

Contents

Preface	107
Executive Report	108
Introduction	109
National Secretariat for Elders	110
Vision	110
Mission	110
Organization Chart	111
National Council for Elders - 2011.....	112
National Council for Elders Chairman's Report- 2011	113
National Secretariat for Elders Director's Report -2011	114
Development Progress.....	116
Refurbishment of Elders Homes.....	116
Mobile Services for Issuing of Elders ID Cards.....	117
Establishment of Elders Village Level Committees & Granting Rs. 5,000.....	118
Financially Assisted (Rs. 7,500) Divisional Level Elders Committees.....	119
Financially Assisted (Rs. 15,000) District Level Elders Committees	119
Granting Funds for Day Centres.....	120
Pre-Retirement Programme	121
Counseling Programme	121
Care Givers - Training Programme	122
“Wedihiti Awarana Kepakaru” - Sponsorship Scheme	123
Senior Citizens Pension Scheme	126
Maintenance Board for Elders	127
Accounting Policies of the National Secretariat for Elders	129
Statement of Financial Position as at 31st December 2011.....	130
Statement of Financial Performance for the Year Ended 31st December 2011	131
Cash Flow Statement for the Year Ended 31st December 2011.....	132
Schedules	133
Opinion of the Auditor General	136
Auditor General's Report	137
Reply to Auditor General	148

Preface

All our energies had been pooled to publish this Annual Report with a view to informing the honorable members of parliament of the Government of Democratic Socialist Republic of Sri Lanka about the overall level of performance achieved in the year 2011, by the National Council for Elders, established under the scope of the Ministry of Social Services. These noble services were provided in accordance with the policy decisions and strategic plans of the National Council for Elders, policies and plans meant to bring about well being for the elder community in Sri Lanka.

The primary task of the National Secretariat for Elders is to safeguard the independence, participation, protection and the dignity of the elders, in accordance with directives given in the Act No. 9 of 2000.

Being able to carryout many fruitful services in the year 2011 for the benefit of the elder community of Sri Lanka is a matter for immense happiness. This achievement was the result of everyone acting with the perfect understanding, especially the expectations of the present government and also the duties entrusted upon the National Secretariat for elders.

Further, our only ambition is to enhance the participation of elders in making Sri Lanka, a wonderful country, in accordance with the policies spelt out in Mahinda Chinthanaya.

Executive Report

Still the majority of Sri Lankan elders live in rural environment. It is the paramount duty of everyone to identify the socio - economic problems the elder population faces and to strive hard to create a visible development in their mental, social and spiritual statuses.

Accordingly many challenges had to be overcome in the year 2011. Among them, the major challenge had been the planning and implementation of programmes, with a view to further uplifting the lives of elder population, in accordance with the policies spelt out in Mahinda Chinthanaya. Further the welfare of the displaced families residing in Northern & Eastern provinces had to be frequently looked into. Towards this, the guidance received from the Honorable Minister and the Deputy Minister of Social Services and also the assistance given by their staff is highly appreciable. Further we thankfully remind here the assistance extended to us by the secretary and the staff of the Ministry of Social Services and also the staff of the National Secretariat for Elders, enabling us to provide these noble services to the elders of Sri Lanka.

In the year 2011 we were able to meet physical and financial targets as planned, due to the sheer determination, dedication and also the efficiency of everyone involved. Relevant information with regard to our performance will be given in the proceeding pages.

Introduction

There has been a gradual and systematic growth in Health, Nourishment and Education sectors as a result of the social and economic development that has taken place over the past few decades in this country. This has resulted in a drop in the birth rate and a rise in the life expectancy. Due to this, there has been a marked growth in elderly population in this country. Therefore it is expected that the elderly population which is presently about 10%, will increase to 17% during the next decade.

Therefore steps must be taken to enhance the necessary welfare facilities and also to protect the rights of elders with a view to improving the living standards of the elders living in Sri Lanka. Towards this end, the office of National Secretariat for Elders works with utmost dedication. To strengthen the elder community many steps were taken in the year 2011. Among the steps taken, the leading ones had been the registration of Rural Elder Committees, Regional Elder Councils & District Elder Councils and provision of financial assistance to elder day care centers and implementation of psychological counseling programmes to develop mental & spiritual status of elders, in addition to training of care takers of elders.

Through these activities our ambition is to improve the social participation and also to create a mental and spiritual development of elders, thereby preventing them from getting isolated in the society they live in.

National Secretariat for Elders

National Council for Elders & National Secretariat for Elders have been established under the Protection of the Rights of Elders Act No. 09 of 2000

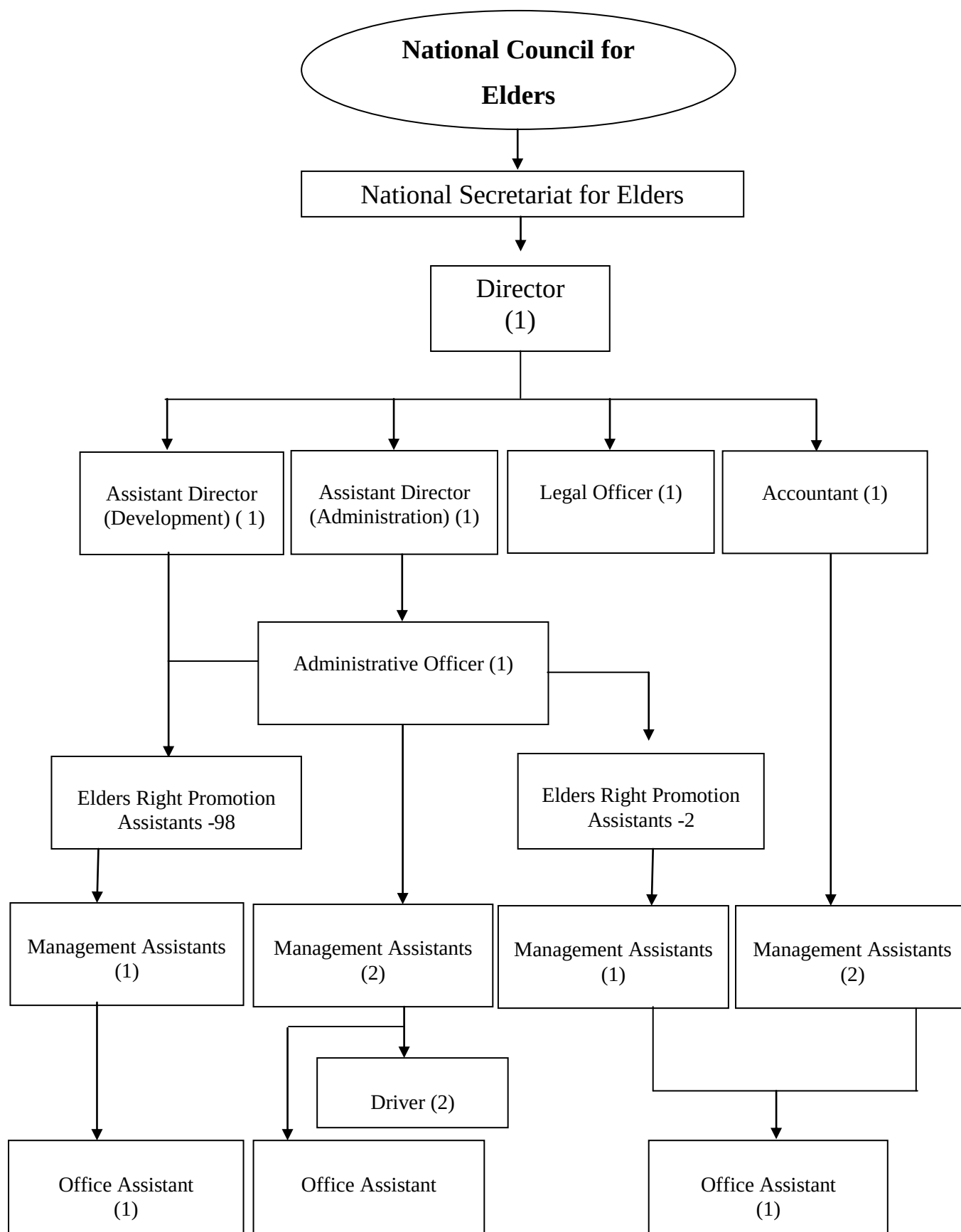
Vision

To take people of Sri Lanka towards an active, productive and dynamic ageing through caring

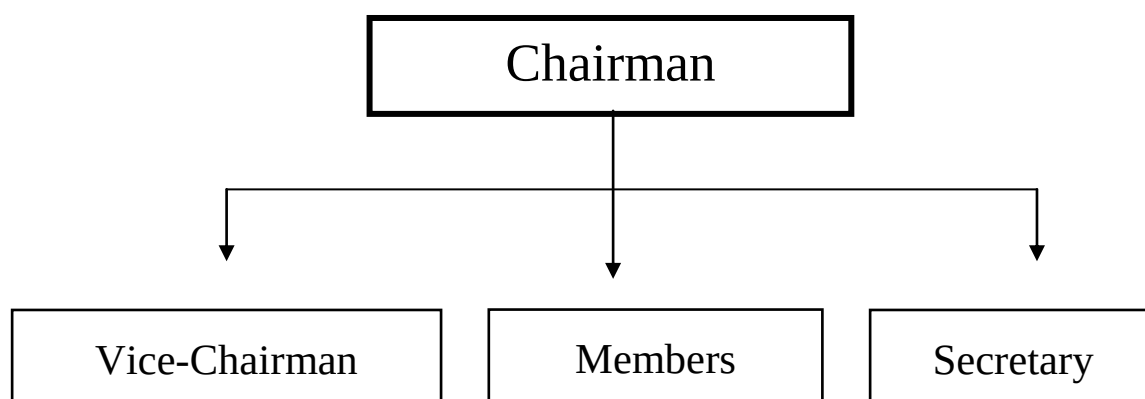
Mission

To encourage participation of older persons on social development and to ensure their independence, care, participation, self-fulfilment, dignity and to protect the rights of elders through awareness programmes.

