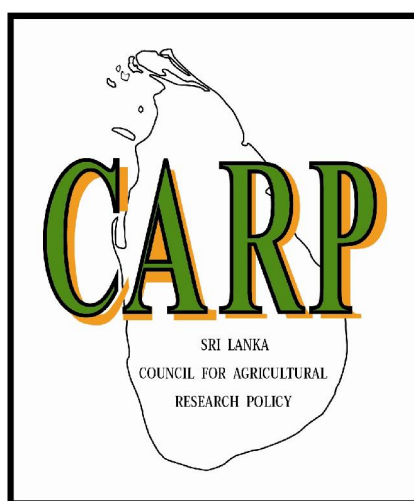


ADMINISTRATIVE AND ACCOUNTS REPORT 2011



**SRI LANKA COUNCIL FOR AGRICULTURAL RESEARCH POLICY
114/9, WIJERAMA MAWATHA
COLOMBO 07
SRI LANKA**

Contents

Vision & Mission	01
Members of the Council	02
Introduction	05
Mandated Function of the Council	07
Report of the Chairman	08
Review of the Director	12
Achievement of 2011	17
SLCARP publications: 2011	32
Financial Administration	
Human Resources Development	
Staff of the CARP	
Acknowledgements	
Report of the Auditor General with Answers	

VISION

SRI LANKA COUNCIL FOR AGRICULTURAL RESEARCH POLICY

To develop a vibrant, effective, demand driven and sustainable National Agricultural Research System promoting socio-economic development in Sri Lanka

MISSION OF THE

SRI LANKA COUNCIL FOR AGRICULTURAL RESEARCH POLICY

To strengthen and mobilize research capabilities of the NARS, universities, private sector and other stakeholders in generation and dissemination of appropriate technologies and information for the development of the agricultural sector

MEMBERS OF THE COUNCIL 2011

Dr. J D Samarasinghe, Chairman, SLCARP

Mr. K E Karunatilake, Secretary, Ministry of Agriculture

Mr. R M P Ratnayake, Director, Ministry of Finance and Planning

Prof (Mrs) Sirimalee Fernando, Chairperson, National Science Foundation

Dr. G.A.W. Wijesekara, Registrar of Pesticide, Gatembe, Peradeniya

Mr. W D L Gunaratna, Director General, Department of Export Agriculture

Dr. (Mrs) A M Hewakopara, Additional Secretary (Livestock Planning), Ministry.
of Livestock and Rural Community

Dr. (Mrs) H R L Sumanarathne, Additional Secretary (Livestock Planning), Ministry of
Livestock and Rural Community

Mr. K A I D Silva, Director (Policy & Planning), Ministry of Environment & Natural
Resources

Mr. Asoka Gopallawa, Chairman, National Agribusiness Council

Mr. R A D S Ranathunge , Director (Development), Ministry of Plantation Industries

Mrs. Malini Peiris, Secretary, Ministry of Plantation Industries

Dr. K Samarasinghe, Dean, Faculty of Agriculture, University of Peradeniya

Mr. G A M S Emitiyagoda, Additional Secretary, Ministry of Agriculture

Mr. Prabath Wimal Kumara, Secretary / Director, SLCARP

COUNCIL MEETINGS:

Members	23- Feb	28- Apr	22- Jun	27- Jul	27- Oct	22- Nov	28- Dec
Dr. J. D. Samarasinghe,	1	1	1	1	1	1	1
Mr. K. E. Karunatilake, Secretary, Ministry of Agriculture	1	0	0	1	1	1	1
Mr. R. M. P. Ratnayake, Director, Ministry of Finance and Planning	1	1	1	1	1	1	1
Prof. (Mrs) Sirimalee Fernando , Chairperson, National Science Foundation	0	1	0	0	0	1	0
Dr. G.A.W. Wijesekara ,Registrar of Pesticide, Gatambe, Peradeniya	0	1	0	1	1	1	1
Mr. W. D. L. Gunaratna, Director General, Department of Export Agriculture	1	0	1	1	1	0	1
Dr. (Mrs) A. M. Hewakopara, Addl. Secretary (Livestock Planning), Ministry. of Livestock and Rural Community	0	0	0	1			
Dr. (Mrs) H. R. L. Sumanarathne, Addl. Secretary (Livestock Planning), Ministry. of Livestock and Rural Community					1	0	1
Mr. K. A. I.D.Silva , Director (Policy & Planning), Ministry of Environment & Natural Resources	0	1	1	1	0	0	1
Mr. Asoka Gopallawa, Chairman, National Agribusiness Council	1	0	1	0	0	0	1
Mrs. Malini Peiris , Secretary, Ministry of Plantation Industries	1	0	0	0	0	0	0
Mr. R.A. D. S. Ranathunge , Addl. Secretary, Ministry of Plantation Industries							1
Dr. K .Samarasinghe, Dean, Faculty of Agriculture, University of Peradeniya	1	1	1	1	1	1	1
Mr. G .A. M. S. Emitiyagoda, Addl. Secretary, Ministry of Agriculture	1	1	1	1	0	1	1
Mr. Prabath Wimal Kumara,	1	1	1	1	1	1	1

The Council held seven meetings during the year 2011. Dr. J D Samarasinghe, chaired all meeting as chairman. Mr. Prabath Wimal Kumara has covered the meetings as Director/Secretary as the Council in 2011. The Council has been established on the recommendation of Ministry of Agriculture by representing agricultural research group comprising of directors of agricultural research organizations, senior agricultural scientists, university academics and policy makers. Mrs. Malini Peiris, Secretary, Ministry of Plantation Industries attended only one meeting and Mr. G D W Jayawardena was appointed in place of her to the Council and subsequently Mr. R A D S Ranathunge, Director (Development), Ministry of Plantation Industries was appointed as the new member of the Council and he represented at the last council meeting held for 2011. Dr. (Mrs) A M Hewakopara, Additional Secretary (Livestock Planning), Ministry of Livestock and Rural Community attended only one meeting and Dr. (Mrs) H R L Sumanarathne, Additional Secretary (Livestock Planning), Ministry of Livestock and Rural Community was appointed as the member of the Council from October 2011.

AUDIT & MANAGEMENT COMMITTEE – 2011

The committee met five times (23rd March, 28th April, 22nd June, 21st October and 22nd December 2011) during the period under review and discussed various matters related to Accounts and Administration. Members of the Committee as follows:

Mr G A M S Emitiyagoda, Additional Secretary, Ministry of Agriculture	-	Chairman
Mr. R M P Ratnayake, Director, Ministry of Finance and Planning	-	Member
Mr. K A I D Silva, Director (Policy & Planning), Ministry of Environment & Natural Resources	-	Member

INTRODUCTION

Sri Lanka Council for Agricultural Research Policy (CARP) was established on 22nd December, 1987 under the Ministry of Agriculture with the enactment of the CARP Act No 47 of 1987. Since then CARP has been actively engaged in supporting agricultural research in the National Agricultural Research System (NARS). Among its mandated functions, the primary responsibility of CARP is to develop policies and strategies to strengthen research and development in the agricultural sector by creating a conducive environment in the NARS. The overall objective is to support agricultural development by fostering a vibrant and effective research system to generate appropriate technologies and thereby increase productivity and production, increase employment opportunities, make agriculture sustainable and thereby enhance social and economic development.

The main functions of the CARP is to identify priority research areas, facilitate interaction through sharing of information on the respective fields, resolve constraints confronted in research and play a role in enhancing the activities of the respective committees. At present there are thirteen committees: National Committee on Research Programmes and Projects (NCRPP), National Committee on Plant Breeding (NCPB), National Committee on Agricultural Biotechnology (NCAB), National Committee on Plant Protection (NCPP), National Committee on Post Harvest Technology (NCPHT), National Committee on Socio Economics and Policy Analysis (NCSEPA), National Committee on Livestock, Aquaculture and Fisheries (NCLAF), National Committee on Floriculture Research and Development (NCFRD), National Committee on Natural Resources Management (NCNRM), National Committee on Agricultural Machinery (NCAM), National Committee on Organic Agriculture and Forestry (NCOAF), Agricultural Information Network (AGRINET) advisory committee and Committee on International Linkages.

THE MANDATED FUNCTIONS OF THE COUNCIL:

1. to advise the Government on all matters regarding the organization, co-ordination, planning and execution of agricultural research and such other related matters as may be referred to it by the Minister ;
2. to formulate national agricultural research policy and priorities;
3. to define the overall aims and scope of agricultural research with a view to furthering national development objectives ;
4. to make recommendations to the appropriate authorities on the financial, manpower and physical resources required by agricultural research institutions and establishments and on the terms and conditions of service of the staff of such institutions and establishments;
5. to review institutional and departmental agricultural research programmes and make recommendations with regard to their priorities and funding to the Ministry of the Minister in charge of the subject of Finance and Planning;
6. to promote and facilitate excellence in agricultural research;
7. to act as a channel of communication between agricultural research institutions and the Government;
8. to arrange for and fund inter-institutional agricultural research projects;
9. to arrange for and fund special scientific services for services for the entire agricultural research sector;
10. to promote linkage between agricultural research institutions at national and international level;
11. organize conferences and seminars on international, national and inter-institutional issues relating to agricultural research;
12. to arrange for the post-graduate training of agricultural research staff and for interchange of scientists with recognized research institutions abroad; and
13. to review the performance of agricultural research projects, institutions and divisions from time to time.

REPORT OF THE CHAIRMAN

Sri Lanka Council for Agricultural Research Policy (CARP) is the apex body for advising the Government on the policies and strategies on agricultural research, organizing and facilitating agricultural research and assisting the dissemination of the finding to the end users. Therefore, CARP is committed to develop a vibrant, effective and sustainable national agricultural research system, to uplift the livelihoods of the rural poor and promote the socio-economic development of the people of this country. In the past several decades, the research programmes were focused on rural farmers as they formed the core group who were involved in agricultural production. The emphasis was placed on increasing domestic food production to achieve food self sufficiency. The situation is not much different even today as many as 32% of the population is still engaged in agriculture. Achieving and maintaining food security is even more important today to feed the increasing population.

Fortunately, the trends of stakeholder participation in agriculture have changed today as many middle and high income groups have entered the field. These are mostly the private sector enterprisers or companies who are playing a different role in agricultural research and development. For decades they were involved in agriculture, mainly in the supply of inputs such as seeds fertilizers, agrochemicals, machinery etc. This activity continues effectively and new supply systems have been undertaken to meet the needs of modernized agricultural enterprises that are operated on a commercial scale.

The Council has initiated several measures to improve the agricultural research process by developing research priorities through respective National Committees in various disciplines, recommending fund allocation and monitoring and evaluating progress to make research more effective and relevant.

