



**கார்டீய ஙா஁தல வார்டால
செயலாற்றுகை அறிக்கை
PERFORMANCE REPORT
2019**

**ஓ஁தீ ஙா ஙார்டீதீதீந்நு ஙுநிஙுஙீகரஙு அலாநயாஙுட
காணி ஡ற்றும் ஙாராஙு஡ன்ற ஡றுசீர஡ைங்ஙு அ஡ைங்சு
Ministry of Land & Parliamentary Reforms**

“தீதீதல ஡ீதூர்”

ஓ஁தீ ஡ல லீகதீ காயரூடய
1200/6, ரஙு஡லவத்தை ஙூர்
஡த்ர஡ுல்லை

“஡ிஹிகத்த ஡ெதூர்.”

காணிசு செயலக஡்
1200/6, இரஙு஡லவத்தை வீதி,
஡த்ர஡ுல்லை.

"Mihikatha Medura"

Land Secretariat
1200/6, Rajamalwatta Rd
Battaramulla

Ministry of Land & Parliamentary Reforms

PERFORMANCE REPORT 2019

Content

	Page No
1. Introduction Profile/ Executive Summary	1 - 4
1.1 Introduction	
1.2 Vision, Mission, Objectives of the Institution	
1.3 Key functions	
1.4 Organizational Structure	
1.5 Departments falling under the Purview of the Ministry	
2. Progress and Future Outlook	4-11
3. Overall Financial Performance for the year	12-16
3.1 Statement of Financial Performance	
3.3 Statement of Financial Position	
3.4 Statement of Cash Flows	
3.5 Notes to the Financial Statements	
3.6 Performance of the Revenue Collection	
3.7 Performance of the Utilization of Allocation	
3.8 Allocation as per F.R. 208	
3.9 Performance of the Reporting of Non-Financial Assets	
3.10 Auditor General's Report	
4. Performance indicators	16
5. Performance of the achieving Sustainable Development Goals	17
6. Human Resource Profile	17-19
7. Compliance Report	20-25

Annual Performance Report for the Year 2019

Name of the Institution – Ministry of Land and Parliamentary Reforms

Vote Head No - 122

Chapter 01 – Institutional Profile/Executive Summary

1.1 Introduction

The Ministry of Agriculture and Land had been established in the year 1932 on the recommendations of the Committee on Land and Agriculture of the State Council of 1927. Three Land Commissions had been appointed by the then governments in 1927, 1955 and 1985. These Commissions analyzed and reported the problems on land administration, land use and ownership, existed at that time.

By the Gazette dated 18.01.2015, the Land Reform Commission, which was established under the Land Reform Law of 1972 has been assigned under the purview of the Ministry of Land. In addition the Parliamentary Reforms Division was also fallen under the Ministry's purview effective from June 2017. The Parliamentary Reforms division has made supportive services for the Hon. Members of the Parliament to render their public services to the optimal level.

The enactments mentioned below were assigned under the purview of the Ministry by the Gazette no. 2103/33 dated 28.12.2018 of the Democratic Socialist Republic of Sri Lanka

- Land Acquisition Act No. 9 of 1950
- Land Development Ordinance No 19 of 1935
- Land Settlement Ordinance No 20 of 1931
- Land Grant (Special Provisions) Act No 43 of 1979
- State Land Ordinance No 08 of 1947
- Land reform Commission act No. 1 of 1972
- State Land (Recovery of Possession) Act No 07 of 1979
- Survey Act No. 17 of 2002
- All other enactments pertaining to the subjects mentioned in the above Gazette, which are not specifically assigned under any other Minister.

The Ministry of Lands and Parliamentary Reforms formulates strategies for utilizing the limited land resource for the country's sustainable development. The Department of Land Title Settlement shoulders this mission by determining the state land and private lands and settling the title to the land while the Land Commissioner General's Department administrates the State Lands. The Survey Department prepares plans for state lands and prepares plans for the private lands under Bimsaviya programme. The role of the Land Use Policy Planning Department is to prepare plans on Divisional / District land use and determine the suitability of lands for various requirements.

Land Survey Council has been established in 2003 in terms of the Survey Act no: 17 of 2002, to register the Surveyors, issue annual practicing license to Registered Surveyors and maintain the professional discipline among the registered Surveyors while the Institute of Surveying and Mapping at Diyathalawa, which is the training institute of the Survey Department has accomplished experience in the subject of Survey and Mapping as to enable the students to fulfill their full educational competencies.

Accordingly, the Ministry of Lands and Parliamentary Reforms along with those departments and institutes falling under its purview render a yeoman's service towards the sustainable development of the country.

1.2 Vision, Mission and Objectives of the Institution

Vision

Optimally utilized land resource towards sustainable development

Mission

Contribution to sustainable development through efficient management and optimum utilization of the land resource by policy planning, implementation and coordination for all the stakeholders, while strengthening land ownership.

