 KR) | 67,062 | 58,316 |
| Machinery Spares (DSWRPP ) | 45,057 | 50,932 |
| Machinery Spares (MINISTRY) | 3,907 | 4,154 |
| Laboratory Consumables | 4,516 | 4,855 |
| **TOTAL** | **171,516** | **149,225** |

| NOTE NO:08 | | |
|---|---|---|
| **PRE-PAYMENTS** | | |
| Cash In Transits | - | 9 |
| Newspapers & Periodicals | - | 13 |
| Maintenance of Motor Vehicle | 34 | 139 |
| Publicity | - | 62 |
| Stamp Duty | 278 | - |
| **TOTAL** | **312** | **223** |

**NOTES TO THE FINANCIAL STATEMENTS CONTD.**

**PROPERTY, PLANT & EQUIPMENT**
**NOTE: 09**

| Cost | Balance as at 01.01.2017 Rs'000 | Additions Rs'000 | Disposal / Adjustments Rs'000 | Balance as at 31.12.2017 Rs'000 |
|---|---|---|---|---|
| Lands | 1,897 | - | - | 1,897 |
| Buildings | 6,258 | - | - | 6,258 |
| Motor Vehicles | 97,605 | - | (2,680) | 94,925 |
| Machinery | 196,890 | 20,863 | (400) | 217,353 |
| Laboratory Equipment | 17,676 | 3,772 | - | 21,448 |
| Furniture Fittings & Office Equipment | 20,192 | 1,194 | - | 21,386 |
| Computers & Accessories | 3,245 | 2,779 | - | 6,024 |
| Scientific Equipment | 95,869 | 79,389 | (107,052) | 68,206 |
| Buildings (Work in Progress) | 300 | 527 | - | 827 |
| **TOTAL** | **439,932** | **108,524** | **(110,132)** | **438,324** |

| Depreciation | Balance as at 01.01.2017 Rs'000 | Charges for the Year Rs'000 | Disposal / Adjustments Rs'000 | Balance as at 31.12.2017 Rs'000 |
|---|---|---|---|---|
| Motor Vehicles | - | 23,789 | (74) | 23,715 |
| Machinery | - | 41,633 | (12) | 41,621 |
| Laboratory Equipment | 3,532 | 3,609 | - | 7,141 |
| Furniture Fittings & Office Equipment | 12,157 | 1,374 | (4) | 13,527 |
| Computers & Accessories | 586 | 954 | 8 | 1,548 |
| Scientific Equipment | 46,031 | 13,809 | (59,840) | - |
| Buildings | - | 314 | - | 314 |
| **TOTAL** | **62,306** | **85,482** | **(59,922)** | **87,866** |
| **NET BOOK VALUE** | **377,626** | | | **350,458** |

**NOTES TO THE PROPERTY PLANT & EQUIPMENT**
**Cont...NOTE: 09**

## 01 Depreciation Charges to the Financial Performance is made as follows.

| Depreciation | Charges for the Year | Deferred Income for the Year | Disclosed Amount |
|---|---|---|---|
| | Rs'000 | Rs'000 | Rs'000 |
| Motor Vehicles | 23,789 | (19,868) | 3,921 |
| Machinery | 41,633 | (41,628) | 5 |
| Laboratory Equipments | 3,609 | (2,544) | 1,065 |
| Furniture Fittings & Office Equipments | 1,374 | - | 1,374 |
| Computers & Accessories | 954 | (56) | 898 |
| Scientific Equipments | 13,809 | (13,762) | 47 |
| Buildings | 314 | - | 314 |
| **TOTAL** | **85,482** | **(77,858)** | **7,624** |

**02** Land of Korakahawewa Training Center ( 2.166 Hect. ) has leased agreement on paying with annual rental basis

**03** An extent of 40.0 perches land at Battaramulla has allocated from the Urban Development Authority to the Water Resources Board for the period of 30 years on nominal ground rental basis.

**04** Details of the Land & Buildings which are utilizing of the Board without having legal ownership as at 31.12.2017 are as follows.

| LAND | BUILDINGS (Appox.) |
|---|---|
| Head Office | 0.2167 Hect. |
| Work Shop at Rathmalana | 1.79378 Hect. |
| Circuit Bungalow at Anuradhapura | 0.0759 Hect. |
| Work Site at Vauniya | 0.1050 Hect. |

**05** 03 Nos of Motor Vehicles have not been transferred to the Board at the end of the Year 2017. (31-2550, WPLM-1140 & WPPH-0862 )

**06** During the year Asset purchases /Granted Assets/ Identified values and the net effect from the Revaluation / Fair Value adjustment are shown as additions in the note no. 09 of Property, Plant and Equipment.

| | Actual 2017 Rs'000 | Actual 2016 Rs'000 |
|---|---|---|
| **NOTE NO:10** | | |
| **TRADE CREDITORS** | | |
| 01. Provincial Sec. Nuwaragampalatha | - | 422 |
| 02. Trade Creditors | 477 | - |
| **TOTAL** | **477** | **422** |

**NOTE NO:11**

**OTHER PROVISIONS & PAYABLES**

| | | |
|---|---|---|
| (1) Provision for Audit Fees | 562 | 535 |
| (2) Provision for Income Tax | 33 | - |
| (3) E.P.F 10% | (126) | (91) |
| (4) Accrued Expenses | 10,143 | 13,256 |
| (5) Bid Bond & Refundable Deposits | 25 | 639 |
| (6) ETF Payable | - | 431 |
| (7) EPF Payable | - | 37,534 |
| (8) SVAT Payable | - | 14 |
| **Sub Total ( 1 - 8 )** | **10,637** | **52,318** |
| (9) Less : V.A.T Cash | (93) | (469) |
| | **10,544** | **51,849** |

**NOTE NO:12**

**DEFERRED INCOME**

| | | |
|---|---|---|
| Flow Meter Advance | 110 | - |
| Service Advance | 82,380 | 21,413 |
| | **82,490** | **21,413** |

**NOTE NO:13**

**RETIREMENT BENEFIT OBLIGATIONS**

The Amounts recognized in the Statement of Financial Position are as follows.

| | | |
|---|---|---|
| At Beginning of the year | 64,994 | 90,855 |
| Charge / Credit for the year | 13,586 | (16,180) |
| Contribution Paid | (11,158) | (9,681) |
| At end of the year | **67,422** | **64,994** |

**NOTE NO:14**

| **SECURITY DEPOSITS** | | **Initial Deposit Rs.** | | |
|---|---|---|---|---|
| ( 1 ) Mr. K.A. Wimal | - Store Keeper | 500 | - | 2 |
| | | **500** | - | **2** |