The agricultural research need to play a dominant role in the future than in the past due to the increasing population, scarcity of essential resources such as land and water and be competitive under the prevailing open market policies and trade liberalization. Agricultural research has to respond to these new challenges by generating technologies to increase productivity at the farm level for which quantum jumps in innovative discoveries is absolutely essential.

The National Agricultural Research Plan (NARP) is the other main programme of the institute and it is a consolidated plan and action programme for scientific research in agriculture. It sets out the research agenda for the constituent network members of the National Agricultural Research System. The research plan is being carried out in a short to medium term (3 years) time frame commencing from 2010. It may however, be subjected to amendments, depending on exigencies and expediency of the State and its public beneficiaries in realizing the expected targets.

I take this opportunity to appreciate and acknowledge the contribution and commitment of the board members in governing the institute to achieve its goals and thank to all the Committee members for their valuable contributions to develop research priority documents which will shape the agricultural research in this Country. Continued contributions made by all the other stakeholders towards achieving the set targets are also gratefully acknowledged. Direction, advice and the facilitating role played by the Hon. Minister of Agriculture, Secretary and Ministry officials in governing the Council is highly commendable.

Dr. Jayantha Dias Samarasinghe

Chairman

Sri Lanka Council for agricultural Research Policy

REVIEW OF THE DIRECTOR

The Council

Seven council meetings were held during the year under review and important decisions have been taken to facilitate the functions of the SLCARP.

National Awards for Excellence in Agricultural Research

The National Awards for Excellence is an award scheme initiated by the Sri Lanka Council for Agricultural Research Policy for recognizing outstanding achievements in agricultural research, with the objective to encourage and motivate agricultural scientists towards achieving high standards of scientific research, to assist improve their career prospects and bestow recognition on outstanding contributions made towards advancement in national agricultural development. The Ceremony of the National Awards for Excellence in Agricultural Research for year 2011 was held on 25th August 2011 at the Bandaranaike Memorial International Conference Hall

National Committee on Research Programmes and Projects (NCRPP)

The National Committee on Research Programmes and Projects (NCRPP) has been appointed by the SLCARP Council and it is responsible for the execution of agricultural research of NARS institutions. SLCARP Council invited research proposals from the scientists of stakeholder institutions to undertake agricultural research and those research proposals have been evaluated and recommended by the respective National Committee and forwarded to the NCRPP, to be included in the National Agricultural Research Plan (NARP). The NCRPP is also engaged in the monitoring and evaluation of the granted research projects.

National Agricultural Research Plan (NARP)

The National Agricultural Research Plan (NARP) is a consolidated plan and action programme for scientific research in agriculture. It sets out the research agenda for the constituent network members of the National Agricultural Research System. The research plan sets out in summary form the key elements of scientific work to be carried out in a short to medium term (3 years) time frame commencing from 2010. It may however, be subjected to amendments, depending on exigencies and expediency of the State and its public beneficiaries in realizing the expected targets.

External Review of the Competitive Contract Research Programme

Competitive Contract Research Programme has come to an end on 31st December 2010. This programme has served the NARS for more than 20 years. The Programme has yielded excellent results in a number of fields in agriculture. SLCARP Council appointed a Special Team to review the Competitive Contract Research Programme and evaluate research results with their implementations since the completion of the programme. Committee prepared the work plan and the review process would be commenced in 2012.

Committee on the Implementation of MSD circular No. 45

The Council at the meeting held on 22nd November 2011 appointed this committee to formulate the guidelines for implementation of MSD Circular No. 45 on the 25% research allowance and make recommendations of suitable research proposals for granting 25% research allowance for the researchers. The members of this committee comprise of Chairpersons of the National Committees of SLCARP. Since the appointment of this committee in November 2011, committee prepared the guidelines and application for submitting the proposals by eligible researchers individually through their respective Heads of Institutions.

National Agricultural Research Policy 2011-2015

Main function of the Sri Lanka Council for Agricultural Research Policy (SLCARP) is the formulation of the National Agricultural Research Policy for the National Agricultural Research System of Sri Lanka. National Agricultural Research Policy has previously been formulated for years 2003-2010. According to the present country needs and also in line with the Government Development Policy Framework: Mahinda Chintana – Vision for the future, National Agricultural Research Policy for year 2011-2015, the draft document was prepared.

International Linkages

The linkages established by the Sri Lanka Council for Agricultural Research Policy with the international agencies are based on three major considerations: The scope for fruitful interaction in areas of common interest; Opportunity to render assistance through joint activities; and Possibility for participation in newer domains of study and research in the

Agricultural sector. For effective implementation of linkages established with foreign countries, a special committee has been appointed. Two committee meetings were held in the year under review. The committee had prioritized the MoAs presently handled by the CARP based on the need and importance to the agriculture sector in the country.

Indian Council of Agricultural Research (ICAR):

Technical Cooperation and the Postgraduate Programme under the Memorandum of Agreement (MOA) between the Indian Council of Agricultural Research (ICAR) and the Sri Lanka Council for Agricultural Research Policy (CARP) to establish technical cooperation between India and Sri Lanka with a view of developing human resources in the NARS has been continued with the main focus for this year on post-graduate program and ten NARS scientists reading their PhDs under this programme. Presentations on their post-graduate trainings were presented on 22nd November 2011 at the CARP by the scholars who have completed their trainings.

Nepal Agricultural Research Council

The Work Plan for next three years was prepared and Nepal Agricultural Research Council communicated their views to improve the research collaboration.

Vietnam Ministry of Agriculture and Rural Development

The work plan was signed on 22nd October 2009 during the H.E. President's visit to Vietnam. The Joint Agricultural Cooperation Committee (JACC) appointed to precede this MOU.

During the year 2011, two national JACC Committee meetings of the joint agricultural cooperation were conducted. Hon. Mahinda Yapa Abeywardene, Minister of Agriculture visited Vietnam to discuss the possibilities of entering into new MOUs and the related issues.

Bangladesh Agricultural Research Council (BARC)

Sri Lanka and Bangladesh signed five memoranda of understanding (MoUs) on agriculture, education, livestock, information, and commerce cooperation during the official visit of HE Mahinda Rajapakse, President of Sri Lanka to Bangladesh in April, 2011.

MoU between Bangladesh Agricultural Research Council (BARC) and Sri Lanka Council for Agricultural Research Policy (SLCARP) on cooperation in agriculture is one of the main

MOUs in which CARP has involved in almost key aspect of preparation of MOU and legal screening.

Pakistan Agricultural Research Council

Pakistan Agricultural Research Council (PARC) and SLCARP signed the Memorandum of Understanding (MOU) for Scientific and Technical Cooperation between the PARC and CARP. CARP requested PARC to appoint an authoritative officer in High Commission to communicate with the CARP to prepare a Work Plan for next two years (2012 and 2013) while coordinating with the PARC. The SCLARP has nominated its Secretary, International Linkages Committee to coordinate with High Commission to accelerate the activities under this MOU.

Asia - Pacific Association of Agricultural Research Institutions (APAARI)

SLCARP was offered the following short term training organized by APAARI in year 2011:

- Training workshop on Coherence in information for Agricultural Research for Development (CIARD) and Strengthening Regional Agricultural Information Systems (RAIS) in the SAARC Countries from 10-12 May 2011 BARC Complex Dhaka-1215, Bangladesh.

National INFORM Database-2011

Twelve research institutions were included in the existing INFORM database. Council decided to expand the INFORM database by including Agriculture Faculties of the Sri Lankan universities into the INFORM database. The responsibility of management of INFORM database was assigned to the senior staff of the Sri Lanka Council for Agricultural Research Policy.

INFORM data was collected from research institutes namely, Department of Export Agriculture (DEA), Field Crop Research & Development Institute (FCRDI), Horticultural Crop Research & Development Institute (HORDI), Fruit Crop Research & Development Centre, Plant Virus Indexing Centre (PVIC), and Regional Agricultural Research Centres (RARDC) at Angunakolapellessa, Aralaganwila, Bandarawela, Makandura, and Agricultural Research Station Sita Eliya.

The National Committee on Plant Protection (NCP)

The National Committee on Plant Protection comprised of experts representing key stakeholder organizations, appointed by SLCARP to coordinate and facilitate R& D in the field of Plant /Crop Protection had prepared the document on National Research Priorities in the above discipline. The committee organized a national workshop on “Classification of Pesticides” which was held on 16th December 2011 at the Agriculture Education Unit, Faculty of Agriculture, University of Peradeniya. Four committee meetings were held in the year under review.

National Committee on Agricultural Biotechnology (NCAB)

The National Committee on Agricultural Biotechnology was established to identify and formulate policies and strategies related to Agricultural biotechnology, set national research priorities and consider issues of current importance in the above fields. In the year 2011 the Committee developed National Research priorities and organized two events: (1) National Symposium on Agricultural Biotechnology and (2) A Seminar on How to write a convincing project Proposal in Agricultural Biotechnology. Eight committee meetings were held in the year under review.

National Committee on Plant Breeding (NCPB)

The National Committee on Plant Breeding was established to identify and formulate policies and strategies related to Plant Breeding, to set national research priorities and consider issues of current importance in the above fields. Two events were organized; (1) Stakeholder Consultation to validate the priority research areas identified by the committee, (2) A Seminar on How to write a Convincing Project Proposal in Plant Breeding and (3) Workshop on New Frontiers on Crop Improvement in Plantation Crops. Eight committee meetings were held in the year under review.

National Committee on Livestock, Aquaculture and Fisheries (NCLAF)

National Committee on Livestock, Aquaculture and Fisheries (NCLAF) is responsible for facilitating interaction among scientists in the sector, exchange research information, identified research priorities in this sector and advising the council to initiate appropriate action to overcome sector related constraints. Stakeholder Discussions on Research Findings and Needs of the Livestock, Aquaculture and Fisheries sectors were organized in order to

disseminate the latest research findings to the stakeholders and also to obtain the sectors' research needs from the stakeholders to transfer them to the relevant research institutes and the Universities for research undertaking.

National Committee of Socio-Economic and Policy Analysis (NCSEPA)

The objectives of this committee are to: facilitate interaction through sharing information related to economics and social sciences, exchange information about on-going research activities, identify the socio-economic constraints of research and suggest ways in which CARP could assist in the sustainable development of the agricultural sector of Sri Lanka. The committee had identified the National Research Priorities relevant to this discipline. Six committee meetings were held in the year under review.

National Committee on Floriculture Research and Development (NCFRD)

The National Committee on Floriculture Research and Development was formulated by the Council to identify the research priorities, formulate policies to develop floriculture sector and to develop floriculture research in the country. The membership of the committee constitutes eminent scientists from research institutes, private sector and universities. In the year 2011 the committee conducted two National Symposiums on Floriculture Research and National Research Priorities were identified. Three committee meetings were held in the year under review.