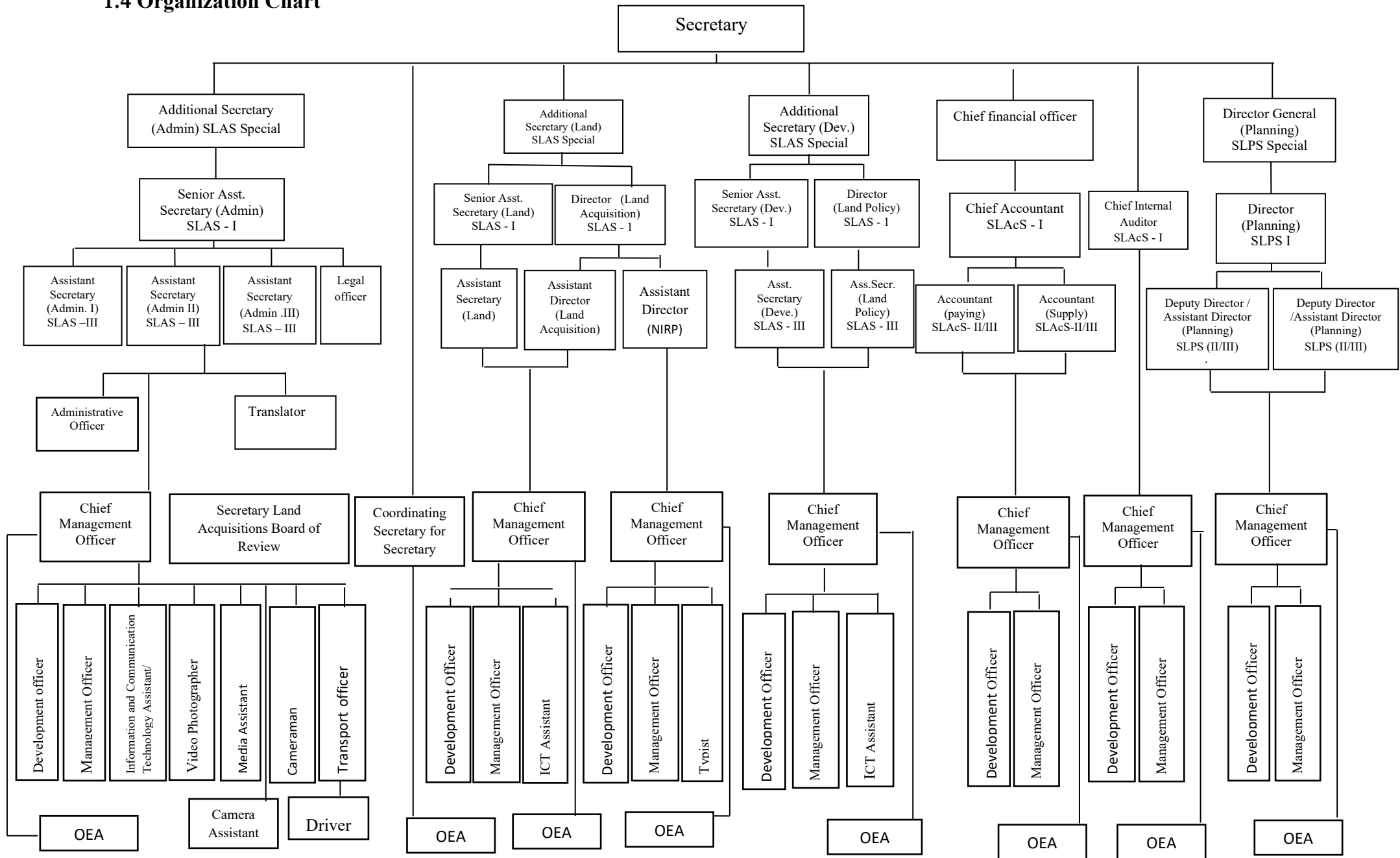
Objectives

1. Update and implement the National Land Policy.
2. Protect the environment for the future generation.
3. Ensure the protection of the state lands.
4. Implement the Land Use Policy.
5. Minimum utilization of state lands and takes action for the prevention of waning.
6. Manage and develop the state lands properly and distribute suitable land among landless people.
7. Allocate lands for development projects and other essential purposes.
8. Register the titles of all lands and ensure ownership.

1.3 Key Functions

1. Formulation, implementation, taking follow up action and evaluation of policies and programmes pertaining to the subjects of the Departments, Statutory Institutions and Public Corporations falling under the purview of the Ministry of Lands and Parliamentary Reforms.
2. Administration, management and land use planning of the State Lands
3. Activities pertaining to land settlement and land title registration.
4. Prompt systematic provision of lands required for the development purposes of the country.
5. Administration and lawful distribution of lands vested in the Land Reform Commission.
6. Land surveying, mapping and land information and related services.
7. Functions to be performed by the government pertaining to the activities of Parliament and the Members of Parliament.
8. Coordination functions on establishment and disciplinary activities of Members of Parliament.
9. Establishment activities related to the staffs of the Members of Parliament.
10. Welfare activities of the former members of parliament and their families.