Organization Chart



National Council for Elders - 2011



Name	Post
1. Mr. R. M. S. Ratnayake	Chairman
2. Mrs. N. K. Abeyratne	Vice-Chairperson
3. Mrs. J. Krishnamoorthy	Secretary
4. Mrs. V. Jegarasasingham	Member
5. Mr. Dharmasiri Peiris	Member
6. Hon. S. S. Wijerathne	Member
7. Dr. Anil Disanayake	Member
8. Mr. W. B. Kannangara	Member
9. Mr. Thilak de Soysa	Member
10. Miss. Geetha Wimalaweera	Member
11. Mr. P. Bandaranayake	Member
12. Mr. P. W. Thilakarathne Banda	Member
13. Mr. A. Abdon Silva	Member
14. Mr. K. A. Gunadasa Perera	Member
15. Mr. P. H. Siripala	Member

National Council for Elders

Chairman's Report- 2011

Elders by all means are a national asset. It is the paramount duty and the responsibility of everyone to look after and nurture them, and also to provide them with all the other facilities as best as possible.

The official responsibility and also the task of preparing and implementing the necessary plans, with a view to fulfilling the above stated national duty and the responsibility, in a more meaningful manner, lies with the National council for Elders, that functions under the Ministry of Social Services. Therefore being able to fulfill a large number of hospitality services, more broadly and closely, for the elder community in Sri Lanka, in the year 2011, gives us enormous satisfactions and also happiness.

I take this opportunity to express my sincere appreciation to the National council for Elders, the Director and also the staff of the National Secretariat for Elders. Especially the efficient manner in which these precious tasks were carried out by them is praise worthy.

R.M.S. Ratnayaka
Secretary
Ministry of Social Services
& Chairperson,
National Council for Elders

National Secretariat for Elders

Director's Report -2011

The brief description of the level of performance achieved in the year 2011, by the office of the National Secretariat for Elders, in accordance with the policy decisions and pre-determined procedures of the National Council for Elders, with a view to bringing about well-being for the elders in Sri Lanka, is stated below.

1. Establishment of Rural elder committees and provision of financial assistance

Financial assistance worth Rs.2.133 million was provided to 358 Rural Elder Committees, 21 Regional Elder committees and one District Elder committee.

2. Issuance of elder's I.D cards

35358 elders were issued with I.D cards spending Rs. 0.835 million within the year 2011.

3. Providing financial assistance to elder day care centers

During the year 2011 financial assistance to the tune of Rs. 0.759 million was provided to 31 elder day care centers.

4. Training and awareness programmes

18, two day elder counselling skill development training workshops at national level and 135 awareness programmes for elders at regional level were conducted. Rs. 1.98 million was spent on the said programmes.

Rs. 0.785 million was spent to conduct 785 awareness programmes on elder care for the children attending Sunday schools. These programmes were conducted centering 157 Divisional Secretariat Divisions

Spending Rs. 0.237 million, three pre-retirement awareness programmes were conducted.

5. Provision of eye lenses and hearing aids, free of charge

According to medical advices, 1455 elders were provided with eye lenses and 51 persons were given hearing aids in the year 2011. Rs.11.04 million was spent on these projects.

6. Commemoration of International Elders Day

Under the theme "Lets Brighten the World of Elders" a function to commemorate the elders day was held on 01.10.2011. It was held under the distinguish patronage of the Honourable Prime Minister and also with the

participation of large number of elders from all over the Island. For this function Rs. 1.347 million was spent.

7. Provision of Financial Assistance for “Homes for the Elders”

Rs. 1.703 million was spent on developing the elders home and the holiday bungalow at Kataragama. Both are managed by the administrative council functioning under the National Secretariat for Elders. 35 elders have been provided with the residential protection at this centre.

8. Elder Cover sponsorship scheme (Vedihiti Awarana sponsorship scheme)

In the year 2011, 63 elders were continuously provided with financial assistance of Rs. 250/= per month, through the contribution from philanthropists.

9. Publications

Arrangements were made to print and distribute the following books and magazines in the year 2011.

- 750 copies of the magazine “Elders”
- 10000 copies of “Elder Hand book”
- 2500 copies of “Viyasariya”, tri lingual news supplementary.

The total expenditure on the above had been Rs. 0.502 million.

10. Maintenance Board of the Elders

The board met 50 times within the year 2011. Out of 212 complaints received from the elders, 53 cases were solved completely. Accordingly Rs.0.723 million was spent on the activities of the maintenance Board in the year 2011.

11. National Council for Elders

National Council for elders had 12 meeting sessions in the year 2011. The expenditure on this was Rs.0.501 million.

In spite of allocating Rs. 81.256 million for capital and recurrent expenditure in the year 2011, only Rs. 75.09 million had been received. As a result, there had been difficulties in reaching the targeted level of performance in accordance with the activity schedule of the year 2011.

In spite of all these difficulties, out of Rs. 62.19 million received for recurrent expenditure, Rs. 22.61 million was directly spent on elder welfare.

J. Krishnamoorthy
Director
National Secretariat for Elders

Development Progress

Refurbishment of Elders Homes

Province	Name of the home	Proposed improvements	Released Financial Assistance (Rs.)
Western	Sethsewana State Elders Home, Meerigama	Renovation of roof	631,505.00
	Madupitiya Yasisuru Elders Foundation, Panadura	Construction of a community hall	100,000.00
	Elders Welfare Society, Korallaima	Construction of hall	80,000.00
	Janadara Elders Society, Moratuwa	Construction of sick room	300,000.00
Sabaragamuwa	Mawpiya Sewana Elders Home, Meepagama, Kalawana	Construction of roof of sick room	805,220.00
	Anomadassi Elders Home, Mawanella	Construction of ramp	623,581.00
	Nelumdeniya Elders Home, Warakapola	Construction of parapet wall	456,986.74
North Central	Parakum Elders Home, Polonnaruwa	Refurbishment of toilet and bathroom	303,099.82
	Shanthi Sewana Elders Home, Anuradhapura	Renovation of hall no. 03	905,995.44
Southern	Rathnayaka Elders Home, Ihala Beligalla	Construction of sick room and mortuary	500,000.00
	Karunaratne Elders Home, Kirinda Puhulwella	Renovation of ladies hostel	500,000.00
Central	Bopitiya Elders Home, Bopitiya	Construction of new hostel	600,000.00
	Mahaiyawa Elders Home, Gangawata Korale	Construction of remaining part of the parapet wall	409,214.20
	Udunuwara Elders Home	Renovation of roof	260,920.48
Uva	Kataragama Elders Home	Construction of kitchen and toilet	500,545.23
		Refurbishment of dining hall	200,000.00
	Pilarana Elders Home, Monaragala	Construction of security wall	300,000.00
	Siri Sambodhi Elders Home, Monaragala	Renovation of roof	468,611.84
	Rideepana Elders Home, Badulla	Completion of toilet system	291,000.00
Northern	Kailagoda Elders Home, Badulla	Finishing parapet wall & gate	290,036.42
	Paramananda Elders Home, Jaffna	Construction of hall for medical treatments	692,452.00
Eastern	Santhom Elders Home, Mannar	Construction of a rest hall	547,687.00
	St: Joseph Elders Home, Batticaloa	Construction of parapet wall & toilet	500,000.00
North Western	Nandavanam Elders Home, Batticaloa	Construction of dining hall	760,000.00
	Nanda Jayasinghe Elders Home	Construction of arms giving hall	400,000.00
	Neel Hemantha Elders Home, Udubaddawa	Construction of toilet system & renovation of building	379,519.11
	Kabalewa Piyabarathi Anu Nahimi Elders Home	Construction of arms giving hall & renovation of building	400,000.00
Grand Total			12,206,374.28