**NOTE NO:15**

| | | |
|---|---|---|
| Deferred Income (Pl. see Page No.23 for details) | **305,961** | **310,900** |

**NOTE NO:16**

**Please see Page No 03 for Statement of changes in Net assets / Equity**

**NOTES TO THE FINANCIAL STATEMENTS CONTD;**

**NOTE: 15**
**Deferred Income**

| | Balance as at 01.01.2017 Rs'000 | Additions During the Year Rs'000 | Charges for the Year<br>Depreciation Rs'000 | Revaluation Adjustments/ Disposal Rs'000 | Balance as at 31.12.2017 Rs'000 |
|---|---|---|---|---|---|
| Lands | - | - | - | - | - |
| Buildings | - | - | - | - | - |
| Motor Vehicles | 79,525 | | (19,868) | | 59,657 |
| Machinery | 171,790 | 45,880 | (41,628) | (388) | 175,654 |
| Laboratory Equipment | 9,749 | 3,809 | (2,544) | (50) | 10,964 |
| Furniture Fittings & Office Equipment | - | - | - | - | - |
| Computers & Accessories | - | 776 | (56) | - | 720 |
| Scientific Equipment | 49,836 | 69,861 | (13,762) | (46,969) | 58,966 |
| **TOTAL** | **310,900** | **120,326** | **(77,858)** | **(47,407)** | **305,961** |

**EFFECT ON THE FAIR VALUE OF PROPERTY PLANT & EQUIPMENTS.**

| | YEAR 2017 | | YEAR 2016 | |
|---|---|---|---|---|
| | **Surplus Rs'000** | **Deficit Rs'000** | **Surplus Rs'000** | **Deficit Rs'000** |
| Motor Vehicles | | | 916 | |
| Machinery | | | | 5,317 |
| Laboratory Equipment | | | | 631 |
| Computers & Accessories | | | 256 | |
| Scientific Equipment | | 242 | | |
| **Total** | - | **242** | **1,172** | **5,948** |
| Effect | | Income Statement | Financial Position | Income Statement |

# Auditor General's Report

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
**AUDITOR GENERAL'S DEPARTMENT**

මගේ අංකය / எனது இல. / My No. IEN/A/WRB/2018/A/20 — ඔබේ අංකය / உமது இல. / Your No. — දිනය / திகதி / Date 26 August 2018

The Chairman,

Water Resources Board

**Report of the Auditor General on the Financial Statements of the Water Resources Board for the year ended 31 December 2017 in terms of the Section 14(2)(c) of the Finance Act, No: 38 of 1971.**

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The audit of financial statements of the Water Resources Board for the year ended 31 December 2017 comprising the Statement of Financial Position as at 31 December 2017 and the Statement of Financial Performance, Statement of Changes in Equity, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my discretion in pursuance of provision 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 17(2) of the Water Resources Board Act No: 29 of 1964 as amended by Act No: 42 of 1999. My comments and observations which I consider should be published with the Annual Report of the Board 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 Board on 21 June 2018.

**1.2 Management's Responsibility for the Financial Statements**

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

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
+94-11-2887028-34 +94-11-2887223 ag@auditorgeneral.gov.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 Auditing Standards of Supreme Audit Institutions (ISSAI 1000 – 1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatements of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## 1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.

## 2. Financial Statements

### 2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Water Resources Board as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

### 2.2 Comments on Financial Statements

#### 2.2.1 Accounting Deficiencies

The following observations are made.

(a) Although the geological surveys of construction of tube wells in 09 schools in Mahiyangana education zone had been finished, only an amount of Rs. 82,110 had been accounted as income related to 02 schools out of them. The balance amount of Rs. 298,252 had been stated under the advance received not taking into the income.

(b) Gratuity amounted to Rs. 29,721 had been provisioned in excess for the two employees due to the calculation error in the year under review.

(c) Service advances received amounting to Rs.44,677 had been stated in less and income had been stated in excess in issuing of two invoices for the same transaction.

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
Auditor General's Department

## 2.3 Accounts Receivable and Payable

The following observations are made.

(a) Out of the debtor balances of Rs. 18,849,408 as at the end of the year under review, a debt balance of Rs. 3,178,291 due over 1 year and the debtor balance of Rs. 860,800 to be received from Moragahakanda Project had been remained without charging since 31 December 2015.

(b) Although Rs. 2,611,379 out of the service advances obtained from 214 persons and institutions to provide different kinds of services had been elapsed the one year, the Board had failed to provide relevant activities.

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

The following non-compliances were observed.

| | Reference to Laws, Rules and Regulations | Non-compliance |
|---|---|---|
| (a) | Section 14(1) of Water Resources Board Act No:29 of 1964 and Section 3 of Amended Act No: 42 of 1999 | As per amended Act, though an Advisory Committee consisted of 18 should be established, in contrary to that, an Advisory Committee consisted of 09 had been established. |
| (b) | Treasury Circular No: 842 of 19 December 1978 | Asset register for furniture and office equipment had not been maintained. |
| (c) | Paragraph 9.7 of Public Enterprises Circular No: PED/12 of 02 June 2003 | Though a special allowance of Rs. 1,964,633 had been paid to the 27 officers in addition to their salaries in the year under review by the Board, the Treasury approval had not been taken for that. |

4

## 3. Financial Review

### 3.1 Financial Results

According to the financial statements presented, the financial result of the Board for the year ended 31 December 2017 had been a surplus of Rs. 6,743,000 and as the corresponding surplus of Rs. 27,092,000 for the preceding year the financial results for the year under review as compared with the preceding year indicated a decline of Rs. 20,349,000. Although the income operating had been increased by Rs.59,243,000 in the year under review, the increase of administrative expenses by Rs. 38,057,000 and other project expenses by Rs. 28,121,000 had been the main reasons for above decline.

In analysing on financial result for the year under review with 04 preceding years had revealed that the deficit of the financial result since year 2013 to year 2015, a surplus had been seen in the years 2016 and 2017. However, after a adjusting employee remunerations, tax paid to the government and depreciation for non-current assets to the financial result, the contribution of the Board had been improved since year 2013 and it was Rs. 227,278,000 during the year under review.

## 4. Operating Review

### 4.1 Performance

#### 4.1.1 Planning

Following observations are made.

(a) Although an Action Plan is prepared to carry out overall functions in the year 2017 by the Board correspondent to that, the Budget Estimate and Procurement Plan should be prepared, action had not been done as it is. Action Plan, Annual Budget Estimate and Procurement Plan compare to each other had not been prepared.