1.4 Organization Chart



1.5 Departments falling under the perview of the Ministry

1. Land Commissioner General's Department
2. Land Reform Commission
3. Land Title Settlement Department
4. Survey Department
5. Institute of Surveying and Mapping
6. Land Surveying Council
7. Land Use Policy Planning Department

Chapter 02 – Progress and the Future Outlook

Progress

The Policy division of the Ministry performed the duties pertaining to the Acts and Policies mentioned below

- I. Land Development Ordinance
 - II. State Land (Special Provision) Act
 - III. Land Title Settlement Act
 - IV. Condominium Act
 - V. National Land Use Policy
- The requirement of introducing the amendments to the existing laws, in accordance with the policies of the government, as to meet the timely requirements has been identified and accordingly the observations of the Attorney General with regard to introducing amendments to the Land Development Ordinance have been obtained and submitted to the Legal Draftsman. Thereby a decision has been taken to remove all the conditions related to the Grants except in special instances. Further it has been proposed to introduce conditions such as to give equal opportunities for male and female parties and giving priority to the person who occupies the land, through amending the Third Schedule, which stipulate provisions for succession
 - Actions are also being taken to seek the observations of the Legal Draftsman to amend the Title Registration Act, under which provisions, the clear ownership of a land is settled and the task of title registration is implemented with the objective of amending it as to meet the timely requirements.
 - The Apartment Ownership Act No. 23 of 2018 stipulates provisions for the registration and disposition of certain condominium properties by the state or by a state agency and to make provision for matters connected thereto. Accordingly, actions are being taken by collecting relevant information from the Divisional Secretaries concerned for issuing Grants for the condominium houses constructed in state owned lands prior to 31.12.2009, under the resettlement Programme for the Tsunami Displaced Persons.
 - Actions have been taken up to the process of publishing the State Lands (Special Provisions) Act in the Gazette.
 - It was proposed to implement three projects to expedite land surveying and mapping process, facilitate land data infrastructure and develop a data management system under foreign loan/funds provided to the Survey Department for providing necessary information required

for the Ministry and the departments falling under the purview of the Ministry and the outside parties and the initial actions in this regard were commenced.

- It was able to implement 09 workshops within the year in order to develop knowledge and skills of the internal staff on the subject of land and the other fields identified as important and to educate the outside parties on the subject of land and the matters incidental thereto.
- Land Policy division has successfully resolved the problems and request received related to lands, received by the division daily from the Public who visits the Ministry and through mail by giving directives, referring the matters to the institutions concerned, and taking follow up action.
- Further, the division gave correct solutions regarding the requests and problems on land received from the various institution such as Presidential Secretariat, Prime Minister's Office/Ministries.

Bimsaviya

Name of the Institute	Targets of 2019	Progress of 2019
Survey Department – No. of allotments surveyed as depicted in the Cadastral Maps	64,800	93,308
Land Title Settlement Department – No. of allotments recommended and approved	52,000	51,903
Registrar General's Department – No. of Title Certificates registered	46,000	53,045
Land Commissioner General's Department -		
Land Kachcharies	235	330
Permits issued under Land Development Ordinance	2000	2538
Mobile Services	60	92
Division days	80	269
Resolving issues	5000	8014

Land Acquisition Division

Progress of Land Acquisition from 01.01.2019 to 31.12.2019

Serial No	Purpose	Issue Order Under Sec. 2		Issue Order Under Sec. 4		Proviso 38 (a)		Declaration Under Sec. 5		Sec. 50,39
		Extent (hectares)	No. of files	Extent (hectares)	No. of files	Extent (hectares)	No. of files	Extent (hectares)	No. of files	No. of files
1	Highway and road development activities (HW)	80.9096	95	0.0053	1	38.9353	45	68.2782	44	7
2	Educational activities (E)	5.177	2	0.3798	2	8.8614	3	7.8902	3	0
3	Distribution among landless people (VP,VEP)	6.4773	3	20.2947	8	21.7522	9	52.0414	27	10
4	Major scale irrigation projects (IR, MV)	240.5936	35	149.443	10	1047.9032	31	622.7159	12	0
5	Providing drinking water facility (WS)	25.9065	67	1.3827	17	5.58225	38	5.31635	27	13
6	Defence activities (D, LO)	17.5612	23	39.3602	14	1.3873	5	17.4954	12	21
7	Urban development activities (UDA, LRB)	118.5344	28	26.4364	9	73.3117	25	209.1297	28	23
8	Electricity facilities (CEB)	11.4373	9	0	0	31.8146	14	62.0515	39	2
9	Acquisitions for other public purposes	352.96028	118	1068.3769	54	422.4746	68	372.1322	90	17
Total		859.55418	380	1305.679	115	1652.02255	238	1417.05085	282	93

Progress of the Land Development Division.