National Committee on Post-Harvest Technology (NCPHT)

The functions of National Committee on post-harvest technology are to, facilitate interaction through sharing of information on post-harvest technology, resolve constraints confronted in R and D on post harvest technology, suggest possible ways as to how CARP could play a role in enhancing this activity and prepare national priorities/ programs of research. The Committee conducted a national seminar on safe methods of fruit ripening and National workshop on Machineries for post harvest. The document on National research Priorities was published. Six committee meetings were held in the year under review.

National Committee on Natural Resources Management (NCNRM)

CARP has been actively engaged in supporting agricultural research in the National Agricultural Research System (NARS) and formulated a new committee, "National

Committee on Natural Resources Management”, to strengthen research and development in this area. The Committee consists of experts of the relevant field. Three committee meetings were held in the year under review.

National Committee on Organic Agriculture and Forestry (NCOA &F)

The Council for Agricultural Research Policy has recently appointed a National Committee on Organic Agriculture and Forestry (NCOA &F) with an objective of establishing national level research priorities and policies to identify the current situation of the above sub-sectors at national level and dynamic trends prevailing at the world markets with special emphasis to emerging novel trends. Three committee meetings were held in the year under review.

National Committee on Agricultural Machinery (NCAM)

CARP has recently established another new national committee to advice on Agricultural Machinery, to strengthen research and development in this sector. The Committee consists of experts of the relevant field from public and private sector.

Library/Agricultural Information Network (AGRINET)

CARP Library is the focal point for the Agricultural Information Network (AGRINET), providing scientific and technical information to the scientists, farmers, academics, private industry and NGOs. At present 30 libraries are members of this network (agricultural research institutes and agricultural faculties of universities.). The Librarians participating in AGRINET conduct several resource sharing activities to satisfy the information needs of agricultural scientists and technologists.

Two AGRINET User Seminars were held in 2011 at the CARP Conference hall for the Scientists in NARS. The main topic discuss at the seminar was the role of the AGRINET in the digital era.

National Exhibitions

SLCARP held exhibition stalls at the following exhibitions:

- Deyata Kirula – National Development Exhibition 04th – 10th February 2011
- National Farmer Week and Agricultural Exhibition 01st – 05th September, 2011

General Public were made aware of National Agricultural Research Policy, National Research Priorities in agricultural disciplines, Agricultural research management tools and services rendered by SLCARP in connection with agricultural research management/coordination.

Prabath Wimal Kumara
Secretary/Director
Sri Lanka Council for Agricultural Research Policy

ACHIEVEMENT OF 2011

Ceremony of the National Awards for Excellence in Agricultural Research



The National Awards for Excellence is an award scheme initiated by the Sri Lanka Council for Agricultural Research Policy for recognizing outstanding achievements in agricultural research, with the objective to encourage and motivate agricultural scientists towards achieving high standards of scientific research, to assist improve their career prospects and bestow recognition on outstanding contributions made towards advancement in national agricultural development.

The winners presented with the awards were congratulated for their outstanding contributions to this country at the Ceremony held on August 25, 2011 at the Bandaranaike Memorial International Conference Hall (BMICH). The award winning team selected for the first place was for their outstanding contribution to the tea sector for understanding the flavonoid biosynthetic pathway in the tea plant and defense response to blister blight. The award winners selected for the second place were in recognition of their remarkable research performance on the development and application of virological research to enhance the agricultural productivity. The team of scientists selected for the third place was in recognition of their contribution on the development of a soil database for sustainable land management of intermediate zone.

Safe method of fruit ripening



The Council for Agriculture Research Policy conducted a national seminar on 23rd November 2011 in Colombo under the patronage of the Minister of Agriculture, Hon. Mahinda Yapa Abeywardena. The purpose of this seminar was to create an awareness among those who are in the fruit industry about safe methods of fruit ripening. Mr. K E Karunathilake, Secretary; Dr. DBT Wijerathne, Additional Secretary of Ministry of Agriculture; Dr. K H Sarananda, Department of Agriculture; Dr. Shanthi Wilson, Additional Director of the Industrial Technological Institute, Dr. Ananda Jayalal, Director, Environmental and Occupational Health Division of Ministry of Health and Mahinda Sakalasooriya of SLCARP, served as organizers and resource personnel of this awareness seminar.

First National Consultation for the Plantation Forestry Research



The National Committee on Organic Agriculture and Forestry (NCOA &F) organized a national consultation meeting with key personnel involving in Forestry, specially who are dealing with the plantation forestry sub-sector. The stakeholder consultation meeting was held at on 17th October 2011 at the CARP secretariat, Colombo 07. The first stakeholder meeting was a very successful event with over 60 participants representing leading plantation companies, private companies, NGO's, International organizations and also state departments.

National Agricultural Research Policy for 2011 – 2015

Well-articulated and coordinated agricultural research is a requirement to ensure productivity, profitability and sustainability of the agriculture sector. Economically viable, environmentally sound and socially acceptable agricultural research will assure the national food security and development of the agricultural industry. The requirement for the national agricultural research policy for Sri Lanka is a long felt need to ensure uniformity in decision making in agricultural research focusing on national agricultural research priorities and challenges faced by the sector in order to achieve the long-term goals towards sustainable agricultural development in the country.

One of the main functions of the SLCARP is the formulation of the National Agricultural Research Policy (NARPol) and facilitation of its implementation in the National Agriculture System in Sri Lanka. Previously, SLCARP formulated the NARPol for the period of 2003-2010, in line with the National Agricultural Policy (NAP), which was developed and implemented by the Ministry of Agriculture. Considering the current and future requirements in agricultural research highlighted in the Government Development Policy Framework (*Mahinda Chintana – The Way Forward*) and the present NAP of the Ministry of Agriculture, SLCARP has prepared the NARPol (draft) for the period 2011 – 2015.

In this regard, SLCARP Council appointed a resource team to prepare a working document, to develop the NARPol 2011 – 2015 through a process of broader stakeholder consultation, incorporating their ideas/ requirements. This team comprised of the Chairpersons of the National Specialist Committees of major thrust areas in agriculture, functioning under the SLCARP Council.

National Agricultural Research Plan of Sri Lanka



The research programmes approved under the National Agriculture Research Plan (NARP) of Sri Lanka for the year 2011 are currently in progress. The Department of Agriculture (Ministry of Agriculture), Department of Export Agriculture (Ministry of Export Agriculture), Faculties of Agriculture (in Universities of Peradeniya, Eastern, Ruhuna, and Rajarata), Faculty of Veterinary Medicine and Animal Science

(University of Peradeniya), Faculty of Fisheries and Marine Science and Technology (University of Ruhuna), Faculties of Agriculture & Plantation Management and Livestock, Fisheries and Nutrition (Wayamba University), Faculty of Animal Science and Export Agriculture (Uva-Wellassa University) have been financially supported through the Treasury of the Government of Sri Lanka under NARP since August/September 2011.

An awareness meeting for the officials of the Ministries of Agriculture, and Export Agriculture, and the Dean of Faculties in the Universities of Sri Lanka was held on 28 November 2011 at the Ministry of Agriculture in relation to the financial disbursement procedures involved in NARP by the Ministry of Agriculture. The SLCARP is the responsible body for recommending the NARP research programmes of the universities to the Ministry of Finance and Planning, and hence the Universities were requested to send all the expenditure documents of their projects to the Ministry of Agriculture through SLCARP.

Research programmes of the year 2012 under the NARP have been considered by SLCARP for recommendation for funding for the year 2012. Research programmes/projects under 10 major thrust areas of agriculture have been proposed, which needs a budgetary allocation of Rs 161.35 million, and has been recommended to the Ministry of Finance and Planning. Nineteen Institutions, including 12 Faculties of the National Universities involved in agriculture or related subject areas will carry out these research programmes during the year 2012. The NARP 2011 – 2013 and the related documents are available at the SLCARP office for reference.

SLCARP has approved 40 projects submitted from Universities of Peradeniya, Rajarata, Ruhuna, Wayamba, Eastern and Uva Wellassa, for 2011 – 2013. The total estimated cost of projects for first year (year 2011) was Rs Mn. 13.508. Project work has been commenced in 2011. Only 25% of the money was released for these projects in August/September 2011 by the Ministry and some Universities have settled vouchers for the money utilized for projects while certain Universities had returned money in December without spending on the projects due to various reason, mainly due to not been able to follow the procedures for procurements of necessary equipment and consumables within the short span of time.

Progress of all the above 40 projects were evaluated by the relevant National Committees of the SLCARP through a presentation made by Principal Investigators of those projects and noted that the progress is satisfactory when considering the constraints that they have

encountered in relation to availability of money during the period. Activities of those projects to be continued in 2012 with the remaining budget.

Workshop on New Frontiers on Crop Improvement: Plantation Crops



The Workshop on “New Frontiers on Crop Improvement: Plantation Crops” was held on 30th November 2011 at Rice Research & Development Institute, Batalagoda. The objectives of this workshop were to : create awareness on Plant Breeding Strategies; update skills and knowledge on interdisciplinary scientific approaches in Plant Breeding; develop

Plant Breeding associated technologies in variety improvement programmes; Facilitate interaction among Plant Breeders to harness inter-Institutional research collaboration. Around 80 participants consisting plant breeders, institute heads, policy makers and private sector personnel attended this workshop. Strategies, associated technologies and interdisciplinary approaches in Crop Improvement programme of four major plantation crops: coconut; rubber; sugarcane and tea were discussed. This workshop was the first workshop under the series of workshops on “New Frontiers on Crop Improvement” and two more workshops will be held in 2012 for the other crops.

Bi-Annual Dialogue on National Agricultural Research System (NARS)



Agricultural Research plays an important role in the development of the Agricultural sector and those Research Programmes are carried out by more than six hundred scientists in the NARS annually. When they carry out their research programmes they may face either research or non research based problems. These problems reduce the efficiencies and effectiveness of research

programmes. Although some of the problems could be solved within the institute many problems could not be solved in that way.

As an initial step SLCARP has decided to conduct a one-day Bi Annual Dialogue among Research Managers of NARS, relevant Policy makers of relevant Ministries. SLCARP organized the first Bi-Annual Dialogue on 27th June 2011 at the auditorium of Hector Kobbekaduwa Agrarian Research and Training Institute. The main objective of this workshop was to provide a common platform for researchers, Policy Makers, relevant officials of the Finance Ministry and Research Managers, to analyze /discuss problems/constraints related to agricultural research and to find solutions for those. In addition, the dialogue provided a good opportunity to make aware of the duties /responsibilities of above parties and also make acquaintances among each other.

Stakeholder Workshop on Prioritization on Plant Breeding Research



A workshop was conducted to identify the needs and priorities on Plant Breeding Research. The document on Plant Breeding Priorities, drafted by National Committee on Plant Breeding was discussed at this meeting. All the stakeholders relevant to Plant Breeding research and development were represented at this workshop. The objective of this workshop was to validate the draft document. Through the group work and panel discussions, the draft document was validated and finalized.