(b) Although the report on physical and financial performance related to the year under review, had been prepared by the board the financial performance that related to the each activity of the Action Plan had not been included in that report.

**4.1.2 Performance and Review**

The following observations are made.

(a) Even though 575 researches had been planned to conduct under the 08 objects of the Annual Budget Estimate for the year under review, 356 researches had only been conducted by the Board as per the progress reports and the number of researches not conducted was 219. The number of undone activities had been ranging from 24 per cent to 100 per cent. The reasons of the scarcity of geo-hydro scientists in the Board, it had happened to allocate them for the emergency disaster situations in the country, limited resources and technical staff in the Board had been affected for that.

(b) Deficiencies in implementing the research studies

(i) Eight research studies projects had been commenced in order to test the quality of water and its impact on the general public at an estimated cost of Rs. 133,550,000 since year 2012 to 2017 and Rs. 67,159,000 had been spent by 31 December 2017. Even though it was scheduled to complete 04 research studies as at 31 December 2017, the expected objectives of the research studies had not been fulfilled as it had failed to complete the entire 04 research studies as expected.

(ii) Even though, a Research Officer should be appointed on full time basis in order to complete the research studies successfully, the Board had appointed the General Manager of the Board as a Research Officer for all research studies. Research studies could not been completed within scheduled time period since the General Manager had to involve in research studies in addition to his normal duties.

(iii) Financial progress of the research studies was in the range of 15 per cent to 65 per cent from the estimated amount at the end of the year under review and delays were from 01 year to 05 years. Further, the reasons and estimates had not been submitted for the extension of research studies.

**4.2 Management Activities**

The following observations are made.

(a) Although the Advisory Committee had been assembled on 29 June 2017, the progress reports of 08 research studies conducted during the year under review had not been referred for the instructions of the Advisory Committee.

(b) Even though the Board had used 03 vehicles which owned to other state institutions since the years 1981, 2009 and 2016, action had not been taken to arrogate those vehicles even during the year under review also.

(c) Although a surplus of 31 stock items and a deficit of 134 items had been identified according to the report of the Board of Survey of Fixed Assets, the adjustments had not been done in the accounts.

**4.3 Idle and Underutilized Assets**

Slow moving, non-issuing and expired stocks amounting to Rs. 76,474,390 had been included in the stock of Rs. 171,516,000 as at 31 December in the year under review reasons for that purchasing of spare parts for the machinery without identifying the necessity.

**4.4 Commencement of Projects on the land not vested properly**

Without taking actions to vest the lands and buildings that located head office of the Board, Rathmalana and Vavuniya Workshops and Anuradhapura circuit bungalow of the Board, the construction of building and changes in the prevailing buildings had been done beginning of the year under review by spending Rs. 6,258,000 in those lands by the Board.

**4.5 Resources of the Board released to the other state institutions**

A driver recruited to carry out the activities of the Board had been released for the duties in the line ministry since 11 January 2017 away from duties of the Board, contrary to Section 8.3.9 of the Public Enterprises Circular No. PED/12 of 02 June 2003 and salaries and allowances of Rs. 145,392 had been paid by the Board.

**5. Sustainable Development**

**5.1 Achievement of Sustainable Development Goals**

Every public institution should act in compliance with United Nations Sustainable Development Agenda for the year 2030 and Water Resources Board had been aware of that how should be acted in relation to the activities comes under the own scope related to the year under review.

(a) Although Water Resource Board had been aware of the Agenda for the year 2030 as above, action had not been taken to identify the targets, based data, the milestones in respect of achieving those targets, and the indicators for evaluating the achievement of such targets.

(b) Although the parties, Ministry of Environment, National Water Supply and Drainage Board, Geological Survey and Mining Bureau, Ministry of Disaster Management and Department of Irrigation, had been identified as interest parties in the functions of Water Resources Board with respect to the implementation of sustainable goals, it was further observed that the participatory access in preparing targets regarding the entity had not been depicted.

(c) Even though the existence of accurate database is compulsory for evaluating the accurate performance of a certain activity, it was observed that the institution had not taken action to create an accurate collection of data in view of evaluating the achievement of sustainable development goals. It was further observed that the reasons such as, lack of financial provision, physical facilities and non-availability of trained staff had attributed thereto.

(d) Annual milestones that needed for the monitoring of relevant functions in achieving sustainable development goals had not been identified.

(e) Due to lack of coordination with other institutions in the preparation to achieve the sustainable development goals, it was observed that the preparation of plans for achieving the targeted goals, and the preparation process had been remained weak.

**6. Accountability and Good Governance**

**6.1 Internal Audit**

Two assistant officers and a drilling assistant including internal auditor had been appointed for the Internal Audit branch. So the Board had failed to deploy qualified officers to the internal audit branch for auditing of functions of the Board that used the technological and engineering techniques.

**6.2 Procurement Process**

Six items that not included in the Procurement Plan had been procured without paying attention to the items included in the Procurement Plan and ten items that expected to procure as at 30 April 2017 in this in dates had not been procured. Accordingly, it was observed that the procurement activities had not been done as per Annual Procurement Plan.

**6.3 Budgetary Controls**

The budget had not been utilized as an instrument of effective management control, as it was observed that the variances of a range of 12 per cent to 138 per cent in between estimated income and actual income and a range of 10 per cent to 1094 per cent in between estimated expenditure and actual expenditure.

### 6.4 Tabling of Annual Reports

The annual report of year 2016 had not been tabled in the parliament.

### 6.5 Unresolved Audit Paragraphs

A female Geologist who went abroad for a scholarship in 2005 under condition of compulsory service period of 06 years and a security bond of Rs. 1,308,699 had been released for other institution under the condition of compulsory service of 04 years and security bond of Rs. 435,600 before completion of the compulsory service period. Action had not been taken to recover the security bonds aggregating Rs. 1,744,299 as per the agreements even at the end of the year under review, even though the officer had released permanently from the service of the Board since year 2011 on breach of the 02 agreements by the relevant officer.