Progress from 01.01.2019 to 31.12.2019

Serial No.	Activities	Serial No.
01	1. Number of Grants and Long-term lease files directed by the Land Commissioner General for the approval of the Hon. Minister	4682
	2. No. of Grants and Long Term Lease files inquired from the Land Commissioner General	672
	3. No of files directed to Land Commissioner General after obtaining the approval of the Hon. Minister	3618
	4. Number of Grants and Lease files on which actions are being taken	392
02	1. Number of Long-term lease and Grants received from the Land Commissioner General for the facsimile signature of HE the President (Special Grants, Temporalities, Tsunami Grants, Ranawiru Grants).	1601
	2. Number of inquiries made from the Land Commissioner General	203
	3. Number of Long-term lease and Grants sent to the Presidential Secretariat for the facsimile signature of HE the President	1387
	4. Number of grants and lease on which actions are being taken.	11
03.	1. No. of recommendations for Tsunami Grant files received from the Land Commissioner General for the approval of HE the President	466
	2. Number of inquiries made from the Land Commissioner General	37
	3. Number of recommendations for Tsunami Grants sent to the Presidential Secretariat for the approval of HE the President	426
	4. No. of recommendations for Tsunami Grants for which the actions are being taken	03
04.	1. No. of Tsunami Grant files submitted for the approval of HE the President	1163
	2. Number of inquiries made from the Land Commissioner General	185
	3. Number of Tsunami files which were sent for the facsimile signature of HE the President	971
	4. Number of alienations on which actions are being taken	07
05.	1. Number of Settlement files received from the Land Title Settlement Department seeking the approval of the Hon. Minister	02
	2. Number of Settlement files directed for the approval of the Hon. Minister	02
	3. Number of Settlement files on which actions are being taken	-

06.	1. Number of files received from the Land Commissioner General pertaining to the vesting of lands to various public institutions, local authorities and Armed Forces	386
	2. Number of alienations inquired from the Land Commissioner General	62
	3. Number of alienations for which the approval of HE the President has been received	194
	4. Number of files on which actions are being taken	130
07.	1. No of land issues received from the Presidential Secretariat and directed to the Land Commissioner General	68
	2. No of land issues received from the Prime Minister's Office and directed to the Land Commissioner General	10
08.	1. No of land issues received from the General Public and directed to the Land Commissioner General	363

Future Outlook

Land Acquisition Division

No.	Activity	Expected no. of applications
1	Acquisitions for various Urban Development Projects	72
2	Acquisitions for reclamation and development of low lands	165
3	Acquisitions for village expansions	63
4	Acquisitions for defence activities	55
5	Acquisitions for irrigation activities	50
6	Acquisitions for educational activities	38
7	Acquisitions for fisheries activities	26
8	Acquisitions for health activities	32
9	Acquisitions for forest, wildlife activities	85
10	Acquisitions for provincial councils and local government activities	26
11	Acquisitions for other purposes	93

Land Policy Division

	Policy / Objective	Strategy	Proposed activity	Output/ Indicator
01	I. Review and amendment of Acts II. Enforcement of new Policies, regulations	Identify the parts/ matters in the Act, Policies and Regulations that should be amended for the easy reference of the users and take actions to rectify them.	Amendment of 3 Acts by coordination of the institutions related to the amendment of Acts and receiving observations of the Legal Draftsman and Attorney General and publish them in the Government Gazette 1. Land Development Ordinance 2. Land title Settlement Act. 3. Condominium Act	Amendment of three Acts and publish them in the Gazettes
02	Maintaining the Land Data base	Provide necessary facilities to develop the land Data base	Identify the projects (local, foreign) which support to develop the Land Data base, enter in to agreements with the departments and institutions concerned, implement the programme, monitor and progress review.	Developing land Data base useful for the Government and non government institutions and the General Public.
03	Awareness programmes	Develop knowledge and skills of the internal staff on the subject of land and other identified fields. Educate the outside parties on the subject of land and the matters incidental thereto.	Conduct 10 awareness programmes for the staff (Short lectures) Conduct 4 awareness programmes on Acts for the heads of the Institutions related to the subject of State Land.	Conducting 04 Programmes for the staff of the Ministry and the Departmental Heads

Bimsaviya Programme

Policy / Objective	Strategy	Proposed activity	Output/ Indicator
Monitor the programme to ensure clear ownership to the land	Training, publicity and awareness.	Conducting awareness programmes on Bimsaviya Programme - Conducting 4 training/ awareness programmes for the officers who perform duties related to Bimsaviya Programme - Conducting an awareness programme for the heads of the Local Authorities - Conducting 2 programmes for the field officers, including Grama Niladharies. - Monthly publication of 'Idam' Newspaper Supplement	Conducting programmes 7 Newspaper Supplement 12
	Coordination and Supervision	Committee meetings related to Bimsaviya Programme - Conducting 12 Coordinating Committee meetings. - Conducting 12 Progress Review Meetings.	Settle 78,120 allotments fulfilling the target of Bimsaviya by conducting 12 Monitoring Committees and 12 Progress Review Committees
	Develop the information system	Facilitate the maintenance of computerized and net worked information system - Prepare the data base - Develop Network among institutions - Develop the networking among the institutions in order to develop an online system to issue Title Certificates	Develop a data base of 70, 568 Land allotments Issue Title Certificates

Land Development Division

Strategies	Activities	Targets
Increase the value and productivity of the lands, banking and grant lands to increase human satisfaction	Issue Grants and Permits under the State Land Ordinance 1. Issue lease agreements 2. Issue Grants under State Land Ordinance 3. Recommend Tsunami Grants and submit for the approval of HE the President 4. Submit the Tsunami Grants for the Facsimile Signature of HE the President	500 700 500 750
Management of state lands and allocation for the development objectives of the country	Submit the recommendations for ‘Vesting’ to the approval of HE the President	125
Improve religious and cultural development	Submit Poojabhoomi Grants for the approval of HE the President	80
Use lands allocated for development activities	Receive the approval of Hon. Minister for Long Term Lease and Grants’ files under State Land Ordinance and direct to the Land Commissioner General	400 files
Give a clear title while ensuring ownership to land	Obtain approval under the implementation of Land Settlement Act.	06 settlements

R.A.A.K. Ranawaka
 Secretary
 Ministry Of Land & Land Development
 Date : 23.06.2020

Chapter 03

Overall Financial performance for the Year ended 31st December 2019

3.1 Statement of Financial Performance

Financial Statement of Financial performance for the period ended from 31st December 2019

ACA-F

Rs.