Seminars on How to write a Convincing Project Proposal: Plant Breeding & Biotechnology



A seminar on Proposal writing were conducted by the National Committee on Plant breeding on 25th July 2011 and on 26th July 2011 by the National Committee on Agricultural Biotechnology at the Secretariat of Sri Lanka council for Agricultural Research policy. The objectives of these seminar

were improving the skills of proposal writing relevant to Plant breeding and Biotechnology. Dr Kumudini Gunasekera, Head, Plant Breeding Division of the Tea Research Institute delivered the lectures. Plant Breeders and Biotechnologists were the participants of this programme. At this forum, the progress and the present status were also presented by the Principle Investigators of the NARP projects- 2011 in relation to Plant breeding and Biotechnology . In parallel, project proposals of plant breeding and Biotechnology selected for NARP were also improved without changing the original budget.

National Symposium on Agricultural Biotechnology



National Symposium on Agricultural Biotechnology was conducted on 16th December 2011 at the Rice Research and Development Institute, Batalagoda. Eighteen abstracts were presented by scientists of NARS Research Institutions and Sri Lankan Universities under the theme of “Biotechnology today for tomorrow”. Key note address was made by the Mr Dilip the Silva, Chief Executive Officer, Serendib Horticulture Technologies (Pvt) LTD, Sri Lanka. Hundred participants from research institutions, universities, Ministries, and private sector attended at this symposium.

Survey on Agricultural Science and Technological Indicators (ASTI)

A survey was carried in collaboration with ASTI initiatives to collect the capacity and investment information of NARS, Agricultural Faculties of Sri Lankan Universities and Private sector, for the period of 2003- 2009. This survey was initially planned to collect information through the questionnaires, institute visits and interviews with the contact persons of the relevant institutions. Information was collected from NARS institutions, two faculties of Agriculture and two Private sector companies. Since institutes visits could not be accomplished due to unavailability of transport facilities, missing information of NARS was extracted from the INFORM database. Information was collected partly from the Universities and Private sector. ASTI officials were very much impressed about the INFORM database and wanted to introduce this system to the other countries as well.

National INFORM Database -2011

Twelve research institutions are included in the existing INFORM database. Council decided to expand the INFORM database by including Agriculture Faculties of the Sri Lankan universities into the INFORM database as well. The responsibility of management of INFORM database was assigned to the senior staff of the Sri Lanka Council for Agricultural Research Policy. The responsible staff officers of INFORM data for year 2011 were as follows;

INFORM data was collected from research institutes namely, Department of Export Agriculture (DEA), Field Crop Research & Development Institute (FCRDI), Horticultural Crop Research & Development Institute (HORDI), Fruit Crop Research & Development Centre, Plant Virus Indexing Centre (PVIC), and Regional Agricultural Research Centres (RARDC) at Angunakolapellessa, Aralaganwila, Bandarawela, Makandura, and Agricultural Research Station Sita Eliya only.

International Linkages

The linkages established by the Sri Lanka Council for Agricultural Research Policy (CARP) are based on three major considerations: The scope for fruitful interaction in areas of common interest; Opportunity to render assistance through joint activities; and Possibility for participation in newer domains of study and research in the Agricultural sector.

Indian Council of Agricultural Research (ICAR)

India is a country stable in Agricultural R & D. India has similar agro climatic conditions and agricultural culture as Sri Lanka. The approach to agricultural development in India has been successful and is strategically planned. The Indian National Agricultural Research System (NARS) comprising of the Indian Council of Agricultural Research (ICAR) and State Agricultural Universities, has played a vital role in this direction towards developing appropriate technologies. The Indian Council of Agricultural Research is one of the world's largest and efficient national research systems, where several frontier areas of agricultural sciences in terms of specialized laboratories, human resources and technology generation and dissemination, have been developed.

Considering the above mentioned facts and the relevancy of Indian Agriculture R & D to Sri Lanka, the then Secretary, Ministry of Agriculture and Lands signed a Memorandum of Agreement, with the objective of strengthening the scientific cadre of our NARS and to develop technical corporation between the two countries, to be operated through biannual work plans. Under this technical cooperation, several Sri Lankan scientists are currently following their post-graduate trainings in Indian Universities.

Number of Postgraduate Scholars under the ICAR-SLCARP Programme 2011

No	Name of the scholar	Degree	Field	Date of Commencement of postgraduate
1	Mr. S.Suthakar	Ph.D	Agricultural Physics	14.12.2008
2	Mrs T. Ratnayake	Ph.D	Livestock Extension	26.08.2009
3	Mrs.N.Kumari	Ph.D	Dairy Technology	26.08.2009
4	Mr.DMJB Senanayake	Ph.D	Plant Pathology	12.12.2009
5	Mr. M.S. Nijamudeen	Ph.D	Water Science &Technology	12.12.2009
6	Mr.N.M.Chamil Nayanakantha	Ph.D	Plant Molecular Biology & Biotechnology	12.12.2009
7	Mr. S. Arasekesary	Ph.D	Plant Breeding	3.02.2010
8	Mr. V. Seevaratnam	Ph.D	Food Science	3.02.2010
9	Mr.K.H.D.T. Kasagala	Ph.D	Aquaculture	01.04.2010
10	Mr.H.B. Jayasiri	Ph.D	Fisheries Resource Management	01.04.2010

ICAR - CARP Work Plan 2012-2013:

The work plan drafted was approved by the ICAR, however the input on germplasm requirement from Sri Lanka was requested to be added to the work plan. The Councillor (Economic and Commercial affairs) held a discussion with the SLCARP officials on 4th December 2011.

Bangladesh Agricultural Research Council (BARC)



The new MOU drafted in mutual consent with Bangladesh Agricultural Research Council and submitted to the Ministry for the comments. Memorandum of Understanding and agree on the following: Cross hosting or exchange of visiting scientists, trainees, graduate scholars and other professionals SLCARP and BARC; Working, scientists, as may be needed by either party, may

be made available; Exchange of germplasm and other materials for breeding, testing and propagation of improved lines/ varieties/ breeds of crops/ livestock and poultry/ forest and fish species; Free interchange of all scientific information of value to research and training.

Climate Change: Adaptation Strategies



ICRISAT – SLCARP Stakeholder Consultation and Policy Dialogue on Vulnerability to Climate Change: Adaptation Strategies and Layers of Resilience was held on 05th April 2011 in Colombo. This was sponsored by ADB and ICRISAT. More than 50 national and international experts on Climate

Change attended this event. Project objectives were focused on Improving the understanding of the climate variability and its impact on the rural poor, Identify the best practices and institutional innovations for mitigating the effects of climatic change and Develop strategies to address socio-economic problems relating to climatic change

This study tackled the urgency of identifying adaptation strategies and layers of resilience at the micro and macro level with critical interventions to reduce vulnerability on water scarcity, drought, desertification, land degradation and future marginalization in the rural areas. Both qualitative and quantitative analytical methods were used to understand key relationships of social and biophysical inter-linkages with reference to socio-economic, institutional and

political drivers of change. A road map for future action was prepared at the end of the discussion to be submitted to the relevant Ministries for future policy formulation. This stakeholder Consultation and policy dialogue was organized by Dr. Frank Niranjana, Senior Scientist of SLCARP

Workshop on Development of Research Strategies for the Management of Weligama Coconut Leaf Wilt Disease



SLCARP organized this workshop on 28th March 2011 at the auditorium of Hector Kobbekaduwa Agrarian Research and Training Institute to review the progress of research conducted by the Universities in collaboration with Coconut

Research Institute on Strategies for the Management of Weligama Coconut Leaf Wilt Disease. Dr. J D Samarasinghe, Chairman of SLCARP welcomed the participant of the workshop and highlighted the national importance of this issue. Researchers who have done research on this issue presented their findings in this workshop to build up management strategies to control this disease.

Third National Symposium on Floriculture Research



Third National Symposium on Floriculture Research was concluded successfully on 25th January 2011 at the Royal Botanic Gardens, Peradeniya. Fifteen market

oriented research papers were presented at the Symposium. Participants comprised of scientists, exporters, representatives of small and medium scale growers and policy makers.

Proceedings of 2008 and 2009 National Symposium on Floriculture Research were distributed to the participants at this symposium.

Dr. J. D Samarasinghe, Chairman of the Sri Lanka Council for Agricultural Research Policy addressed the gathering and highlighted the objective of the Symposium as well as informed the need for formulation of national priorities in floriculture. These priorities were identified according to the current needs of the sector and “Sri Lanka the Emerging Wonder of Asia Mahinda Chinthana Vision for the Future”.

First Quarter Research Progress Review Meeting at the Veterinary Research Institute



First Quarter Research Progress Review Meeting was held at the Veterinary Research Institute (VRI) on 20th April 2011 to review the on-going progress of the Treasury granted research projects of VRI. This Meeting was chaired by Dr. A.D.N. Chandrasiri, Acting Director General of the Department of Animal Production and Health and attended by Dr.

Frank Niranjana, Senior Scientist who facilitated and coordinator of research activities of the VRI.

Fourth National Symposium on Floriculture Research



Fourth National Symposium on Floriculture Research was concluded successfully on 16th Decmber 2011 at the Royal Botanic Gardens, Peradeniya.

Twenty six market oriented research papers and four research posters that highlighted market oriented research outcomes were presented at the Symposium. Mr. K E Karunathilake ,

Secretary Ministry of Agriculture, addressed the gathering and highlighted the importance of the Symposium as well as of the floriculture sector in Sri Lanka. Participants comprised of scientists, exporters, representatives of small and medium scale growers and policy makers. Researchers who have presented outstanding commercially applicable research findings were awarded and A Baur and Company Ltd and J L Morison Son and Jones Company sponsored the awards. National Research Priorities on Floriculture Research and Publication on Floriculture Research Development were distributed to the participants at this symposium.

AGRINET User Seminar



Agricultural Information Network (AGRINET), is a mandatory activity of CARP. Series of

awareness programs for the scientists in the National Agricultural Research System were conducted with the objective of the seminar series is to raise an awareness about agricultural information sources available and accessible to Sri Lankan scientists and to promote use of electronic information media.

Two AGRINET User Seminars were held on 05th July and 30 September, 2011 at the CARP Conference hall for the Scientists in NARS. The main topics covered by the seminar were: The role of the AGRINET in the digital era - AGRINET Vision, Mission and Services, Electronic Information resources at CARP Library, Access to E-Journals, Importance of information resources for Researchers, Digital/printed information resources available for NARS Scientists, Demonstration on online databases at NSF, ITI and PGIA. Further two additional presentations from National Aquatic Resources Agency (NARA) and National Library Services Board were included for the July seminar. Fifty three scientists attended the July seminar from institutions such as Department of Agriculture (DOA), Department of Animal Production and Health (DAPH), National Aquatic Resources Agency (NARA) and HectorKobbekaduwa Agrarian Research and Training Institute (HARTI).