## 7. Systems and Controls

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

| Areas of Systems and Controls | Observations |
|---|---|
| (a) Accounting | Ownership of the assets had not been obtained by the Board and income and expenditure not accounted properly. |
| (b) Performance | Actions had not done to achieve the financial and physical performance as expected. |
| (c) Receivable and Payable Accounts | Effective measures had not been taken to settle. |

| | |
|---|---|
| (d) Research Activities | Action had not been taken to complete the research studies as scheduled. |
| (e) Asset Control | Action not taken for the documentation of assets. |

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General

H.M. Gamini Wijesinghe

Auditor General

# Comments on the AG's Report

## 2.2.1 Accounting Deficiencies

The following observations are made.

| Audit observations | | Management's comments |
|---|---|---|
| (a) | Although the geological surveys of construction of tube wells in 09 schools in Mahiyangana education zone had been finished, only an ammount of Rs. 82,110 had been accounted as income related to 02 schools out of them. The balance amount of Rs. 298, 252 had been stated under the advance received not taking into the income. | The service related to the remaining 7 schools were invoiced for the year 2018 by the invoice no. 15886 on 23.05.2018 and taken in to the income accordingly. |
| (b) | Gratuity amounted to Rs. 29, 721 had been provisioned in excess for the two employees due to the calculation error in the year under review. | When computing the gratuity provision, the service periods of two employees were taken 01 year in excess and that error will be rectified when preparing financial statement for the year 2018. |
| (c) | Service advances received amounting to Rs. 44, 677 had been stated in less and income had been stated in excess in issuing of two invoices for the same transaction. | Two invoices were issued for Hydrogeological survey activities done at Galaniga Vidyalaya, by an error. The value of Rs. 44, 677.50 which was invoiced twice is deducted from Rs. 172, 500 and the actions will be taken to invoice the balance amount of Rs. 127, 822.50. |

## 2.3 Accounts Receivable and Payable

The following observation are made.

| Audit observations | | Management's comments |
|---|---|---|
| (a) | Out of the debtor balance of Rs. 18, 849, 408 as at the end of the year under review, a debt balance of Rs. 3, 178, 291 due over 1 year and the debtor balance of Rs. 860, 800 to be received from Moragahakanda Project had been elapsed the one year, the Board had failed to provide relevant activities. | As per the board decision taken on 28.03.2018 (Board Paper No. 1199) the board approved to write off the debtor balance of Rs. 860,800.00 from the books and it was recorded in the books of accounts by journal voucher Nos. JV-18-27 recovering other debtor balances are in progress. |
| (b) | Although Rs. 2, 611, 379 out of the service advances obtained from 214 persons and institutions to provide defferant kind of services had been elapsed the one year, the Board had failed to provide relevant activities. | Paid attention to rectify overdue service advance account balances. |

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

The following non-compliances were observed.

| Reference to Laws, Rules and Regulations | | Non-compliance | Management's comments |
|---|---|---|---|
| (a) | Section 14(1) of Water Resources Board Act No.29 of 1964 and Section 3 of Amended Act No.42 of 1999 | As per amended Act, though an Advisory Committee consisted of 18 should be established, in contrary to that, anAdvisory Committee consisted of 09 had been established. | Nine agents representing Institutes were participated to the first advisory committee for the year 2017 while 12 representatives were participated for the meeting held on 20.02.2018 |
| (b) | Treasury Circular No: 842 of 19 December 1978 | Asset register for furniture and office equipment had not been maintained. | Computerizing furniture and office equipment's are in progress. |
| (c) | Paragraph 9.7 of Public Enterprises Circular No: PED/12 of 02 June 2003 | Though a special allowance of Rs. 1, 964, 633 had been paid to the 27 officers in addition to their salaries in the year under review by the Board , the Treasury approval had not been taken for that. | As per the management services circular No. 05/2017 dated 25.10.2017 issued by the secretary to the Treasury, it was decided to pay a professional allowance to the senior officers with effect from 01.10.2017. Based on that decision the Board decided to pay a monthly allowance of minimum Rs. 3000.00 and maximum Rs. 15000.00 instead of the existing monthly allowance payments of minimum Rs. 3000.00 and maximum Rs. 10,000.00 with effect from 01.10.2017 to date. |

## 3. Financial Review

### 3.1 Financial Results

According to the financial statements presented, the financial result of the Board for the year ended 31 December 2017 had been a surplus of rs. 6,743,000 and as the corresponding surplus of Rs. 27,092,000 for the preceding year the financial result for the year under review as compared with the preceding year indicated a decline of Rs. 20,349,000. Although the income operating had been increased by Rs. 59,243,000 in the year under review, the increase of administrative expenses by Rs. 38, 057, 000 and other project expenses by Rs. 28,121,000 had been the main reasons for above decline.

In analysing on financial result for the year under review with 04 preceding years had revealed that the deficit of the financial result since year 2013 to year 2015, a surplus had been seen in the years 2016 and 2017. However, after a adjusting employee remunerations, tax paid to the government and depreciation for non-current assets to the financial result, the contribution of the Board had been improved since year 2013 and it was rs. 227, 278, 000 during the year under review.

# 4. Operating Review

## 4.1 Performance

### 4.1.1 Planning

Following observation are made.

| | Audit observations | Management's comments |
|---|---|---|
| (a) | Although an Action Plan is prepared to carry out overall functions in the year 2017 by the Board correspondent to that, the Budget estimate and Procurement Plan should be prepared, action had not been done as it is. Action Plan, Annual Budget Estimate and Procurement Plan compare to each other had not been prepared. | Future actions will be taken to overcome these deficiencies. |
| (b) | Although the report on physical and financial performance related to the year under review, had been prepared by the board the finacial performance that related to the each activity of the Action Paln had not been included in that report. | Future actious will be taken to overcome these deficiencies. |

### 4.1.2 Performance and Review

The following observations are made.

| | Audit observations | Management's comments |
|---|---|---|
| (a) | Even though 575 researches had been planned to conduct under the 08 objects of the Annual Budget Estimate for the year under review, 356 researches had only been conducted by the Board as per the progress reports and the number of researches not conducted was 219. The number of undone activities had been ranging from 24 per cent to 100 per cent. The reasons of the scarcity of geo-hydro scientists in the Board, it had happended to allocate them for the emergency disaster situations in the country, limited resources and technical staff in the Board had been affected for that. | The reasons for this situation were allocating hydrogeologists for the emergency disaster situations prevailed within the country and limited resources and technical staff in the Board. |
| **(b)** | **Deficiencies in implementing the research studies** | |
| (i) | Eight research studies projects had been commenced in oder to test the quality of water and its impact on the general public at an estimated cost of Rs. 133, 550, 000 since year 2012 to 2017 and Rs. 67, 159, 000 had been spent by 31 December 2017. Even though it was scheduled to complete 04 reseach studies had not been fulfilled as it had failed to complete the entire 04 research studies as expected. | Advisory committee of the water resources board was established in year 2017 and imminent research study proposals and reports should be submitted to the committee in order to minimize existing deficiencies. |

| | | |
|---|---|---|
| (ii) | Even though, a Research Officer should be appointed on full time basis in order to complete the research studies successfully, the Board had appointed the General Manager of the Board as a ResearchOfficer for all research studies. Research studies could not been completed within scheduled time period since the General Manager had to involve in reseach studies in addition to his normal duties. | Although a research officer should be appointed on full time basis in order to complete the research studies successfully, the existing limited staff is not sufficient for that. However, considering the responsibilities and duties to be performed by the board actious will be taken to recruit staff in future. |
| (iii) | Financial progress of the research studies was in the range of 15 per cent to 65 per cent from the estimate amount at the end of the year under review and delays were from 01 year to 05 years. Further, the reasons and estimates had not been submitted for the extension of research studies. | The research studies has to be extended due to limited resources and limited technical staff. However, considering those facts actions will be taken to plan research studies in future. |