Mobile Services for Issuing of Elders ID Cards

Province	District	No. of I. D. Cards	No. of mobile services
Western	Colombo	1552	13
	Kalutara	867	14
	Gampaha	3100	14
Central	Kandy	1501	07
	Matale	-	04
	Nuwara Eliya	1400	05
Southern	Galle	1154	10
	Matara	1092	03
	Hambanthota	347	02
Northern	Kilinochchi	6144	01
Eastern	Ampara	839	06
North Western	Kurunegala	7678	24
	Puttalam	1585	05
North Central	Polonnaruwa	1977	08
	Aunradhapura	2295	09
Uva	Badulla	1479	10
	Monaragala	767	03
Sabaragamuwa	Kegalle	1019	07
	Rathnapura	1726	07
Total		35358	136

Establishment of Elders Village Level Committees & Granting Rs. 5,000

Province	District	No. of Committees Financially Assisted
Western	Kalutara	14
	Colombo	18
	Gampaha	79
Central	Kandy	39
	Nuwara Eliya	30
	Mathale	07
Southern	Galle	37
	Matara	29
	Hambanthota	04
Northern	Jaffna	07
Eastern	Batticaloa	35
	Ampara	23
	Trincomalee	03
North Western	Puttalam	05
	Kurunegala	12
North Central	Polonnaruwa	01
	Anuradhapura	15
Sabaragamuwa	Rathnapura	19
	Kegalle	08
Total		385

Financially Assisted (Rs. 7,500) Divisional Level Elders Committees

Province	District	Divisional Secretariat Division
Western	Colombo	02
	Kalutara	01
Southern	Galle	01
	Matara	03
	Hambanthota	02
Sabaragamuwa	Kegalle	02
	Rathnapura	03
North Central	Polonnaruwa	01
	Anuradhapura	02
Central	Kandy	02
Eastern	Ampara	02
Total		21

Financially Assisted (Rs. 15,000) District Level Elders Committees

Province	District
Western	Colombo

Granting Funds for Day Centres

Province	District	Divisional Secretariat Division	Funds for buying Equipment	
			No. of Centres	Payment Rs.
Western	Gampaha	Negambo	01	24,950.00
		Dompe	01	25,000.00
	Colombo	Seethawaka		
		Sri Jayawardhanapura Kotte	01	25,000.00
Central	Kandy	Walapane	01	25,000.00
	Nuwara Eliya	Pathahewaheta	01	25,000.00
		AmbagamuwaKorale	03	75,000.00
North Western	Kurunegala	Kuliyapitiya East	01	25,000.00
		Kuliyapitiya West	02	50,000.00
Sabaragamuwa	Rathnapura	Eheliyagoda	01	25,000.00
Uva	Monaragala	Sewanagala	02	50,000.00
		Madulla	02	50,000.00
	Badulla	Soranathota	01	25,000.00
Eastern	Trincomalee	Kantale	05	125,000.00
	Batticaloa	Manmunai South	01	25,000.00
		Manmunai North	01	25,000.00
	Ampara	Kalmunai – Tamil	01	25,000.00
		Kalmunai	01	25,000.00
North Central	Anuradhapura	Mihinthale	01	25,000.00
Northern	Jaffna	Walikamam North East	03	75,000.00
Total			31	774,950.00

Pre-Retirement Programme

Place	No. of Programmes	No of Beneficiaries	Amount Rs.
Kobbekaduwa Agrarian Research Institute	01	200	163,300.00
Gramin Nivahana, Nawala	01	160	148,375.00
Gramin Nivahana, Nawala	01	150	137,250.00
Total	03	510	448,925.00

Counseling Programme

Divisional Secretariat	No of Beneficiaries	Amount Rs.
Mathugama	50	28,925.00
Maharagama	52	30,125.00
Padukka	50	29,025.00
Kahatagasdigiliya	51	39,080.00
Ingiriya	50	29,475.00
Nawagaththegama	53	36,145.00
Ambalangoda	50	31,277.00
Bulathsinghala	50	28,840.00
Benthota	50	32,250.00
Dompe	50	33,010.00
Moratuwa	50	29,034.00
Balangoda	50	32,540.00
Embilipitiya	50	33,895.00
Haputhale	50	34,500.00
Mahavilachchiya	51	38,398.00
Kebithigollewa	50	40,175.00
Nuwara Eliya	50	60,450.00
Mihinthale	51	39,238.00
Total	908	626,382.00

Care Givers - Training Programme

National Secretariat for Elders has initiated a programme to train and employ elder care voluntary workers with the intention of providing care and nursing services needed for elders. Accordingly, a group of 135 selected persons were given a systematic training for three weeks, on looking after and providing health services for elders by now, precious opportunity has emerged especially for those elders living in Western province with the requirement of such a service, to obtain the services of these trained personal. To provide this service, for an eight hour shift during the day time, only a fee of Rs. 600/= will be charged.

This service is provided under the complete supervision of the National Secretariat for Elders and depending on the nature of the required service of receivers, services of a female or a male service provider can be obtained. Also, the elder care givers that are employed will work according to a code of ethics.

The training programme has been planned and operated jointly by the Ministry of Social Services and the Ministry of Health. A proper certificate and an identity card are issued for those who have completed the training successfully. Therefore obtaining the services of elder protection voluntary workers with more confidence has become possible.

As a result of this programme not only the elders and their families, but also those who have been trained as elder protection voluntary workers have been benefited. They can now own a government recognized valuable certificate after going through a training and earn an income by working as an independent caretaker.

Although the functioning of this elder protection voluntary service is presently centered around the Western province, by spreading this service to the other provinces in the future it is hoped to provide a broader service to the elders who require such a service.

The details pertaining to the training of Domestic elder hospitality workers in the year 2011 stated below.

Group	No of Beneficiaries	Amount Rs. Million
5 th Group	30	0.344

“Wedihiti Awarana Kepakaru” - Sponsorship Scheme

The NSE has started a programme called Sponsorship Scheme for Elders which helps needy elders above 70 years according to the suggestion made by the NSE.

Any person can contribute their money for this programme and the money collected through this programme will be paid to needy elders selected from AGA divisions and each elder is paid Rs. 250/- per month. The recipient is paid Rs. 1,000/- for 4 months period and it is done by the Divisional secretariat.

An officer attached to the secretariat by the NSE will inform the donor about the date the financial grant is made and he also looks for the status of the recipient.

A donor can select an elder or number of elders from the list prepared by the Secretariat or otherwise they are selected by the Secretariat.

Information about the elder will be provided to the donor.

A donor can contribute for this programme through forwarding the donation to the account number 5234881 in BOC Nugegoda in favour of sponsorship scheme for Elders; otherwise they can make contribution to the Secretariat.

It is expected to expand the programme since this is a great service for needy elders.

Accordingly list of donors as well as beneficiaries and divisional secretariats in the year 2011 is given below.

No	Donor's name	No of Beneficiaries	Beneficiary's Name	Divisional Secretariat
1	Miss. W. Yamuna Chitranganie	11	Mrs. Agilis Fernando	Ibbagamuwa
			Mrs. R. Y. G. Gunawathi	Galagedara
			Mrs. W. P. Leelawathi	Thissamaharama
			Mrs. H. Jayawathi	Bulathsinghala
			Mrs. A. C. Kamalawathi	Bulathsinghala
			Mrs. W. P. Leelawathi	Thissamaharama
			Mrs. D. B. Jean Nona	Rideegama
			Mr. vini Fernando	Panadura
			Mr. A. G. Dharmawardhana	Deraniyagala
			Mrs. A. W. Magilin Rodrigo	Maspotha
			Mrs. G. Theresa Dilex	Kelaniya
			Mrs. M. G. Dingiri Amma	Kundasale - Menikhinna
2	Mr. A. B. Perera	1	Mr. M. A. Sethan Singho	Nittabuwa
3	Mr. J. A. D. Lenard Rohana	1	Mrs. J. A.D. Emalin Nona	Biyagama
4	Mr. S. S. Wijerathne	2	Mr. P. B. Dansil	Wattala
			Mrs. R. Mariya Fernando	Wattala
5	Mrs. Soma Kulathunga	3	Mr. A. Anthoni	Sri Jayawardhanapura Kotte
			Mrs. E. Wayalat Nona	Sri Jayawardhanapura Kotte
			Mrs. K. A. Podihamine	Sri Jayawardhanapura Kotte
6	Mr. Jayantha Pinchihewa	1	Mrs. K. Mary Nona	Kesbewa
7	Mrs. Lalani Perera	2	Mrs. W. Dinuhami	Polpithigama
			Mr. G. A. Piyasena	Sri Jayawardhanapura Kotte
8	Mrs. S. Prasangika Silva	1	Mr. M. M. Abeyrathne	Thambuththegama
9	Mrs. M. S. A. Hinted	8	Mrs. G. R. Sadinona	Warakapola
			Mrs. G. R. Sadinona	Warakapola
			Mrs. I. G. Soida	Warakapola
			Mrs. H. P. Podinona	Warakapola
			Mrs. W. H. Liliya	Warakapola
			Mrs. J. P. Laissa	Warakapola
			Mr. A. Simion	Negambo
10	Mrs. Sunila Perera	1	Mr. A. Amarasiri de Silva	Negambo
			Mrs. I. Dona Agnes	Kelaniya