The user seminar which was held in September was organized as per the special request made by the Department of Export Agriculture (DEA). Twenty one scientists participated for the seminar. Five professional librarians, Ms. I.Mudannayake, Senior Asst. Librarian, PGIA, and Chairperson, AGRINET Advisory Committee, Ms. S Prasannalakshmi Head of Library, IWMI, Ms Suranee Samarasekera/Head, Information Services Centre, Mrs. P.A.S.F. Perera, Head, National Science Library & Resource Centre of NSF, Ms.T.I.I. Pieris Librarian/Information Officer, CARP served as resource persons for both seminars. The feedback of the participants has proved that the seminars were very useful and acknowledged the benefits of the user seminars for them to obtain information for their studies and research work. Since there were no facilities to include hands on experience on electronic/online databases for this year's seminar, it was a major concern of the participants for future programs.

Research findings and future research needs in Livestock, Aquaculture and Fisheries Sectors



Stakeholder discussions on research findings and needs of the livestock, Aquaculture and Fisheries sectors are unique and timely organized events from which SLCARP expects to disseminate the latest research findings to the stakeholders

and also to obtain the sectors' research needs from the stakeholders to transfer them to the relevant research institutes and to the Universities for formulating new research.

Research findings made in relation to the above sub-sectors from research institutes and Universities were compiled into two documents and were subjected for discussion on Sinhala medium with the stakeholders including the progressive farmers. The stakeholder discussion on Aquaculture and Fisheries sectors were held at the Eastern Province (Eastern University) with the participation of fishers from Ampara, Trincomalee and Batticaloa Districts. The discussion for Dairy farmers was held in the Uva Province in collaboration with the Provincial Department of Animal Production and Health. Farmers and fishers perceived that most of the research findings are useful to them but these findings alone would not help to solve their constraints. In order to reap the benefits of research, they should be provided with

technological know-how and micro-finance facilities. Further, marketing and value addition must be in place to reap the research benefits.

Dairy farmers in Uva Province highlighted that they have faced about 30 constraints in operating their dairy enterprises. Among those, two were researchable problems while other is related to the veterinary extension. Two researchable constraints were; sexing semen with 100% assurance for female calves and feed recommendations specially based on breed and agro-climatic zone for optimal productivity.

Issues raised by farmers and fishers are listed and analyzed. Of them, researchable issues are filtered and compare them with the research priorities prepared by SLCARP. Finally most important researchable issues are selected to submit to the relevant research institutes and Universities for research undertaking. These stakeholder discussions were organized by Dr. Frank Niranjana, Secretary, National Committee on Livestock, Aquaculture and Fisheries.

Detection of Arsenic in Products

The Emergency Committee meeting was held on 10th June 2011, with representative from the Registrar of Pesticides, Mrs. C. Magamage, to discuss the current issue on Arsenic in rice and pesticides, where the members made recommendations to the council of SLCARP and the Ministry of Agriculture.

National Workshop on “Classification of Pesticides”



The national workshop on “Classification of Pesticides” was held on 16th December 2011 at the Agriculture Education Unit, Faculty of

Agriculture, University of Peradeniya. This workshop was organized by the Faculty of Agriculture, University of Peradeniya, National Committee in Plant Protection of SLCARP and CropLife Sri Lanka. The resource person of the workshop was Dr. Sumitra Arora, Senior Scientist, Focal Point Scientists of India for SAARC Countries for Pesticide Data bases,

National Center for Insect Pest Management , India, who was invited for the above workshop.

Stakeholder Workshop by National Committee on Natural Resources Management



Development of research priorities is mandated function of the National Committee on Natural Resources Management of the SLCARP. A stakeholder workshop has been organized on

21st October 2011 at SLCARP to develop “National Research Priorities on Natural Resources Management” for next five years. In this workshop the main thrust areas of focus were Soil, Water, Biodiversity, Agro climatology and Land management planning.

Investment Plan on Weed Management in Sri Lanka

Despite the significant progress in weed management activities in Sri Lanka within these sectors, there has been little attention given in assessing the overall impact of weed control methods that have been practiced over the past few decades in managing agricultural and non-agricultural land, and environmental assets such as waterways, wetlands and national parks. Taking into account the significance of weed management, the committee initiated the preparation of an investment plan based on the National Weed Strategies.

SLCARP PUBLICATIONS: 2011

Research Priority Documents

National Research Priorities were compiled by Seven National Committees of SLCARP. Eminent scientists, policy makers and stakeholders participated and contribute their experiences and ideas to develop those priority documents.

National Research Priorities on Livestock, Aquaculture and Fisheries were finalized for the period 2012-2016 by the by National Committee on Livestock, Aquaculture and Fisheries at SLCARP. This document has eight (08) research themes, viz. Animal Breeding and Reproduction; Animal Products, Processing, Economics and Marketing, Animal Nutrition,

Animal Health, Fisheries , Farming Systems, Animal (Livestock) Welfare and Aquaculture.

The National Committee on Floriculture Research and Development in Sri Lanka Council for Agricultural Policy has identified seven national research priorities: Identification /improvement/ production of novel ornamental plants and cut flowers to the industry, mass propagation of quality planting materials, developing new crop management and production techniques, post harvest technologies to improve vase life of the products, pests and diseases control methods, development of sustainable cost effective cultivation methods for different agro ecological zones, development of cut flower and foliage industry as micro enterprises to upgrade the income of housewives.

The National Committee on Postharvest Technology and Value Addition of the Sri Lanka Council for Agricultural Research Policy prepared the “National Priorities on Postharvest & Value Addition Research in Agriculture” with special emphasis on fruit, vegetables, spices, fish and fisheries products to introduce as an integrated approach to achieve some of the landmarks identified by the government. It stresses policy issues to address some of the key limitations in the sector and provides recommendations to the government for overcoming these limitations.

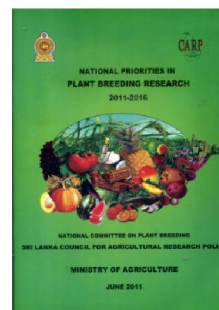
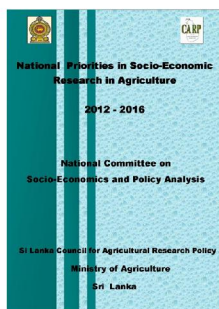
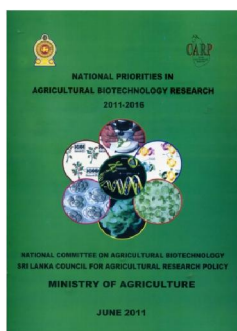
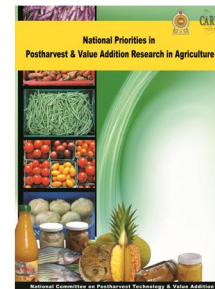
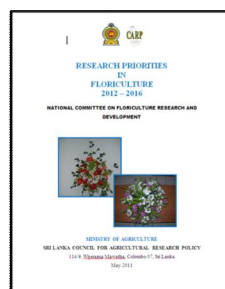
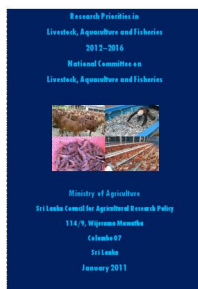
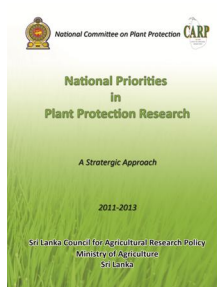
National Research Priorities on Socio-Economic and Policy Analysis were prepared for the period 2012-2016 by the National Committee on Socio-Economic and Policy Analysis at SLCARP. This document has six priority research areas viz. Competitiveness in agriculture, natural resource management and environmental sustainability, technology generation, transfer and related services, agricultural inputs, marketing, processing and value addition, agricultural trade , employment, labor use, institutions and rural development

The National Committee in Plant Protection had prepared the “National Priorities in Plant Protection Research 2011-2013” focusing on areas of insect pests, nematodes, weeds and pathogen.

The National Priorities in Plant Breeding was published by the National Committee

on Plant Breeding. Four Major Priority areas identified in the discipline of plant breeding are: Plant genetic resource management and utilization, Productivity enhancement through genetic improvement, Quality improvement to meet the requirements of the end-users, increasing the availability of high-quality authentic seed and planting materials

National Priorities in Agricultural Biotechnology was prepared by the National Committee on Agricultural Biotechnology. The overall objective of the prioritization was to facilitate the application of appropriate biotechnologies in Sri Lanka to improve agriculture production and consequently contribute to the enhancement of food security and socio-economic status in the country. The current status of agricultural biotechnology with respect to plant and animal research, infrastructure, legal framework, economic and trade issues and public participation and the research needs were taken into account. Major Key research areas were classified according to the major crop sectors as plantation sectors, food crops sectors, Export agricultural sectors, livestock sectors. Major cross cutting areas were also identified.



STAFF OF THE CARP

The CARP has limited number of staff. Approved cadre is 31 and existing actual cadre in 2011 was 21. Posts fall in vacant were Deputy Director (Research Management), Administrative Officer, Senior Research Officers (02 posts), Management Assistant (4 posts), Driver and Office Aide.

Staff status as at 31st December 2011, at the Sri Lanka Council for Agricultural Research Policy is as follows:

Chairman

Dr. J D Samarasinghe - BA, M.Phil, M.SC. (UK), PhD. (UK)

Secretary/Director

Mr.Prabath Wimal Kumara - B.A., M.A.

Research Staff

Dr. T U Thilakawardana	MSc (Zoo tec.) PhD	Senior. Scientist
Dr. Frank Niranjana	B.Sc. (Agric.) PhD	Senior Scientist
Dr. P H A P C Girihagama	B.Sc. (Agric.) PhD	Senior Scientist
Dr. N S Jayasekara	B.Sc. (Sci.) PhD	Senior Scientist
Mrs. S M P C Padmini	B.Sc. (Agric.) MSc.	Senior Research Officer
Mr. M B Sakalasooriya	B.Sc. (Agric.) M.Phil.	Research Officer
Ms. T I I Peiris	ASLLA	Librarian/Information Officer

Accountant

Mr. W M D B Abeyratne	PG. Dip. In (Acc. & Finc. Mgt.), Dip.In Hum. Right (University of Peradeniya), HNDA, AAT, ACMA, ACPM, ICASL –Inter mediate, Sri Lanka FIAB, IFA – London
-----------------------	--

Clerical & Allied Grades

Mrs. N M Withanachchi	Management Assistant
Mrs. M D L Munasinghe	-do-
Mrs. H H Batagoda	-do-
Mrs. G L Nawalage	-do-
Ms. N B S Dharshani	-do-
Mrs. G A P K Dissanayake	-do-
Mrs. H C Samarajeewa	-do-
Ms. A B Anjalee	-do-

Support Staff

Mr. H N C Hewabatagoda	Driver
Mr. B Gunathilaka	Driver
Mr. N A K Weerakkody	Office Aide
Mr. K G S C Wanigasekara	Office Aide

ACKNOWLEDGEMENTS

Sri Lanka Council for Agricultural Research Policy is grateful to its entire staff for their hard work and cooperation provided in implementing the accelerated work program. If not for their continuous cooperation and commitment, the volume of work completed in this year could never have been achieved. Our sincere thanks are also due to the Chairman and members of the Council for the valuable support and cooperation extended at all times.