## 4.2 Management Activities

The following observations are made.

| Audit observations | | Management's comments |
|---|---|---|
| (a) | Although the Advisory Committee had been assembled on 29 June 2017, the progress reports of 08 research studies conducted during the year under review had not been referred for the instructions of the Advisory Committee. | The advisory committee summoned on 29th June 2017 decided to discuss future activities and procedures in the next meeting. |
| (b) | Even though the Board had used 03 vehicles which owned to other state instructions since the years 1981, 2009 and 2016, action had not been taken to arrogate those vehicles even during the year under review also. | Since the Dam Safety Project activities are to be concluded during the year 2018, it is anticipated to arrogate those vehicles under the name of the Board. |
| (c) | Although a surplus of 31 stock items and a deficit of 134 items had been identified according to the report of the Board of Survey of Fixed Assets, the adjustments had not been done in the accounts. | When conducting Board of survey of Fixed Assets in year 2017 the balances identified by the previous year Board of survey, were indicated as the ledger balances of the office equipments. Hence the deviations in the closing balances in each section in year 2017 was the reason for this non – reconciliation. It is expected to overcome this situation once the computerizing procedure of Office Equipment get completed. |

## 4.3 Idle and Underutilized Assets

| | Audit observations | Management's comments |
|---|---|---|
| | Slow moving, non-issuing and expired stocks amounting to Rs. 76, 474, 390 had been included in the stock of Rs. 171, 516, 000 as at 31 December in the year under review reasons for that purchasing of spare parts for the machinery without identifying the necessity. | Spare parts & equipments used for Vehicles & Machinery are included in this stock item at a considerable amount. Since those Machineries are very old and scarcity in the market, slow moving items are not able to remove from usage. However, actions were taken to remove unnecessary stocks. |

## 4.4 Commencement of Projects on the land not vested properly

| | Audit observations | Management's comments |
|---|---|---|
| | Without taking actions to vest the lands and buildings that located head office of the Board, Rathmalana and Vavuniya Workshops and Anuradhapura circuit bungalow of the Board, the construction of building and changes in the prevailing buildings had been done beginning of the year under review by spending Rs. 6, 258, 000 in those lands by the Board. | Attention was paid in this regard. However, usage rights can be obtained on lease basis. |

## 4.5 Resources of the Board released to the other state institutions

| | Audit observations | Management's comments |
|---|---|---|
| | A driver recruited to carry out the activities of the Board had been released for the duties in the line ministry since 11 January 2017 away from duties of the Board, contrary to Section 8.3.9 of the Public Enterprises Circular No. PED/12 of 02 June 2003 and salaries and allowances of Rs. 145, 392 had been paid by the Board. | As per the notice given by the Ministry of Irrigation and Water Resources Management released for the service at Minister's office on the basis of paying salaries by the Water Resources Board. |

# 5. Sustainable Development

## 5.1 Achivement of Sustainable Development Goals

| | Audit observations | Management's comments |
|---|---|---|
| | Every public institution should act in compliance with United Nations Sustainable Development Agenda for the year 2030 and Water Resources Board had been aware of that how should be acted in relation to the activities comes under the own scope related to the year under review. | |
| (a) | Although Water Resource Board had been aware of the Agenda for the year 2030 as above, action had not been taken to identify the targets, based data, the milestones in respect of achieving those targets, and the indicators for evaluating the achievement of such targets. | In accordance with the sustainable development agenda, major aims accomplished by the Water Resources Board are development of ground water resources island wide, based on conservation and management certification while the previous experience of the Board and targets, based data and performance measurement related intermediate targets, key performance Indicators were included in Annual Action Plan of the board and related projects are executed accordingly. Actions will be taken to regularize these activities as shown by the Auditing. |
| (b) | Although the parties, Ministry of Environment, National Water Supply and Drainage Board, Geological Survey and Mining Bureau, Ministry of Disaster Management and Department of Irrigation, had been identified as interest parties in the functions of Water Resources Board with respect to the implementation of sustainable goals, it was further observed that the participatory access in preparing targets regarding the entity had not been depicted. | Always the Board execute its activities amalgamating with the Ministry of Environment, National Water Supply and Drainage Board, Ministry of Disaster Management, Department of Irrigation and other parties who are related with the functions of the Board while the Board is planning functions specially in accordance with the directions given by the Ministry of Irrigation and Water Resources & Disaster Management. |
| (c) | Even though the existence of accurate database is compulsory for evaluating the accurate performance of a certain activity, it was observed that the institution had not taken action to create an accurate collection of data in view of evaluating the achievement of sustainable development goals. It was further observed that the reasons such as, lack of financial provision, pyysical facilities and non-availability of trained staff had attributed thereto. | Extensive attention will be given to the facts revealed by the Audit and necessary actions will be taken to develop required infrastructure facilities. |
| (d) | Annual milestones that needed for the monitoring of relevant functions in achieving sustainable development goals had not been identified. | Actions will be taken to further regularize the Annual Action Plan in order to present Annual Milestones clearly, which are necessary for sustainable development goals. |

| | | |
|---|---|---|
| (e) | Due to lack of coordination with other institutions in the preparation to achieve the sustainable development goals, it was observed that the preparation of plans for achieving the targeted goals, and the preparation process had been remained weak. | It is anticipated to accomplish expected sustainable development goals by broadening required scientific and technical staff and other physical and financial resources of the Board. |

# 6. Accountability and Good Governance

## 6.1 Internal Audit

| Audit observations | | Management's comments |
|---|---|---|
| | Two assistant officers and a drilling assistant including internal auditor had been appointed for the Internal Audit branch. So the Board had failed to deploy qualified officers to the internal audit branch for auditing of functions of the Board that used the technological and engineering techniques. | Management Service Department not approved for a post of Chief Internal Auditor , Audit Assistant and Management Assistant (Technical) for the existing Internal Auditor were approved by the Management Service Department in December 2017. |