Budget 2019	Note		Actual	
			2019	2018
-	Revenue Receipts		-	-
-	Income tax	1	-	-
-	Taxes on Domestic goods & Services	2	-	-
-	Taxes on International Trade	3	-	-
-	Non Tax Revenue and others	4	-	-
-	Total Revenue Receipts (A)		-	-
-	Non-Revenue Receipt		-	-
-	Treasury Imprest		874,558,321	896,736,000
-	Deposits		45,989,333	36,373,077
-	Advance Accounts		22,176,465	41,062,885
-	Other receipts		-	-
-	Total Non-Revenue Receipts (B)		942,724,119	974,171,962
-	Total Revenue Receipts and Non Revenue Receipts C= (A)+(B)		942,724,119	974,171,962
	Less: Expenditure			
	Recurrent Expenditure			
858,658,000	Wages, Salaries & and other Employment Benefits	5	806,115,423	783,650,852
218,121,000	Other Goods and Services	6	99,558,951	182,357,528
40,421,000	Subsidies, Grants and Transfers	7	39,286,191	29,869,637
	Interest Payment	8	-	-
	Other Recurrent Expenditure	9	-	-
1,117,200,000	Total Recurrent Expenditure (D)		944,960,565	995,878,017
	Capital Expenditure			
10,900,000	Rehabilitation & Improvement Of Capital Assets	10	3,856,644	4,585,720
3,427,100,000	Aquisition of Capital Assets	11	2,421,875,647	2,003,354,742
28,500,000	Capital Transfers	12	27,999,588	30,883,335
-	Acquisition of Financial Assets	13	-	-
4,500,000	Capacity Building	14	1,883,246	4,976,094
404,155,000	Other Capital Expenditure	15	299,818,072	340,077,316
3,875,155,000	Total Capital Expenditure (E)		2,755,433,198	2,383,877,207
	Main Ledger Expenditure (F)		67,016,152	106,762,911
	Deposit Payments		45,792,236	36,243,705
	Advance Payments		21,223,916	70,519,206
4,992,355,000	Total Expenditure G=(D+E+F)		3,767,409,915	3,486,518,135
	Imprest Balance as at 31st December H = (C-G)		(2,824,685,796)	(2,512,346,173)

3.3 Statement of Financial Position

ACA-P

Statement of Financial Position as at 31st December 2019

	Note	Actual	
		2019 Rs.	2018 Rs.
Non-Financial Assets			
Property, Plant & Equipment	ACA -6	544,216,946.00	544,893,819.00
Financial Assets			
Advance Accounts	ACA -5/5(a)	55,430,046.00	55,104,411.00
Cash & Cash Equivalents	ACA -3	503,035.00	18,000,000.00
Total Assets		600,150,027.00	617,998,230.00
Net Assets/ Equity			
Net Worth to Treasury		53,736,349.00	53,607,810.00
Property, Plant & Equipment Reserve		544,216,946.00	544,893,819.00
Rent & Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA -4	1,693,697.00	1,496,601.00
Imprest Balance	ACA -3	503,035.00	18,000,000.00
Total Liabilities		600,150,027.00	617,998,230.00

Detail Accounting Statements in above ACA format Nos. 1 to 6 presented in pages from 05 to 60 and Notes to accounts presented in pages from 61 to 84 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

R.A.A.K. Ranawaka
Chief Accounting officer
Ministry Of Land & Land
Development

23.06.2020

R.P.D.S.D. Perera
Chief Financial Officer
Ministry Of Land & Land
Development

23.06.2020

3.4 Statement of Cash Flows

ACA-C

Statement of Cash Flows for the Period ended 31st December 2019

	Actual	
	2019 Rs.	2018 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	
Fees, Fines, Penalties and Licenses	-	17,887,094
Profits	-	-
Non Revenue Receipts	-	896,736,000
Revenue collected for other Heads	16,119,721	-
Imprest Receipts	858,438,600	-
Total Cash Generated from Operations (a)	874,558,321	914,623,094
<u>Less-Cash disbursed for :</u>		
Personal Emoluments & Operating Payments	748,851,595	822,803,739
Subsidies and Transfer Payments	37,658,577	27,718,208
Expenditure incurred for other Expenditure Heads	4,785,244	18,000,000
Imprest Settlement to Treasury	-	-
Total Cash disbursed for Operations (b)	791,295,416	868,521,947
NET CASH FLOW FROM OPERATING ACTIVITIES (c)= (a)-(b)	83,262,905	46,101,147
<u>Cash Flow disbursed from investment activities</u>		
Interest		
Dividends	-	
Divestiture Proceeds & Sale of Physical Assets	-	
Recoveries on Lending	-	
Recoveries from Advance	21,170,192	-
Total cash generated from Investing Activities (d)	21,170,192	
<u>Less-Cash disbursed for :</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investments	82,735,242	43,492,482
Payment of advances	21,391,916	-
Total Cash disbursed for Investing Activities (e)	104,127,159	43,492,482
NET CASH FLOW FROM INVESTING ACTIVITIES (f)=(d)-(e)	(82,956,967)	(43,492,482)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	305,938	2,608,665
<u>Cash Flows from Financing Activities</u>		
Local Borrowings		
Foreign Borrowings		
Grants Received		
Deposits Received	45,989,333	32,001,364
Total Cash generated from Financing Activities (h)	45,989,333	32,001,364

