2011

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வருடாந்த அறிக்கையும் நிதிக்கூற்றும்
ANNUAL REPORT & STATEMENT OF ACCOUNTS

ANNUAL REPORT

නැවත පදිංචි කරවීමේ අධිකාරිය
மீளக்குடியமர்த்துதல் அதிகாரசபை
RESETTLEMENT AUTHORITY

189, Galle Road, Colombo 03.

Contents

Letter of Submission

Hon. M. H. Gunaratne Weerakoon
Member of Parliament
Minister of Resettlement

Hon. Minister,

I am pleased to submit the Annual report and Financial Report of the Financial year ended on 31st December 2011 in term of provision of Financial Act No. 38 of 1971 and Resettlement Authority Act No. 09 of 2007 herewith on behalf of Board Directors of the Resettlement Authority.

Yours Faithfully

B. H. (Buddhi) Passaperuma
Chairman
Member of Board of Directors.

BOARD OF Directors – 2011

Mr. B.H. (Buddhi) Passaperuma	-	*Chairman*
Mr. "Karmayogi" A. Logesparan	-	*Vice Chairman*
Mr. K.G.P. Pushpakumara	-	*Director*
Mr. R.H.W.A. Kumarasiri	-	*Director*
Mrs. H.C.W. Vidyamani	-	*Director*
Mr. I.D. Wijerathne	-	*Director*
Mr. R. Mahagodage	-	*Director*
Mr. K. Sathiyawardan	-	*Director*
Mr. S. Rajsankar	-	*Director*

VISION:

Resettlement / Relocation in safe and dignified manner of internally displaced persons (IDPs) and Refugees

MISSION:

Facilitate the resettlement or relocation of the IDPs and refugees in order to rehabilitate and assist them by facilitating their entry into the development process.

OBJECTIVES:

a) To Formulate and implement resettlement policy in consultation with the Ministry of resettlement for the IDPs and refugees.

b) To co- ordinate the efforts of the Government, donors international non – government organization civil society agencies and other possessing the required mandates and resources in order to end displacement of persons

c) To Formulate and implement specific programmes and projects for resettlement and relocation of IDPs and refugees in a safe and dignified manner.

d) To assist the IDPs and refugees to obtain lost document such as birth , death and marriage certificates , Identity Cards deeds relating to property and other documents which they may required from any government department.

e) To assist in providing infrastructure facilities education and health facilities

f) To implement resettlement programmes including housing scheme to facilities the resettlement and relocation

g) To assist in the mobilization of both local and foreign financial resource to implement the planned programmes

h) To facilitate in solving problems relating to ownership and possessions right of movable and immovable assets

i) To forge a better understanding between the IDPs and host communities

j) To facilities the restoration of basic human rights including culture rights to empower IDPs

k) To receive representation on needs of the displaced and to make representation regarding the same to agencies mandated to find solution

l) To mobilize the displaced to initiate and implement partnership for the recovery and development in accordance with individual or community needs

m) To promote livelihood activities among displaced person and refugees

n) To provide reasonable access to information on policies ,resource and progress on activity earmarked for their recovery and facilitate dialogue with concerned intervening agencies and

o) To ensure a conducive physical environment for resettlement, by clearing land mines and debris and repairing the damaged infrastructure.

Progress Reports for the Year of 2011

01. Construction of Madhu Housing Scheme

After building 50 Nos. of permanent houses for the resettled families in Madu DS Division, funded by the Peoples Bank; the action of provisioning water facilities, electricity facilities and internal roads under the "Madu Housing Scheme" were taken by the Resettlement Authority with support of the related agencies.

02. Distribution of English Books for School and Library

By sponsoring of Asia Foundation, the printed books were distributed among the libraries and schools in Vavuniya district, Jaffna University and Jaffna Public library to improve and uplift the knowledge and educational activities.

03. Collection of Resettled IDPs Information

Data of the resettled families in North and Eastern provinces was collected by divisional secretariat wise.

Districts		No. of DS Division provided Data
1.	Ampara	**05**
2.	Batticaloa	**07**
3.	Trincomalee	**02**
4.	Jaffna	**15**
5.	Mannar	**05**
6.	Vavuniya	**03**
7.	Mullaitivu	**---**
8.	Killinochchi	**04**

04. Supporting Resettlement Activities of the Ministry

Work together with the Ministry of Resettlement to resettle IDPs from the Manik Farm.




05. Survey at Maruthankeni Divisional Secretariat

A survey was conducted by Resettlement Authority with the collaboration of Ministry of Resettlement to get the individual family information at Maruthankeni DS Division. 2570 families information have been recorded.