## 6.2 Procurement Process

| Audit observations | | Management's comments |
|---|---|---|
| | Six items that not included in the Procurement Plan had been procured without paying attention to the items included in the procurement Plan and ten items that expected to procure as at 30 April 2017 in this in dates had not been procured. Accordingly, it was observed that the procurement activities had not been done as per Annual Procurement Plan. | Actions will be taken to minimize variances in between the Annual budget & the procurements as much as possible. |

## 6.3 Budgetary Controls

| Audit observations | | Management's comments |
|---|---|---|
| | The budget had not been utilized as an instrument of effective management control, as it was observed that the variances of a range of 12 per cent to 138 per cent in between estimated income and actual income and a range of 10 per cent to 1094 per cent in between estimated expenditure and actual expenditure. | Attention was given to minimize variances as much as possible in between the budgeted Income & Expenditure and Actuals in future. |

## 6.4 Tabling of Annual Reports

| | Audit observations | Management's comments |
|---|---|---|
| | The annual report of year 2016 had not been tabled in the parliament. | Annual Report for the year 2016 is in the process of printing. |

## 6.5 Unresolved Audit Paragraphs

| | Audit observations | Management's comments |
|---|---|---|
| | A female Geologist who went abroad for a scholarship in 2005 under condition of compulsory service period of 06 years and a security bond of Rs. 1, 308, 699 had been released for other institution under the condition of compulsory service of 04 years and security bond of Rs. 435, 600 befor completion of the compulsory service period. Action had not been taken to recover the security bonds aggregating Rs. 1, 744, 299 as per the agreements even at the end of the year under review, even though the officer had released permanently from the service of the Board since year 2011 on breach of the 02 agreements by the relevant officer. | Actions were taken to get the approval from the Secretary to the Ministry for handing over the Security Bond to the Disaster Management Center since by this time Ministry of Irrigation & Water Resources Management and Disaster Management Center has been merged. |

## 7. Systems and Controls

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

| Areas of Systems and Controls | | Observations | Management's comments |
|---|---|---|---|
| (a) | Accounting | Ownership of the assets had not been obtained by the Board and income and expenditure not accounted properly. | Attention was given in related to this and actions were taken to overcome deficiencies existing in the divisions. |
| (b) | Performance | Actions had not done to achieve the financial and physical performance as expected. | |
| (c) | Receivable and Payable Accounts | Effective measures had not been taken to settle. | |
| (d) | Research Activities | Action had not been taken to complete the research studies as scheduled. | |
| (e) | Asset Control | Action not taken for the documentation of assets. | |

# ANNEXURE

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# PART I : SECTION (I) — GENERAL

## Government Notifications

### THE WATER RESOURCES BOARD ACT, No. 29 OF 1964

**Order under Section 16**

BY virtue of the powers vested in me by Section 16 of the Water Resources Board Act, No. 29 of 1964, as amended by Act, No. 42 of 1999, I, Gamini Wijith Wijayamuni Zoysa, Minister of Irrigation and Water Resources Management do by this Order, declare and publish the orders of Water Resources Board Act.

GAMINI WIJITH WIJAYAMUNI ZOYSA,
Minister of Irrigation and Water Resources Management.

Ministry of Irrigation and Water Resources Management,
Colombo,
15th March, 2017.

**The Orders made by Minister of Irrigation and Water Resources Management under Section 16(1) and 16(2) in respect of matters mentioned in Section 12(1) of the Water Resources Board Act, No. 29 of 1964**

(1) If any of the government or local government institutions, non-governmental organizations or institution or an individual use in future the natural water springs or ground water for the under mentioned purposes or projects, the entire project proposals containing full details of such purposes or projects should be carried out under the supervision and directions of the Water Resources Board. Before the implementation of such activities or the project [1(a) and (b)] the written permission of the Water Resources Board should be obtained.

(i) (a) When constructing agro wells whose diameter is 4 meters or more

(b) Dug wells or tube wells constructed for commercial purposes of the agriculture and industry or commercial agricultural activity, project or any other type of industry started by using natural springs, production tube well or dug wells (annex 01).

(2) (i) All those who are engaged in the construction of tube wells must get registered in Water Resources Board before engage in drilling activities.

1A G 25277— 27 (03/2017)
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The tube well construction must be done according to the instructions issued by the Water Resources Board and the safe yield of the well should be assessed under the supervision of the Water Resources Board and relevant approval should be taken regarding the safe yield of that particular well. Accordingly a flow meter should be fixed by the owner of the industry to monitor the amount of water pumped from the well daily and the data on daily pumped water capacities should be maintained. The owner of the well is bound to show all these records when and where requested by the Water Resources Board.

(ii) Data in respect of all the tube wells constructed by the above registered parties must be submitted to the Water Resources Board every three months according to the specimen indicated in **Annex 2 and Annex 03**.

Water Resources Board will maintain this data in their data base and use them for groundwater management and planning the future projects.

(3) Any government or local government institution, non government organizations, any institute or an individual that engages in water bottling, industry, beverage industry and if uses water from springs or groundwater for their manufacturing purposes, a water sample should be analyzed once in every six months from a reputed chemical laboratory as indicated in **annex (04)** and the those reports should be submitted to the Water Resources Board for the approval.

(4) A perimeter protection report should be taken from the Water Resources Board of those who extract groundwater more than 30,000 liter per month for commercial agriculture or industry **(annex 05)**.

(5) Water Resources Board has the right to enter and examine the industries or service stations that use the water from natural springs or underground for their production with or without prior notice at any time of the day or reasonable period.

(6) Action will be taken under Water Resources Board Act, No. 29 of 1964 and amended by Act, No. 42 of 1999 Section 20 against those government or local government institution or individuals who do not act as described under paragraphs above and the Water Resources Board has the right to get legal action against who do not act on the directives issued by it.

*Annex 01*

**The groundwater based industries**

1. Bottle water industry
2. Beverage industry
3. Laundries
4. Vehicle service stations
5. Hotels
6. Plant nurseries
7. Agriculture farms
8. Livestock farms
9. Private groundwater selling points
10. Coir and rubber industry
11. Ice factories
12. Any other industry as per the decision of the Water Resources Board.