No	Donator's name	No of Beneficiaries	Beneficiary's Name	Divisional Secretariat
11	Mrs. Tharanga Karunasena	1	Mrs. I. Ansinona	Kelaniya
12	Mrs. W. M. Wathsala	1	Mr. G. Aspathiyegedara	Wattegama
13	Mrs. N. A. Fernando	6	Mr. M. Peter Perera	Negambo
			Mrs. R. A. Kusumawathi	Negambo
			Mr. A. Hemapala Perera	Negambo
			Mr. W. D. Dharmadasa	Negambo
			Mr. A. Victor	Negambo
			Mrs. K. B. Asilin Nona	Negambo
14	Mr. T. Thamitthegama	4	Mrs. M. D. Leelawathi	Mahakumbukkadawala
			Mrs. R. D. Pinie	Giribawa
			Mrs. H. M. Haminona	Giribawa
			Mrs. R. M. Gnanalatha	Polgahawela
15	Mrs. R. M. Kusuma Kumarihami	1	Mrs. A. Sumanawathi	Mihinthale
16	Mrs. A. M. R. A. Jayasundara	1	Mrs. R. Aginona	Kaduwela
17	Mrs. Nanda Karunasena	1	Mrs. L. A. Heenhami	Kelaniya
18	Mrs. M. P. Gunadasa & Miss. M. D. I. U. Gunaddasa	2	Mrs. A. Soma Gunawardhana	Minuwangoda
			Mr. M. P. Vipulasena	Minuwangoda
19	Mr. Ananda Thilakasiri	10	Mrs. M. A. Ghanawathi	Sewanagala
			Mrs. R. M. Dingika	Sewanagala
			Mrs. M. P. Anagi	Minuwangoda
			Mrs. U. G. Dingirimenike	Udugampola
			Mrs. A. W. P. Babynona	Devinuwara
			Mr. M. V. Piyasena	Devinuwara
			Mrs. A. W. P. Kusumawathi	Devinuwara
			Mr. Thambimuththu Ilethambi	Samanthurai
			Mr. Aburan Mudiappu	Delft
			Mrs. M. P. Lili	Kelaniya
20	Mr. K. P. Nishantha	1	Mrs. M. P. Asilinnona	Dompe
21	Mr. M. S. M. Ashrof	1	Mr. Abdul Raswan	Kalutara
22	Mr. T. D. Nesakumar	1	Mr. Singalingam Singaweli	Kandawalei
23	Mrs. Seela Piyasingha	1	Mrs. H. M. Herath Menike	Ibbagamuwa
24	Mrss. Indrani Senavirathne	1	Mrs. Yasawathi Weththasinghe	Maharagama

Senior Citizens Pension Scheme

This Pension Scheme was started in the year 2007 in line with the International Day for Elders under the supervision of Ministry of Social Services & Social Welfare. The National Secretariat for Elders jointly with the Sri Lanka Social Security Board launched the programme with effect from 01/01/2008.

Accordingly needy elders who are above their 70's and not getting any financial assistance from the Government are selected from divisional level are considered for this scheme and priorities are given to elders with disabilities and non-communicable diseases.

Rs. Million 03 granted by the National Lotteries Board through "Supiri Wasana" lottery has been deposited in the bank by the Sri Lanka Social Security Board and monthly pensions are made out of the interest generated through the investment.

At present, 89 suitable elders are receiving monthly allowances of Rs. 500/- each through this scheme.

Maintenance Board for Elders

The Maintenance Board for Elders was established to protect the Rights of Elders under the Protection of the Rights of Elders Act, No. 9 of 2000. It consists of five members, including the Chairman, who are appointed by the Judicial Services Commission. The present Chairman is a retired High Court Judge.

The role of the Board is to assist needy elders (over 60 years of age) claim maintenance funds from their own children who have neglected them.

Once a maintenance claim is received by the Board from parents, the two parties concerned are summoned, questioned and examined. The children are then ordered to make reasonable monthly maintenance payments for their parents on which the parents can survive on with their basis requirements, according to the Act.

Parents are eligible to claim maintenance from their adopted children in addition to their biological children. Moreover, parents who are below 60 years of age and who are mentally or physically disabled can claim maintenance according to provision 25(iv) of the Act.

Applications for claiming maintenance have been made available in Divisional Secretariats or Grama Niladhari Offices by the National Secretariat for Elders.

This Board has no legal power to settle family disputes or property related family matters.

When a particular child violates a maintenance order given by the board, there is the possibility of getting the maintenance order enforced by the Magistrate Court. There, the Magistrate has the power to enforce the maintenance order as it has been made under maintenance ordinance.

Maintenance Board for Elders

Applications received during the year 2011	-	212	
		↓	
Insufficient Details	-	16	
No. of applications that do not come under the scope of the Board (Land matters & Family Disputes)	-	49	

No. of cases taken up for determination	-	147	
		=====	
No. of cases settled	-	53	} 147
No. of cases disallowed	-	27	
No. of cases withdrawn	-	19	
No. of cases pending inquiry	-	48	

Members of the Maintenance Board for Elders

Chairman	-	Mr. Dudly Karunarathne
Secretary	-	Mr. S. Amarakoon

Members of the Board

1. Prof. Y. Rasanayagam
2. Mr. T. Perinpanayagam
3. Mr. A. C. M. M. Faalil
4. Mr. H. S. L. Rajapaksha

Accounting Policies of the National Secretariat for Elders

General Accounting Policies:

- (a). The financial statements of the organization are prepared in accordance with the generally accepted accounting principles and Sri Lanka Accounting standards.

(b). **Government Grants**

The National Secretariat for Elders is mainly funded by the General Treasury and treated as non-trading organization. The grant given by the Treasury for recurrent expenditure is credited to the income and expenditure Account while the amount granted for capital expenditure being capitalized and reflected as Government Capital Grant.

Fixed Assets and Depreciation

(a). **Depreciation Policy**

- I. Full year depreciation for the purchasing year and no depreciation for disposing year.

- II. Depreciation rates on straight line are as follow.

(1) Vehicle	-	10% p.c
(2) Building partitions	-	15% p.c
(3) Plant & Machinery	-	20% p.c

- III. Expenditure of rehabilitation and improvements for Elders Homes is not debited as Rs. 11,414,732.70 capital expenditure, since these assets are not belonging to the National Council for Elders.

- (b) Capital & Recurrent imprest are included in the statement of financial Performance.
- (c) The Department of Social Services had paid a sum of Rs. 1,626,420 as salaries for the eleven officers who have been employed in this institution.
- (d) A certain part of fixed assets (Furniture & office equipment) is under the control of Divisional Secretariat.

National Council for Elders

Statement of Financial Position as at 31st December 2011

2010	Description	Note	Cost 2011	Provision for Depreciation 2011	W. D. V. 2011
Rs.			Rs.	Rs.	Rs.
	<u>FIXED ASSETS</u>				
3,450,157.21	Furniture & Office Equipment		7,615,372.47	4,719,212.95	2,896,159.52
2,385,000.00	Vehicle		7,450,000.00	750,000.00	6,700,000.00
442,309.60	Plant & Machinery		2,301,809.00	1,647,901.80	653,907.20
6,277,466.81			17,367,181.47	7,117,114.75	10,250,066.72
4,393,135.10	Fixed Deposits				4,810,482.93
	<u>Current Assets</u>				
227,009.34	Stocks			486,682.50	
204.00	Unsettled Advanced	10		1,000.00	
45,800.00	Unsettled Festival Advanced			50,800.00	
-	Unsettled Distress Advance			130,389.96	
3,196,745.00	Staff Loan			3,368,579.00	
1,552,240.63	Cash & Cash Equivalents	8		743,515.76	4,780,967.22
12,379,768.98	Total Assets				19,841,516.87
	<u>LIABILITIES</u>				
	<u>Current Liabilities</u>				
20,000.00	Provision for Audit Fees			40,000.00	
86,310.57	Staff Loan Fund	12		130,455.72	
994,018.36	Miscellaneous Deposit			1,370,041.46	
1,199,730.13	Accrued Expenses	9		616,543.37	
334,439.76	"Vedihiti Awarana" Sponsorship Scheme	11		393,337.76	(2,550,378.31)
13,058,102.06	Total Net Assets				17,291,138.56
	<u>NET ASSETS / EQUITY</u>				
13,384,766.51	Accumulated Fund			17,829,936.06	
(1,274,958.90)	Add: Previous Year Adjustments			31,227.10	
12,109,807.61	Add/Less: Net Surplus			17,861,163.16	
948,294.45	Capital Grants			(570,024.60)	
13,058,102.06					17,291,138.56
13,058,102.06	Total Net Assets / Equity				17,291,138.56