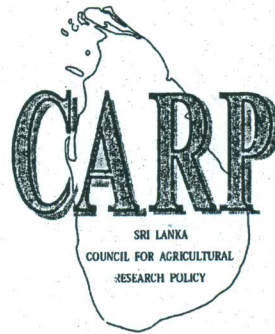
SLCARP is also thankful to Hon. Minister of Agriculture, the Secretary, Additional Secretaries, Director Finance, Director Projects and other staff in the Ministry and those of the Audit Unit for their excellent cooperation provided to SLCARP for successful completion of year 2011 work plan.

The cooperation extended by the State Sector Institutes, Universities and other Private Organizations are also acknowledged with thanks.

ORIGINAL

Signature
9/5/2012

FINAL ACCOUNTS - 2011



**SRI LANKA COUNCIL FOR
AGRICULTURAL RESEARCH POLICY**

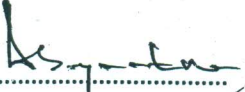
Income statement

Year ended 31 December

ORIGINAL

	Note	2011 LKR.	2010 LKR.
Treasury Grants	01	18,881,000	14,201,000
Other Income	02	103,935	121,832
TOTAL INCOME		18,984,935	14,322,832
Administrative Expenses	03	(27,370,612)	(21,974,044)
Finance Cost	04	(12,100)	(12,000)
Capital Expenditure		-	-
DIFFERENCE BETWEEN TREASURY GRANTS & OTHER INCOME AND TOTAL EXPENDITURE		(8,397,776)	(7,663,213)
Add / (Less) Prior Year Adjustment	05	(239,477)	(477,749)
Add / (Less) Write off Assets	06	(264,840)	-
EXCESS OF EXPENDITURE OVER INCOME & TREASRY GRANTS		(8,902,093)	(8,140,962)
Balance B/F		(8,140,962)	-
Balance C/F		(17,043,055)	(8,140,962)

These Financial Statements are in compliance with the requirements of the finance Act, No. 38 of 1971 and the Sri Lanka Accounting and Auditing Standards Act, No.15 of 1995.


W.M.D.B. Abeyaratne
Accountant

The Governing Council is responsible for preparation of these Financial Statements.
Approved and signed on behalf of the council.


Dr. J.D. Samarasinghe
Chairman


Mr. Prabath Wimal Kumara
Secretary/ Director

Prabath Wimal Kumara
Secretary / Director
Sri Lanka Council for Agricultural Research Policy
114/9, Wijerama Mawatha,
Colombo 07

Balance Sheet

As at 31st December 2011

ORIGINAL

	Notes	31.12.2011 LKR.	31.12.2010 LKR.
ASSETS			
Property, plant & equipment	07	32,223,158	16,040,330
Total non current assets		32,223,158	16,040,330
Inventories - Stock	12	316,162	497,668
Trade & other receivables	08	3,186,806	3,413,508
Cash at bank	09	7,616,624	7,270,108
Total current assets		11,119,592	11,181,285
TOTAL ASSETS		43,342,750	27,221,615
EQUITY & LIABILITIES			
Capital & Reserves			
CARP Fund		32,841,728	22,391,728
Income & Expenditure A/C		(17,043,055)	(6,684,091)
Gift		734,209	733,310
		16,532,882	16,440,946
Retirement Benefit (Gratuity)		3,964,622	3,923,415
Treasury Grants- Research Management	10	16,859,896	-
Special Research Grants	13	2,825,639	5,403,486
EPF Payable		519,704	-
ETF Payable		103,940	-
Total non current liabilities		24,273,801	9,326,902
Current Liabilities			
Trade & other payables	11	2,536,067	1,453,768
Total current liabilities		2,536,067	1,453,768
TOTAL EQUITY & LIABILITIES		43,342,750	27,221,616


Dr.J.D.Samarasinghe
Chairman


Mr.Prabath Wimal Kumara
Secretary/ Director


W.M.D.B.Abeyaratne
Accountant

Prabath Wimal Kumara
Secretary / Director
Sri Lanka Council for Agricultural Research Policy
Mawatha,
Colombo 07

Responsibility Statement of the Secretary / Director and Accountant

ORIGINAL

The Financial Statement were prepared in accordance with the Sri Lanka Accounting Standards by the institute of Chartered Accountants of Sri Lanka.

There have been on changes in the accounting policies adopted by the council during the year under review.

Significant accounting policies and estimates that involved a high degree of judgment and complexity were discussed with the Government Auditors.

We confirm that to the best of our knowledge, the Financial statements and other financial information in this annual Accounts/ Report, fairly present in all respects of the financial position, results of operation and cash flow statement report.

We are responsible for maintaining proper internal controls and procedures to ensure that material information relating to the council is made know to use and for safeguarding the assets and preventing and detecting frauds and errors.

The Financial Statement were audited by the Auditor Generals Department, Colombo – 07, Sri Lanka.



Mr. Prabath Wimal Kumara

Secretary / Director

Prabath Wimal Kumara
Secretary / Director
Sri Lanka Council for Agricultural Research Policy
114/3, Wijerama Mawatha,
Colombo 07



W M D B Abeyratne

Accountant

19th March 2012

Cash Flow Statement

ORIGINAL

	Note	2011	2010
Excess of Expenditure over Income		(8,397,776)	(6,684,091.29)
Adjustments for			
Depreciation on Property, Plant & Equipment		237,946	3,382,137.69
Defined Benefit Plan Cost (Gratuivity)		948,971	488,311.00
Add / (Less) Write off Assets	(06)	(264,840)	
Balance sheet presentation Adjustment		(1,456,870)	
Prior year adjustments	(05)	(239,476)	477,749.00
CASH FLOWS FROM OPERATING ACTIVITIES		(9,172,045)	(2,335,893.60)
Decrease / (Increase) in Inventories - Stocks	(12)	181,506	(32,672.18)
Decrease / (Increase) in Trade and Other Receivables	(08)	226,702	(1,468,362.18)
Increase in Trade and Other Payables	(11)	133,328	376,471.08
Cash Generated from Operations		(8,630,509)	(3,460,456.88)
Interest Expenses Paid			
Tax /ESC Paid			
Gratuity Paid			
Net Cash Flow from Operating Activities			
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES			
Purchase and Construction of Property, Plant and Equipmer	(07)	(21,281,016)	
Proceeds from Sale of Property, Plant and Equipment	(07)	4,860,242	
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		(16,420,774)	-
Last year bank balances		1,259	
Government grant funded for capital assets		24,732,948	3,349,345.46
Net Cash Flow used in Financing Activities		24,734,207	3,349,345.46
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		306,568	(111,111.42)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		3,345,409	3,456,519.96
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		3,651,977	3,345,408.54
ANALYSIS OF CASH AND CASH EQUIVALENTS			
BOC - Torrington		525,123	2,934,370.42
BOC - Kollupitiya		2,759,176	
Savings A/C of loan revolving fund		367,678	411,038.12
Total Cash and Cash Equivalents		3,651,977	3,345,408.54

W. M. D. B. Abe, the
Accountant - CARP

04

NOTE OF THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2011

1. GENERAL

The final account has been prepared on the basis of Sri Lanka accounting standards (SLAS) which was introduced by Institute of chartered Accountants of Sri Lanka.

The financial statement was authorized for issue by the council on 12/06/2012

1.1 Basis of measurement

The financial statement has been prepared on the historical cost basis.

1.2 Functional and presentation of currency

The financial statement of the previous years was presented in Sri Lankan rupees (LKR.) rounded to the nearest Cts.

However we have decided to present our Financial Statement LKR. round to the nearest rupee which is effective from the financial year January 01st 2011 and ahead.

1.3 SLAS -24

Accounting for Government Grants & Disclosure of Government Assistance was adopted during the year. Comparative figures were restated accordingly

2. VALUATION OF ASSETS

2.1 Property plant & Equipment

Property plant & equipment are on the balance sheet at cost less accumulated depreciation and depreciation is provided on the straight line method at the following rates per annum.

a) Building	05%
b) Computer & printers	30%
c) Office Equipment	15%

d) Office Furniture	15%
e) Vehicles	25%
f) Road	05%
g) Library Book	05%
h) Non Consumables	10%

A fixed asset which was purchased during the month of December on review year is not depreciated.

Disposal Value

Value of disposal is taken as 02% of the purchase value though following listed items were 100% depreciated according to the depreciation rate as shown above.

2.2 Debtors

Debtors stated staff loan – distress, Five years and festival advances.

2.3 Unsettled Research imprest

The research imprest has given to various research Institutes in Sri Lanka. However, some of the research institutes do not settle this research imprest at the end of the year and such amount stated as an unsettled research imprest.

2.4 Stocks

Stocks are shown in the financial statement at lower rate of market value or, purchase price. The stock is valued using FIFO method.

2.5 Gratuities

A provision has been made according to regulations 5 of Gratuity Act. No.12 of 1983 in respect of employees eligible under the Act.

3. Arrears of EPF & ETF

A provision has been made for arrears of EPF & ETF According to the Budgetary Relief Allowance of Workers Act. No. 36 of 2005.

Notes to the financial statements

Year ended 31 December

2011

LKR.

2010

LKR.