*Annex 02*

**The data format of the shallow and deep tube wells**

1. GPS coordinates of the well
2. Geophysical data
3. Diameter of the well
4. Depth of the well
5. Well logs
6. Drilling records of the well
7. Water level of the well
8. Pump test report of the well
9. Analytical data of the water samples (physical, chemical bacteriological data and data on heavy metals)
10. Details of the fractures encountered while drilling

*Annex 03*

**Data format of the Agro wells**

1. GPS coordinates of the agro well
2. Geo physical data
3. Diameter of the agro well
4. Depth of the agro well
5. Whether the agro well excavated up to the bed rock
6. Static water level of the agro well
7. Pumping test report
8. Analytical report of the water sample (physical, chemical bacteria and for heavy metals)

*Annex 04*

**The accepted government Chemical laboratories**

1. Industrial Technology Institute (ITI)
2. Water Resources Board (WRB)
3. National Water Supply and Drainage Board (NWS and DB)
4. Sri Lanka Standard Institute (SLS)
5. Geological and Mines Bureau (GSMB)
6. National Building and Research Organization (NBRO)

*Annex 05*

**All the industries indicated in Annex 01**

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# PROJECTS IMPLEMENT BY WATER RESOUCES BOARD PHYSICAL & FINANCIAL PROGRESS SUMMARY – 2017

## 2.1 Treasury Grant Projects

08 number of treasury grant projects were conducted by water Resources Board in the year 2017 .Head office and all provincial offices were implemented those projects

### 2.1.1 Long term ground water monitoring project in groundwater sensitive terrains (LTGM)

**(Rs. 2.5 Million)**

This project is a combined project of 06 numbers of completed projects which have extended for long term groundwater monitoring. At the beginning of the project, test bore holes were constructed with considering different groundwater issues identified in each project areas to establish a monitoring network.

### 2.1.2 Development of Groundwater Monitoring Network for Jaffna Peninsula (Rs. 3.5 Million)

The main objective of this study is to identify the status of groundwater in the selected areas and establish a long-term monitoring network to observe improvements of groundwater with the implementation of mitigation programs and finally to go for the Groundwater model for the region.

Under this project, Carry out hydrogeological surveys, Construction of test bore holes, Conducting pumping tests, Levelling of monitoring well points, Water sampling and well monitoring following, Water quality analysis works have been completed

The analytical results of the water revealed that EC, Salinity, Nitrate, TDS , Chloride and Water level change within the Pre and post monsoonal period.

### 2.1.3 The Study on the Direct and Indirect Impacts on the Climate Changes on the Coastal Aquifer System of Sri Lanka (Rs. 2.5 Million)

This is an ongoing project granted by treasury and the Project was started in 2015 to identify water issues related to the climatic changes on coastal aquifer in Western coast and eastern cost of the island.

To achieve the objective of this study, 74 nos. of wells (50 nos. of shallow wells and 24 nos. of test wells) were selected to established the monitoring network in the western coastal zone which exist from Colombo to Weligama coastal strip and Trincomalee district on Eastern coastal strip

In addition to that, eight (08) test wells were drilled in 2017 in several places in Mullativu district to expand the monitoring area up to Mulativu district in Eastern coastal strip. The yield of the wells is ranging from 30 liter per minute to 750 litter minutes. Pumping tests were carried out in constructed tube wells in Mulativu district to determine the safe yield, and also to determine the sea water intrusion by measuring the Electrical conductivity values.According to analytical results of the monitoring data, Chemical parameters such as Electrical Conductivity, Salinity became higher in dry period but in wet period due to dilution the values of above parameters became lower.

**Recommendations and Future Plans**

Monitoring chemical parameters of coastal aquifers with climate change, Identifying water level fluctuations, Determination of chemical parameters such as Salinity, EC, pH and Chloride level fluctuation in the coastal belt of Trincomalee district, Identification of areas with sea water intrusions using isotope technique, Identification of risk areas and impacts on the coastal sandy aquifer due to expected climate is to be evaluated, Identification of possible areas for artificial recharge are the recommendations and future plans of thisprojet.

### 2.1.4 Water Quality Study in CKD prevailing areas of Ampara, Kurunegala, Trincomalee, Hambanthota, Badulla, Moneragala and Polonnaruwa districts (Rs. 5.0 Million)

In the year 2017, study was carried out in Kurunegala, Monaragala, Badulla and Polonnaruwa districts. Carry out hydrogeological surveys (20Nos.), Construction of bore holes (20Nos.), Water sampling and well monitoring (500Nos.), Water quality analysis (150Nos.), Water clinics and awareness program (10Nos.), Installation of handpump tube wells (20Nos.) were donein 2017.

Analysis of EC, Hardness, Fluoride, Chloride, pH are very important in test bore holes in next 5 year period.

### 2.1.5 Groundwater Assessment of Kirindi Oya Basin (Rs. 1.6 Million)

Under this project, Carry out hydrogeological surveys (10 Nos.), Construction of bore holes (10 Nos.), Conducting pumping tests(10 Nos.), Levelling of monitoring well points (35 Nos.), Water sampling and well monitoring (200 Nos.), Water quality analysis (100 Nos.) completed in year 2017.

### 2.1.6 Development of groundwater resources in the districts of dry zone area by construction of deep wells, pumps and water filter installation for emergency use.( Rs. 4.6 Million)

During the period from January 2017 to December 2017, Carry out hydrogeological surveys (15 Nos.), Construction of bore holes (15 Nos.), Conducting pumping tests(05 Nos.), Installation of submersible pump (05 Nos.), Installation of RO filters (05 Nos.) were completed in Monaragala,, Kurunegala, Puttalam, Kandy and Matale districts.

### 2.1.7 Rehabilitation of Hand Pump tube wells in Dry Zone (Rs. 2.3 Million)

This program was carried out to rehabilitate old hand pump tube wells in order to provide safe and clean water for rural areas in Badulla, Moneragala and Hambantota Distrcts. Cleaning of old tube wells (25 Nos.), Repairing of old hand pumps (50 Nos.), Installation of hand pumps (20 Nos.) were completed during the period from January 2017 to December 2017.

### 2.1.8 Conducting of combined inspection with Central Environmental Authority and other Government Agencies on Environmental issues relating to groundwater depletion and pollution (Rs. 0.5 Million)

The project objective of this study is to identify environmental issues relating to groundwater depletion and pollution due to soil, gravel, rock, clay excavation, sand mining and over extraction of groundwater. The studies and inspection was carried out with the coordination of Central Environmental Authority and other relevant Agencies. Hundred (100) sites were inspected in Colombo, Gampaha, Kurunegala, Puttalam, Anuradhapura, Monaragala, Kegalle and Kalutara Districts with the participation of officers from CEA, GSMB, NBRO and other relevant authorities.