Signed by ,

R. M. S. Ratnayake
Chairperson,
National Council for Elders

Signed by,

J. Krishnamoorthy
Director,
National Secretariat for Elders

National Council for Elders

Statement of Financial Performance for the Year Ended 31st December 2011

2010	Description	Note	2011	2011
Rs.			Rs.	Rs.
	<u>Operating Revenue</u>			
66,115,000.00	Recurrent Grant		75,090,000.00	75,090,000.00
	<u>Other Income</u>			
505,404.90	Interest on Fixed Deposit		417,347.83	
1,350.00	Donations		600.00	
366,913.00	Revenue - Miscellaneous		505,044.43	922,992.26
66,988,667.90				76,012,992.26
	<u>Operating Expenses</u>			
26,014,413.60	Personal Emoluments	1	29,470,577.21	
1,675,946.47	Traveling	2	1,313,924.05	
1,610,012.28	Supplies and consumable used	3	1,785,185.57	
540,427.77	Maintenance	4	658,512.07	
6,824,128.24	Contractual Services	5	7,621,998.99	
27,644,441.53	Other Operating Expenses	6	34,179,097.78	
1,731,003.56	Depreciation	7	1,553,721.19	
66,040,373.45	Total operating expenses			76,583,016.86
948,294.45	Net Surplus for the period			(570,024.60)

Signed by ,
R. M. S. Ratnayake
Chairperson,
National Council for Elders

Signed by,
J. Krishnamoorthy
Director,
National Secretariat for Elders

National Council for Elders

Cash Flow Statement for the Year Ended 31st December 2011

2010 Rs.	Description	2011 Rs.	2011 Rs.
	Cash Flows From Operating Activities		
442,889.55	Deficit From Operating Activities	(987,372.43)	
	Non - Cash Movements		
1,731,003.56	Depreciation	1,553,721.19	
(22,264.21)	Increase In Stock of Stationery	(259,673.16)	
352,491.90	Increase Provision of Depreciation	-	
903,779.00	Decrease Fixed Assets	-	
87,397.50	Increase in Un-Settled Advances	(796.00)	
-	Increase in Unsettle Distress Advance	(130,389.96)	
(16,000.00)	Increase in Unsettle Festival Advance	(5,000.00)	
1,459,124.35	Decrease in Current Liabilities	(5,0000.00)	
(1,274,958.90)	Adjustments for Last Year	-	
3,663,462.75	Net Cash Flows From Operating Activities		86,369.13
	Cash Flows From Investing Activities		
(2,778,662.88)	Purchases From Property, Plant & Equipment		(895,094.00)
884,799.87	Net Cash Flows From Financing Activities		(808,724.87)
884,799.87	Net Decrease in Cash & Cash Equivalents at Beginning of Period		(808,724.87)
667,440.76	Cash & Cash Equivalents at Beginning of Period		1,552,240.63
1,552,240.63	Cash & Cash Equivalents at End of Period		743,515.76

Signed by ,
R. M. S. Ratnayake
Chairperson,
National Council for Elders

Signed by,
J. Krishnamoorthy
Director,
National Secretariat for Elders

Schedules

2010 Rs.	Note 1	Personal Emoluments	31/12/2011 Rs.
16,965,255.03		(I) Salaries & Wages	17,387,307.38
2,696,194.94		(II) E. P. F. Contribution	2,923,086.68
682,977.37		(III) E. T. F. Contribution	733,960.34
181,040.05		(IV) Overtime	189,156.52
31,571.66		(V) Holiday Pay	44,589.14
5,457,374.55		(VI) Interim Allowances (COL)	7,287,423.04
-		(VII) Interim Allowances (COL)	905,054.11
26,014,413.60		Total	29,470,577.21

2010 Rs.	Note 2	Travelling Expenses	31/12/2011 Rs.
1,552,329.97		(I) Domestic	1,248,344.05
123,616.50		(II) Foreign	65,580.00
1,675,946.47		Total	1,313,924.05

2010 Rs.	Note 3	Supplies & Consumable Used	31/12/2011 Rs.
1,166,176.78		(I) Stationery & Office Requisites	1,228,845.27
441,208.00		(II) Fuel & Lubricants	550,877.50
2,627.50		(III) Uniforms	5,462.80
1,610,012.28		Total	1,785,185.57

2010 Rs.	Note 4	Maintenance Expenditure	31/12/2011 Rs.
405,242.77		(I) Vehicles	562,953.07
135,185.00		(II) Plant, Machinery & Equipment	95,559.00
540,427.77		Total	658,512.07

2010 Rs.	Note 5	Contractual Services	31/12/2011 Rs.
28,730.00		(I) Transport	19,600.00
459,018.34		(II) Postal & Telecommunication Charges	503,484.73
678,019.66		(III) Electricity & Water	777,675.89
3,343,277.16		(IV) Rent	3,363,234.16
130,312.00		(V) Cleaning Charges	130,275.00
89,051.00		(VI) Newspaper Charges	75,070.00
85,833.50		(VII) Entertainment Expenses	117,899.80
20,000.00		(VIII) Audit Fees	20,000.00
170,033.08		(IX) Security Charges	212,403.27
68,000.00		(X) Allowances for Council Members	501,200.00
617,856.50		(X1) Allowances for Board Members	736,000.00
1,133,997.00		(XI1) Other Allowances	1,165,156.14
6,824,128.24		Total	7,621,998.99

2010 Rs.	Note 6	Other Operating Expenses	31/12/2011 Rs.
1,895,500.00		(I) Establishment of Village Level Committees	2,132,803.00
1,043,361.50		(II) Issue of Identity Cards	693,008.00
859,000.00		(III) Establishment of Day Centers & Provision of Grants for Income Generating Activities	734,750.00
634,356.00		(IV) Publications	533,618.20
1,678,795.50		(V) Training Programmes & Awareness Programmes	4,284,418.00
8,581,596.90		(VI) Conducting Medical Clinics, Issue of Eye Lenses and Assistive Devices	10,851,494.00
1,335,299.39		(VII) Commemorating "International Elders Day"	1,347,265
1,335,299.39		(VIII) Assisting Home for the Aged	1,596,835.58
10,264,995.44		(IX) Rehabilitation & Maintenance of Elders Home	11,414,732.70
347,370.00		(X) Training & Capacity Building	590,173.30
27,644,441.53		Total	34,179,097.78

2010 Rs.	Note 7	Depreciation	31/12/2011 Rs.
1,075,241.76		(I) Furniture & Office Equipment	1,032,318.79
-		(II) Building Partitions	-
285,000.00		(III) Vehicles	285,000.00
370,761.80		(IV) Plant & Machinery	236,402.19
1,731,003.56		Total	1,553,751.19

2010 Rs.	Note 8	Bank Accounts	31/12/2011 Rs.
1,064,693.71		(I) Cash at Bank - AC. No. 228075	152,925.69
401,236.35		(II) Cash at Bank - AC. No. 5234881	460,134.35
86,310.57		(II) Cash at Bank - AC. No. 9179076	130,455.72
1,552,240.63		Total	743,515.76

2010 Rs.	Note 9	Accrued Expenses	31/12/2011 Rs.
347,963.00		(I) Travelling Expenses - Payable	234,423
141,175.00		Issue of Identity Cards - Payable	-
-		Allowances of Printing - Payable	31,651.20
-		(IV) Holiday Pay - Payable	15,036.25
7,601.00		(V) Overtime - Payable	6,046.87
55,000.00		(VI) Allowances of Board members - Payable	68,000.00
43,068.62		(VII) Postal & Telephone Charges - Payable	30,791.16
-		(VIII) Security Charges - Payable	16,174.89
12,600.00		(IX) Clearing Charges - Payable	-
3,860.00		(X) News Papers Charges - Payable	4,075.00
6,888		(XI) EPF - Payable	-
194,500.00		(XII) Eye Lenses & Medical Clinic Charges - Payable	-
24,532.32		(XIII) Electricity & Water- Payable	42,456.50
25,000.00		(XIV) Day Centres - Payable	-
188,075.00		(XV) Assistive Homes for the Aged - Payable	81,288.50
500.00		(XVI) Allowances of other - payable	3,750.00
88,254.99		(XVII) Stationery - Payable	82,850.00
4,500.00		(XVIII) Entertainment - Payable	-
1,033.20		(XIX) ETP - Payable	-
55,179.00		(XX) Vehicle Maintenance - Payable	-
1,199,730.13		Total	616,543.37

2010 Rs.	Note 10	Unsettle Advance	31/12/2011 Rs.
200.00		(I) Sunil Galhena	-
4.00		(III) Priyanthi Rajapura	-
		(III) S.Y.Gamage	1000.00
204.00		Total	1000.00

Opinion of the Auditor General

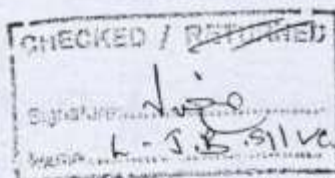
The audit of Financial Statements of the National Council for Elders for the year ended 31 December 2011 comprising the balance sheet as at 31 December 2011 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act No. 38 of 1971 and section 20(3) of the protection of the Rights of Elders Act, No. 9 of 2000. My Comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7)(a) of the Finance Act was forwarded to the Chairman of the Council on 30 April 2012.