01 Treasury Grants

Recurrent	18,881,000	14,201,000
	18,881,000	14,201,000

02 Other Income

<i>Interest Income from</i>		
Distress Loan Interest	78,330	80,944
05 Years Loan Interest	-	4,986
Bank Deposits	21,814	11,713
Sundry Income	3,792	24,189
	103,935	121,832

03 Administrative Expenses

Employee benefits expenses (A)	14,250,429	12,729,636
Travelling Expenses (B)	110,083	50,518
Vehicle Hiring Charges	840,000	490,000
Fuel to Members	72,500	17,398
Allowances to Members	257,000	205,500
Fuel & Oil	614,886	410,146
Uniforms	20,000	20,000
Newspapers & Periodicals	18,885	17,075
Printing & Stationery	610,547	423,095
Repairs & Maintenance (C)	1,319,316	1,271,365
Office Upkeep	468,923	178,494
Communication Expenses	1,119,389	782,350
Electricity Charges	577,810	356,427
Security Charges	536,704	378,937
Provision for Miscellaneous Expenses	-	50,000
Membership Fees - APAARI	338,428	349,167
Entertainment	61,718	116,906
Staff Welfare	467,948	416,784
Auditor's remuneration	250,000	230,000
Staff Training	26,050	4,500
Insurance	74,417	5,503
Postage & Stamps	87,540	55,134
Advertisement	173,600	31,450
Depreciation on Property, Plant & Equipment	5,047,709	3,382,138
Surcharge	21,797	-
Incidentals	3,405	1,525
Sundry Expenses	1,529	-
	27,370,612	21,974,044

A Employee benefits expenses

Staff Salaries	8,686,126	8,112,603
Cost of Living Allowances	1,583,565	1,488,300
Other Allowances	106,170	115,058
Overtime	345,606	170,925
Medical Reimbursement	407,100	451,956
Encashment of Leave	466,940	497,388
Contribution to Employees' Provident Fund	1,421,625	1,170,913
Contribution to Employees' Trust Fund	284,325	234,183
Defined Benefit Plan Cost - Gratuity	948,971	488,311
	14,250,429	12,729,636

B Travelling Expenses

Local	20,670	30,013
Overseas	89,413	20,505
	110,083	50,518

C Repairs & Maintenance

Equipments	628,810	700,810
Vehicles	483,324	553,846
Building	150,932	16,709
Furniture & Fittings	56,250	-
	1,319,316	1,271,365

04 Finance Cost

Bank Charges	12,100	12,000
	12,100	12,000

05 Prior Year Adjustment

Balance at the beginning of the year	-	-
Add:		
Security Deposit withdrawal to Economic Janitorial Service	15,750	-
ETF Payable - (2006-2010)	519,704	-
EPF Payable - (2006-2010)	103,941	-
	639,395	-
Less:		
Contract Research Imprest	349,918	-
Miscellaneous Income	50,000	-
	399,918	-
Balance at the end of the year	239,477	-

06 Write off of Assets

ORIGINAL

Balance brought forward- At Cost

Computer & Printer	1,731,955.18		
Office Equipment	3,020,328.00		
Office Furniture	14,620.50		
Non- Consumables	93,338.69		
Consumables - Stationery	214,360.50	5,074,603	-

Balance brought forward -Accumulated Depreciation

Computer & Printer	1,731,955.18		
Office Equipment	3,020,328.00		
Office Furniture	14,620.50		
Non- Consumables	42,859.57	(4,809,763)	-
		264,840	-

Notes to the financial statements

ORIGINAL

07 Property, plant & equipment

	Balance as at 01 st January 2011	Additions	(Disposals)	Balance as at 31st December 2011
Cost				
CARP Building	12,954,727	3,630,537	-	16,585,264
Computer & Printer	10,319,217	1,324,600	(1,731,955)	9,911,862
Office Equipment	6,830,698	4,332,735	(3,020,328)	8,143,105
Office Furniture	1,079,669	1,251,894	(14,621)	2,316,942
Motor Vehicles	7,153,900	10,728,295	-	17,882,195
Library books & CD	8,775,068	900	-	8,775,968
Road	268,477	-	-	268,477
Non- Consumables	329,837	12,056	(93,339)	248,554
	47,711,594	21,281,016	(4,860,242)	64,132,368

	Balance as at 01 st January 2011	Charge for the year	(Disposals)	Balance as at 31st December 2011
Depreciation				
CARP Building	8,149,442	790,736	-	8,940,178
Computer & Printer	7,912,089	1,676,273	(1,731,955)	7,856,406
Office Equipment	5,430,018	535,124	(3,020,328)	2,944,814
Office Furniture	786,508	95,814	(14,621)	867,701
Motor Vehicles	7,153,900	1,463,574	-	8,617,474
Library books & CD	1,979,469	438,798	-	2,418,268
Road	134,239	13,424	-	147,662
Non- Consumables	125,598	33,967	(42,860)	116,706
	31,671,263	5,047,709	(4,809,763)	31,909,210
Net book value	16,040,330	42,663,884		32,223,158

08 Trade & other receivables

Staff Debtors	2,001,800	1,856,550
Unsettled Research Impress	833,541	1,361,625
Deposits	75,500	75,500
Advance	68,000	
Prepayment	191,782	41,464
Income Receivable	3,480	14,370
Funds receivable from SLCARP	12,703	
Advance- 5th Asia Bio tech. Workshop	-	64,000
	3,186,806	3,413,508

09 Cash at bank

BOC - Kollupitiya	2,759,176	1,259
BOC - Torrington Square	525,123	2,934,370
BOC - Loan revol. Fund	367,678	411,038
BOC Savings A/C - gratuity fund	3,964,647	3,923,440
	7,616,624	7,270,108

10 Treasury Grants- Research Management

Balance at the beginning of the year	(1,456,870)	-
Contract Research expenses	49,879	1,716,092
International Linkage	6,155,503	8,745,878
Research Management Activities	5,712,331	
Publication, seminars & Workshops	1,016,398	606,160
Other capital expenses - Staff ID Cards	12,863	
	<u>11,490,104</u>	<u>11,068,130</u>
Less: Tresury Grant Received	(28,350,000)	(12,525,000)
	<u>(16,859,896)</u>	<u>(1,456,870)</u>

11 Trade & other payables

Overtime	46,394	2,417
Newspaper	1,480	1,565
Communication	211,580	84,304
Medical Expenses	52,678	35,271
Vehicle hiring Charges	100,000	70,000
Audit Fess	250,000	459,451
Office Up keep	42,500	25,437
Stamp duty	2,350	1,800
Recreation & welfare	33,960	-
Stationery	23,520	-
Travelling	1,733	-
Security	48,000	-
Electricity	109,037	-
Repair & Main. Of Equipments	22,848	-
Office Equipment	22,958	-
Allowances to Member	63,000	10,000
Research Management Activities	9,125	-
Seminars, Workshops & publication	300	6,050
Audit Fess	230,000	-
Transferrable of excess funds to project A/C	12,703	-
EPF Payable	252,441	-
ETF payable	50,488	-
Gratuity payable A/C	948,971	-
Provision for Miscellaneous Expenses	-	50,000
Contract Research Expenses	-	698,686
Fuel & Lubricants	-	8,787
	<u>2,536,067</u>	<u>1,453,768</u>

12 Stocks

Stamp in hand	1,620	4,495
Stationery	314,542	493,173
	<u>316,162</u>	<u>497,668</u>

ORIGINAL

13 Special Research Grants

ICRISAT	130,806	732917
Weligama Coconut wilt	25,591	3397870
Disaster Management	50,930	5380
5 th Asia Bio Tech	2,629,580	974140
Pro-Poor	34,949	34949
IDRC	-	20539
ASTI Project	(46,218)	237690
	2,825,639	5,403,486



විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அறிப்பித் திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය }
எனது இல } AF/A/CARP/FA/2011
My No }

ඔබේ අංකය }
உமது இல }
Your No }

දිනය }
திகதி } 16 October 2012
Date }

The Chairman

Sri Lanka Council for Agricultural Research Policy

Report of the Auditor General on the Financial Statements of the Sri Lanka Council for Agricultural Research Policy 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 Sri Lanka Council for Agricultural Research Policy 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 18(3) of the Sri Lanka Council for Agricultural Research Policy Act No.47 of 1987. 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 08 May 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,
பொத்தரமுல்லை, இலங்கை

இல. 306/72, பொத்துவ வீதி,
புத்தரமுல்லை இலங்கை

No.306/72, Polduwa Road,
Battaramulla, Sri Lanka

දුරකථනය }
தொலைபேசி } 2887028 - 34
Telephone }

ෆැක්ස් අංකය }
பக்ஸ் இல } 2887223
Fax No. }

ඉලෙක්ට්‍රොනික් තැපෑල }
ஈ- மெயில் } oaggov@slt.net.lk
E-mail. }

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 Sri Lanka Council for Agricultural Research Policy 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 Sri Lanka Accounting Standards

(a) S.L.A.S. 16 Even though provision for gratuity should be made in respect of the employees who completed a service period of one year, it had not been so done.

(b) S.L.A.S. 24 (i) Whether the accounting policy adopted with regard to the government grants was the capital approach or income approach and the policy adopted for the grants relating to fixed assets had not been disclosed in the accounts.

(ii) A sum of Rs. 1,342,737 identified in the year under review as provision for depreciation for the assets amounting to Rs.13, 498,416 which acquired during the years 2010 and 2011 and a sum of Rs.1, 463,574 identified as provision for depreciation on motor vehicles valued at Rs. 10,728,295 which received from the Treasury in the year 2011 had not been brought to the income of the year.

2.2.2 Accounting Deficiencies

The following matters were observed.

- (a) Even though the provision for depreciation relating to a period of 05 months on a sum of Rs.1,529,024 which spent for the improvements to the office during the year under review was Rs.31,855 , a sum of Rs. 76,451 had been written off as provision for depreciation therefore.
- (b) Recurrent and capital grants amounting to Rs.850,000 and Rs.2,900,000 respectively which received during December 2010 in respect of the year 2010 had brought to account as grants received during the year 2011. As such, the loss during the year under review had been understated by a sum of Rs. 850,000.

2.2.3 Accounts Receivable and Payable

The following matters were observed.

- (a) Even though the Competitive Agreement Research Programme had been ended as at 31 December 2010, a sum of Rs.833,541 out of the advances granted in this connection had not been settled even as at 29 February 2012.
- (b) A sum of Rs.1,986,355 recoverable from 04 officers who have not completed foreign courses had not been recovered by the end of the year under review as per the agreement.

2.2.4 Unreconciled Control Accounts

Even though the balance of cash and cash equivalents as at 31 December 2011 amounted to Rs.3,651,977 it had been shown as Rs.3,028,332 in the Cash Flow Statement prepared by the Council.

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

The following non-compliances were observed.

Reference to Laws, Rules, and Regulations

Non-compliance

- | | |
|--|---|
| (a) i. F.R. 104 (3), (4) | Even though a motor vehicle belonging to the Council had met with an accident on 16 October 2011, a preliminary report and a full report thereon had not been submitted to the Secretary to the Ministry. |
| ii. F.R. 396 | Action had not been taken with regard to six cheques valued at Rs.16,995 which were not presented for payment despite a lapse of six months. |
| iii. F.R. 454 | An Inventory Book in respect of the articles of stores had not been maintained. |
| iv. F.R. 756 | Board of Survey Reports had not been presented to the Auditor General even as at 28 February 2012. |
| (b) Public Administration Circular No.41/90 of 10 October 1990 | Payments in four instances had been made in respect of repairs amounting to Rs.270,545 without being obtained the recommendation of a qualified officer relating to internal repairs of motor vehicles. |
| (c) Procurement Guidelines of 25 January 2006 of the National Procurement Agency
7:11:1 | A Bid Evaluation Report in accordance with the format given in the Procurement Manual should be prepared by the Technical Evaluation Committee immediately after the completion of Bid Evaluation, and the report thereon including |

all the supporting documents should be submitted to the Procurement Committee. Nevertheless, action had not been taken accordingly in respect of a construction contract valued at Rs.1,911,280.