Resettlement Authority

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

2010	Description	Note	2011
44,803,452.63	**Revenue**		**15,074,763.30**
14,000,000,.00	Treasury Grant		15,000,000.00
364,500.00	"FORUT" & Other Income		-
90,952.63	Miscellaneous	1	74,763.30
30,348,000.00	**Ministry of Resettlement - Allowance for Camp Maintanance**		-
-			-
44,752,382.22	**EXPENDITURE**		**14,614,672.73**
44,752,382.22	**General Administration Expenses**		**14,614,672.73**
7,970,057.15	Personal Emoluments		8,493,072.06
888,358.03	Travelling		646,914.00
2,107,900.00	Stationery and Supplies Used	2	1,701,092.82
3,148,405.00	Contractual Services	3	3,520,564.06
235,268.59	Maintenance		194,464.00
-	Miscellaneous		17,500.00
28,808,000.00	**Ministry of Resettlement - Allowances Paid for Camp Maintenance**		-
1,540,000.00	**Refund to Ministry of Resettlement**		-
54,393.45	Depreciation	4	41,065.79
51,070.41	Surplus		460,090.57
(11,045.00)	Surplus in 2010		40,025.41
40,025.41	Net Surplus		**500,115.98**

Resettlement Authority

(Established Under Parliament Act No. 09 of 2007)

Statement of financial position as at 31st December 2011

2010	Description	Note	2011
	Assets		
174,008.00	Non Current Assets		132,942.76
189,754.00	Current Assets	4	485,363.56
363,762.00	**TOTAL**		618,306.32
	Liabilities		
40,025.00	Net Surplus		500,115.98
323,737.00	Current Liabilities	5	118,190.34
363,762.00	**TOTAL**		618,306.32

Resettlement Authority

Cash flow statement for the year ended 31st December 2011

2010	Description		2011
	Cash Flow from operating activities		
40,025.00	Surplus deposit from ordinary activities		50,115.98
	Non Cash movements		
54,394.00	Add (+)	Provision for Depreciation	41,065.79
323,737.00		Current Liabilities	118,190.34
418,156.00		**TOTAL**	659,372.11
	Net Cash flow from operating activities		
228,402.00	Cash flow from investment activities		174,008.55
189,754.00	Current Assets		485,363.56
418,156.00		**TOTAL**	659,372.11

Notes

Note 01 **Other Income**

Vehicle Use	12,600.00
Others	62,163.30
Total	**74,763.30**

Note 02 **Stationary & Supplies**

	Stationary	Supplies	Total Expenses
Balance C/F 01-01-2011	29,382.25	1,317,262.33	
2011 Purchase	344,748.69	70,250.00	
	374,130.94	1,387,512.33	
Balance B/F 31-12-2011	(43,050.45)	(17,500.00)	**Surcharge**
Expences for the year	**331,080.49**	**1,370,012.33**	**1,701,092.82**

Note 03 **Contractual Service**

Balance C/F 01-01-2011	(291,759.40)
Surcharge	(8,526.21)
paid during the year	3,771,512.33
	3,471,226.72
Balances B/F 31-12-2010	49,337.34
Total Expences for the year	**3,520,564.06**

~~**Note 04** **Fixed Assets**~~

2010	Opening Balance	Depreciation	Net Value	Balance
Arm Chair	16,242.30	10%	1,624.23	14,618.07
PC Computer	137,099.25	25%	34,274.81	102,824.44
Camera	20,667.00	25%	5,166.75	15,500.25
	174,008.55		**41,065.79**	**132,942.76**

Note 05 **Current Assets**

Stationary Stock as at (31-12-2011)	43,050.45
Debtors as at (31-12-2011)	55,100.00
Cash in Hand as at (31-12-2011)	387,213.11
	485,363.56

Note 06 **Current Liabilities**

Unpaid bills for the year 2011	49,337.34
General Deposit	68,853.00
	118,190.34

Accounting Policies and Disclosure

01. General Accounting Policies

Basic of preparation

* The financial statements are prepared under historical cost convention in accordance with generally accepted accounting principles which have been constantly applied from year , and the Sri Lanka accounting was laid down by the Institute of Chartered Accounting of Sri Lanka.

* Provision of the Finance Act. No. 38 of 1971 and Sri Lanka Accounting and Auditing standing Act. No 15 of 1995 have been adopted for the preparation of financial statement

Event occurring after the balance sheet date

* No material events occurring after the balance sheet date.