Opinion

In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the National Council for Elders as at 31 December 2011 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

H. A. S. Samaraweera
Acting Auditor General

My No. : EL/A/NCE/FA/2011



31 October 2012

248

The Chairman
National Council for Elders

Report of the Auditor General on the Financial Statements of the National Council for Elders for the year ended 31 December 2011 in terms of Section 14(2)(c) of the Finance Act, No. 38 of 1971.

The audit of financial statements of the National Council for Elders, for the year ended 31 December 2011 comprising the balance sheet as at 31 December 2011 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No. 38 of 1971 and Section 20(3) of the Protection of the Rights of Elders Act, No. 9 of 2000. My comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14(2)(c) of the Finance Act appear in this report. A detailed Report in terms of Section 13(7)(a) of the Finance Act was furnished to the Chairman of the Council on 30 April 2012.

1.2 Management's Responsibility for the Financial Statements

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

1:3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. 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 judgements, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub - sections (3 and 4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary power to the Auditor General to determine the scope and the extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

1:4 Basis for Qualified Opinion

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

2. Financial statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the National Council for Elders as at 31 December 2011 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

2.2.1 Comments on Financial Statements

2.2.1 Accounting Standards

The following observations are made.

- (a) The following information on the furniture and office equipment valued at Rs.7,615,372, motor vehicles valued at Rs.7,450,000 and machinery and equipment valued at Rs.2,301,809 that existed as at 31 December 2011 had not been included in the final accounts for the year 2011 in terms of Sri Lanka Accounting Standard 18.
 - (i) The accumulated depreciation at the beginning the period.
 - (ii) A reconciliation of the carrying amounts as at the beginning and the end of the period by showing the following.
 - Additions
 - Depreciation
- (b) Instead of crediting the value the Toyota Yaris motor vehicle obtained on 30 November 2011 amounting to Rs.4,600,000 to the Government Grants (Capital) Account in terms of Sri Lanka Accounting Standard No. 24 that had been credited to the Accumulated Fund Account.

2.2.2 Accounting Deficiencies

The following observation is made.

A sum of Rs.906,100 payable as the cost of eye lenses obtained from the Sri Lanka State Pharmaceuticals Corporation had not been brought to account as accrued expenses and as such the deficit for the year 2011 had been understated by that amount.

2.2.3 Lack of Evidence for Audit

The evidence indicated against the following items of account had not been furnished.

Particulars	Value	Evidence not made available
	Rs.	
(a) Fixed Assets		
(i) Furniture and Equipment	7,168,276	Detailed Schedules
(ii) Machinery and Equipment	2,301,809	
(b) Creditors	616,543	Register of Creditors
(c) Money paid to 57 Elders' Committees at the rate of Rs. 5,000	285,000	(i) Confirmation of receipt of money for 08 cheques.
		(ii) Confirmation for Rs. 826,000 from 236 Elders' Committees in support of maintaining a balance of Rs. 3,500 the in a Savings Bank Account.
(d) Construction and Repair of Elders' Homes	8,395,883	Work Done Reports certified by Technical Officers in support of the completion of construction and repair of 20 Elders' Homes from the money made available had not been furnished at the end of the year under review.

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

Non-compliances with the following laws, rules, etc. were observed.

Reference to Laws, Rules, Regulations, etc.	Non-compliance
(a) Government Financial Regulations	
Financial Regulation 396	Even though 06 months had elapsed after a issue of cheque No. 154146 for Rs.600 on 05 May action in terms of the Financial Regulation had not been taken.
(b) Procurement Guidelines	According to the Procurement Guidelines purchases from Government institutions and all other institutions should be made by calling for quotations. Nevertheless, eye lenses valued at Rs.10,704,758 had been made direct from the Sri Lanka State Pharmaceuticals Corporation.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the working of the Council for the year ended 31 December 2011 had resulted in a deficit of Rs.570,025 as against the surplus of Rs.948,294 for the preceding year. Thus as compared with the preceding year, the financial results for the year under review indicated a deterioration of Rs.1,518,319. This deterioration had been due to the increase of Rs.797,871 in contractual services and the increase of other operating expenditure by Rs.6,534,656.

4. Operating Review

4.1 Performance

The observations on the expected activities of the National Council for Elders according to the Action Plan for the year 2011 and the activities executed are given below.

(a) International Elders' Day Celebration – 2011

The following observations are made on the sum of Rs.2,751,265 spent on the International Elders' Day Celebrations held on 01 October 2011.

- (i) An Island-wide schools level Drama/ Essays/ Art and Songs Programmes had not been held in connection with the Elders' Day.
- (ii) Quality Programmes had not been held for the Elders' Day at school level through a Social Service Officers of the Divisional Secretariats.

(b) Grant of Assistance to Day Care Centres

Money at the rate of Rs.25,000 had been paid in the year under review to 26 Elders' Day Care Centres for the purchase of equipment and 14 Centres had not sent written confirmations on the receipt of the money and that the money was used for the intended purpose.

(c) Grant of Assistance to Income Generating Activities

Even though the Annual Action Plan included the provision of assistance to 53 persons for self employment income generating activities, that activity had not been executed up to the end of the year.

(d) Printing Works

The following observations are made.

- (i) Even though the publication of 1,000 copies of the 'Elders' Magazine had been included in the Action Plan, 750 copies of the magazine only had been published.
- (ii) Even though the purchase of 5,000 copies of the Elders' Act amended in the year 2011 for distribution had been planned in the Action Plan, no course of action whatsoever had been taken in that connection.

(e) Issue of Elders' Identity Cards

Even though the issue of 40,000 Elders' Identity Cards had been planned, 51,000 cards had been printed. According to the Progress Reports as at the end of the year under review 31,125 Identity Cards only had been issued. As such 11,000 cards exceeding the planned number of cards had been printed.

(f) Conduct of Awareness and Training Programme

Even though the conduct of 107 Awareness and Training Programmes had been planned for the year under review in the Annual Action Plan, 23 Programmes only had been conducted by the end of the year.

4.2 Operating Inefficiencies

According to the decision dated 06 June 2006 of the National Council for Elders for the appointment of the Special Maintenance Board for the Tsunami devastated areas in the South, the approval of the Judicial Service Commission had been received on 18 February 2010 for the request in that connection made by the Ministry of Social Services to the Judicial Services Commission on 22 December 2009. But it had not been implemented properly.

The Chairman of the National Council informed me that despite the receipt of the approval from the Judicial Service Commission for the appointment of a Special Maintenance Board for the Tsunami Devastated Areas in the South, it was not possible to appoint the members for that as the payment approved for the members was not adequate.

- (b) Even though the Council had received applications for eye lenses in the year 2011, purchases had not been made for 130 applications. The reasons for not supplying the eye lenses to those applicants conveyed in writing had not been revealed to audit. The Chairman informed that action in this connection will be taken in the first quarter of the ensuing year.

4.3 Donated Properties

Action had not been taken to acquire for the Government the properties donated to the National Council for Elders by 03 donors. The utilization of those properties for the purposes intended by the donors had not been done even by the end of the year under review. It was observed that problems on the acquisition in the future could if the lives of donors fallen in danger in the future.

Date of Donation	Extent	Purpose stated in the Transfer Deed	Location
31 July 2006	03 Roods 15.6 Perches	To establish and Elders' Resort	Buthpitiya
17 March 2009	02 Acres	--	Homagama
12 February 2011	17.11 Perches	--	Gampaha

4.4 Employeeess Gratuity

The following matters were observed in connection with the provision made for gratuity in the amended final financial statements for the year under review.