3. Financial Review

3.1 Financial Results

The financial result of the Council for the year under review had been a deficit of Rs.8,902,093 as compared with the deficit of Rs.8,140,962 for the preceding year, thus indicating an increase in the deficit by Rs.761,131 for the year under review as compared with the preceding year. The increase of administrative expenses by a sum of Rs.5,396,568 had affected the above increase.

3.2 Analytical Financial Review

According to the accounts presented, the financial structure of the institution as at 31 December 2011 as compared with the position as at 31 December 2010 is given below.

<u>Resources</u>	<u>As at 31 December</u>	<u>As at 31 December</u>	<u>Percentage of</u>
	<u>2011</u>	<u>2010</u>	<u>Variance</u>
	Rs.	Rs.	%
Accumulated Fund	33,575,937	23,125,038	45
Surplus/(Deficit)	(17,043,055)	(6,684,091)	155
	16,532,882	16,440,947	
Non-current Liabilities	24,273,801	9,326,902	160
Current Liabilities	2,536,067	1,453,768	74
	43,342,750	27,221,617	

Utilization

Fixed Assets	32,223,158	16,040,330	101
Current Assets	<u>11,119,592</u>	<u>11,181,285</u>	1
	<u>43,342,750</u>	<u>27,221,615</u>	

4. Operating Review**4.1 Performance**

According to the general condition 4(1) of the Research Project Agreement, the completion report of a project should be presented to the Executive Director within 3 months after the completion of the project. Nevertheless, completion reports of 27 projects relating to the period from 2005 to 2008 had not been presented.

4.2 Staff Administration

Even though the approved cadre was 31, the actual cadre as at 31 December 2011 stood at 21 thus 10 vacancies were observed.

5. Accountability and Good Governance**5.1 Presentation of Financial Statements**

In terms of Public Finance Circular No. P/F/PE/21 of 24 May 2002, the financial statements should be submitted to the Auditor General within 60 days after the closure of the financial year. Nevertheless, the financial statements for the year 2011 had been presented to audit on 31 May 2012 after a delay of 3 months.

5.2 Internal Audit

Even though the internal audit was being carried out by the Line Ministry, the internal audit plan and the audit reports had not been presented to the Auditor General.

5.3 Procurement Plan

In terms of Paragraph 4:2:1 of the Procurement Guidelines of 25 January 20006 of the National Procurement Agency, a procurement plan for the Council had not been prepared.

5.4 Tabling of Annual Reports

The annual report for the year 2010 had not been tabled in Parliament by the Council even as at 31 August 2012.

5.5 Budgetary Control

Even though the estimated amount in respect of 13 key functions of the Council for the year 2011 amounted to Rs.21,345,679, the actual expenditure was Rs.11,867,834.

6. Systems and Controls

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

- (a) Project Administration
- (b) Control over Vehicles
- (c) Fixed Assets

H.A.S Samaraweera
Auditor General

**Report of the Auditor General on the Financial Statement of the Sri Lanka Council for Agricultural Research
Policy for the Year ended 31 December 2011 in terms of Section 14(2) (c) of the Finance Act No.38 of 1971**

Audit Inquiry	Actions taken by the Council
<u>2.2.1 Sri Lanka Accounting Standard</u> (a) S.L.A.S. 16 Even though provision for gratuity should be made in respect of the employees who completed a service period of one year, it had been done so. (b) S.L.A.S. 24 (i) Whether the accounting policy adopted with regard to the government grants was the capital approach or income approach and the policy adopted for the grants relating to fixed assets had not been disclosed in the accounts. (ii) A sum of Rs.1, 342,737 identified in the year under review as provision for depreciation for the assets amounting to Rs.13, 498,416 which acquired during the years 2010 and 2011 and a sum of Rs.1, 463,754 identified as provision for depreciation on motor vehicles valued at Rs.10, 728,295 which received from the	Action was taken to rectify in year 2012. Accounts for year 2012 with disclosures including rectification were submitted for audit. A sum of Rs.1, 463,574 identified in year 2011 as depreciation was credited to revenue and adjustment has also been done under previous year's adjustment.

Treasury in the year 2011 had not been brought to the account of the year.	
2.2.2. <u>Accounting Deficiencies</u> (a) Even though provision for depreciation relating to a period of 95 months on a sum of Rs.1, 529,024 which spent for improvements to the office during the year under review was Rs.31, 855, a sum of Rs.76, 451 had been written off as provision for depreciation thereof. (b) Recurrent and capital grants amounting to Rs.850, 000 and Rs.2, 900,000 respectively which received during December 2010 in respect of the year 2010 had been brought to accounts as grants received during the year 2011. As such, the loss during the year under review had been understated by a sum of Rs.850, 000.	It was rectified in year 2012 under previous year's adjustment. This was adjusted in 2012 after giving instructions for rectification and has been rectified under previous year's adjustment.

<u>2.2.3 Accounts Receivable and Payable</u> (a) Even though the Competitive Agreement Research Programme had been ended as at 31 December 2010, a sum of Rs.833, 541 out of the advances granted in this connection had not been settled even as at 29 February 2012. (b) A sum of Rs.1, 986,355 recoverable from 04 officers who have not completed foreign courses had not been recovered by the end of the year under review as per the agreement.	Long term negotiations were made with the relevant institution and informed it in writing to settle them. Due from Mr. S.N.L. Samaraweera is being recovered now. Mrs. I.R.N. Abedheera, Mr. E.M.D.S.N. Ekkanayake and Mr. D.B. Senanayake are under ill-health conditions. Therefore, the Board decided to obtain approval from the Secretary to the Ministry of Agriculture in order to release them from their dues. The Secretary has been informed in this regard.
<u>2.2.4. Unreconciled Control Accounts</u> Even though the balance of cash and cash equivalents as at 31 December 2011 amounted to Rs.3, 651,977, it had been as Rs.3, 028,332 in the Cash Flow Statement presented by the Council.	The relevant deficiency was considered and rectified as at 31.12.2001.
<u>2.2.5. Non-compliances with Laws, Rules, Regulations and Management Decisions</u>	A preliminary report and a comprehensive report on the

Reference to Laws, Rules and Regulations	Non-compliance	
(a) i. F.R.104 (3),(4)	Even though a motor vehicle belonging to the Council had met with an accident on 16 October 2011, a preliminary report and a full report thereon had not been submitted to the Secretary to the Ministry.	vehicle which met with an accident have been sent to the Ministry Secretary in year 2012. Action was taken to rectify error in respect of 06 cheques amounting to Rs.16, 995 which were not submitted even after 06 months. Instructions were given to maintain a record for stores materials. Action was taken to submit the report on board of survey for year 2012.
ii. F.R.396	Action had not been taken with regard to six cheques valued at Rs.16, 995 which were not presented for payment despite laps of six months.	Instructions were given to take proper action in this regard when repairs for vehicles are carried out.
iii. F.R. 454	An Inventory Book in respect of the articles of stores had not been maintained.	As these repairs were to be carried out immediately for office duties, such repairs have been done under full supervision and observation of the Administration and Finance Division.

iv. F.R.756 Board of Survey Reports had not been presented to the Auditor General even as at 28 February 2012. (b) P/A Circular No. 41/90 of 10 October 1990 Payments in four instances had been in respect of repairs amounting to Rs.270, 545 without being obtained the recommendation of a qualified officer relating to internal repairs of motor vehicles. (c) Payment Guidelines of 25 January 2006 of the National Procurement Agency 7:11:1 A Bid Evaluation Report in accordance with the format given in the Procurement Manual should be prepared by the Technical Evaluation Committee immediately after the completion of Bid Evaluation, and the report thereon including all the supporting documents should be submitted to the Procurement Committee. Nevertheless, action had not been	The relevant payments were also made in such manner. However, instructions were given to take responsibility not to be cause to occur this situation in future.
---	--

taken accordingly in respect of a construction contract valued at Rs.1,911,280	
<u>3. Financial Review</u> <u>3.1. Financial Results</u> The financial results of the Council for the year under review had been a deficit of Rs.8,902,093 as compared with the deficit of Rs.8,140,962 for the preceeding year, thus indicating an increase in the deficit by Rs.761,131 for the year under review as compared with the preceeding year. The increase of administrative expenses by a sum of Rs.5,396,568 had affected the above increase.	This situation has arisen due to the delay in receiving funds this year.
<u>4. Operating Review</u> <u>4.1. Performance</u> According to the genaral condition 4(1) of the Research Project Agreement, the completion report of a project should be presented to the Executive Director within 03 months after the completion of the project. Nevertheless, completion reports of 27 projects relating to the period from 2005 to 2008 had not been presented.	These relevant 27 of reports were prepared in year 2012.
<u>4.2. Staff Administration</u> Even though the approved cadre was 31, the actual cadre as at 31 December 2011 stood at 21, thus 10 vacancies	Necessary steps were taken in year 2012 to fill these vacancies by recruiting officers. Action was taken to fill the said vacancies in year 2013 too.

were observed.	
5. <u>Accountability and Good Governance</u> 5.1. <u>Presentation of Financial Statements</u> In terms of Public Finance Circular No.P/F/PE/21 of 24 May 2002, the financial statements should be submitted to the Auditor General within 60 days after the closure of the financial year. Nevertheless, the financial statement for the year 2011 had been presented to audit on 31 May 2012 after a delay of 03 months.	Instructions were given to rectify this situation.
5.2. <u>Internal Audit</u> Even though the internal audit was being carried out by the Line Ministry, the internal audit plan and the audit reports had not been presented to the Auditor General.	As our institution has no an internal audit unit, this matter was informed to the Ministry of Agriculture for rectification.
5.3. <u>Procurement</u> In terms of paragraph 4:2:1 of the Procurement Guidelines of 25 January 2006 of the National Procurement Agency, procurement plan for the Council had not been prepared.	A procurement plan was prepared in accordance with the chapter 4(2)(1) of the procurement guideline of the National Procurement Agency dated 25.01.2006.
5.4. <u>Tabling of Annual Reports</u> The annual report for the year 2010 had not been tabled in Parliament by the Council even as at 31 August 2012.	Action was taken in October, 2012 to submit the report.
5.5. <u>Budgetary Control</u> Even though the estimated amount in respect of 13 key	This situation has arisen due to insufficient funds.

functions of the Council for the for the year 2011 amounted to Rs.21,345,679, the actual expenditure was Rs.11,867,834.	
6. <u>Systems and Controls</u> Deficiencies 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 need in respect of the follwing areas of control.	Action was taken to pay attention on the areas of project administration, vehicle maintenance and fixed assets etc.