Less-Cash disbursed for :		
Repayment of Local Borrowing		
Repayment of Foreign Borrowing		
Repayment of Deposits	45,792,236	34,610,029
Total Cash disbursed for Financing Activities (i)	45,792,236	34,610,029
Less-Cash disbursed for :		
Repayment of Local Borrowing		
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	197,097	(2,608,665)
Net Movement in Cash (k)= (g)-(j)	503,035	(0)
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	503,035	

3.5 Notes to the Financial Statements

3.6 Performance of the Revenue Collection

Not Relevant

3.7 Performance of the Utilization of Allocation

Rs. ,000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	1,088,000	1,117,200	944,960.565	84.58%
Capital	3,007,000	3,875,155	2,755,433.198	71.11%

3.8 In terms of F.R. 208 grant of allocations for expenditure to this Department/District Secretariat/Provincial Council as an agent of the other Ministries/ Departments

Rs , 000

Serial No	Allocation Received from Which Ministry /Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	253-1-2-4-1502	Settle the balances of the Department of Pensions	285.047	285.047	285.047	100%
02	219-2-2-2-1409	Department of Sports Development	9.471	9.471	9.471	100%
03	104-1-2-0-1003	Payment of allowances to the graduate trainees	5,020	5,020	4,491	89.46%

3.9 Performance of the Reporting of Non-Financial Assets

Rs ,000

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2019	Balance as per financial Position Report as at 31.12.2019	Yet to be Accounted	Reporting Progress as a %
9152	Machinery and Equipment	512,717	512,717	-	100%
9153	Land	31,500	31,500	-	100%

3.10 Auditor General's Report

*Attached (Annex 01)

Chapter 04

4.1 Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected		
	100%- 90%	75%-89%	50%- 74%
1. Under the Bimsaviya Programme; No of allotments surveyed and cadastral Maps prepared. No. of allotments recommended and approved No. of permits issued under Land Development Ordinance	√ √ √	-	-
2. No. of applications for acquisition of land	-	-	36.55%

Chapter 05

5.1 Indicate the Identified respective Sustainable Developments Goals

Goal / Objective	Targets	Indicators of the achievement	Progress of the Achievement to date	Goal / Objective	Targets
			0%-49%	50%-74%	75%-100%
1	1.4	Achievement of targets as a percentage	-	-	√
2	2.3	Do	-	-	√
	2.4	Do	-	-	√
5	5.a.	Do	-	-	√
12	12.2	Do	-	-	√
15	15.1	Do	-	-	√
	15.3	Do	-	-	√
	15.4	Do	-	-	√

5.2 Achievements and Challenges of the Sustainable Development Goals

Necessary actions have been taken to review and introduce amendments to the Acts with the objective of achieving sustainable development goals and the long period taken to achieve these goals would be a challenge.

Chapter 06

Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies/(Excess)
Senior	32	24	08 Vacancies
Tertiary	07	04	03 Vacancies
Secondary	474	425	49 Vacancies
Minor	70	54	16 Vacancies

6.2 Briefly state how the shortage or excess in human resources has been affected to the performance of the institute.

Due to the dearth of the human resources, an excessive work load is assigned to a single officer, hence the the completion of duties takes more than the anticipated time. Further, when some special duties in special fields are got through 'attend to duties' basis, such duties also are delayed.

6.3 Human Resource Development

Name of the Program	No. of Staff trained	Duration of the program	Total Investment		Nature of the Program (Abroad / Local)	Output/Knowledge Gained
			Local	Foreign		
Seminar on China's Infrastructure Development & Planning for Sri Lanka	02	From 11.11.2019 to 01.12.2019 21 days	-	US\$880x2= 1760 £75 (allowance for Warm Clothes)	Abroad	Knowledge on Planning & Development concept
Awareness programme on Written Communication	44	On 28.06.2019 One day	-	-	Local	Knowledge on office system
Enhance the ICT Competencies of Public Sector officers Project Microsoft Office Specialist (MOS) Training	03	08 days	By the Ministry of Digital Infra structure	-	Local	Knowledge on Microsoft Office
Annual Board of Survey and losses and damages	02	From 11.11.2019 to 01.12.2019	Rs. 13,000 x 2 = 26,000/=	-	Local	Knowledge on Annual Board of Survey and loses and damages
National Drug Prevention Programme	45	On 15.01.2019 01 day	-	-	Local	Knowledge on the effects repercussions of the use of drugs
Financial Statement Balances (Prag Institute)	03	01 day	Rs. 21'000/=	-	Local	Knowledge on the preparation of Financial Statement Balances
Maintenance of Fixed assets	01	29.01.2019	Rs. 5000/=	-	Local	Maintenance of Fixed assets
Maintenance of office equipment	02	25 & 26.02.2019	Rs. 8500/= Rs. 17,000/	-	Local	Maintenance of office equipment
One day programme for drivers	02	22.03.2019	Rs. 6,500/=	-	Local	Enhance vocational knowledge
Enhance attitudinal and vocational knowledge of the Office Assistances	02	17 & 16.05.2019	Rs. 17,000	-	Local	Enhance vocational knowledge