(a) Excess Provision Made

According to the List of Gratuity Allocation made furnished for audit on 31 December 2011, the total allocation made for gratuity amounted to Rs.5,432,276, the total value of gratuity as revealed in audit amounted to Rs.5,111,872. As such excess provision of Rs.320,404 had been made.

(b) Overstatement of other Allowances

The other allowances as at 31 December 2011 amounted to 5 per cent of the basic salary of the officers and that had been taken as 15 per cent for the calculation of the provision for gratuity.

(c) Provision for Gratuity not made

Provision for gratuity amounting to Rs.41,835 had not been made for 3 officers in service as at 31 December 2011.

5. Accountability and Good Governance

5.1 Action Plan

The activities expected to be carried out through the Maintenance Boards which is among the main activities for the achievement of the objectives of the National Council had not been included in the Action Plan for the year 2011.

5.2 Intenal Audit

An internal audit of the National Council for the year under review had not been carried out.

5:3 Reduction of 50 per cent of Public Transport Charges for Elders

Even though the approval of the Cabinet of Ministers had been granted by the Cabinet Paper No. 06/0683/227/019 of 04 May 2006 on the joint memorandum submitted on 23 March 2006 by the former Minister of Transport and the Minister of Social Services for the reduction of 50 per cent of the public transport charges for the elders, that had not been implemented.

The Chairman of the National Council informed me that the programme is not being implemented due to the Treasury not agreeing to reimburse the money on account of railway warrants and the difficulties in traveling only by the buses of the Sri Lanka Transport Board by obtaining the tickets at 50 per cent from the Depots.

5:4 Preparation of the Information System

It is observed that the National Council had not taken action to collect information of the elders population for the preparation of the database.

5:5 Budgetary Control

Variances were observed between the budgeted income and expenditure and the actual income and expenditure, thus indicating that the budget had not been made use of as an effective instrument of management control.

6. Systems and Controls

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

- (a) Supply of Eye Lenses
- (b) Senior Citizens' Pension Scheme
- (c) Supply of Hearing Aids

H.A.S. Samaraweera
Auditor General

-/dk.



සමාජ සේවා අමාත්‍යාංශය
சமூக சேவைகள் அமைச்சு
Ministry of Social Services



ජාතික වැඩිහිටි මහලේකම් කාර්යාලය
முதியோர்களுக்கான தேசிய செயலகம்
National Secretariat for Elders

எனது இல
My No. } NSE/7/ACC/GA/2011

உமது இல
Your No. }

தேதி
Date } 2012.05.16

Auditor General,
Audit Department
Colombo 10.

**Audit Report of the Financial Statement of the National Council for elders,
for the year ending 31/12/2011. In accordance with the clause
14(2) (c) of the financial Act No. 38,**

2.2 Expression of views on the financial statement

2.2.1 Sri Lanka Accounting Standards

- (a) The details in relation to the depreciation of furniture and office equipment that cost Rs. 7, 615,372, vehicles that cost Rs. 7,450,000, and machineries that cost Rs.2,301,800 are stated in a separate statement. Accordingly the details in relation to the calculation of depreciation in year 2011 are annexed herewith. Arrangements will be made to forward the calculations of depreciation with the final accounts of year 2012 in a separate sub schedule (Annexure 01).
- (b) Value of the vehicles amounting to Rs. 4600,000 has been debited to the governments Capital Account, in the General Ledger of year 2012.

2.2.2 Lapses in Accounting Systems

- (a) As the final accounts of year 2011 must be forwarded before 28.02.2012, only accrued expenses up to 31.01.2012 were accounted for, when preparing the accounts. In preparing the final accounts of 2012, relevant recorded details will be accounted for.

ලිපිනය : 150 A, එල්. එච්. ඩී. බොඩිනැගිල්ල, නාවල පාර, නුගේගොඩ.
முகவரி : 150 எ. எல். எச். பி. கட்டிடம், நாவல வீதி, நுகேகோட.
Address : 150 A, L. H. P. Building, Nawala Road, Nugegoda.
ජ-මේල් / எ-மெயில் / E-mail : nsemss@sltnet.lk

දුරකථන / தொலைபேசி / Telephone :
தென்னி / பணிப்பாளர் / Director : 2820740
නාප්තාලය / அலுவலகம் / Office : 2824082
ෆැක්ස් / பெக்ஸ் / Fax : 2820750

- (c) The bank charges will be accounted for, when preparing the final accounts of the year 2012.
- (d) The direct remittance to the bank account were identified and recorded in the accounts of the year 2012.
- (e) In preparing the final accounts of the year 2012, the profit of the previous year was adjusted and accounted for.

2.2.3 Non availability of evidence for auditing

(a) Fixed Assets

- i. Furniture and equipment Rs.7,168,278.
- ii. Machineries Rs.2,301,809.

Detailed sub-schedules are presently being prepared.

- (b) Creditors – Accrued expenses Rs.616,543 has been recorded as Rs. 61,6543. The details of the manner in which this figure was calculated were stated in the sub schedule No.09 of the final accounts of year 2011.

- (c) i. 385 Village Elder Committees were provided with Rs. 5000/= each in the year 2011. The total sum of Rs.1,925,000 was spent on this. This amount was issued through 85 cheques and out of this, receipts have been sent for 76 cheques.
- ii. According to the circular 1/2011 of the office of the National Elders' Secretariat, Rs 3,500/= should be deposited in an account in the National Savings Bank. In accordance with this, 149 elder committees informed the secretariat of depositing this amount. Inquiries were made from the remaining elder committees on this matter. (Annexure 02)

(d) Providence of eye lenses

Those patients that underwent the surgery provided the necessary proofs, by forwarding the completed application with the medical diagnosis card.

(e) Construction and renovation of elders Homes.

The technical officer signed the bill to the amount Rs. 8,395,883/= that was provided to construct 20 elder homes, confirming the proper utilization of funds. Separate Technical Report will not be taken on this.

(f) *News Paper Advertisements – 8250*

7148 paper advertisements were distributed among Village Elder Committees.
Copy of the document attached herewith. (Annexure 02)

2.2.4 Non compliance of the Rules, Regulations and Management Decisions.

(a) The 03 clause of the Gratuity Payment Act No. 12 of 1983. Financial allocations have been made for gratuity payments.

(b) *Government Financial Regulations*

i. F.R. 225 (I)

In accordance with financial regulations, payments are made through correct specimen papers. No. indication of violation of financial regulations when using relevant specimen papers

ii. F.R.396

Actions are being taken in accordance with F.R.396.

(c) *Government Administrative Circular*

No. PED/2012 7.4.1 of June 02, 2003

Although 04 audit committee meetings must be held for a year according to the above circular, due to the non-availability of an internal auditor, only three meetings were held,

(d) *Treasury Circulars*

Circular No. 842 of, 19 December 1978.

Actions have been taken to keep the register of fixed assets updated.

(e) *Procurement Procedure*

From the time the National Council for elders established in year 2004 up to end of the year 2011 drugs were purchased from the “OSU SALA” belonged to the State Pharmaceutical Corporation. This was done on the recommendations of the agent appointed by the Health Ministry. Yet as a result of the recommendations made by the Doctors, on the quality of eye lenses, purchasing has been carried out in accordance with the procurement procedure, since the year 2012.

(f) *The third (iii) paragraph of the Circular of 26.01.2011 of the Director of National Elders Council.*

According to the above circular, Rs.3,500/= should be deposited in a savings account of any Bank. Accordingly proofs have been forwarded by 122 elder committees for depositing these amounts. The depositing of the said amount belonged to the remaining 263 elders committees has yet to be proved. Letters have been dispatched requesting for relevant information in this regard. (Annexure 04)

2.2.5 The transactions that have not been adequately approved by the authority

In accordance with the decision made by the National Council for Elders with the approval of the Management Services Department, the payments made to Chairman and Secretary have been increased by Rs. 25,000/= and Rs.15,000/= respectively, from July 2008 to March 2011. Approval was granted to this by Director General of the Management Services, through the letter dated 23.05.2011. (Ref. DMS/E3/20/4/404/2)

3 Financial Review

3.1 Financial Result

When comparing the previous year and the year under review, the increase in expenditures on contractual services by Rs. 79,7871/= and on other operations by Rs. 6534656 were due to the following reasons.

- Increase in the payment for the members of National Council.
- Increase in the membership fee of the Maintenance Board.
- Purchase of additional amount of stamps due to increase in official duties.
- Additional expenditure on telephone due to increased work load of the National Council.
- Increase in the charges in relation to providing security, cleaning, water bills and electricity bills.

4 Operational Review

4.1 Work Performance

1. Establishing Elder Committees at village level

As the funds were not released by the Treasury according to the allocation, work could not be performed as expected.

2. Training Programmes

Although it was planned to carry out 24 counseling services, 77 programmes to educate at Divisional level, 02 programmes to train domestic helpers and 4 pre-retirement awareness programmes, only under mentioned activities were carried out.