Depreciation

* The provision for depreciation is calculated by using the straight – line basis on the value of machines, furniture and other office equipment in order to write of such amounts over the estimated useful lives at the following rates.

-	Furniture, Office equipment and fixtures	10%
-	Computers	25%

* A Whole year depreciation is provided to computers, furniture and other office equipment in the year of purchase of the assets, whereas no depreciation is charged in the year of disposal.

Stock

* Stock consists of stationeries only. It is valued at cost.

Cash and cash equivalents

* For the purpose of the cash flow statement, cash equivalents consist of cash in hand.

02. Income and expenditure

Accrued basis

* Accrued expenses have been accounted in respect of bills received until 31-01-2012

Government contribution

* Government contribution for the Authority has been recognized as Treasury grant in the revenue statement.

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல / My No. ඩීර්/ඒ/ආර්ඒ/එෆ්ඒ/2011

ඔබේ අංකය / உமது இல / Your No.

දිනය / திகதி / Date 2012 ඔක්තෝබර් 05 දින

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නැවත පදිංචි කරවීමේ අධිකාරිය

නැවත පදිංචි කරවීමේ අධිකාරියේ 2011 දෙසැම්බර් 31 දිනෙන් අවසන් වර්ෂය සඳහා වූ මූල්‍ය ප්‍රකාශන පිළිබඳ 1971 අංක 38 දරන මුදල් පනතේ 14(2) (සී) වගන්තිය ප්‍රකාර විගණකාධිපති වාර්තාව.

සමාංක හා 2012 අගෝස්තු 28 දිනැති මාගේ ලිපියට යොමු වේ.

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

එච්.ඒ.එස්. සමරවීර

විගණකාධිපති

පිටපත් :- 01. ලේකම්, නැවත පදිංචි කිරීමේ අමාත්‍යාංශය

02. ලේකම්, මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

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

දුරකථනය / தொலைபேசி / Telephone. 2887220
ෆැක්ස් අංකය / பக்ஸ் இல / Fax No. 2887221
ඉලෙක්ට්‍රොනික් තැපැල් / ஈ- மெயில் / E-mail. oaggov@sltnet.lk

විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය எனதுஇல My No. DE/G/RA/FA/2011	ඔබේ අංකය உமது இல Your No.	දිනය திகதி Date 28 August 2012

The Chairman
Resettlement Authority

Report of the Auditor General on the Financial Statements of the Resettlement Authority 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 Resettlement Authority 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(4) of the Resettlement Authority Act, No. 9 of 2007. My comments and observations which I consider should be published with the Annual Report of the Authority. 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 issued to the Chairman of the Authority on 30 June 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 Sri Lanka Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

අංක 306/72 පොල්දූව පාර, බත්තරමුල්ල , ශ්‍රී ලංකාව
இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை இலங்கை
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ෆැක්ස් අංකය / பக்ஸ் இல / Fax No. 2887223
ඉලෙක්ට්‍රොනික් තැපැල් / ஈ- மெயில் / E-mail. oaggov@sltnet.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. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material 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 that are appropriate in the circumstances, 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 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 Resettlement Authority .as at 31 December 2011 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

2:2 Comments on Financial Statements

2:2:1 Non-compliance with Sri Lanka Accounting Standards

The cash flow statement had not been prepared in accordance with Sri Lanka Accounting Standard No. 9.

2:2:2 Accounting Deficiencies

The double cab motor vehicle valued at Rs.5,600,000 given to the Authority by the Treasury in the year under review and not been brought to account as motor vehicles under the fixed assess and as such the assets had been understated by that amount. Depreciation relating to that as well had been omitted.

2:2:3 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances were observed.

Reference to Laws, Rules, Regulations, etc.	Non-compliance
(a) Resettlement Authority Act, No. 9 of 2007. Part II Section 20(1).	Even though the Authority should have a separate Fund, action had not been taken to establish such Fund.

(b) Finance Act, No. 38 of 1971 Section 14(1) and Public Enterprises Circular No. PED/12 of 02 June 2003 – Section 6.5.1	A copy of Draft Annual Report had not been presented to the Auditor General along with the financial statements for the year under review.

3. Financial Review

3:1 Financial Results

According to the financial statements presented, the operation of the Authority for the year under review had resulted in a surplus of Rs.460,090 as compared with the corresponding surplus of Rs.51,070 for the preceding year, thus indicating and improvement of Rs.409,020 in the financial results. The decrease in the expenditure for the year under review had been the main reason for the improvement of the financial results.