Diploma on Digital Photography	01	One year	Rs. 55'000/=	-	Local	knowledge on Digital Photography
Maintaining official bank account	02	30.05.2019	Rs. 10,000/=	-	Local	Enhance knowledge on maintaining official bank account
Establishments Codes and Financial Regulation	02	20 & 21.06.2019	Rs.17,000/=	-	Local	Regularize the activities of the office
Transport Management	02	20 & 21.06.2019	Rs.17,000/=	-	Local	Management of transport activities
Event Management	01	25 & 27.01.2019	Rs. 8,500/=	-	Local	Organizing special occasions
Workshop on Disciplinary procedure	01	06 & 07.08.2019	Rs. 15,000/=	-	Local	Develop the performance of the institution
Preparation of the Corporate Plan	01	15 & 16.08.2019	Rs. 8500/	-	Local	Preparation of the Plan
Preparation of Cabinet Memorandum	02	22.08.2019	Rs.10,000/	-	Local	Prepare Cabinet Memoranda
Workshop on Efficiency Bar of the Development Officers'	03	22&23.08.2019	Rs.21,600/	-	Local	Knowledge on Efficiency Bar
One day workshop on for minor staff on hospitality and social etiquette	02	01.10.2019	Rs.8,000/	-	Local	Performance of duties in an orderly manner
Training on the maintenance of fixed assets related to properties and equipment	02	11.10.2019	Rs.10,000/	-	Local	maintenance of fixed assets
Disciplinary Procedure	01	25& 26.11.2019	Rs.8,500/	-	Local	Improve discipline of the institution
Annual Board of Survey and disposal of assets	02	28& 29.11.2019	Rs.17,000/	-	Local	Assess the assets of the institution and regularize the disposal activities
Workshop on the management of office equipment	01	Rs. 09 & 10.12.2019	Rs. 8,500/	-	Local	Welfare of the institution

Briefly state how the training program contributed to the performance of the institution

Providing training programmes for the staffs of the institution paves the way to rendering an efficient and effective service

Chapter 07

Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
12	The following Financial statements/accounts have been submitted on due date			
1.1	Annual Financial Statement	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	-	Not Applicable	
1.4	Stores Advance Account	-	Not Applicable	
1.5	Special Advance Account	Complied		
1.6	Others	-		
2	Maintenance of Books and Registers (FR445)			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update.	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA – N 20) has been maintained and update	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
3	Delegation of Functions for Financial Control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	Preparation of Annual Procurement Plan	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	Audit Query			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	Complied		

No.	Applicable Requirement	Compliance Status (Complied /Not - complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
6.2	All the internal audit reports have been replied within one month	Not Complied	Take more than one month period for answer.	Action has been taken to make the relevant parties aware at the Audit Management Committees.
6.3	Copies of all the internal audit reports has been submitted to the management audit department in terms of the Sub-section 40(4) of the National Audit Act No.19 of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulations 134(3)	Complied		
7	Audit & Management Committee			
7.1	Minimum 4 meetings of the Audit and Management Committee has been held during the year as per the DMA circular 1- 2019	Complied		
8	Asset Management			
8.1	Information about purchases of assets and disposals was submitted to the Comptroller General 's Office in terms of paragraph 7, of the Assets Management Circular No. 01/2017	Complied		
8.2	A suitable Liaison Officer was appointed to coordinate the implementation of the provisions 13 of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports were submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non-compliance in future.
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Not Complied	More than 06 months will take upon the practical situations available	Taking actions to resolve such practical problems
9.3	The vehicle log books had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Not Complied	Due to the prevailing practical problems Eg. Problems regarding the provision for fuel	Taking actions to mitigate such issues in the future
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled		Has been submitted to the Dept. of Public Finance to write off under F.R. 109	Writing off

No.	Applicable Requirement	Compliance Status (Complied/Not - complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non- compliance in future.
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Not Complied	Staff vacancies are available	Requests have been made to the Ministry of Public Administration, Home Affairs and Provincial Councils to fill the vacancies
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		

No.	Applicable Requirement	Compliance Status (Complied/Not-complied)	Brief explanation for non compliance	Corrective actions proposed to avoid non- compliance in future.
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied		
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied		
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paragraphs			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

Secretary,

Ministry of Land and Land Development.