## 2.2 Ministry Funded Groundwater Development Projects

There were 3 number of projects conducted by Jaffna provincial office, Head office and Moneragala office

### 2.2.1 Groundwater management plan for Jaffna Peninsula (Rs. 3.6 Mn)

Under this program, Five (05) awareness program were conducted with the participation of District Secretary –Jaffna, Additional Secretary-Ministry of Irrigation & Water Resources Management and other relevant stake holders to prepare well inventory for Jaffna Peninsula. And also, arrangement has been made to purchase Eighty (80) numbers of GPS and Eighty (80) numbers EC meters for the study. Furthermore, it is expected to collect all the technical details of wells in year 2018 in order to prepare well inventory and prepare the maps.

### 2.2.2 Monitoring groundwater level and water quality changes in shallow aquifer systems associated with the irrigation schemes (Rs. 1.0 Mn)

Collection of data, Carry out hydrogeological surveys(25Nos.), Construction of monitoring bore holes (25 Nos.), Collected water samples and analysis of water samples (13 Nos.) were completed in Yan oya reservoir area during the year 2017

**Future plan for year 2018**

1. Construction of twenty (20) test bore holes in yan oya reservoir area in order to fill the data gaps of the Monitoring Network.
2. Construction of twenty five (25) test bore holes in Malwathu-oya reservoir area

### 2.2.3 Groundwater Development in Dry zone areas (Rs. 15.0 Mn)

The following activities were carried out under the above project in 2017.

#### 2.2.3.1 Well cleaning program in flood affected areas in Colombo, Ratnapura, Kalutara,Galle, Matara, Hambantota and Kegalle Districts. (Rs. 20.0 Million)

490 Nos. of wells in Rathnapura, 786 Nos. of wells in Mathara and 548Nos of wells in Kaluthara were cleaned under this project.

During the well cleaning Program, 784 water samples were analyzed for pH ,EC and Microbiology.

#### 2.2.3.2 Construction of deep tube wells, dug wells and installation of water pumps in drought affected areas.

Conducting Hydrogeological investigations (35Nos.), Construction of Deep tube wells (30 Nos.) and Pumps installation (15Nos.) were done in 2017under this project

In addition to that, following water supply schemes were completed under this project.

1. Small water supply scheme at Thorathupitiya -Athimale
2. Rehabilitation of minor water supply schemes in Moneragala District
3. Improvement of Pallegama drinking water project in Moneragala District.

### 2.3 Expansion of established Groundwater Monitoring Network in selected 07 Pilot areas of Sri Lanka (DSWRPP-AF)

The identified pilot areas are selective DSD's of Jaffna, A'pura, Mathale, Puttalam, Gampaha and Ampara Districts considering certain issues recorded and reported with respect to water quality and Quantity.

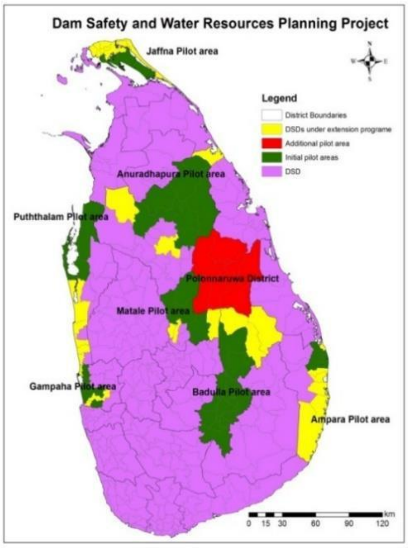


*Figure 13 : Pilot areas of PhaseI & PhaseII of the project and the newly selected Polonnaruwa Pilot area.*

**3. Conducting of groundwater development activities on the request of public, Government institutions and other organizations on their requirements.**

The special projects conducted during the year 2017 are given below;

***Table 15: Details of projects***

| No | Project Name | Responsibility for implementation |
|---|---|---|
| 01 | Hydrogeological Study on the Assessment of Groundwater Contamination in Chunnakam Area | Colombo Head Office |
| 02 | Consultancy Services for pond rehabilitation of Jaffna city region | Colombo Head Office |
| 03 | Construction of tube wells in Moragahakanda and Kalu Ganga resettlement areas | Colombo Head Office |
| 04 | Construction of tube wells in Mannar District under the task force on resettlement of protracted IDPs in Nothern Province (Ministry of Prison Reforms, Rehabilitation, Resettlement and Hindu affairs | Colombo Head Office |
| 05 | Hydrogeological Investigations and construction of production tube wells for water supply schemes in Killinochchi and Mulathivu District under Water Supply and Sanitation Improvement Project-WASSIP (Ministry of City Planning & Water Supply) | Colombo Head Office |

In addition to that following activities were completed on the request of public, Government and other organizations.

**Commercial activities**

The following commercial activities were performed on the requests made by Government and other organizations including public requirements. The progress is given bellow.

***Table 16: Details of commercial activities carried out in year 2017***

| No | Item | Nos. |
|---|---|---|
| 1 | Hydrogeological Surveys | 659 |
| 2 | Tube Well Constructions | 166 |
| 3 | Hand Pump Installations | 32 |
| 4 | Pumping Tests | 215 |
| 5 | Tube Well cleanings | 36 |
| 6 | Chemical Analysis of Water Samples | 756 |
| 8 | Installation of Iron Removal Plants | 34 |

## PROCEDURES IMPLEMANTED TO OVERCOME ACCOUNTING & MANAGEMWNT DEFICIENCIES SHOWN IN THE AUDIT QUERIES & AUDITE REPORTS OF THE AUDITORS GENARAL

01. The action were taken to rectify accounting deficiencies show by the audit.
02. Revaluation of fixed assets was carried out and depreciated accordingly.
03. Action taken to (or to get transfer) acquire the title of the vehicles.
04. Unnecessary stocks have been identified by the Board survey reports and stated the process of disposal.
05. Action taken to implements the professional allowance for the year 2017 approved by the management circular from the month of October of the same year.
06. Steps taken to mitigate the deficiencies in research studies gradually.

## ACTION TAKEN TO UPGRADE THE ACTIVITIES OF WATER RESOURCES BOARD

01. Introduction of regulation to manage ground water of country and develop the mechanism to implement the related activities in the ground.
02. Establish a Emergency operation unit in the WRB to attend any matters related to ground water.
03. Action will be taken to manage and control the fixed assets using the software.
04. Action was taken to recruit the technical staff. (specially Hydrogeologist, Chemist and Technical officers)
05. Procurement of the goods and equipment for the activities of the Board.
06. Training of the staff to upgrade their management and technical knowledge.
07. Evaluate the weekly progress of all the Division of the Board.
08. Follow up of all the activities carried out by the Board.

2ඒ, හෙක්ටර් කොබ්බෑකඩුව මාවත, කොළඹ 07.

2A, ஹெக்டர் கொப்பேகடுவ அவென்யூ, கொழும்பு 07.

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