- | | | |
|--|---|-----|
| - Counseling services | - | 18 |
| - Programmes to educate at Divisional level | - | 135 |
| - Programmes to train domestic helpers of elders | - | 01 |
| - Pre retirement awareness programmes | - | 03 |
| - Educating the children of Dhamma schools in helping elders | - | 785 |

(a) *International Elders' day celebrations – 2011*

i. The initial discussion that was held with Helpage, a rough estimation of Rs.1,247,000 was forwarded as the expenses for celebrating the International Elders Day. However following expenditures had to be incurred for the national celebrations.

-	Rs. 10,000/= each for 93 Divisional Secretariat Offices	-	Rs.930,000
-	For the Divisional Secretariat at Jaela	-	Rs. 25,000
-	For the Divisional Secretariat at Kalutara	-	Rs. 28,000
-	For the Divisional Secretariat at Mirigama	-	Rs. 15,000
-	Accordingly the amount that was given to 97 Divisional Secretariat to organize celebrations	-	<u>Rs. 998,000</u>
-	Other expenditures on the National Celebrations	-	Rs. 349,265
-	The expenditures incurred by the National Elders Secretariat	-	<u>Rs.1,347,265</u>
-	The amount given by the World Health Organization to publish the newspaper supplement	-	Rs.1,404,000
-	The total expenditure (1,347,265 + 1,404,000)	-	<u><u>Rs.2,751,265</u></u>

ii. Although, according to the national action plan, only Rs. 1.0 million was allocated for the National celebrations, because of additional requests made, to have celebrations at regional level, Rs. 1.35 million had to be spent on the same.

iii. -Parallel to the Dayata Kirula Programme, children of 110 Daham Schools, covering 22 Divisional Secretariats in Anuradhapura. District was made aware of the importance and ways of helping elders.

- Parallel to the International Elders Day, children belonged to 675 Daham Schools covering 135 Divisional Secretariat were made aware of the importance and ways of helping elders.

iv. Although a newspaper advertisement was not published spending the finances of this institution, the World Health Organization spent money to publish a 12 paged newspaper supplementary. As the WTO is relieved from paying V.A.T, the same was not paid by the said organization.

(b) *Provision of financial assistance to Day Care Centers.*

In the year 2011, 26 Day care centers were given Rs. 25,000/= each to purchase Day Care Centers provided the proofs to the effect that these finances were utilized to fulfill the relevant activity. 14 day care centers were informed to provide the relevant proofs of how the money was spent.

(c) *Provision of financial aids for money generation activities.*

Provision of financial aids for self-employment projects was stopped since the middle of year 2010, due to non-issuance of funds by the Treasury.

(d) *Printing Activities*

I. Although the amended act of the Protection of the Rights of Elders was approved in 2011, due to the elections that were held in 2011, completion of the printing works was delayed by the printing presses. Therefore, this activity could not be completed in the relevant year.

II. Administrative Reports were not prepared from 2005 to 2009. Since 1775 copies of the Administrative Report had to be printed urgently, in order to forward them to the common business working committees, this could not be included in the Activity Schedule.

III. 5000 copies of the amended act of the Protection of the Rights of Elders were printed on 09.01.2012. Up to this date 4400 copies of this have been distributed. Arrangements are presently being made to distribute the remaining copies too.

(e) *Purchasing of eye lenses*

Remaining Stocks

I. The delay in distribution of eye lenses was due to the fact the operations were not carried out as scheduled. The operations had to be postponed as the patients suffered from eye pressure, diabetes, and other ailments. The eye lenses had to be retained at the institution as the relevant persons did not come to collect them due to the postponement of operations.

(f) *Issuance of Elders Identity Cards*

35358 ID cards were issued from January 2011 to 31st December. In November 2011, 50000 I.D. cards had to be printed, as new I.D. cards had to be issued with the signature of the new secretary.

(G) *Conducting of awareness and training programmes*

1. It was planned to hold 24 awareness and training programme in the year 2011. All 24 programmes could not be held for two reasons. One is the delay in releasing funds by the Treasury. The officer that handled this, undergoing an operation on 03.12.2011, too contributed to this. However 908 elders were educated by conducting 18 programmes.

2. Although it was planned to conduct two (02) workshops for elder hospitality employees, since funds from the Treasury were not released as planned, only one workshop was conducted.
3. From 2007 to 2011, 05 training programmes were conducted. Out of these, one program was conducted by Central Provincial Council under the sponsorship of this institution. This group has been employed within the Central Province itself. This institution too, employed more than 100 workers to provide services. Although it was planned to have 77 awareness programmes at Divisional level, this target was exceeded and 135 programmes were conducted.
4. Although it was planned to have 04 workshops on pre-retirement preparation, none of these workshops was conducted as no adequate funds were released from the Treasury.

4.2 Management Inefficiencies

- (a) The construction work of hall for alms giving at Nanda Jayasinghe elders home was carried out through Social Services Department of the North-Western Province. Everything including the signing of contract was taken place between these two institutions.
- (b) On the request of the Divisional Secretary of the Kirinda Puhulwella, Permission was given to utilize the balance amount of the money that was given to construct Karunarathna Elders home at Kirinda, to construct the drainage system at the same elders home.

4.3 Operational Inefficiencies

- (a) Even though the judicial services Commission Board gave permission to appoint a special Maintenance Board for the Tsunami affected areas of the South, the members for this could not be appointed, as the approved rates for the members were not sufficient enough.
- (b) The applicants that applied to obtain eye lenses at the end of year 2011 could not be provided with eye lenses as the Treasury did not provide funds for this. These applications were documented and the action will be taken on this during the first quarter of the next year.

4.4 Non Economic Activities

In preparing elder I.D. cards, it costs Rs.25/= for a photograph of stamp size and for one day service or other special situations, Rs.40/= to Rs. 50/= is paid for a photograph. When conducting mobile services under one day service in very remote areas, Rs.100/= has to be paid for two (02) photographs. One reason for this is the difficulty in finding photographers. Another reason is that the photographer has to take all his equipment to the place where the photographs are taken. This of course is a rare occurrence. An appropriate action plan has been implemented to prevent this kind of situation in the future.

4.5 Donated properties

The action has been initiated to legally take over the properties that were donated to this institution from Bulathpitiya, Homagama and Gampaha.

5 Maintenance of Accounts and Good governance

5.1 Cooperate plan

Cooperate plan from 2012 to 2016 has already been prepared.

5.2 Operational Plan

As the amount of work that has to be fulfilled and also the amount of problems that can be solved by the Maintenance Board can not be accurately measured. These were not included in the Operational Plan. Yet the relevant information of the year 2012 was symbolically included in the Operational Plan.

5.3 Internal Audit

The internal auditor of the Ministry has been appointed to carry out internal auditing for year 2012.

5.4 50% reduction of common transportation charges for elders

1. Although the cabinet gave approval to reduce 50% of the transport charges through the cabinet paper no 06/0678/227/019, the programme could not be implemented as the Treasury did not agree to allocate funds to provide Season Tickets to travel by trains.

2. The elders were allowed to travel in busses belonged to Transport Board, by purchasing a ticket for 50% of the total fare from the relevant depot. The difficulties arose, as the traveling is allowed only in busses belonged to C.T.B. As a result this programme too, is now dysfunctional.

5.5 Preparation of Information System

As the information on elder population can be obtained from the Department of Census & Statistics, there was no necessity of preparing a separate data base for this institution.

5.6 Budget Control

- (a) This institution is not an income generating institution. This is run by utilizing funds and finance allocated by the Treasury.

6. Systems and Control

- A decision was made to pay special attention and to act on the under mentioned areas.
 - a. Provision of eye lenses.
 - b. Pension scheme for senior citizens.
 - c. Provision of hearing aids

J. Krishnamoorthy
Director
O/C
16/05/12

Annex - 1

Allocation for Depreciation for 2011

Depreciation	Furniture & Equipment 15%	Machinery 20%	Vehicles 10%
The balance as at 31/12/2010	7,168,278.47	1,853,809.00	2,850,000.00
Deducted - Total payments/cost incurred	1,150,658.59	1,119,797.00	-
	6,017,619.88	734,012.00	2,850,000.00
Added purchasing in 2011	447,094.00	448,000.00	4,600,000.00
	6,464,713.88	1,182,012.00	2,850,000.00
The cost considered	15%	20%	10%
Percentage of depreciation			
Depreciation for 2011	969,707.08	236,402.04	285,000.00
Added			
Furniture- The balance of Depreciation of the purchasing in 2005 (626116.59 - 563504.88)	62,611.71		
Depreciation for 2011	1,032,318.79	236,402.40	285,000.00

* *The Toyota Car (Yaris) has been purchased on 30.11.2011 there for it has not mode provisions for Depreciation.*