4. Operating Review

4:1 Performance

The Resettlement Authority, with the intervention of the Ministry of Resettlement provides humanitarian assistance in connection with the major problems faced in the resettlement process such as food, water, sanitation facilities, repairing damaged houses and welfare and wellbeing of the internally displaced person as well as providing infrastructure facilities. Accordingly 5,911 displaced families had been in 04 camps in the year under review awaiting resettlement while 2002 families remained in 02 camps by the end of the year.

The activities carried out in the year under review are as follows.

(a) The following programmes had been implemented through the co-ordination of 04 non-Governmental Organizations.

(i) Supply of the school equipment needed for the pre-school children of the families settled in the areas of the Oddusuddan and Welioya Divisional Secretariats (with aid from the FORUT Non-Governmental Organization).

(ii) Supply of library books for the education of the children in the Northern and Eastern Provinces. (with aid from Asian Development Bank).

(iii) Implementation of the Child Abuse and Drugs Eradication Programmes in the area of Oddusuddan Divisional Secretariat (with aid from the FORUT Non - Governmental Organization).

(iv) Contributory to the settlement of problems relating to the lands of the people resettled in the Northern and Eastern Provinces. (with American aid)

(v) Contribution to the Pre-school Projects in the Northern and Eastern Province (with aid from the Poor and Poorest Non-Governmental Organization)

(b) Action taken in collaboration with the People's Bank in connection with the supply of water and electricity and the construction of internal roads for the Madhu Housing Project constructed with the contributions from the People's Bank for the supply of permanent housing to the 50 families resettled in the area of the Madhu Divisional Secretariat.

The position of the non-achievement of performance is as flows.

(a) Even though a database of the areas of the Divisional Secretariats in which the displaced persons had been resettled covering 8 districts had been prepared with the objective of supplying the facilities needed by the displaced persons resettled in the Northern and Eastern Provinces had been prepared, the Authority had not been action to supply to needed facilities by utilizing such information.

(b) Even though it had been proposed to implement a project called "Dakune Senehasa Uthurata" (Southern Love to the North) in which a family from the south would help a family in the north by supplying the needs of such family, the Authority had failed to implement that work even during the year under review.

4:2 Management Inefficiencies

The following matters were observed.

(a) According to Section 13 of Part II of the Resettlement Authority Act, No. 9 of 2007 the objectives of the Authority are as follows.

(i) Resettlement or settlement of the internally displaced persons of refugees with protection and dignity.

(ii) Facilitation of rehabilitation and resettlement or the settlement of the internally displaced persons or refugees to integrate with in the development process.

Nevertheless, the Authority had failed from its inception to achieves those objectives completely. Similarly, according to Section 14 of Part II of the Act, 15 functions to be discharged by the Authority to achieve its objectives are set out at (a) to (o). But no evidence whatsoever had been furnished to audit in supply of the successful completion of and those functions by the Authority.

(b) The Board of Directors comprise 09 members and only 03 meetings of the Board of Directors had been held in the year under review. One meeting had been held in each of the years 2008 to 2010. According to Chapter 4 of the Public Enterprises Circular No. PED/12 of 02 June 2003, the performance should be evaluated at the monthly meetings of the Board of Directors and update its activities. Nevertheless, it had not been so done. Proposal for implementation in the future had not been made.

(c) The Authority had been provided with funds since its inception from the annual budget for its recurrent expenditure and the Authority had not made requests to the Ministry for capital expenditure.

4:3 Staff Administration

The approved staff as at 31 December 2011 had been 25. Out of that 20 had been recruited and assigned with duties. But, an evaluation of the performance had not been done. The Authority had not taken action even up to the year under review to recruit officers for the 05 vacancies existing from its inception.

5. Accountability and Good Governance

5:1 Presentation of Financial Statements

According to Section 6:5:1 of the Public Enterprises Circular No. PED/12 of 02 June 2003 the financial statements for each financial year should be presented for audit within 60 days form the close of such financial year. Nevertheless, the financial statements of the Authority for the year under review had been presented for audit only on 08 May 2012, that is after a delay of 68 days.

5:2 Corporate Plan

Even though the Authority should prepare a Corporate Plan in terms of Section 5 of the Public Enterprises Circular No. PED/12 of 02 June 2003 for a period of not less than 03 years for the achievement of its Vision and the Objectives, an updated Corporate Plan for the year under review had not been presented.

5:3 Action Plan

As the Authority had not prepared an Action Plan, the functions to be discharged annually had not been specifically identified.

6. Systems and Controls

Special attention is needed in respect of the following areas of control.

(a) Performance and Evolution

(b) Personnel Management

H.A.S. Samaraweera

Auditor General