Summary Report of the Auditor General on the Financial Statements of the Ministry of Lands and Land Development for the year ended 31st December 2019 in terms of Section 11(1) of the National Audit Act, No. 19 of 2018

1. Financial Statement

1.1. Qualified Opinion

The audit of the financial statements of the Ministry of Lands and Land Development for the year ended 31 December 2019 comprising the statement of financial position as at 31 December 2019 and the statement of financial performance and cash flow statement for the year then ended, 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 provisions of the National Audit Act No. 19 of 2018 . My comments and observations which I consider on the Financial Statements of the Ministry of Lands and Land Development in terms of Section 11(I) of the National Audit Act, No. 19 of 2018 appear in this report. The audit report forwarded in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of Section 10 of the National Audit Act No. 19 of 2018 will be tabled in parliament in due course.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the accompanying financial statements prepared in terms of the Public Accounts Circular No.271/2019 dated 03 December 2019 give a true and fair view of the financial position of the Ministry of Lands and Land Development as at 31 December 2019 and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of the Chief Accounting Officer and the Accounting Officer for the Financial Statements

Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Ministry is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Department exists and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the summary report of the Auditor General that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal Requirements

I express the following matters in accordance with Section 6 (d) of the National Audit Act, No. 19 of 2018.

The financial statements presented for the year under review were consistent with the preceding year.

1.6 Comments on Financial Statements

1.6.1 Accounting deficiencies

The following observations are made in this connection.

When preparing Financial Statements as per paragraph 3.1 of the Public Finance Circular No. 271/2019 dated 03rd December 2019 issued with regard to the preparation of Financial Statements which states ‘that figures indicated therein should be tallied with the revenue, expenditure and main ledger balances as appeared in the Final Treasury Accounts Statement of the year 2019’, the following untallied instances were traced.

(a) In the Financial Performance Reports a sum of Rs. 44,880,064 was mentioned under Acquisition of Capital assets, but in the Treasury Printouts it was mentioned as Rs. 285,340, under the procurements of the year. Accordingly, a deference of Rs. 44,594,724 was observed.

(b) The opening balance of the Statement of non financial assets (ACA – 6) was Rs. 551,851,474/= but as per the Treasury Printouts the opening balance was mentioned as Rs. 544,387,120/= accordingly a deference of Rs. 7,464,354/= was observed, but the details on the adjustments made to the opening balance was not presented to audit.

1.6.2. Balances of Advance Accounts

Limits Authorized by Parliament relating to the Ministry of Land and Land Development under the item No.12201 in respect of Advances to Public Officers Account and actual values are shown below.

<u>Expenditure</u>		<u>Receipts</u>		<u>Debit Balance</u>	
<u>Maximum limit</u>	<u>Actual</u>	Minimum Limit	<u>Actual</u>	<u>Maximum Limit</u>	<u>Actual</u>
Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
30	16.6	11	16.3	95	55

The following observations are made in this connection.

(a) An unidentified deference of Rs. 16,057 was observed in the debit balance between the values in the Departmental books and Treasury books.

(b) A total loan balance of Rs. 129,045 of the Distress Loan of 02 officers attached to two Divisional Secretariats was available as unrecovered.

(c) The festival advance totaled Rs. 70,000/- paid to 07 officers in December 2019 was omitted.

1.6.3 Losses and Damages

(a) Two accidents occurred in previous years, of which the cost was Rs. 41,128 was recorded in the ‘Losses and Damages Register’ and was written off in 2019, but it was not entered in the ‘Statement on Writing off from the Books’ (Note ii).

- (b) An amount of Rs. 407,150 decided to be recovered in respect of 04 accidents of vehicles was recorded in the ‘Losses and Damages Register’, but it was not entered in the ‘Statement on Writing off from the Books’ (Note ii) in the Financial Statement.
- (c) ‘Losses and Damages Register’ was not duly updated and maintained.
- (d) Four (04) accidents, valid Rs. 1,027,349 included in the ‘Statement on writing off from the Books’ was not entered in the ‘Losses and Damages Register’.

2. Financial Review

2.1 Management of Expenditure

- (a) As per ACA -2(ii), the deference between the total net provision and actual expenditure and the reasons for the same was indicated and of the net allocation of 398,998,000 of 14 Subjects, a sum of Rs. 115,453,445 was saved. The percentage of the savings was at a range of 35 to 92. It was mentioned that the reason for that was the non occurrence of expenditure opportunities.
- (b) An amount of Rs. 108,904,000 for 06 subjects for “Plant & Equipment, Buildings & Constructions and Transport” in the year 2019 was approved under Supplementary Estimate, but it was totally saved as it was not utilized in any activity.

2.2 Liabilities and Incurring of Commitments

- (a) Even though no expenditure or commitment shall be incurred exceeding the allocated provisions as per F.R. 94(1), the Ministry has incurred commitments in total of Rs. 7,730,048 for 06 subjects exceeding provisions.
- (b) In terms of the Section 3.4 of State Accounts Circular No: 271/2019 dated 03 December 2019, commitments and liabilities which had not reported to the General Treasury should not be settled in year 2020 as a previous year expenditure, but Rs. 2,515,122 of liabilities which had not been presented in financial statements, had been settled in year 2020.

3. Operating Review and Performance

Audit Observations relevant to operating review, sustainable development, good governance and human resource management on Income, Expenditure, Assets, Liabilities mentioned in Financial Statements presented will be included to the report presented as per Section 10 of the National Audit Act No. 19 of 2018 mentioned in above paragraph 1.1.

Signed illegibly.

R.M. Rathnayaka

Assistant Auditor General

for Auditor General